Proceedings

Western Marketing Educators' Association

1981 Conference

Edited by
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Stephen Achtenhagen
William G. Browne
Proceedings
Western Marketing Educators' Association

1981 Conference

Oakland Airport Hilton Inn
Oakland, California
April 23-25, 1981

Edited by
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April, 1981
PREFACE

The Western Marketing Educators' Association is dedicated to further marketing education in the Western United States, Western Canada, and Mexico. The primary formal mechanism for professional interaction and the exchange of scholarly thought and research findings is the annual conference. This Proceedings provides abstracts of papers presented at the fifth annual conference of the Association, held at the Oakland Airport Hilton Inn in Oakland, California, April 23-25, 1981.

The publication of Proceedings represents a new venture by the Western Marketing Educators' Association. By leaving the Proceedings available at the conference, the contents will have a wider distribution than is usually the case. Also, the abstracts can serve as a planning guide to those attending the conference. Those people desiring copies of complete papers presented should contact the author(s) directly.

The abstracts are arranged by subject area, rather than by the chronological order in which they were presented. An author index appears at the end of this Proceedings.

March 1981

Gerald Albaum
Stephen Achtenhagen
William G. Browne
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FAILURES IN MARKETING EDUCATION IN THE 1970'S: IMPLICATIONS FOR THE 1980'S

Ed L. Grubb, Portland State University

The 1970's were a period of growth in enrollment, increased research activity, rapid changes in the environment of marketing, and a period of continued refinement in programs developed after such reports as Gordon and Howell. It is wise and necessary to reflect upon the programs and results of the 1970's to determine what weaknesses and problems exist and what should be done to strengthen the marketing programs of the 1980's. The following are suggested as areas of concern:

1. In spite of a stated emphasis on the environment, academic marketing as a discipline still reacts, rather than leads. Concern over such things as inflation and productivity only surfaced after they were widely recognized in the mass media.

2. Marketing academicians, as they have sought legitimacy through science and research, have probably not given enough attention to major social, economic, technical, and political issues.

3. Too many graduating students of marketing programs are nearly illiterate in the tools and language of accounting, finance, and financial analysis.

4. The concepts of the discipline of marketing are too often absent at the top corporate level. Marketing educators have failed in gaining the necessary recognition and acceptance for the philosophy and use of modern marketing.

5. Too many marketing academicians treat transportation as a given and therefore, downplay its role in the marketing mix. De-regulation, high energy costs, and the high costs of capital investment will make this approach as obsolete as a black and white console TV.

6. Marketing academicians are slow in the adoption and use of modern technology, including microprocessing and videocommunications. Too many graduates are not prepared to use these technologies. Equally serious is the continued ignorance of technology as a means to increase the effectiveness and efficiency of our teaching. Productivity is a nation-wide problem, yet those in the teaching of marketing have done too little to improve it.

7. Marketers, particularly at the level of Ph.D. programs, went too far in their romance of the behavioral sciences. Too many issues and other approaches went unnoticed while scholars of marketing fine-tuned their behavioral models.
Other issues could be added, but this list should be enough to challenge curriculum developers, researchers, and the theoreticians of marketing. The following might be considered as general approaches for improvements.

1. Marketing educators must become less descriptive and more analytical in terms of the impact of the environment. Better means of predicting and therefore, means of leading change must be found.

2. Better forums for the discussion of issues is essential and the implications of these issues must be a more integral part of the educational process.

3. Marketing professors and their graduates must become stronger in the use of financial analysis.

4. Greater attention must be given to gaining the acceptance of marketing and what it has to offer by our fellow academicians and by corporate executives.

5. Programs of education must give more attention to transportation and physical distribution as a part of the marketing mix.

6. Marketing professors must make greater use of modern technology in our teaching, and the students must be better able to use it as they become productive managers.

7. Programs of marketing must become more balanced between behavioral, quantitative, managerial, and functional approaches. The end result must be concepts and students which can solve problems and lead to greater productivity, as well as improved customer satisfaction.
TEACHING GRADUATING SENIORS HOW TO MARKET THEMSELVES

Bruce J. Walker, Arizona State University

As the conference theme implies, marketing involves special challenges - and may require distinctive approaches - in an era of economic and political instability. This statement applies to the marketing of not only traditional offerings such as goods and services but also nontraditional offerings such as jobseekers. An uncertain or depressed economic environment may reduce the number of available entry-level jobs in relation to the number of new college graduates seeking those positions.

To teach graduating seniors how to better market themselves, a series of six 90-minute job hunting seminars has been offered on a no-fee, noncredit basis at Arizona State University (ASU) for the past six years. Several key aspects of the seminar series are summarized below:

Objectives. The seminar series was designed to serve a primary target market of seniors in the College of Business Administration (CBA). Given the primary target market, the following objectives were established for the seminar series: To introduce students who are not already familiar with the campus placement service to this valuable source of information, interview opportunities, and other job-hunting support; to increase students' appreciation of how important and time-consuming the job search is; and to provide students with useful job-hunting skills.

Format. After considering alternative ways to cover job-hunting information and skills, the format decided upon was a six-seminar series presented over six weeks. This alternative was chosen for two main reasons. First, a noncredit, no-fee arrangement would be most conducive to purely voluntary attendance. In other words, it was decided to "sell" the program on its own merits - namely, the potential short-term benefits to participants - rather than as a way to earn one or more credits. Second, from a practical standpoint, a semi-formal program would be easier to implement than a formal course would be.

Topics and Speakers. The sequence of topic coverage coincides with the order in which the job seeker will encounter the various tasks. The topics covered, by seminar, are summarized below:

Seminar #1: A Job Hunting Sequence; How to Use Career Services; Job Market Outlook.

Seminar #2: Preparation of Résumé and Cover Letter.

Seminar #3: Reflections on Job Hunting Experiences.

Seminar #4: Interviewing Guidelines and Procedures.

Seminar #5: Simulated Interviews; The Invited Trip to the Organization's Facilities.
Seminar #6: Criteria for Evaluating Job Offers; The Importance of Personal Finances and Motivation.

To maximize interest levels at each seminar as well as credibility of the messages being communicated, speakers include placement service staff members, corporate recruiters, recent CBA graduates, and faculty members.

Evaluation. Average attendance at each seminar typically has been in the range of 180-200 students. According to statistics from 1980, 75% of the attendees were undergraduates in the CBA, another 20% were graduate students in the CBA, and the remaining students came from other colleges on campus. Thus, it appears that the seminar series is attracting its primary target market.

At the end of the seminar series, students complete an evaluation form in which they rate individual topics and speakers as well as the entire seminar series. Every topic and speaker in 1980 was rated as Outstanding or Good by at least 75% of the responding students. On the overall evaluation, the 1980 series was rated as either Outstanding or Good by all responding students; no Fair, Weak, or Poor ratings were included in the overall evaluations.

Future Directions. A change that might permit the seminar series to serve a larger market would be offering the series twice a year. To facilitate attendance by commuting and/or working students who are unable to attend late-afternoon programs, the plausibility of running each session twice a day or videotaping each session and making the tapes available for viewing at the students' convenience is being evaluated. To provide students with "hands on" experience in resumé preparation and interviewing, consideration is being given to adding two more seminars to the series.

Conclusion. Marketing educators sometimes play an important role in the input part of the educational system when they assist in student and faculty recruiting or recommend admission standards. We certainly assume central roles in the process part of the system when we engage in curriculum design as well as instruction. Although some marketing educators assist in soliciting companies to visit campus for recruiting purposes, marketing educators generally are not frequently involved in the output part of the educational system. A job hunting seminar series, as described in this paper, is one practical way in which marketing educators can seize a real opportunity (or accept the obligation) to assist students in the output part of the educational system.
THE NEW ART AND SCIENCE OF MARKETING

Jack Atkinson, College of Alameda

TEACHING THE NEW ART AND SCIENCE OF MARKETING proposes a more pragmatic design for teaching college introductory marketing courses. It suggests three areas: 1) More intensive drill in writing and reading skills, 2) Not only a theory, but a SKILLS-oriented textbook, 3) Utilizing video recording and actual marketing campaigns to test the marketing theory being taught.

The author considers the memo writing, which he introduced as a pedagogical device, an integral part of effectively teaching the skills and theory in the NEW ART AND SCIENCE OF MARKETING. The student's innate (although slumbering) symbolic skills can be awakened through the weekly assigned memos in addition to setting the learning. The student learns that reading and writing are BASIC MARKETING SKILLS rather than tools that he/she need not emphasize.

After being unable to find any marketing textbook which adequately challenged the student to acquire the pragmatic skills to apply the theory being presented, the author wrote his own handouts. To adequately teach the new art and science of marketing and produce dollar results requires specific training in the skills and theory now preached but seldom practiced.

Videotaping of guest experts as well as the students themselves offers an opportunity for careful analysis of the "art" of delivering and projecting ideas as well as its formal, theoretical transmission. For example, the typical consumer, suffering from media overload, requires a much more sensitive and sophisticated selling technique than the traditional "hard sell" style which is rapidly disappearing.

The author has found that this pragmatic, skills-oriented approach is more effective in challenging students and producing concrete results. Students report a growth in confidence, awareness, and applying the ideas and skills being taught. Administrators welcome the increased activity and revenue generated by marketing campaigns designed to promote blood drives, sell tickets to dance concerts, or other suitable, non-profit purposes.
MANAGING AN ACADEMIC DEPARTMENT--
AN APPROACH TO COPE WITH TODAY AND PREPARE FOR TOMORROW

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There once was a song which talked of begging, borrowing, and stealing. In running the Department of Business at Broome Community College, we have done all of those--pleading for full-time lines to insure that we have a staff ready to deliver quality education in the 1980s and the 1990s; borrowing and adjusting ideas of others to fit our own particular purposes.

This article will address an approach to improve student advisement as well as to incorporate mentoring for development of our junior and adjunct faculty.

What Education Can Learn From Peter Drucker

Drucker (1973, 1980) has stressed that the role of the manager is to be responsible for the contribution of the people in the respective department or work group. A manager, therefore, must bring about synergy—that is to effectuate a whole which is greater than the sum of its parts. This means that the chairperson must magnify the strengths of the people and at the same time to minimize their weaknesses. Moreover, another task of the manager is to integrate the short-run with the long-range. This means the chairperson must set objectives (along with assisting others in the department in setting their's), motivate and communicate with faculty, measure results, as well as develop people. In Drucker's approach, a chairperson must ask what it is that can be done to assist faculty so that they can effectively perform their jobs. In addition, this means asking the question what is it that the chairperson does which hampers or hinders the performance of people in that particular department.

Since faculty are the most expensive resource in education and the one resource that needs constant replenishment and development, schools must invest in faculty today if they expect quality education tomorrow. Thus, too, heavy reliance on adjunct faculty in the short-run will come to haunt colleges, for quality education will be difficult to deliver with senior faculty retiring and no younger faculty ready for the mid 1980s and beyond.

Centralized Business Advisement—One Step in the Right Direction

A coordinator of student advisement was appointed to bring about an improved system of advisement of business students. In a study conducted by the Department of Business, we established that advisement of students took place once the chairperson had completed the other facets of the job. While chairpeople at the college bear the brunt of the burden of advisement, students possessed the feeling that chairpeople were often "too busy" to spend the necessary time for effective advisement. At a conference of the American College Testing Program on Advisement (1978), the need to make it more "intrusive" was stressed.
Centralized advisement whereby one person in the Department of Business coordinates advisement is still not a panacea; more release time is needed to undertake the advisement rather than to complete only the tip of the iceberg of the multifaceted task of providing guidance for students in the business curricula. Presently, we rely on key people to assist the coordinator in carrying out advisement. Yet, it is not as "intrusive" as it needs to be, and we are not conducting the kind of "exit interviews" needed to stem student attrition.

Mentoring For Junior And Adjunct Faculty

Each Fall the Department of Business has held a late afternoon meeting of our full and part-time faculty with a social hour to provide interaction between people in the community who are teaching the courses in our Continuing Education Program with the full-time faculty who teach these courses in our day program. These meetings have resulted in better communication among people who work in the field with our full-time faculty. However, such an endeavor does not insure effective classroom instruction. The formal part of these sessions usually address topics such as the academic policies of the institution with a mini session on appropriate teaching methodology.

In the Spring of 1980 the college sponsored a seminar by William Terrell on lecture improvment which consisted of an approach to lecture evaluation. The department developed materials for peers and students to provide feedback on the lectures which were delivered by our adjunct and junior faculty. Key full-time faculty have been visiting the junior and adjunct faculty and have been providing excellent assistance to our younger, less experienced teachers.

This has removed some of the supervisory burden of the chairperson, but more importantly it has lead to improved education in the classroom regarding lecture approaches, lesson plan development, and examination techniques. This mentoring relationship has improved our information base for future adjunct faculty decisions and has been a rewarding experience for the senior as well as the junior faculty.

References

American College Testing Program, Academic Advising-A resource document edited by David S. Crockett, Iowa City, Iowa.


Dr. William Terrell is in the Instructional Division of Virginia Tech. He identified such lecture guidelines as: Introduction to the lecture, clarity, interest level generated, pace of delivery, organization, audibility, visuals, mannerisms, and summary and closure.
AN ASSESSMENT OF A MARKETING EDUCATION PROGRAM
FOR NURSING HOME ADMINISTRATORS

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Although marketing is not universally accepted among health care administrators, it has become a widely debated subject. Most of the debate has focused on marketing's applicability to hospitals, health maintenance organizations, and group practices. Until very recently, little attention has been paid to marketing's relevance to nursing homes and other facilities in the long-term health care industry.

Marketing is an important managerial process in the nursing home industry for at least two reasons. First, the industry as a whole can use marketing concepts and techniques in educating the general public about the needs of nursing home residents and in improving the general image of the industry, especially in regard to nursing homes operated on a "for-profit" basis. Second, individual administrators can use marketing ideas and tools to reach optimum occupancy levels, create better community images, and achieve other important objectives.

Given the present interest in marketing among nursing home administrators and the need for research on the education programs being developed for these administrators, this paper is written to achieve three objectives: (1) to briefly describe a basic marketing education program designed specifically for nursing home administrators, (2) to summarize the results of a survey conducted among the administrators who attended this presentation, and (3) to explore the implications of such research for marketing education in the long-term care industry.

A three-hour presentation titled "Nursing Home Administration from a Marketing Perspective" was developed for the 1980 State Convention of the Iowa Health Care Association (IHCA). Illustrated with 255 color slides, this program was designed to achieve three goals: (1) to explain why marketing is an important activity in nursing home administration, (2) to describe the basic process of marketing management in terms of its applicability to nursing home administration, and (3) to illustrate how nursing home administrators can use specific marketing tools to achieve important objectives.

Immediately before the conclusion of the presentation, 9-page questionnaires were distributed to the 225-250 people attending the program. Of the 185 people completing usable questionnaires, 43 were students, retired individuals, employees of government agencies, owners or employees of nursing homes who were not administrators. The remaining 142 respondents were working as administrators of licensed nursing homes. The data
collected through the questionnaires completed by the 142 administrators were tabulated to provide a profile of these respondents, their reactions to the presentation, their perceptions of marketing and its use in their facilities, and their expressed needs for assistance and education in marketing.

Given the diversity of administrators who attended the IHCA-sponsored presentation and the different types of facilities they manage, it was somewhat surprising to find that this audience responded to the program with relatively little variance in opinion. When asked to rate the content and organization of the presentation, the administrators evaluated the program as being well organized, informative, relevant, and easy to understand.

In addition to giving the presentation relatively high ratings, the administrators suggested that their interest in marketing and their understanding of this subject were greater and less varied after the program. For example, when they were asked to evaluate their interest in marketing before and after the presentation using 0 to 10 scales, there was an increase in the average response of the administrators and less variation in their opinions after the presentation. They rated their interest in marketing before the program as being quite high ($\bar{x} = 7.141$, s.d. = 2.457), but after the program their interest was even greater and less varied ($\bar{x} = 8.500$, s.d. = 1.867).

When asked to assess the importance and use of marketing in their own facilities, a high proportion of the administrators indicated that they believe marketing is a very important managerial process, and nearly all of the administrators said that they used marketing concepts and techniques to at least some extent before they attended the IHCA-sponsored program. However, after attending this presentation, a high percentage said that they would use marketing concepts and techniques more often than they did before, and an equally high number said that they gained specific ideas about how they can use such ideas and tools as a result of the IHCA-sponsored program.

It is important that the research conducted to evaluate the IHCA-sponsored presentation indicated that nursing home administrators would like further marketing education and assistance in developing strategies and tactics for their own facilities. Even though administrators may be increasingly enthusiastic about marketing and many are already using marketing concepts and techniques in managing their nursing homes, there is still a need for continuing education programs that offer specific suggestions about how such ideas and tools can be used in managing a particular facility. In addition to educating administrators, there is a need for offering at least some training in marketing for other nursing home personnel. Consequently, the type of presentation described and assessed in this paper should be considered as only a beginning in marketing education for the nursing home industry.
MULTINATIONAL MARKETING EDUCATION --
WHERE DOES IT STAND NOW? --
AN EXAMINATION OF BUSINESS SCHOOL CURRICULUM,
textbook AND JOURNAL CONTENT

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Marketing today operates within a dynamic global environment which influences domestic as well as international marketing management decisions. In real world business practices, a majority of companies have already realized the fact that they do business in a "one-world-market" economy. Consumers, too, have been feeling a significant impact of the global marketing on their daily lives.

In response to this trend, the American Assembly of Collegiate Schools of Business (AACSB), formally changed its accreditation standard in 1974 to stress the importance of an international understanding through the business curricula. The main objective of this paper is to indicate to what extent the U.S. academic community has responded to this need. The specific areas of investigation in terms of the current status of international marketing subjects are:

1. coverage of the subject in major marketing journals;
2. number of courses, number of business schools and number of students involved in international marketing;
3. coverage and content of international marketing subjects in marketing textbooks.

In addition, the authors discuss some suggestions as to how international marketing education can be improved. The intended result being better prepared business school graduates ready to enter the dynamic world of global marketing.

Academic journals are thought of as the barometer of contemporary thinking among academicians. Therefore, it seems reasonable to expect that the major journals within a discipline would reflect the growing influence of international marketing.

The authors conducted a content analysis of every issue of the Journal of Marketing, Journal of Marketing Research, and Journal of Consumer Research from 1970 through 1980 (with the exception of the JCR which began publication in 1974). Any major entry that had a crosscultural or international aspect was included in the 'international' category. JCR's, JMR's and JM's international content as a percentage of their total article content were 1.02, 1.21 and 6.50 respectively. Thus, JM represented the greatest leaning toward a global environment orientation. Further, for every year included in the analysis JM was represented by at least one international article. However, for a topic
of such importance, the paucity of published research suggests a current and future gap in our understanding of the global environment.

It was the authors' assumption that the most visible response to the AACSB mandate would have appeared in the number of schools offering international or comparative courses and in the number of these courses that were offered.

Information was gathered AIB's International Business Curriculum Surveys. A comparison was made of the number of schools offering international courses in 1974 and again in 1980. The information revealed an increase of 4% during this six year period. Still, only 43% of those schools responding to the survey offered courses in the international marketing area.

Within these schools, however, there was a tremendous increase in the number of international courses offered. At the undergraduate level there was a 2020% increase from 1974 to 1980 and a 114% increase at the graduate level.

Since textbooks serve as one of the students' main sources of information, the authors looked at marketing and marketing management texts' international content. Most of the textbooks reviewed included one chapter on international marketing, however, the relative percentage of space devoted to the topic is extremely low. In the basic marketing text category only 2.45% was of an international orientation, an even smaller 1.45% of marketing management texts was allocated to this topic.

To add the dimension of the international to already complex business issues is not an easy task, especially when it involves integrating sophisticated and often sensitive international issues into research as well as teaching materials. However, the global environment in which we live and operate requires a new approach. In order to effectively meet the challenge of the internationalization of the business curriculum and in order to train future global-minded managers, a totally integrated systematic organization and presentation of the basic teaching material is suggested as an initial solution. Successful integration does not mean an insertion of a chapter or a sporadic use of examples regarding international aspects of the particular discipline. It means each and every chapter of the textbook incorporates key aspects of multinational functions into the general concepts. Successful integration also means including international implications into basic marketing theory and research.
TRAINING THE TRAINER IN INTERCULTURAL MARKETING STRATEGIES

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John W. Baird
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Based on the rationale that there is a shift toward worldwide markets, this paper focuses on the need to develop cross/cultural sensitivity training skills within corporate trainers as a cost-efficient, organization-specific program.

Although there are numerous programs available, for various given reasons, there is a shortage of research and training in cross-cultural sensitivity in multinational corporations.

This approach to training the trainer employs a number of models:

Intellectual model: deals with helping participants understand principles of behavior that exist across cultures and components of culture that affect behavior, including language, attitudes and values, religion, social organization, education, technology, politics and law.

Self-awareness model: follows the assumption that one must understand and accept one's self in order to understand and accept persons from other cultures. It allows the individual to examine his or her own culture and those characteristics commonly associated with members of that culture.

Cultural-awareness model: provides cognitive information about the components of other cultures which affect the behavior of their members. This may be culture-general or culture-specific training.

Simulation model: Follows the belief that individuals must experience and practice cultural sensitivity skills in a culturally-specific, simulated environment. This simulation focuses on a complete international marketing strategy.

The trainer develops specific skills through this program, including (1) presentation skills, (2) process skills, (3) role-playing skills, (4) sensitivity training skills and (5) practical skills and exercises. Additionally, trainers develop cross-cultural communication skills which they, in turn, pass along to participants in their own organizations' international and intraorganizational training programs.
INTEGRATING THEORY AND PRACTICE

IN

RETAIL EDUCATION

Michael K. Mills, University of Southern California

The effective integration of theory and practice is a goal for much of business education. This is particularly true as regards the area of retailing. Several recent studies and articles have been directed toward determining just how far apart classroom retailing and "on the job" retailing may be (e.g., Coe 1978; Marcus 1978), with the evidence indicating that the distance involved is greater than should be the case. It appears that retailers generally are desirous of a more practical approach to retail education while academicians often stress more theoretical notions. The effective integration of retail theory and practice is also deemed important and serious enough to be the subject of the American Marketing Association's First Annual Faculty Consortium, at which retail educators will, in workshop fashion, discuss ways to more effectively integrate the theoretical and practical sides of this thorny educational issue.

It is in the spirit of this dialogue that I wish to discuss a case example of how retail education may be effectively integrated with inputs of both theory and practical experience.

At U.S.C., the retailing program is heavily based on research. Seven of ten full-time faculty members are actively involved in retail or distribution research. Further, students are also involved in research activities, often with industry support. The food retailing class, for example, annually conducts a large survey relating to some facet of the supermarket industry - this year's study will deal with the "Single Shopper". Students in the general retailing emphasis have just completed a pricing study, and graduate students have been engaged, with faculty members, in retail case development (for example, with Carter Hawley Hale Stores).

Active involvement of the retail community is also sought at U.S.C.; Typically, guest speakers are drawn from a broad spectrum of retail stores and functional areas. A special effort is made to bring back previous U.S.C. students to class to speak on their current positions, and to discuss the mix of theory and practical knowledge that goes into their jobs. Retail personnel are also actively pursued for their input to classroom topics. Retail placement activities, day on the job programs, and career counselling are all additional ways in which active retailer participation in campus activities is encouraged. An internship program is in the planning stages.
An effort is made to feature innovative and experimental classroom activities throughout the retail program. For example, one activity which is especially effective features role playing and simulations to focus on important facets of the retail buyer's role. Other effective exercises involve role playing of the retail sales positions, buyer-vendor relationships, and "personnel" matters. Some of these are videotaped and are very effective learning tools. Case studies are also used to supplement classroom activities. A locational case we are developing, for example, has been used with a subsequent visit by retail management of the featured firm to discuss the resolution/ issues as they actually went through them.

The above applications are illustrative of some possible ways in which the existing gap in retail education may eventually be resolved. The intent of this paper has largely been to stimulate thought and debate about the nature of retail education as it is perceived and carried out in four-year programs. Hopefully, the end result may be more effective, stimulating, and effective retail course offering.

REFERENCES

APPLICATION OF TEAM TEACHING WITHIN SCHOOLS OF BUSINESS

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With their numerous disciplines—all interrelated, some overlapping—schools of business would appear to be ideal environments for application of the team teaching concept. Yet a review of business and education journals indicated that such courses were very much underrepresented in business schools' curricula.

Team teaching occurs when two or more teachers work together regularly to enhance instruction. Patterns of cooperation can include planning and designing materials or instructional processes, sharing groups of students and/or sharing instruction, or any combination of those activities. Within schools of business, team teaching can be applied both intradepartmentally—e.g., two marketing instructors offering a section of the principles course—and interdepartmentally—e.g., presenting the MBA capstone course as a cooperative effort of the Finance, Marketing, Management, and Quantitative Systems departments.

Historically, team teaching is an education idea developed within secondary schools in the late 1950's. The extent of its success appears uncertain; however, the conditions most likely to lead to such success were not nearly as difficult to ascertain. A review of relevant literature revealed the majority of these conditions had to do with planning, i.e., attempting a team-taught course involved newness in respect to not only the instructional format, but also interpersonal relationships with colleagues, and most likely subject matter. Each of these required significant effort and preparation. At the university level, however, an additional factor must be included.

An underlying assumption of the team teaching concept is that having two teachers present material to twice as many students is more effective than the traditional classroom format. However, doubling what is essentially the teacher/student ratio does not assure a two-fold increase in classroom learning: First, undoubtedly some "overlap" exists in what the instructors have to offer; second, and more significantly, there is no reason why two teachers will necessarily be able to present the quantity and quality of material from two disciplines better than one teacher alone.

The problem is essentially one of background: If students are to understand marketing—or finance or accounting—they must first comprehend the elements of the discipline's thought; and it is unreasonable to expect students to engage in significant marketing thought before such basic understanding is acquired. Yet, because most team-taught courses, especially interdisciplinary ones, are not introductory in nature, this is precisely what they do expect. Since the nature of the team teaching format makes it difficult for instructors to provide this background in the course, the typical result is one of two possibilities. In one case, the instructors essentially
lecture concerning legitimate interdisciplinary topics and problems; however, the students are unable to respond except on a superficial level because of their lack of background. In the other, the course is presented on a level equal to the students' background; again superficiality results, and the true potential of an interdisciplinary course is lost.

A three-factor modification in the team-teaching format can overcome this superficiality aspect: preparation, prerequisites, participation.

Preparation refers not only to putting together a new course, but also to learning about the other instructor(s). While it is not necessary the instructors have identical teaching styles, it is probably necessary that they possess similar teaching philosophies; and while it is not required that they like each other, it is necessary that they be able to compromise.

Prerequisites refers to the background students must have to handle the rigor of most team-taught subject areas. For each area combined to form the course, students must have a foundation at least equal to that provided by an introductory or principles course in that area.

Participation refers not so much with students' interaction with the class--although that would be a normal expectation of a team teaching environment--but with their ability by the end of the course to integrate the material from the various subject areas. If students are to significantly benefit from team-taught topics, they must be able to do more than simply become knowledgeable in the involved subject areas. They must be able to integrate the separate knowledges into the more sophisticated subject area which is the topic of the course; and they must be forced to do so by the structure of the class.

The previous suggestions were based on experience gained over a six-year period from a particular team-taught course at California State University, Long Beach. The course, "The Consumer: A Socio-Legal Approach," is a joint offering of the Marketing and Finance Departments, with an intent of teaching students to deal with and make decisions about current consumerism and consumer law issues. From a slow start, the course has evolved to a sophisticated, rigorous, and apparently successful course that truly reflects the suggested team teaching approach: All students are required to have taken Introduction to Marketing and at least one business law class before enrolling. The course chronology is such that dominance switches back and forth between consumerism and consumer law each three-week period. While the appropriate instructor leads his/her segment, both instructors are present for most classes. An Adversary Proceedings segment, occupying the final three weeks, forces the students to integrate the marketing and law information with which they have been dealing.

Marketing seems particularly well-suited to interdisciplinary-type courses--e.g., Public Relations and Advertising/Promotion Management, Real Estate Marketing, Development and Application of Marketing Models, Non-Profit Marketing. Undoubtedly, the success of such joint ventures will be directly related to the effort the individual instructors are willing to invest.
THE USE OF STUDENT PROJECTS TO TEACH MARKETING PRACTICE

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INTRODUCTION

Requests for adding realism to the curriculum of the business college can be found in both the popular and academic literature; e.g., Business week, July 23, 1979 and November 10, 1980; Berdine and Hopkins (1979); and English and Lewison (1979). From the perspective of many marketing academicians, however the business world may be best served in the long run by providing the student with a solid theoretical background that prepares students to compare and contrast what business actually does in terms of its marketing practice to what it should be doing in order to optimize its use of scarce resources. Unfortunately, as Done (1979, p.5) so aptly points out: "The demand from the business world seems to be for graduates who can do something, more than for those who know something." Junior Achievement, applied management and internship programs are some of the suggested techniques for increasing the student’s involvement with the business world (see English and Lewison, 1979, for elaboration of these programs). This paper suggests an additional technique that can be added to this list.

SENIOR PROJECTS

A senior project is one of the graduation requirements at California Polytechnic State University, San Luis Obispo. The senior project is a formal report of the results of a study or experiment usually directly related to the student’s field of intended employment which is selected and completed under the supervision of a faculty member. The purpose of the senior project is, in part, to examine and discuss this issue of what business is doing and compare and contrast this information with what it should be doing. Senior projects encourage the development of independent analysis and provide the students the opportunity to apply principles learned in their course work. Requiring the student to complete the initial steps of the senior project within the framework of a business research course provides considerable assistance with the tasks of initiating the project and developing an understanding of the research approaches and methodology that will be required.

In order to provide a clear picture of the senior project and to demonstrate their potential effectiveness as both a pedagogical and a real-world tool two senior projects are reviewed. In the first of these projects the student developed and pretested a questionnaire dealing with customer satisfaction with a local department store. The questionnaire was mailed to one-thousand customers randomly selected from credit-card holder accounts. There were 349 usable responses. The student used the cross-tab program from the Statistical Package for the Social Sciences to analyze the data. The senior project provided the student with some
insight and experience with buying practices through her work with the local store. The project also demonstrated how buyers (the student's intended field) could more directly measure customer satisfaction (ultimately, of course, measured by sales). The study disclosed the relative dissatisfaction of the 41-50 year age group with the department store's style, variety and selection of merchandise. In addition, the study indicated the customers were not particularly influenced by the store's advertising, window or in-store displays, suggesting the management of the store might want to re-examine its promotion programs.

In the second project the student examined the market potential of a local nursery plant rental business. The student developed, pretested and administered a questionnaire to a stratified sample of business in the area. Prior to sampling the population, the student had conducted a breakeven analysis in order to determine what level of market response would be necessary for the business to survive. Again, the data collected were analyzed using the cross-tab program from the Statistical Package for the Social Sciences. After extending the sample results to the total population, the student concluded there was not sufficient market potential.

CONCLUSION

The authors have suggested carefully organized and structured student projects can be used as both a pedagogical technique and as a means for including real-world experiences in the business curriculum. For the business firms involved, the benefit of the senior projects briefly examined in this paper and other student projects is quite often valuable information which may lead to improved business performance. The benefits of the senior projects to the student are: (1) it provides an opportunity to develop some experience with the business world; (2) it helps to provide practical insights into marketing practices and decision making; and (3) it encourages the development of report-writing and skill—one of the problem areas typically cited by businessmen.

REFERENCES


A CONSUMER-PLANNING APPROACH TO TEACHING MARKETING UNDER UNSTABLE CONDITIONS

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The consumer-planning approach to marketing education refers to a class project involving 1) the innovation of a new product for a target market, 2) determination of its market feasibility, and 3) preparation of a marketing plan for its introduction to the marketplace. All three functions have been found to be essential in presenting a comprehensive view of marketing, particularly to those students whose curriculum does not require more than one marketing course for graduation. The approach was developed by the author in 1969 and has since been applied at Western Washington University. Through several years of continuous experimentation, the approach was evolved from a survey of the marketing area, to develop research and planning capabilities of the students in the marketplace.

It is assumed that the university is allocating a lump sum of money (usually $10,000) for innovation of a new product, its production, and marketing in the city. The class is divided into several teams (usually from 3-5 each) to serve as a Marketing Executive Group with the task of innovating a new product, determining its marketing feasibility, and formulating a marketing plan for its distribution. The instructor serves as a consultant to the executive group.

Each team develops a new product and analyzes the impact of environmental and resource constraints on its marketing functions. The next step is to design a market survey and to conduct face-to-face interviews with a sample of at least 240 consumers in the target market. The sample is drawn by applying random numbers to the billing files of the water department or other utility firms. All team members participate in the design of interview forms, conducting interviews and fieldwork supervision. Marketing data thus generated are processed by computer, and the printout provides raw material for analysis.

The next step is preparation of a marketing plan which involves formulation of functional strategies for introduction of the product into the market. Each team has to present a theoretical foundation and the marketing rationale for selection of the recommended strategies for product planning, purchasing, packaging, branding, distribution, transportation, warehousing, selling, advertising, sales promotion, pricing, consumer services, and market information. Functional strategies are presented in about two to three pages each, and elaborated on by the charts and statistical tables produced by the survey.

The business community, residents of the city and the university community were all extremely cooperative in implementation of the market surveys. Benefits derived included A) creation of a consumer-oriented attitude on the part of the business students, B) an awareness of the
fact that the realities of the marketplace can be at times different from executive preconceptions, C) learning marketing by doing marketing activities in the marketplace, D) attainment of the theoretical foundation and practical experience of a body of knowledge which is usually offered in four different marketing classes, E) development of a managerial attitude which enables the students to gain the cooperation of outside bodies for implementation of their projects, and F) enhancement of the student morale, which has extended to other courses taught in the College of Business and Economics.

The effect of the unstable marketing conditions of 1979-1981, highlighted by soaring interest rates, consumer financing constraints, record inflation rates, and a "you-only-live-once" lifestyle, were also measured in the surveys. The application of the innovative approach revealed that in Northwest Washington, availability of reasonable credit terms has generally outweighed the quality and guarantees for durable goods as well as product design and price. The importance of consumer credit in buying decisions has so outranked other components of price that it seems plausible to separate the former from the latter and constitute it as an independent factor in marketing management strategies.

REFERENCES


NOTE: The eleven remaining references are available upon request from the author, Dr. Farrokh Safavi, Professor of Business Administration, Western Washington University, Bellingham, Washington 98225.
GUIDED DESIGN: A NEW CONCEPT IN AN OLD GUISE

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Teaching marketing courses involving professional perspectives to undergraduate students is a challenging task. The principal problem is developing insight into the decision-making perspective of professionals within the field. This problem has been particularly apparent in the field of physical distribution management because it differs so substantially from other areas of marketing.

One way to overcome this problem and which has application to other areas of marketing is the use of guided design. This is a technique developed by Professor Charles Wales in the School of Engineering at West Virginia University for use with freshmen engineering students. However, it has application to a variety of fields within marketing.

Guided design is essentially an extension of the case approach. The steps to solve a guided design case are similar to those used in normal business cases. The difference is that the guided design case is actually a series of decisions which are part of the case, but which are solved individually by students in groups. They are given an initial set of materials on the case, with the instructions for the initial decision. When the decision is made, they review the decision with the instructor who then gives them material reviewing the decision, called "feedback" and provides them with a new instruction. The process then involves a series of decisions, reviews and new instructions.

The key to development of guided design is in the materials. These must be prepared in advance. Once the case is in operation, each group works independently, so that the process affords little opportunity for new direction. When they are finished, each group presents their results to the class. The learning can then be evaluated by assigning a similar case to students to do individually.

Developing the materials involves four steps:

1. selecting the subject matter
2. generating problems which are related to the subject matter that the instructor wishes the students to consider
3. selecting the problem on the basis of the learning objectives
4. writing the case which involves laying out a series of steps which students will work through in performing the case.

Application of the guided design approach has been demonstrated in a course in physical distribution. Three cases have been written:
one involving design of a marketing channel, one involving inventory control systems and a third dealing with analysis of a logistics system. The channel design case is based on an actual case history of a garment manufacturer faced with changing markets and channel requirements. The actual design of the case follows the steps emphasized in most case presentation techniques with the exceptions that specific points dealing with channel design concept were singled out for special emphasis.

The second case inventory control systems was less successful. It involved presumed prior knowledge of computer operations and inventory which many students did not have. The case was later converted into a series of individual exercises.

The third case was written to "wrap-around" a case that had been previously published elsewhere. It involves analysis of an entire system. The addition of guided design permitted the case to be treated holistically which preserves the system emphasis but at the same time permits the tasks to be divided into a series of smaller steps.

As a pedagogical device, guided design has both advantages and difficulties. Its advantages are:

1. It places the student in a professional decision-making role while learning concepts of the field.
2. Students can participate collectively and actively in their own learning experience.
3. It enables problems to be developed within a deliberate structure so that individual parts can be emphasized.

The disadvantages are:

1. The case once started operates almost autonomously of the instructor. Instructions must be clear and unambiguous.
2. There may be difficulties in maintaining a uniform pace among all groups.
3. There is physical limit on class size, because of the number of groups involved.
4. There may be a wide variety of difficulties from one time to the next because of the variations in preparation prior to the class.
5. The length of time that a case will take cannot be predicted precisely in advance, which may present difficulties if precise scheduling is necessary.

Guided design, despite its drawbacks is a valuable teaching tool. Like other approaches, it must be used in balance. However in combination with these other approaches, it provides a richer classroom experience.


Wales, Charles A. and Robert A. Stager, Guided Design (Charleston, West Virginia, published by the authors, 1977).
MEDIA REVIEW: AN APPLICATION OF
COMPUTER AIDED INSTRUCTION IN ADVERTISING

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The impact of increased sophistication in educational technology has been predicted for quite some time, and limited specialized software has been developed in a number of disciplines to facilitate student learning. However, while the advantages of computer aided instruction (CAI) are numerous and well documented, the basic problem in implementing these advantages seems to be the lag between software development and hardware technology. The creation of general use software for classroom use is a time-intensive and often highly specialized task, which is often evaluated less favorably by administrators than other academic pursuits, and often lacks generalized application due to hardware incompatibilities.

While the advertising discipline is no stranger to CAI, few generalized software packages are available, and little empirical evidence exists on the effectiveness of these techniques in advertising. The focus has been on experiential exercises including simulations, models, and games, rather than on the improvement of student performance in test-taking. This is not to say that this focus is any less appropriate, only that the full benefits of CAI have seemingly yet been realized by advertising educators.

Thus in a specific effort to improve student test-taking performance in an advertising course, this author, in conjunction with Dr. George Kulp of the University of Texas at Austin, developed a CAI exercise entitled MEDIA REVIEW. The exercise was created using the BASIC language, and tested on a CDC system during the spring 1979 semester.

Volunteer students utilizing MEDIA REVIEW logged on a CRT terminal according to a simple procedure described in a handout provided by the instructor, and were presented a series of ten multiple choice questions on the screen, one at a time. Each question had four possible response alternatives, and students responded by typing in the letter corresponding to the correct answer via the terminal keyboard. After keying in an answer, a positive message appeared indicating a correct answer (e.g., "Good job! Try the next question.") or a negative message for an incorrect answer (e.g., "Now you're guessing!") followed by the correct answer.

Student scores were recorded for the instructor's later use, and the students themselves were categorized on screen to indicate their performance relative to their peers (e.g., "Einstein," etc.). The
important aspect of the exercise here was in retrieving the names and scores of those who chose to utilize the exercise, since it was presented as purely voluntary in the classroom. In this way, the Hawthorne Effect and other demand characteristics were controlled for to the extent possible by reducing the experimental nature of the exercise, likening it instead to a recreational computer game.

Approximately half of the students presented MEDIA REVIEW, voluntarily participated during the two weeks prior to the examination date. The examination covered the same body of material as the exercise, and included 50 multiple choice questions of the identical format. The subsample who utilized the exercise achieved examination scores significantly (p<.05) better than non-users when compared via t-test (df=62, t=2.31).

An equally important finding was the qualitative improvement evidenced in student motivation among volunteers, and the reduction in computer anxiety among previously uninitiated CRT users. The simplistic design of the exercise permitted the addition/deletion of questions, and its application to a wide variety of other courses. Further information is available from the author.
THE INTERNATIONAL MARKETING FIELD TRIP:  
EFFECT ON ATTITUDES TOWARD MULTINATIONAL CORPORATIONS

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International marketing courses have been found to deal with cultural, legal, financial and other variables that are not well known to many of our students. The best way to learn about international marketing would be to include personal observation of international marketing operations in various countries. Since this is impractical, we have tried to choose a next-best alternative—that of seeing part of international marketing activities in operation.

As an experiment, a group of students was given a pretest, an exposure to international marketing people and activities, and a posttest. The immediate subject considered was attitudes toward multinational corporations. The experience was a visit to Johns-Manville's international marketing offices at the company's world headquarters. The purpose of the experiment was to determine what effect this first-hand experience would have upon student attitudes regarding multinational corporations and international marketing. A control group was composed of students who had taken the international marketing course, but did not make the visit.

As a generalization, there was a shift of approximately six percent toward a more favorable attitude toward multinational corporations by students who made the visit. More specifically, about one-fourth of the participating students developed a more favorable attitude regarding the social responsibility of multinational corporations. The responses regarding other questions were less clearly defined. There was no meaningful change in the responses of the control group that did not make the visit.

Although the sample size was small and the changes were not dramatic, there was a definite shift toward more favorable attitudes concerning the various aspects of multinational corporations after the field experience. The study suggests that while the field trip is considered to be fun and interesting, and serves as a pleasant change from classroom instruction for both students and instructors, it did affect the general attitudes of participants in this particular instance. This may be enlightening not only to instructors of international marketing, but to the executives of multinational corporations who are concerned about the attitudes of others toward their firms. This kind of information may be used as an approach to generate a stronger interest within companies to provide for more educational programming of this nature.
WHERE THE ACTION IS: A JOURNEY FOR MARKETING/BUSINESS EDUCATION

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Two problems in marketing for west coast instructors are: 1) the major marketing-oriented companies, especially the top consumer products firms, are headquartered in other parts of the country, primarily the east coast; and 2) most of our students are fairly provincial; in Southern California, at least, many of them seem to have little idea of what life is like outside of our area. Their education, because of this, suffers in three ways. First, they have a myopic view of the world. For example, they have difficulty in conceptualizing different lifestyles wherein not everyone drives a foreign car or eats at a Mexican fast-food restaurant. Second, a lack of exposure to other parts of the country inhibits the exploration of graduate school (or employment) opportunities. Third, their knowledge of companies and jobs is narrower than it ought to be. In Los Angeles, for example, most students know about aerospace firms, and aerospace engineers, but few know anyone who is an account executive or a product manager.

This paper presents a discussion of a partial solution to the problem: an "educational journey," or field trip, to another part of the country. The goals of such an endeavor are to expose students to different consumer lifestyles, and to increase their knowledge of marketing-oriented companies and marketing careers. The trip described occurred in 1980, and consisted of tours and seminars at businesses in New York City. Twenty students accompanied the faculty leader on the trip. Also discussed are perceived problems and benefits of such an undertaking.
A COURSE ON HUMAN VALUES FOR THE MARKETING CURRICULUM

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While interest in the subject of values has grown markedly over the last decade, reflected in a flow of conceptual and empirical papers in the marketing literature, this topic has not received serious attention in the marketing curriculum. The purpose of this paper is to describe the design of a course on values and consumer behavior, and to provide the reader a guide in developing his or her own course.

A reasonably clear consensus regarding a definition of "values" is emerging among social scientists. Kluckhohn, et al. suggested that: "A value is a conception, explicit or implicit... of the desirable which influences the selection from available modes, means and ends of action" (Kluckhohn 1951, p. 389). Building upon this foundation, Rokeach (1968, p. 124) defines values as "abstract ideals, positive or negative, not tied to any specific object or situation, representing a person's beliefs about modes of conduct and ideal terminal modes..."Values, thus, are global beliefs that "transcendently guide actions and judgments across specific objects and situations" (Rokeach 1968, p. 160).

Values should be distinguished from attitudes, which do focus on specific objects and specific situations. "An attitude is an orientation toward certain objects (including persons--others and oneself) or situations... An attitude results from the application of a general value to concrete objects or situations" (Theodorson and Theodorson 1969, p. 19). Behavior, finally, is a manifestation of one's fundamental values and consequent attitudes.

The syllabus distributed to students states: "The purpose of this course is to investigate the influence of personal values on human behavior." Based upon that purpose, a number of issues were considered in designing course content and structure.

First, it must not be assumed that students have any real knowledge of values as a scientific variable. Some of them may have been exposed to this concept in introductory courses in marketing, organizational behavior, or the behavioral sciences. On the other hand, they likely either have no knowledge of this subject or have actually been misinformed by casual references to values in the popular literature. "Values" has become a "trendy" topic, subject to the abuses and sloppiness of conceptualization that result from popularization.

Second, because of the limited student backgrounds, the course is structured in an hierarchical manner, ranging from a discussion of the most fundamental values concepts to an examination of empirical findings on the relationship between values and consumer behavior. The substance of the course begins at the definitional level; values are distinguished from attitudes, norms, personality, and so on. The first objective of this component of the course is to provide the student with rigorous definitions of concepts such as "value" and "value system." The second objective is to expose the student
to the idea of value dynamics - how values change, and the extent values in our culture have changed and/or are changing. The course then shifts to a discussion of sub-cultural values; the idea of a dominant cultural value system, and of deviant value systems among sub-groups, is introduced. Real data are presented to illustrate important differences as between, for example: males and females, blacks and whites, high and low income individuals. The relevance of such differences to consumer behavior and marketing management is then drawn. The next stage of discussion describes the effects of values in the organizational context in which marketing occurs. Students should be aware that values of organizational participants both affect and are affected by organizations of which they are members. To illustrate the effects of participants' values on organizational dynamics, a simple case exercise is utilized. Finally, we turn to values and consumer behavior. Only one model, that developed by Carman (1977), has attempted to integrate personal values into a theory of consumer behavior. Carman's model, therefore, is used as the framework both for discussing the relevant empirical research and for pointing out interesting research possibilities.

Third, there is no text dealing specifically with values and marketing. On the other hand, the literature on values-related phenomena is voluminous, perhaps overwhelming. In view these twin problems, the reading matter of the course is designed to do two things. The students should become familiar with the work of the principal scholars in the field, such as Clyde and Florence Kluckholn, Milton Rokeach and Robin Williams. They should be also exposed to the very forefront of current research on values, with particular reference to research on values and consumer behavior.

Fourth, explaining methodologies for measuring values is an important part of the course. Emphasis was put on the development, administration, and evaluation of the Rokeach Value Survey (RVS) (Rokeach 1973). The RVS, for several reasons, has become the neo-orthodox instrument in values research. The RVS is easy to administer. Rokeach also has provided a set of values data, collected by means of a national, probability sample, against which other findings can be compared (1973). Rokeach offers substantial evidence on validity and reliability of his instrument (Rokeach 1973, pp. 13-42). Finally, numerous published studies have used this instrument, providing a degree of comparability not available with most other measures. The students are shown how RVS data are typically presented, and how statistical inferences can be drawn and tests of significance performed. Another useful measure of values is the Carlson-Levy instrument (Carlson and Levy 1970), that classifies people into two possible value categories: interpersonally-oriented or individualistically-oriented. This is a very short instrument that, unlike the RVS, can be scored to provide immediate results.

Fifth, an important test of understanding is the ability to apply a concept. To that end, a major term project is required in the course. The students first, individually, develop a list of behavioral phenomena that might be related to values. The list is gradually narrowed and students select themselves into groups based on specific research topics. They then design a questionnaire to collect data for their particular topic. A single, combined questionnaire is used to collect data for all groups, and responses are pooled. Values data are collected using the RVS.

Student response to the course was most favorable. A course outline and reference citations are available from the author.
DEVELOPING A COURSE IN DIRECT RESPONSE MARKETING

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Direct Response Marketing is currently a $100 billion industry, growing at a rate estimated at between 14-16% per year. Academic courses in this area of marketing were offered at only 16 colleges or universities in the entire country in 1980. Yet this industry has proven so profitable that mail order divisions have been established and are currently operating in more than half of the Fortune 500 companies including among many others, American Airlines, Time-Life Books, Hewlett-Packard, American Express, and Gulf Oil. Documented rags-to-riches stories of entrepreneurial success in this industry are numerous. In fact, direct response marketing has probably created more overnight millionaires than any other industry.

The phenomenal growth and entrepreneurial success of direct response marketing over recent years has created a tremendous demand for university educated students who are as familiar with the theories, processes and operations of the direct response industry as other students are with the fields of retailing, import-export, or transportation.

This paper discusses the development and teaching of an undergraduate course entitled, "Mail Order/Direct Mail Marketing" at the upper division undergraduate level at California State University, Los Angeles. The syllabus of the course is provided and analyzed along with an evaluation of the course by the students and changes made as a result of experiences with the initial class.
TEACHING UNDERGRADUATE CONSUMER BEHAVIOR:
A PRACTICAL APPROACH

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A problem inherent in the teaching of consumer behavior is the pupil's rejection of theories applicable to the purchase decision process as being too psychologically based and lacking in substance for application. Having learned the value of facts and figures, the student of the School of Business tends to have little faith in the ability of qualitative research to produce relevant data. He thus runs the danger of oversimplifying the task of identifying consumer's desires, motives, opinions, perceptions and attitudes.

In an effort to solve this problem while underscoring the importance of the basic tenants of consumer behavior the following experiment was undertaken.

The first eleven weeks of the semester were couched in a traditional framework. Required textbook reading was complemented by lectures and short case presentations. Two examinations composed of "objective" and "short answer" questions measured the student's understanding.

A project was conceived to reinforce textbook theory and accomplish these additional goals:

*aid the student in recognizing the practical value of relevant theories.

*provide repeated opportunities to act as a practitioner in evaluating results of qualitative research and make meaningful statements regarding consumer attitudes/perceptions/behavior/use, etc., vis-a-vis particular offerings.

*give the instructor a vehicle for evaluating each student on his ability to approach a "consumer behavior" problem.

*allow the instructor to measure the student's ability to apply theory rather than memorize it.

Eight topics were circulated in class with instructions for five students to work on a topic. An initial meeting was held by each group to more closely define the topic and break it into workable units (i.e. age, sex, etc.). From this point on the projects were to be an individual effort resulting in collection of primary data from 10 respondents, a written report and oral discussion of findings.

The unique twist in this experiment is the combining of individual effort of "term paper" intensity with continued class involvement. With the
benefit of collective findings now consisting of responses from 50 people, each class member was to turn in a one-page summary of his conclusions of each group report at the next meeting. This requirement insured maximum attendance and participation in discussion as well as continued practice in theory application.

At the end of the Fall 1980 semester students in two classes were asked to respond orally and in writing to questions regarding this method. Drawing on those responses the following observations can be made:

This approach resulted in raising the status of the Consumer Behavior course. Direct involvement in research and application elicited respect for the place of such work in the business world.

It is clear that the necessity to write a summary after each panel discussion resulted in greater attention to the understanding of text and lecture presentations.

In a survey of which topics were most interesting computers and home entertainment were rated highest followed closely by Designer Jeans and National versus House Brands. On top of the list of suggestions for future topics were "Products important for the future" and "Attitudes regarding a current fad or trend."
A NEW PERSPECTIVE ON THE CONTENTS OF THE UNDERGRADUATE CONSUMER BEHAVIOR CLASS

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The author, from her personal perspective, discusses the current state-of-the-art of the content and teaching methods found in the majority of undergraduate consumer behavior classes.

Her discussion includes mention of what is being taught, who is teaching it, how it's being taught, why it's being taught and why students are taking a course titled "Consumer Behavior."

She proposes "heretical" and "revolutionary" changes in the contents and teaching method of the undergraduate consumer behavior class. She not only explains how the course should and could be taught but also gives examples of her approach. The implementation of an innovation is not without its difficulties: these are enumerated and elaborated.

The paper ends with an answer to the question, "Why do it anyway?"
THE NEED FOR A COURSE IN ADVANCED SALESMANSHIP

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Based on a recent survey, the average cost of an industrial sales call exceeded $137 in 1979 which represents a $40.23 or 42% increase in just two years. To combat these spiraling costs, companies are making major capital investments in sales training programs. For example, the cost of training an industrial salesperson averaged $19,025 in 1979.

Sales training costs most likely will continue to outpace the general inflation rate. To compound the problem, forecasts show the demand for salespeople outpacing most major occupational groups. During this decade, a total of 4,800,000 job openings are projected for industrial and retail salespeople.

The purpose of this paper is to highlight the content and some of the methods employed in a course entitled Advanced Salesmanship (452 elective) designed primarily to prepare students for positions in industrial sales. The course attempts to refine and supplement students' basic sales skills learned in Principles of Selling with more powerful and sophisticated interpersonal skills.

GOALS, STRUCTURE AND COVERAGE OF TRADITIONAL SALES COURSES - The two major goals of a principles of selling course should be to provide students with both knowledge and skills of the buying process and the selling process. To achieve this, students should have a solid foundation in the behavioral sciences from a theoretical and practical perspective in order to understand the forces influencing buyer behavior. Ideally, discussion of human behavior in the buying process should consume approximately 40% of the course. The second goal is to teach students the selling process i.e., all of the selling tactics from prospecting to customer follow-up. Each step of the process should be covered thoroughly with additional weight placed on the importance of effective prospecting. Discussion of theory should be limited with heavier emphasis placed on application and skill development. Coverage of the selling process should comprise 60% of the course.

THE DYNAMICS OF BUYER-SELLER INTERACTIONS - The application of dyadic interaction to selling suggests that the results of a buyer-seller interaction is a function of how both parties perceive and react to each other's characteristics. In an industrial sales call, there are three critical stages: formal introduction, rapport-building and sales presentation. During these stages, the salesperson and the buyer are perceiving and reacting to the visual, vocal, and verbal signals being transmitted by each other with the more readily observable visual cues being attended to first. The signals take on varying degrees of importance in each stage with the visual signal decreasing in importance upon the formation of first impressions and the vocal and verbal signals becoming increasingly more important as the sales interaction progresses.
By "listening" to the three types of signals and checking their congruence, the buyer and the salesperson begin forming cognitive profiles of the other consciously and/or unconsciously early in the interaction. These "profiles" are used to make decisions about the other person which generally have a dramatic effect on the outcome of their meeting. The dynamics of buyer-seller interactions serve as the conceptual framework for the course.

TOPICAL COVERAGE AND TEACHING METHODOLOGY - The underlying premise of the course is that students can be taught to be more astute and accurate observers of human behavior, i.e., classroom training can sensitize them in reading the visual, vocal and verbal signals transmitted by buyers more effectively. By developing skills in perceiving and interpreting the "real" messages being communicated, they become adept at both identifying a buyer's dominant behavioral style and adjusting their selling style to be more compatible with the needs and preferences of the buyer. Approximately 60% of the course is spent developing these interpersonal skills.

In the first class, a test is administered to determine students' self-perceptions of their own behavioral styles which are later validated in their first oral sales presentations. Following this, students are introduced to the concept of behavioral styles and the social acceptance and achievement needs and readily observable characteristics of each of the four styles. The next step involves sensitizing them to the three types of signals. Training students to read visual signals more proficiently means strengthening their perceptual skills with regards to body language and object language. Teaching tools include, training films, interpreting illustrations and pictures, and studying the body language of characters from segments of popular television shows. Object language training or environmental scanning trains students in monitoring a buyer's office for significant objects. Perceptual skill development is realized by having students view tapes of three or four different buyer's offices. Following this they are asked to record their observations and what they feel these objects communicate in terms of each buyer's behavioral style.

The next section of the course goes extensively into reading vocal and verbal signals. Students are trained in "active" listening where they are taught to hear the actual spoken words and the messages carried in the sounds embellishing these words. To improve student's listening skills, a multi-media approach is used which includes analyzing characters from television shows, training films, audio cassettes, recorded speeches, guest lecturers and a wide variety of experiential exercises.

To test students' overall interpersonal skills, the second sales presentation is evaluated on how well they perceive and respond to the buyer's body language, vocal qualities, and the spoken words, and the degree of behavioral flexibility they show in interacting with a buyer whose behavioral style is diametrically opposite of their dominant style. The remainder of the course basically covers four disparate but important topics--time and territory management, professional and ethical selling, developing written sales proposals and selling a buying committee.

CONCLUSION - To be effective, salespeople and managers must become more cognizant of and responsive to other people's needs, preferences and behavioral styles. The visual, vocal, and verbal signals being transmitted by others do provide this information to the active listener and astute observer of human behavior.
PUBLIC POLICY IN THE MARKETING CURRICULUM:
THE LEGAL, POLITICAL, SOCIAL ENVIRONMENT OF MARKETING

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ABSTRACT

Introduction

The combination of increasing enrollments in business schools and increasing budget constraints in colleges and universities nationally make it increasingly important to ensure department curricula are relevant for students. In such an environment, Marketing Departments are under new pressures to provide more than the "bare bones" of an education in marketing. The availability of interesting, meaningful and useful elective courses can make a program more attractive to students and potentially increase the Marketing Department's relative share of business students. The Marketing Department can also effectively use its elective courses as a drawing card for students who might otherwise have little or no exposure to the marketing curriculum. Another advantage to adding electives to the curriculum is the opportunity for faculty to develop specialized courses drawing from their areas of expertise and/or research interests. This can provide extra incentive for faculty to keep current in their specialized areas and can revitalize interest in teaching which may tend to dwindle when faculty are repeatedly scheduled to teach the core marketing courses.

A course which can fill the bill in all of these respects is one dealing with the legal environment within which marketers must perform. The purpose of this paper is to discuss different ways of organizing and positioning a course in Legal Aspects of Marketing appropriate for both undergraduate and MBA programs.

Justification for the Course

There are two very different but equally important reasons for offering a course dealing with the legal environment of marketing.

Undergraduates are likely to be interested in such a course as a result of their own experiences as consumers and their sensitivity to social criticisms of business, and particularly marketing, practices. Students as consumers have invariably had, or know someone who has had, a frustrating experience with non-performance of warranty promises, unsafe or poor quality products, unavailability of information prior to purchase, retailers out of stock of an advertised special, etc., etc., etc. Media coverage of incidents involving alleged violations of a myriad of regulations by well-known firms also makes identification with the topics covered in a
course of this sort easy for students. Undergraduate business students have often developed a strong belief in the advantages of a free market economy. In its extreme, this means a market free of government intervention. Thus, business students tend to be very critical of regulation of business practices. Conversely, students outside the business school who find this type of course appealing often come from liberal arts programs like Consumer Studies, Political Science, Communications, etc. These students tend to be very critical of business practices. This counterpoint of orientations among students creates a very dynamic discussion environment which is extremely motivational for students. To respond to the demands of these different student orientations, the professor must walk a tight rope between advocacy (consumer or business) and factual presentation. The course must be continually updated to ensure accuracy of factual material as well as relevance of the topics covered. This presents both a challenge and an obstacle for the professor. However, if the professor is successful, students can be taught both their rights and responsibilities as consumers as well as an appreciation of the need for regulation and the ethical and legal responsibilities of business people in dealing with consumers.

Graduate students have a very practical reason for taking a course of this sort. As business trainees they need to understand the legal environment within which they will be operating. MBA students have little opportunity to accumulate more than basic knowledge of a wide variety of aspects of business operations. The basic courses they take have little flexibility to incorporate issues peripheral to the central topics. Thus, the legal, social and political environment of business are often treated only very superficially in survey courses or briefly in cap-stone policy courses. However, these aspects of the business environment are extremely important to the success of a firm. Managers unaware of the legal, political and social ramifications of their decisions may make some serious blunders. Exposure to the variety of laws which govern business practices can be invaluable to managers in avoiding legal complications.

To be useful in alerting students to the legal constraints on business decision-making, a course should introduce students to laws dealing with each component of the marketing mix -- pricing, distribution, promotion, product quality, safety and warranty obligations. To be helpful in educating students about the legal support provided for consumers, a course should cover all aspects of the buyer-seller relationship -- both pre-and post-purchase rights and responsibilities to the parties to the sales transaction. This paper will discuss several different ways of organizing a course designed to give the student an appreciation of the legal environment within which both consumers and marketers operate. It will suggest course outlines and relevant reading materials as well as offer background material useful in preparing lectures.
SALES AND PROFIT ORIENTED

OPERATIONAL MARKETING PLANNING

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Marketing planning involves the setting of marketing objectives, choice of products, selection of markets, and the designing of marketing programs for each product-market for a specified time period. Strategic marketing planning is concerned with planning of the fundamental means of achieving the company's objectives through the markets entered and the marketing programs used to serve them. Operational marketing planning follows and is concerned with the implementation of the strategic plan.

In the strategic marketing plan objectives normally are set for both profits and sales. Since the usual situation is that an attempt to maximize either profits or sales constrains the other, a priority for one over the other is normally established. When the higher priority is given to increasing sales (or market share) sales oriented operational marketing planning must be conducted. Similarly, when the primary emphasis is to be given to the level of profits, profit oriented marketing planning is called for.

The Dorfman-Steiner Theorem has been the primary theoretical basis for profit oriented planning. For a product of given quality, profits are maximized when price elasticity (e_p) is equal to dollar sales (PQ) times advertising expenditures (A), which in turn is equal to dollar sales times distribution expenditure (e_d) divided by distribution expenditure (D), and so on for the other mix variables. The equation is then

\[ e_p = \frac{PQ}{A}, \quad e_A = \frac{PQ}{D}, \quad e_D = \ldots \]

While the Dorfman-Steiner Theorem sets the conditions for profit maximization, it provides no guide as to how one reaches them. The elasticities for each of the marketing mix variables may vary over the full range of the sales response function for each variable. An iterative, trial and error solution may therefore be required rather than an analytic one.

A more direct solution is provided by converting the sales response functions to contribution to profit functions. Given estimates of variable and fixed costs, this can easily be done. Examples of contribution to profit functions are given in Figure 2. The optimum level of each variable for profit oriented planning is then determined as the point at which the maximum contribution to profit is made.

The objectives set for sales in sales oriented planning are typically for a higher sales volume than the level that would result if profits were maximized. In conducting sales oriented planning, then, one should first do profit oriented planning, and then move out the individual sales response functions in such a way as to incur the least opportunity cost to achieve the desired sales volume.
Figure 1
Sales Response Functions

Figure 2
Response Functions for Contributions to Profits
OPERATING ENVIRONMENTS AND STRATEGY OPTIONS FOR MARKETING MANAGEMENT DURING THE 1980's

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The 1970's were an era of largely unparalleled turbulence in all sectors of the American economy. High inflation, uncertain availability of raw materials and energy resources, a stagnant economy, increased foreign competition, and new government regulations describe the operating environments of the late 1970's and the early 1980's. As Philip Kotler observed, "the linear environment of the 1955-70 period has given way to a turbulent environment which produces new strategic surprises almost monthly. Competitors launch new products, consumers switch their businesses, ad costs skyrocket, new regulations are announced, consumer groups attack." The authors designed a study to gain insights into the conditions that are likely to exist in the 1980's and the probable strategic responses to these questions.

The specific objectives of the research were: (1) to access the perceptions of experts in various dimensions of marketing management about the probable operating environments in facing marketing executives during this decade, (2) the perceptions of experts about the most viable strategic options for successfully dealing with the forecasted environments, and (3) forecasted shifts in the promotional mix of firms during the 1980's as one in depth treatment of possible shifts in management strategy.

Opinions which were sought from national samples of four groups of respondents, each of which was chosen because they have an effect on either marketing thought or marketing strategy development and who can thus be considered as knowledgeable about probable marketing trends for the 1980's. Specifically, opinions were sought from 1000 marketing educators at four year universities, 1300 chief marketing executives (consisting of 320 executives of the 500 largest industrial firms, 255 chief marketing executives at the second 500 largest industrials, and 145 chief marketing executives at the 300 largest financial/service/retail firms), 1000 advertising executives at national advertisers, and 2200 chief executives of marketing research organizations and consulting firms.

The questionnaire was divided into two basic sections: factors affecting business strategy in the 1980's and marketing strategy options for the 1980's. The highlights of each section will follow.
Factors Affecting Marketing Strategy

- Consumers will buy few, but better, products than in previous decades.
- Consumers are confused by the abundance of product choices available in the market.
- "Smart Consumption" will replace "Conspicuous Consumption" in the 1980's.
- New products will be curtailed by government regulations in this decade.
- Wage-price controls are a strong possibility in this decade, but are not the best option to curb inflation.
- Most believed that shortages in raw materials will not cause serious interruptions in production. Some disagreement existed between the groups.
- Investments by foreign firms in U.S. businesses do pose a threat to our own economic well-being.
- All groups, except marketing executives, agreed that foreign firms will become world leaders in technology and new market development.
- Fewer products offered to the market will be successful in the 1980's.
- Time saving goods and services will boom in the 1980's.

Marketing Strategy Options for the 1980's

- Customary price leadership, where competitors passively follow a big company that sets prices, is on its way out.
- The use of pricing by geographic region will be used more frequently in this decade along with variable price controls.
- Emphasis will shift away from sales volume and market share to profit.
- Salespersons will spend less time in face-to-face selling.
- Use of sales promotion was seen by executives to remain about the same, but to increase by other groups.

The executives, advertisers, educators, and consultants/researchers overall showed high levels of agreements about the likely operating environments of the 1980's. Differences in perceptions of the operating environments, where they occurred, especially were because the executives differed somewhat from the other sample members. Even in these instances, however, the direction of differences among the four groups was normally the same.
MARKETING MANAGEMENT: THE FOUNDATION AND KEystone OF STRATEGIC PLANNING

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Probably the two greatest changes in the functioning of top management during the 1970's were (a) the growing internationalization of decision making and (b) the accelerated adoption of formal Strategic Planning emphasizing the long-range viability of the firm. During the 1960's many of the premises, principles and alternative systems began to develop among top management culminating in several landmark publications.

During the 1980's corporate Strategic Planning will probably pose the greatest challenge ever faced by practitioners of Marketing Management. For Marketing academicians, this challenge, if properly perceived and dealt with conceptually, analytically and pragmatically, may pose a new and unique opportunity for possibly establishing a vital leadership role.

This is now so emphatic that Abell and Hammond (1979) have justifiably concluded that "A metamorphosis is taking place in planning. Indicative of this . . . (are) the many different terms used to describe it, including: marketing planning, market planning, strategic market planning, business planning, strategic planning and a variety of combinations and permutations thereof . . . Planning is becoming more strategic in nature . . . requiring a 'general management' orientation . . . and it is depending more and more on MARKET ANALYSIS . . . we shall call the resultant process 'strategic market planning' to emphasize these trends, although the less descriptive 'business planning' is ALSO frequently used to describe the SAME process . . ." (capitalizations added).

The "Market Place" manifests itself in the context of the firm's total external environment (now domestic and international; & bio-medical, cultural, ecological, economic, geographic, geological, legal, linguistic, logistical, philosophical, political, religious, sociological, technological, etc.). To comprehend the "Market Place" top management must have access to the capability for assessing effectively the firm's total external environment internationally. Unfortunately, for many firms any narrower scope of external environmental assessment has already been proven to pose threats and risks which may become extremely hazardous or even fatal (e. g. witness the "market place" dilemmas of A & P supermarkets, the Anglo-French Concorde, Chrysler, General Motors, Lockheed, etc.).

Furthermore, deficiencies in methodologies and professional capabilities for effective assessment of the dynamic external environment necessitate a high level of capability in "Contingency Planning" with respect to the "Market Place" (i. e. regarding viability of the Marketing Mix and related Strategic International Marketing Intelligence--SIMI). Short-range provincial marketing solutions are no longer sufficient to deal with long-range strategic marketing problems.
Effective Marketing Management constitutes both the foundation and the keystone of viable Strategic Planning. The foundation consists of how well Marketing Management can perform Strategic International Marketing Intelligence necessary to make viable strategic decisions regarding the Marketing Mix. The keystone consists of how well Marketing Management can operationalize the strategic plan for implementation in the short-range, operational period. If the keystone crumbles (due to inadequacies in the Marketing Mix), the whole system collapses.

In many instances, the lack of effective responses or evidences of inadequate performance by Marketing Management in the firm's Strategic Planning has led to the strategic marketing management planning being preempted by other members of the strategic planning team. Often the Marketing Management team may be so preoccupied with operational performance that little time is willingly allocated for strategic planning efforts.

If this deficiency persists, it is very likely that organizationally two separate Marketing Management groups may evolve in many firms: (a) the Strategic Marketing Management group and (b) the Marketing Operational Management group. Without emphatically realizing it, this organizational dichotomy is possibly what Kotler (1980) was inadvertently depicting when he concluded "Marketing has to take its cue from the objective developed for the business in the course of strategic planning at the corporate level. Marketing contributes to the evaluation of the business's potential and where it stands in the matrix, but once the business's objective is set, marketing's task is to carry it out efficiently and profitably." And this same dichotomy is reinforced by Keith Cox (1980) when he concluded that in the 1980's "no major marketing innovations appear to be on the horizon to revolutionize the marketing discipline in the near future." If indeed this is true, then who is going to fill the gap in the Strategic Marketing Management role which obviously necessitates substantial innovative improvements?

Will a whole new "breed" of Strategic Marketing Planners and Managers evolve due to the unwillingness or perceived incapacities of most Marketing Managers presently (and most Marketing academicians)? Is the lack of adequate response from today's Marketing Management and Marketing academicians prima facie evidence of the deficiencies of the tools and processes which now permeate Marketing Management for dealing with the strategic, long-range orientation?

Was Robert Keith (1960) prophetically right when he concluded that "Marketing today sets company operating policy short-term. It will come to influence long-range policy more and more. . . more than any other function, marketing must be tied to top management."


WHAT'S WRONG WITH MARKETING MODELS

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The ideal situation is to have users of models actively involved in the model building process. In practice, however, we frequently find second generation users (including educators) attempting to run models they had no hand in building. The results are usually disappointing. This paper presents suggestions for building (and retrofitting) models with features that may facilitate more successful second generation use.

Most models were never designed with the second generation user in mind. The assumption is that the user has come to understand the model through active participation in the building process. The central objective has been to structure a model that will generate correct or reasonable outputs. The basic need of the second generation user, however, is to develop an understanding of the inner logic of a model built by someone else. Such understanding can seldom be gained by seeing only the inputs and outputs of the model via repeated trial runs. The logic of the computational processes of the model need to be displayed and explained as intermediate output while the model is running prior to printing the final results of the computations.

To be more effective, models must take on the dual task of educating the user as well as calculating results. They really need to embody principles of computer aided instruction. The following suggestions are offered for making models more effective in meeting the educational needs of the second generation user:

1. APPROACH MODEL BUILDING AS A SPECIAL CASE OF COMPUTER AIDED INSTRUCTION (CAI). This would suggest the need to incorporate some of the principles of good CAI into marketing models.

2. MAKE COMPUTATIONAL PROCESSES VISIBLE. For example, display a formula being used and explain its terms. Users normally see inputs and outputs, but the computational processes remain hidden. The computational logic needs to be revealed.

3. DISPLAY INTERMEDIATE OUTPUT. For example, with a simple breakeven model, display and explain "contribution margin", as well as final breakeven volume.

4. PROVIDE MULTIPLE LEVELS OF COMPLEXITY. Users could start by understanding a very simple version and then graduate to more complex versions that incorporate more variables and more involved relationships.
5. PROVIDE THREE MODES OF OPERATION: INSTRUCTIONAL, TEST, AND COMPUTATION. The instructional mode would explain computational logic. The test mode would help evaluate the user's comprehension. The computation mode would provide for a normal run. It should be possible to have the instructional mode operational during a computation run.

6. PROVIDE AUTOMATIC SENSITIVITY TESTING. The user could specify a plus and/or minus range along with step/increment values relative to a given set of user inputs. The model would then systematically vary input values and report sensitivity findings.

7. PROVIDE GRAPHIC OUTPUT. Use of computer graphic displays can be very helpful in communicating relationships to the user. For example, the graphical display of an advertising response function is usually much easier for the user to understand than looking at an equation.

To build models that incorporate features like those suggested above will make the model building task more difficult. Yet, the need is very great. The major problem with marketing models is not in getting them built, but rather in getting them used. Good models are expensive to develop. To have them abandoned when personnel changes seems a great waste indeed. Good management tools must be capable of being used by more than a single individual or group of individuals. Otherwise, we are doomed to forever re-inventing the wheel. Both educators and practitioners will benefit from models that are designed to educate as well as compute.
Rate-of-change sales forecasting is a technique which incorporates elements of the familiar and the unfamiliar. The essence of the technique is the comparison of sales this year to sales for the corresponding period a year ago, something which almost all businesses do. Similarly, most all firms divide this year’s figure by last year’s figure to obtain a percentage comparison which is in actuality a kind of rate-of-change measure. Relatively few companies, however, systematically plot their rate-of-change data on graphs, link their rate-of-change data to similar data on causes of sales (such as births, employment, vehicles registered, etc.) or study trends in their rate-of-change data in order to forecast sales for the next six months or a year.

This paper traces the origins of rate-of-change analysis, explains how it can be done in a sophisticated way, presents a worked example using a company’s data, and concludes that this method is appropriate for established products which are subject to volatile, irregular customer ordering patterns.

The paper had its origins in the need to forecast sales orders received by a manufacturer of a kind of durable business good (e.g., paper shredders). The manufacturer’s order pattern was characterized by wide fluctuations in orders received per day and substantial fluctuations in orders received per month.

None of the usual academic forecasting techniques (trend line extrapolation, time series decomposition, linkage to leading indicators, exponential smoothing, Box-Jenkins, etc.) worked well. Eventually DeWolfe’s Early Warning Forecasts technique was tried. The method was quite successful after several modifications and improvements were made to the DeWolfe methodology.
MULTINATIONAL MARKETING STRATEGIES:  
AN URGENT NEED FOR LDC'S

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This paper describes briefly an LDC's international trade activities; points out the current and future potential problems resulting from the lack of the modern marketing concept; and finally, discusses the urgent need of the integrated marketing orientation for LDC's. The study is based on the author's direct observations and interviews with executives of export firms and government officials of the country examined in 1980. The case in point is the Korean experience.

EXPORT SUCCESS: RESULTS OF MULTINATIONAL MARKETING STRATEGIES?

For the past decade or so, Korea has been one of the most outstanding exporters of manufactured goods in the world. For example, Korean exports which stood at $55 million in 1962 reached $119 million in 1964, $1 billion in 1971, $10 billion in 1977, and are expected to reach to about $20 billion in 1981. An important point to mention here is a radical change in the composition of Korean exports. In 1962, exports of primary goods (iron ore, tungsten, kaolin) took 79.3 percent of total merchandise exported. But by 1977, over 90 percent of total exports is shared by manufactured goods. Unlike most agricultural or extractive goods, exporting manufactured goods requires sound strategic plans, which, in turn, calls for important marketing functions.

The first question in order is: Is Korea's export success of manufactured goods a result of individual firm's marketing effort? In terms of the old marketing concept which was marked as a production/selling-oriented approach, the answer is yes, as the impressive statistics indicate. However, in terms of the modern marketing concept, a significant portion of credit for export success would seem to go to other parties involved in export process rather than to the exporting manufacturers. The modern marketing concept here refers to an integrated planning and implementation of four basic marketing functions (McCarthy's 4 P's) supported by a systematized marketing information system.

EXPORT PRACTICES

The second question that needs to be entertained then is: How then, does one explain the evident success of the Korean exports and who are the leading actors behind the scene? Major actors for the successful performance of the Korean experience appear to be the Korean government itself and the "visiting foreign buyers" who were scouring Korea for lower-priced merchandise.

Within the framework of the modern marketing mix management, product and pricing were the two major marketing functions that the exporting manufacturers were actively involved in, and other functions, such as promotion, place (except physical distribution) and marketing research activities, were
largely ignored by the exporting firms. In addition to the fact that the modern marketing techniques were relatively new to this country, there was no need to employ these complex marketing functions in order to stimulate and increase more demands for Korean goods. Hundreds of foreign purchasing brokers, agents, and company representatives were visiting Korea from virtually all over the world every month to search out lower-priced product sources themselves and rendering or arranging for all the required marketing functions themselves. There is nothing wrong with this, and, in fact, this could be an ideal case as long as enough foreign buyers continue to come.

But what if the foreign buyers choose not to come because of either the political and economic instabilities, the end of price attractiveness, the end of the product life cycle, and other reasons? Indeed, this began to occur in the early 1980's. Many quantity importers from the U. S., Japan and Europe began to switch their suppliers from Korea to other developing nations. After all, most price-sensitive importers, unlike the brand and/or quality seekers, are not loyal to any supplier, and they quickly move from one country to another whenever and wherever they strike a better deal in terms of price. The Korean exporting manufacturers were caught up with the domestic labor cost push, higher costs for imported raw materials, higher tax rates, and others. On top of these, there was the political and economic uncertainties due to the late President Park's assassination and the worldwide recession which had forced many buyers to cut their visit to Korea. Along with their supplier switches or the purchasing travel cuts, gone were the marketing function services the Korean firms received and took for granted. There was an immediate chilling effect on all exporting firms, large and small, and a bad case of economic pneumonia spread to every corner of this country.

 Apparently, the Korean government foresaw this as a possible consequence. In an attempt to encourage the private firms to develop their own active marketing programs overseas (as opposed to a passive one relying on outsiders), the government enacted legislation in 1975 creating the so-called "General Trading Company" (GTC) which was a copy of the Japanese sogoshosha. A total of 13 GTC's, most of them were large Korean conglomerates, received financial incentives and special import privileges, and, in return, required that GTC's maintain offices in at least 28 countries and develop their own future destiny. The 1978 statistics indicate that about 37 percent of Korean exports were accounted for by the GTC's.

Is the creation of the Korean GTC's then the answer to the marketing problems for the Korean firms? It remains to be seen. Definitely, it is a step forward. As they are now in terms of their primary functions, the Korean GTC's are primarily overseas' sales branch offices, warehousing services, and an accounting device rather than export marketing functions.

How long can the Korean export manufacturers survive in today's competitive world markets without developing an integrated marketing program?
THE EXPORT TRADING COMPANY: IMPLICATIONS FOR ADVANCING THE MARKETING CONCEPT IN LATIN AMERICA

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Over the last decade, there has emerged a profusion of remedies prescribed to cure our ailing national foreign trade position. From both a management and policymaking perspective, it is intriguing to question why US small- and medium-size businesses (S/MBs), which compete extensively and favorably with large firms domestically, are eclipsed by the multinational corporations (MNCs) in export markets for manufactured goods. This question becomes especially relevant in the context of exporting to the growing Latin American markets where small size could be expected to favor the S/MB and hinder the MNC.

Because the export of manufactured goods often is tantamount to or precedes a technology transfer, it is suggested that the transaction be viewed in a technological as well as a marketing dimension. Accordingly, the postulated US S/MB --- LA S/MB channel is compared to the MNC-dominated channel in terms of the ability of each to fulfill key needs inherent in the LA marketing and technological environments.

An expanded demand for capital goods in LA has coincided with a growing determination that imported technologies be appropriate for the conditions existing in the region. This dual circumstance presents promising sales opportunities for suppliers of suitably differentiated products. Concomitantly, many MNCs which have traditionally dominated LA markets with a standardized product fare may suffer market share losses.

It is argued that while the LA S/MB is well-positioned to recognize the changes occurring in its local marketplace, it is ill-equipped to exploit such new opportunity because of pronounced financial and managerial limitations. Moreover, it is likely to lack the technical and/or procurement capability to manufacture, import, or service a product of more than moderate technological complexity.

The US S/MB, on the other hand, is a highly efficient innovator of technology and possesses a strong competitive potential for producing in relatively small quantities technologically suitable products adapted for narrow market segments of modest sales volume. Unfortunately, it too is plagued by financial and staffing capabilities inadequate to meet export marketing needs.

In contrasting the LA and US S/MBs with the MNC, it is argued that the latter's strength in finance and management overshadows its comparative deficiencies in search capability and technological suitability. For these reasons, it continues today to be the dominant mechanism for the transfer of manufactured goods to LA.
If legislation is passed to create within the US a system of export trading companies (ETCs) approximating the Japanese Sogo Shosha model, a marketing channel institution might result which will link the US S/MB and the LA S/MB. This hypothesized result is founded on the substantial financial and management capability of the ETC (which may enjoy a close equity and management affiliation with a bank) supplementing the superior search and technological competence of the associated S/MBs. Integrating these resources into an administered channel structure might create a mechanism capable of equaling or surpassing the MNC's ability to carry out a technologically satisfactory product-market differentiation strategy for LA.
DO CONSUMERS SHOP ENOUGH BEFORE PURCHASE?

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In many markets, branded products such as prescription drugs, eyeglasses, appliances, cookware, toys and other products are distributed extensively through a variety of types of retail outlets. Shopper search for such goods is made easier by the fact that a particular manufacturer's brand does not differ from one store to another among the stores that merchandise it. However, because the prices for a given brand of product can vary substantially from store to store, economists and marketing researchers have been intrigued and consumerists and public policy makers perplexed by the limited amount of prepurchase search that is exhibited by shoppers for these types of goods. This disinclination of shoppers to engage in greater prepurchase search raises an important question. Are shoppers behaving in their own best interest by visiting relatively few stores prior to purchase?

In this study we have used the technique of computer simulation to examine this question. An information processing heuristic was created such that a shopper would act in their best interest on any given shopping trip. This heuristic was then used to examine the cost efficient behavior of shoppers as the market environment was varied in terms of price distribution, advertising influence, and shopper utility for extended shopping.

Using this methodology we were able to make three observations about the question, do consumers shop enough before purchase? First, our results would infer that shoppers are efficient in their prepurchase search. Amounts of search observed in this study were in good agreement with empirical results. Extended search under normal market conditions would be dysfunctional in that the total cost of search would be disproportionately greater than the incremental price savings accrued from greater search.

A second observation relates to the effect created by regulated advertising. In this study we show that the average shopper benefits by a lower price paid and lower total cost of purchase when regulated advertising is replaced with free-market advertising.

And finally, a third observation has to do with the effect created by consumerist advertising. Though the spirit behind such advertising is in the best interest of shoppers, ignoring the price structure of the market and the shopper's utility for search can motivate a dysfunctional shopping effort in which a greater total cost of purchase is incurred by the average
shopper. In half of the market conditions examined, the average total cost of purchase was lowest under a free-market condition. However, when market prices were negatively skewed and/or shopper utility for search was high, then consumerist advertising served to lower prices paid and the total cost of purchase. Therefore, to summarize, this study infers that shoppers are cost efficient in their pre-purchase search, regulation of price advertising increases prices paid and the total cost of search, and consumerist advertising is most beneficial in lowering the total cost of shopping when market prices are negatively skewed.
NUTRITION INFORMATION ACQUISITION AND USE:  
A LOOK AT THE AGED CONSUMER

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During the 1980's the over 65 age group will show a twenty percent increase in size when compared to the previous decade. This growth rate is second only to the 35 to 49 year old age group. Despite this dramatic increase in size, the elderly segment of the population has virtually been ignored in academic research. Given this group's size and increased buying power, the aged consumer segment appears to be a desirable target for marketers.

Recently, public policy officials and marketing managers have utilized an information processing framework for analyzing consumer behavior. Within these investigations individual variations have been studied. One variable of recent concern is that of age and its effect on information processing. This study was designed to assess differential sensitivity in prepurchase, specifically nutrition, information processing based on age.

Given that comprehension of nutrition information is a prerequisite for its use, the format of information presentation was also investigated. Recommended Daily Allowance and adjectival descriptions of the nutrient contents were the two levels studied. It was believed that the adjectival descriptions would provide an evaluation of the nutrient contents while the RDA format only provided the numerical percentage of the content.

In order to investigate the effect of age on differential information processing, age was categorized as follows: 40 to 50 years; 60 to 70 years; and 75 years and older. Four dependent variables were investigated: the amount of nutrition information examined, the ability of subjects to identify the nutritionally superior brand, and preference of information format.

Through the use of these dependent variables the following hypotheses were investigated:

H1: The amount of nutrition information examined will not vary across the three age groups.
H2: The type of nutrition information examined will not vary across age groups.
H3: There will be no difference across the three age groups in their ability to identify the nutritionally superior brand based on the information format.
H4: There will be no difference across the three age groups in their stated preference for format.
Each subject evaluated two product classes and selected one brand from each product class. Four brands of bread and six brands of adult cold breakfast cereal were available for examination on two separate display boards. Two information formats (RDA and adjectiveal) were randomly incorporated into the vitamins and minerals attribute. Subjects were asked questions regarding the nutritional values of the brands and their format preferences.

The subjects participating in this study represented 114 female volunteers from various organizations located in a large city in Southern California. A behavioral process methodology was utilized in the investigation of prepurchase information acquisition. The experimental task consisted of five stages: introduction to the experiment, a practice session, the two shopping tasks, and completion of the questionnaire.

Hypothesis 1: A one-way analysis of variance was performed to test for differences at the .10 level between the age groups. The results of the bread task were not significant, however, the results of the cereal task did indicate a significant difference. The youngest group viewed the greater number of information items while the oldest group viewed the fewest.

Hypothesis 2: Responses were divided into two groups. One group was comprised of those that had examined an attribute for at least one brand while those subjects not examining that attribute were placed in a second group. The sample was then analyzed on the basis of age and whether or not an attribute was examined. Chi-square values were calculated and at the .10 level of significance no significant difference was found.

Hypothesis 3: Chi-square values were calculated and again at the .10 level, no significant difference was concluded. Thirty eight percent of the sample correctly identified the nutritionally superior brand. However, this figure represents both those that viewed the manipulated attribute and those that did not.

Hypothesis 5: Subjects were presented examples of the two formats incorporated in the study. They were asked to indicate their preference. Again, no significant difference occurred between the age groups. Eighty percent of the sample stated a preference for the current RDA format.

Overall, the age of the subject did not appear to directly affect prepurchase acquisition behavior, except for the amount of cereal nutrition information examined. During the cereal task the older subjects did examine significantly fewer nutrition items.

In conclusion, the active/upscale elderly population should be considered a viable segment by the marketing manager.
PROFILE OF POTENTIAL ADOPTERS OF GEOTHERMAL ENERGY

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In a society characterized by abundant resources the resource crisis of recent years poses tremendous adjustment problems for American business. Of particular concern is the more immediate energy issue. Shortages of supply, legal restrictions and lagging technology have caused policymakers to draft programs to stimulate development of fundamental forms of energy: solar, wind and geothermal. However, decades of artificially cheap energy have created substantial barriers to the commercialization of these sources. Commercialization programs have been drafted with but meager acceptance. Little is known about business' decisions to adopt energy. Before commercialization programs can be effective, the energy decision process of business must be investigated.

A study of that decision process has been undertaken at the New Mexico Energy Institute. The study sought to profile potential adopters of geothermal energy. A literature review and focus group interviews were used to draft a final questionnaire that was administered by personal interview to 105 respondents. The respondents were top energy decision makers among businesses located contiguous to known reserves of geothermal energy. The sample was of a systematic design.

The basic research issue was the adoption of an alternative source of energy. The theoretical framework for the study was diffusion of innovation. Adopter categories were identified by probability of adoption given a set of product attributes and a time period for adoption. Several statistical analysis techniques were used to test the significance of adopter categories.
CONSUMER FINANCING AS A FACILITATING VARIABLE FOR
THE ADOPTION OF SOLAR PRODUCTS

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Abstract

A decrease in available energy sources at acceptable societal costs has heightened the concern for speeding the adoption of products that supply or utilize alternative energy sources. Increasing the rate of product diffusion for small scale solar energy systems is an ongoing marketing problem that has been considered for durable energy related products (Pitts, 1979; Hutton and McNeil, 1979).

The Solar Decision Process

Market acceptance of solar options and housing innovations in general, usually occurs as a ratchet-type process where either the home buyer, builder, or financial institution may serve as an innovator, but is constrained by the other decision makers until they are unified in their desire for change. This self-constraining interaction slows market acceptance of housing innovations (see Figure 1).

This paper investigates the financial component of the ability to purchase construct as a media or of purchase and hence adoption of energy products.

Figure 1
DECISION MAKER INTERACTION
WITHIN THE SPECULATIVE HOUSING MARKET

Methodology

Within three western U.S. metro areas five focus groups were conducted using
a convenience sample of 32 financial institution administrators of upper level management ranking, including presidents, vice-presidents, and regional managers. Participants, who represented commercial banks and savings and loan institutions of independent and state-wide origin, were required to be aware of their institution's solar lending policies and instrumental in getting that policy.

Analysis

Attitudes and opinions investigated in the focus group analyses included those related to solar lending in general, to specific lending procedures and policies, and to past solar lending activities. The specific areas of questioning included 1) the attitude of the lending institution toward financing new and retrofit solar loans, 2) impact of mortgage market on solar loans, 3) the use of payback ability, credit worthiness, and marketability as attribute for evaluating solar loans, 4) use of life cycle costing, 5) use of incentives to increase the number of solar loans.

Summary of Focus Group Findings

Standard loan criteria are used by all lending institutions to evaluate loan applications and provide financing to the homebuyer. These loan criteria include 1) the borrower's financial ability to repay the loan, 2) the credit worthiness of the borrower, 3) the market value of the property.

The above specified mediators apply also to home improvement loans for installation of solar products. However, in this case, the cost of the improvement is first considered, followed by the borrower's financial ability. The mediating effect of credit worthiness and market value of the property is generally minimal.

Several important operational variables were reported as evaluated in the assessment of the three mediating variables. The percentage of salary allocated to payment was found to be used as a measure of financial ability to pay. Credit worthiness of the buyer was evaluated using timeliness of payments, current level of indebtedness, and a subjective evaluation of financial maturity. The market value of the property was assessed using property features that increased marketability and security such as presence of city services, conventionality of the structure, the number of rooms, type of heating system, and price of the property.

Financial institutions were found to be constrained by the requirements of the secondary mortgage markets in issuing loans. Factors critical to mortgage market acceptance of loans were essentially the same as those used to evaluate market value of the property. All of these variables may be altered for the solar equipped home.

Energy cost savings do not currently mediate the approval of home loans. This non-consideration is an inhibitor to the adoption process in that although homes with solar products cost more initially, monthly operating cost savings generally offset the high first costs in 5-7 years.

Market information about the resale value of solar equipped homes is lacking. This information gap has two effects. First, it does not allow for the effective establishment of market value for innovations in the housing market. Secondly, it does not allow for the distinction between solar and non-solar homes. This information void impacts on the builder, the lending institution, the appraiser, and the prospective homeowner, all of whom are increasingly unsure of market value, or even how to evaluate it.
DEALING WITH THE DEVIANT CONSUMER

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Deviant consumer behavior may be defined as behavior within a consumer context that society considers inappropriate or in conflict with previously accepted societal norms. Such behavior, in its many forms, is rampant and is on the increase.

While much of this expensive behavior is, of course, directed at retailers, other businesses are also targets for consumer deviance. Insurance fraud in medical cases, for example, has been estimated to be about a billion dollar problem. Other examples of insurance fraud, such as property and auto claims, total in the millions. Vandalism and miscellaneous mischief directed at businesses may go as high as several million dollars annually.

Not only are the economic costs of deviant consumer behavior enormous, but, given the tremendous involvement of all sectors of the economy in these acts, such deviant consumer behavior must also be classified as a rising social problem. Indeed, deviant consumer behavior has reached such proportions that one authority states that "good" citizens are now distinguished from criminals only by the degree of violence used. (McCaghy 1976).

What Can Be Done? Implications For Business

Given the increasingly tougher economic climate, the definite restrictions on profit that the increasingly higher costs of deviant acts bring to the balance sheet, and the difficulty of simply passing these costs along to consumers, it seems imperative that affected businesses devote increasing time, energy, and resources to attacking and alleviating the deviant consumer threat. In gearing up to meet this challenge, firms can borrow from the efforts of other establishments, as well as from tactics frequently employed by consumer activists to bring pressure to bear on the problem. For example, a coalition (a frequently employed consumer tactic) might be formed by the union of several affected establishments.

Another tactic may be the establishment of a deviant consumer task force or independent organization. For example, from its beginning in 1971, the Insurance Crime Prevention Institute now is backed by more than 350 member companies.

Of course, firms can often utilize existing cooperative frameworks for combating deviance. Agencies such as the National Retail Merchants Association and similar groups can be particularly effective in information dissemination, overall coordination, and in lobbying activities aimed at getting tough with deviant consumers.
There is much, of course, that can be done by individual firms. The increasing sophistication of electronic anti-shoplifting devices is a promising area for retail security control which is available to individual firms, and some insurance firms report good success with special, in-house "fraud squads" and internal awareness programs.

Much more can also be done, of course, in the way of coordinated research aimed at further profiling the deviant consumer as well as in attempts at understanding the motivation behind the behavior. Sources of quality research in this area may include that conducted and shared by individual firms, academic researchers, research conducted by independent or consulting agencies, and the like.

The Future

The future is likely to bring even more incidences of deviant consumer behavior due to rising rates of inflation and unemployment, and the increasing proliferation of self-service merchandising. For retailers, new developments in electronic technology and, particularly in electronic scanning equipment, are promising breakthroughs, yet they are not a panacea by any means. For other businesses the seemingly prevalent consumer attitude that indicates "It's all right to rip-off big business" suggests that consumer deviance may well continue to increase without coordinated business action. Only through increased effort and a willingness to get tough with deviant consumers can business hope to alleviate increased trauma and further financial losses in this area.

REFERENCES

A CONCEPTUAL FRAMEWORK FOR THE
SYSTEMATIC EVALUATION OF HUMOR AND
ITS EFFECT ON ATTITUDE CHANGE

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In addition to investigating current theoretical frameworks for
the study of humor and its effect in persuasive communication,
a technique is proposed for assessing the effect of humor on
attitude change.

It is proposed that future research would benefit from focusing
on possible aspects of the situation which render it humorous
and by systematically evaluating the relative influence of these
aspects as a function of the degree to which the isolated aspects
are varied from some neutral position. Further, it is proposed
that the critical aspects of pointedness of the topic portrayal,
the overall importance of the topic dealt with, and the degree
to which the individual agrees with the attitude inherent in the
topic portrayal, are essential components of any model purported
to assess the effect of humor in a persuasive message.

Assuming the above components in a model, it is proposed that
research on persuasive communication indicates that a humorous
message, would serve to polarize an individual on a topic to
the degree that the individual is in agreement with the attitude
expressed or to the degree that the topic is unfamiliar to the
individual. Further, a widespread belief, which is less likely
to encounter contradiction, should yield more readily to strong
counter influence. This counter influence should be more effective
when the topic at issue is of low importance, because of a weak
internal representation.

Two complimentary research programs are presented which test the
applicability of the proposed model. This research addresses the
problem of the evaluation of humor and in a subsequent experimen-
tal design, focuses on the use of such evaluations for system-
atically varying aspects of humorous messages to assess the
effect of the message as a persuasive vehicle. The complimentary
research projects differ only the nature of the material used
as the basis of the persuasive attempt. One project uses editori-
\[...\]
AN EXPLORATORY ANALYSIS OF SELECTED EARLY TELEVISION COMMERCIALS

COMPAred WITH SELECTED RECENT TELEVISION COMMERCIALS

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In 1959, after 10 years of network television advertising, an awards program was established to honor the "best" television commercials of the decade. This program was received with such enthusiasm that a yearly awards presentation was begun in 1960 that has since become known as the Clio Awards. This paper focuses on characteristics of these 69 original award-winning commercials from 1948-1958 and contrasts them with 58 spots of recent Clio Award years 1976 and 1977.

This analysis can only be considered exploratory because these early and recent commercials do not necessarily represent all the commercials of their respective periods. These commercials were compared across a broad range of characteristics: Type of storyline; selling strategies; use of humor; live action versus animation; depiction of Blacks, women, Orientals, and "rugged" men; and major production techniques. Every commercial was viewed in an effort to segment and study its various individual characteristics.

In analyzing the six types of storylines: Problem-solution, celebrity endorsement, straight-sell, dramatic, song-and-dance production and demonstration, the formats have remained relatively consistent over the years. One noticeable increase is the dramatic structure. The rise of public relations/image commercials may account for some of the increase. From 1971 to 1978, television showed a 48 percent expenditure increase in this commercial strategy. The public relations commercial also lends itself to the dramatic format, because corporate stories are being related to the public.

An integral part of this analysis of early television Cios was to look at how Blacks, women and Orientals were depicted compared with recent commercials. It is easy to sum up the Black actor in the early Cios: There are none. The only exception is from a 1955, 2-minute Dodge automobile extravaganza. In the Detroit Dodge plant, one Black, named Joe, is shown at his station, face partly obscured for about 1.5 seconds. This is the only occasion that a Black appears in any of the 69 commercials from 1948-1958. Black actors appear in four of the 58 commercials from 1976-77. In two of the four, Blacks dominate the action, but in both cases they are Black children and not adults.

Women dominate the action in eight commercials from the early era. Yet, in all but one case, the women are in the home and are seen using household products, like Kleenex, Clairol and Tide. They are usually depicted in some stressful house-cleaning situation. In the recent Cios, women were out of the home more than not and were now selling a variety of
products from tires to film. It appears in these later commercials that women are much more independent than as earlier shown. Women continue to be portrayed as sex symbols, evidenced by two commercials in the early group and three in the recent collection. The major example in the early group is the Muriel Cigar Spot. This 60 second animated song-and-dance format from 1951 shows a sexy Mae West-type cigar characterization, which repeatedly coos to the audience, "Why don't you pick me up and smoke me sometime?" The later group has its sexy women, but the formats are not as obvious as the earlier spots.

There are no Orientals in the early group of commercials and only two in 1976. In both cases the settings are Chinese restaurants with Chinese waiters. It is worth noting the prevalent male role in the early commercials. He was rugged, individualistic and an outdoorsman. There are five of these examples from the early years, and one of the best examples is a 1955 spot for Marlboro Cigarettes. The rugged, independent male continues in Marlboro print advertising today. The male individualist image, however, only appeared in one commercial from the recent group, and this was a tongue-in-cheek spoof of a truck driver for Old Home Bread.

A few technical considerations are worth mentioning from both the early and recent groups of Clio commercials. The standard for 1948-58 was the 60 second spot, while the length for the recent group is equally split between 30s and 60s. The recent commercials utilized standard lengths from 30 seconds to 2 minutes, while the old commercials varied in length from 8 seconds to 6 minutes and 45 seconds. Seventeen percent of these commercials had non-standard lengths, such as the two extremes for the early group just mentioned.

An additional production aspect is the scene transition, or the art of getting from one scene to another cinematically. The early commercials averaged 10 separate scenes per 60 second commercial, which is almost 6 seconds per scene and the recent commercials averaged 16 scenes at 3.7 seconds each. It appears that the number of scenes are increasing and, of course, length of scenes are decreasing. There was an average of three dissolves and six cuts for the older commercials and 3.4 dissolves and 11.6 cuts for the more recent commercials.

The purpose of this study is to begin analyzing the virtually unexplored thirty-three year history of American network television advertising by looking at the changing characteristics of selected early and recent commercials. Eventually, a more complete and detailed analysis will be undertaken to look at specific influences of early television advertising upon modern television advertising.
EFFECTS OF THREATENING ADVERTISING AND PRIOR INFORMATION ON PRODUCT RATINGS

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In practice, many advertisements employ threats or "fear appeals" based on the social or physical consequences of not using such products as mouthwash or furniture polish. In theory, the Yale studies of persuasion define "threats" as messages warning about a possible danger and "fear" as an emotional reaction to a danger. Further, the theory suggests that fear arouses tension in members of the audience, and that relief of tension brought about by accepting the communicator's recommendation reinforces the attitude change.

Since few studies have examined threat in relation to an actual product, the discussion of threat appeals in the marketing literature depends almost entirely upon non-commercial messages (involving primarily health problems such as smoking or dental hygiene). In these experiments, high, medium and low levels of fear have been shown to be most effective in changing attitudes. To explain differences in experimental results, the theory says that the optimum fear level shifts with the interaction of other communicator, audience and message variables in the communications process. One such variable is familiarity.

The present study extends the investigation of threats into printed ads for a specific brand of automobile tires. The first hypothesis proposed that an advertisement for tires using threat as an appeal would produce more favorable product attitudes than a less threatening message. The second proposed that familiarity with the effectiveness of the product would enhance product ratings if the information is favorable and interfere if the information is unfavorable. The threatening message involved: (1) a product, (2) the prospect of product failure, and (3) a recommendation to purchase from the manufacturer.

Subjects were obtained from two sources: 60 were predominately male undergraduate students who were interviewed in a group context, and 60 were randomly selected housewives living in a married student housing complex who were interviewed in their own homes. The procedure was the same for each subject: (a) reading an article, (b) reading an advertisement, and (c) filling out a questionnaire.

The experiment used a 3x2x2 factorial design, employing random assignment of subjects to each of the cells and after-only measurement of the dependent variable. Three levels of prior information represented the first factor. ("Familiarity" was created by having the subjects read articles from a "popular magazine." One was irrelevant to the threat, one was
favorable toward the product, and the third was unfavorable.) Two levels
of threat comprised the second factor. (The moderate threat involved "blow-
outs", and the neutral ad made no reference to "blow-outs.") The two groups
of subjects represented the third factor. As a dependent variable, product
ratings were obtained on several product attributes which would presumably
affect purchase decisions.

The experimental treatments were evaluated by the subjects. They rated the
threat ad to be significantly more threatening than the neutral ad. They
rated the favorable article to be significantly more favorable and the
unfavorable article to be significantly less favorable than the irrelevant
article.

Summated product ratings were subjected to an analysis of variance. A
significant independent effect was demonstrated by the threat treatment;
thus the second hypothesis was also supported in a sense. However, the
results indicated little possibility of an interaction between the threat
and information treatments. Students provided lower ratings in all cells,
but the difference between students and housewives was not significant.

As with many laboratory experiments involving attitude change, the results
of this study can be generalized only so far: a single product was invol-
ved, one threat was used, the sample was small, the subjects were not neces-
sarily representative of the U.S. population, etc. In the absence of other
fear appeal studies in a "marketing" context, the value of this study lies
in demonstrating that, for a brand name product, a fear appeal can create
more positive attitudes toward the product. This study can be seen as a
modest first step in expanding the traditional studies on fear appeals into
the realm of mass media commercials.
ALCOHOL CONSUMPTION IN TELEVISION PROGRAMMING:
IMPLICATIONS FOR ADVERTISERS AND SOCIETAL VALUES

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This study was conducted as an exploratory attempt to understand the incidence and situational correlates of alcohol consumption in prime time television programming. Implications are significant for marketers because networks receive their revenues as a result of advertising on the programs. When firms advertise on television programs they not only endorse their product, service, or idea but are actually supporting the network and programs. In doing this the advertiser may, in effect, be condoning the kinds of values and social behaviors contained in the programs. For this reason some firms have decided not to advertise on programs which display or suggest sex, violence, and other forms of adverse social behavior.

The abuse of alcohol is rapidly becoming a major problem in our nation. Countless studies have been conducted in order to better understand the physical and social effects of alcohol and methods of rehabilitation.

Much psychological research has shown that children, teens, and adults learn partially as a result of imitation. Acts that are portrayed more frequently are more likely to be seen and learned by viewers.

Children appear to be an especially vulnerable audience because of their knack of modelling others' behavior. Although it is popularly believed that prime time television attracts adult audiences, over 30% of children's TV viewing is during prime time hours. It is during these times when various forms of social behavior such as sex, violence, and alcoholic consumption are transmitted across millions of television screens. The stage is therefore set for young persons as well as adults to view and mimic the behaviors contained in the programs.

The sample represented 66 hours of prime time programming (an equal amount from each of the three major networks) chosen during October and November, 1979.

Overall, 55.3% of the 30 minute program segments contained at least one drinking situation. On the average there were 1.37 drinking situations per average 30 minute segment--with CBS showing the highest and NBC having the lowest incidence. The type of programs which showed the highest proportion of total drinking situations were TV and Hollywood movies (28.7%), general drama (27.1%) and police/detective (24.8%) shows.

Given a prime time interval of 7:00 to 11:00 p.m., 26% of the drinking situations were aired in the early evening (prior to 9:00 p.m.) with the majority of drinking situations (54.7%) shown between 9:30 and 11:00 p.m.
A program was slightly more apt to find a drinking situation aired on the weekend compared to the weekday. Specifically, Tuesday and Saturday had the highest while Monday and Sunday had the lowest average number of drinking situations aired.

The most prevalent type of alcohol consumed was spirits (38.9%) followed by wine (24.8%) and beer (22.1%). The majority of the drinking took place in bars (37.2%) and in homes (28.3%) with nearly 65% of the drinking taking place during the evening (on the basis of the program context). Of those persons shown to be drinking 91.2% were white and 7.3% black and the majority (54.8%) of situations showed both men and women drinking together. During 38.3% of the drinking scenes the situation was happy while in only 8.7% of the drinking scenes was the situation sad (the remaining scenes were neutral from an emotional standpoint). In nearly 60% of the drinking situations the scenario was purely social while in 13.3% the setting was strictly professional.

As shown by the data, alcohol consumption on television is not just an infrequent or isolated event, rather, it is a behavior which occurs with regularity.

Drinking on TV is shown to be a commonplace occurrence in the lives of many of the prominent TV characters. If young people admire the character, then selected behaviors of that character (such as drinking) might be modelled. The TV characters that drink are rarely shown to suffer any negative side effects from alcohol. This is not an accurate reflection of reality. To be fair and put alcohol consumption in perspective the medium needs to deal with the many inherent problems associated with drinking.

Looking at the bottom line, this is another area of concern for the marketer. The businessperson has an obligation to look at the social effects of their decisions. The results of this study imply that the frequency of alcohol consumption on TV has the potential of communicating to viewers that this behavior is a common, socially acceptable and desirable life activity. By advertising on programs which display excessive adverse behavior in the form of drugs, alcohol, sex, or violence the advertiser is actually endorsing this social behavior and to some degree influencing viewers to model their behavior after what they have seen.

In addition to calculating the best program buy (on the basis of cost per impression) and matching consumer and audience demographics the astute marketer needs to select those programs whose content and values match the firm's moral fabric and conscience. Alcohol consumption in television programming is a controllable decision by the networks and is a decision that advertisers can influence through their opinions and time buying power.
ADVERTISING, CONCENTRATION, AND MARKETING PUBLIC POLICY:
SOME NEW EMPIRICAL EVIDENCE ON SELECTED PRODUCT CATEGORIES

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A pressing marketing public policy issue is to what degree advertising and other image differentiation activities are detrimental to economic efficiency. Some economists have argued that pure informational advertising is appropriate to our economic well-being and that when advertising lapses into image differentiation to promote certain brands at the expense of other brands, economic waste results.

Most studies testing the advertising intensity and market concentration hypothesis use the advertising-to-sales ratio as the independent variable indicating advertising intensity. Some scholars argue that there is no correct rationale for its use, because economics of scale in advertising due to media rate structure are a function of the level of advertising expenditures and not the advertising-to-sales ratio. It is maintained that only if the advertising-to-sales ratio is highly correlated with levels of advertising expenditures and advertising messages will the ratio be appropriate to test the effect of advertising on monopoly. It is also argued that one cannot justify the use of the advertising-to-sales ratio on the basis of cost of entry because, no cost of entry problems exist in this situation and that all potential entrants have equal opportunity to compete and that advertising intense firms originally had to overcome such barriers when they entered the market.

Lancaster has provided one of the few studies to date which considers the problem with the advertising-to-sales ratio as the independent variable for advertising intensity and the implications of how the various media affect the level of concentration. (1) The author hypothesizes that the correct measure of advertising intensity is the use of total and six-media advertising expenditures and not the use of advertising-to-sales ratio. The purpose of this paper is to test the hypothesis that the advertising share is a better measure of advertising intensity than the advertising-to-sales ratio. Lancaster claims that it is, but does not empirically test his hypothesis. In this analysis, total and six media advertising sales ratios were used as the independent variable instead of total and six media advertising shares in testing the relationship between advertising intensity and market concentration. The data and statistical tests employed were identical to those of Lancaster which greatly facilitates comparison of the two measures of advertising intensity within economically relevant markets.

Total product category sales and brand share data were obtained from approximately 50 issues of Advertising Age from 1971 to 1977. Advertising expenditures matching the available market shares, including product category total advertising expenditures, were obtained from: LNA Class/Brand Year-to Date Expenditures, January-December, 1970 through 1975. For each
of the 11 product categories for which brand level market shares were available, corresponding media expenditures, by year, were obtained from LNA. Advertising media expenditures for each product category and brand include: (1) six media total advertising expenditures; (2) total magazine advertising expenditures; (3) total newspaper Sunday supplement advertising expenditures; (4) total network television advertising; and (5) total spot television advertising expenditures; and (6) outdoor advertising expenditures. Annual brand sales, used in the denominator of the various brand advertising-to-sales ratios were computed by multiplying total product category sales by a brand’s market share.

Simple and multiple linear regression analyses were utilized to estimate the relationship between brand market shares and brand total advertising-to-sales ratios or brand individual media advertising-to-sales expenditures within and across product categories. The simple and multiple regression analysis ignored the time series nature of the data at the likely expense of some degree of serial correlation. The unequal number of years for most product categories, and missing years for some brands within product categories, present some difficult analytical problems. Therefore, a pooled cross-sectional time series analysis was employed.

The results indicate strong support for the Lancaster assumption that the use of advertising shares is a better measure than the use of the advertising-to-sales ratio. Furthermore, this research shows generally little relationship between advertising intensity and market concentration using the advertising-to-sales ratio contrasted with the Lancaster results showing a strong positive relationship using the advertising share measure. It should be reemphasized that both studies used the same data base and statistical procedures.

Perhaps this study only further complicates the already confused debate on the question of advertising intensity and concentration. Is there really a relationship, and if so, which measure is most appropriate to determine its relative strength? If the total and six media advertising share measure is a better indicator of advertising intensity than the advertising-to-sales ratio, as this study suggest, perhaps it might be well to replicate past research using this alternative measure. The findings of such research may prove extremely useful in clarifying this controversy.

MARKETING AND THE LEARNED PROFESSIONS

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Recently there has been a focus of attention on the subject of advertising and pricing in the learned professions. Exploratory studies have been completed in a number of the professions with the goal of assessing each group's interest in and support of expanding their profession's freedom to use all of the marketing instruments. Generally the more established individuals in the professions resist changes in regulatory rules giving them more "marketing" freedom.

This manuscript reviews the history of the restricted use of the marketing instruments of advertising, personal sales, and price in two major professions. Many of the restrictions are common to most of the learned professions even though the dates of implementation and challenge may be different. Conclusions relate to the recent changes taking place and an outlook for the future.

The accounting, law, medicine and other practicing units of the learned professions are governed by codes of ethics put in effect by professional associations and by regulatory authorities. The codes prohibited such practices as competitive advertising and solicitation and client encroachment. Those associated with the learned professions felt that competitive advertising and solicitation were incompatible with the dignity and ethics of the professions and that such ethical constraints were immune from the antitrust laws and other legal restrictions.

The past few years have seen significant changes in these outlooks and practices. Attacks have come under the antitrust laws from the Justice Department, private litigants, Federal Trade Commission, and consumer advocates. These groups are attacking these ethical restrictions on constitutional grounds as violations of free speech and free press. Also, members and organizations in the professions have themselves increasingly been voicing support of price competition and advertising.

The Sherman Antitrust Act prohibits agreements or combinations in restraint of trade or commerce. Agreements to fix or stabilize prices or concerning the dissemination of price information have been held to be illegal under the act. Nevertheless, professional associations traditionally include in their codes of ethics restrictions on price competition and advertising.

The Justice Department opened its attack on these restrictions in the accounting profession in its action against the American Institute of Certified Public Accountants, resulting in 1972 in a consent judgment nullifying former Rule 3.03 of the Code of Professional Ethics prohibiting competitive bidding. It further resulted in an acknowledgment by the institute that submission of price quotations is not an unethical practice under any policy of the institute.
The attack was extended to the legal field in a 1975 case (Goldfarb v. Virginia State Bar) where the Supreme Court held that the publication and enforcement by local and state bar associations of minimum fee schedules violated the Sherman Act. The Court stated that there was no absolute learned profession exemption from the Sherman Act.

On June 27, 1977, the most important Supreme Court decision to date in this area was decided. This is the case of Bates versus the State Board of Arizona. Two Arizona attorneys, Van O'Steen and John Bates, in violation of ethics rules of the Arizona Supreme Court, placed advertisements in the February 22, 1976 issue of the Arizona Republic (a Phoenix newspaper). The advertisement contained information on fees to be charged for particular legal services, such as for uncontested divorces, name changes and adoptions. The U.S. Justice Department filed a brief in the Supreme Court setting forth its position that the anti-solicitation rule was immune from attack under the Sherman Act because it constituted official state action. However, the Justice Department urged strongly that the blanket rule against professional solicitation and advertising was unconstitutional. The Justice Department stated that it was a matter of public interest that consumer decisions about services be intelligent and well informed. They added that "there is not now sufficient information available to the public concerning such services ... One of the major causes of this ignorance is doubtless the ban lawyers have imposed upon the dissemination of information about their services, their prices and even their existence. Such a ban ... is fundamentally incompatible with a system of free expression."

Associations that have been under attack or investigation the past few years are the American Medical Association, the American Dental Association, the American Society of Anesthesiologists, the American Institute of Architects, the American Pharmaceutical Association, the Professional Association of Engineers, the American Bar Association, the American Optometric Association, and the American Veterinary Medical Association.

In each of the above mentioned organizations, advertising, solicitation, and price setting policies have been extremely controversial subjects. There are similarities in many of the marketing related ethical codes of the professions listed. The legal cases against the various codes of ethics have, however, been initiated by many independent sources. This paper specifically concerns the marketing activities of two learned professions, accounting and law. These two professions have been at the forefront of the legal attacks. Many of the observations are, however, also applicable to the other learned professions. Some of the other professions have astutely observed the trends in the accounting and legal codes of ethics and have preempted legal maneuvers by changing their codes in recognition of new legal interpretations.
ATTITUDES OF FUTURE DENTAL PROFESSIONALS

ON THE

MARKETING OF DENTAL SERVICES: A PILOT INVESTIGATION

Thomas J. Beggs, University of Southern California
Michael K. Mills, University of Southern California

Comparatively little previous effort has been devoted to the marketing of professional services (Wilson 1972; Bernacchi and Kono 1978); this is particularly true as regards the marketing of professional dental services. This study, a pilot investigation, was an attempt to examine future dental practitioners' attitudes and opinions regarding the marketing of dental services.

Method

Eighty-eight dental students from a well known Southern California university responded to a 13 page survey instrument which asked them (1) about their knowledge and exposure to marketing, (2) their feelings about the appropriateness of marketing dental services, codes of ethics restrictions, perceptions of colleagues who advertise, need for marketing activities in dental practice, and "discounting", and (3) the likely sources of marketing information they would utilize in their practice.

Results

The results of the study showed the following:

1. Dental students have little exposure or training in marketing techniques. The exposure or training they do have comes from dental journals or other such sources and may or may not reflect current marketing thought.

2. While many of the students in the sample correctly identified a marketing orientation to dental service (as opposed to "production" or "sales" orientations) the most preferred method of dental service delivery was the "production" orientation.

3. Nearly 85 per cent of the respondents felt that marketing would be of "great" or of "some benefit" to their practice although perceived code of ethics restrictions would preclude the use of various marketing activities in the individual practices of the respondents, particularly as regards the advertising function. Overall greater disfavor was displayed for advertising, promotions, and publicity and more favor was given to marketing and marketing research activities.

4. A majority of the respondents would go first to dental practice
management journals and second to "another dentist" for marketing advice, rather than to marketing professionals or marketing journals.

5. Some discrepancies were noted with respect to whether a specific marketing activity was favored for the profession as a whole or "for use in one's own practice".

REFERENCES


SUPERMARKET BACKGROUND MUSIC:
DO EMPLOYEES AND CUSTOMERS DANCE TO THE SAME TUNE?

Douglas J. Lincoln
Gary McCain
Boise State University

Considerable attention has been given in recent years to the concept of retail image. The abundance of literature and discussion on this topic seems to substantiate the existence and importance of retail image to retail success. The general purpose of this study is to empirically address the role background music plays in retail image formation, using both a customer and store employee orientation.

Hundreds of image dimensions have been identified and used by various researchers. Some basic underlying factors or dimension classes have been identified, such as merchandise, service, clientele, physical facilities, convenience, promotion, institutional factors, post-transaction satisfaction and store atmosphere. Perhaps one of the most important dimensions is store atmosphere. A store's atmosphere is individually interpreted by a "feeling" one gets when physically present in a particular store. It is created through skillful and creative combination of visual, aural, olfactory, and tactile stimuli to achieve desired effects. This study focuses on benefits managers perceive to be derived from the use of the aural stimulus of background music.

Personal interviews were conducted with sixty supermarket managers. They were asked to respond to a structured set of questions. Fifty-six were complete enough for analysis. Forty-nine did use some form of background music, while seven did not. Each was asked to describe the types of music systems used, style of musical selections, the intended purpose of providing background music, and their perception of the effect of the music on customers and employees.

The predominant type of system, used in twenty six stores (55%), was "Piped Music," which puts music directly into a store sound system from tapes or record albums. Professional sound systems designed specifically for background use (e.g., Muzak) were used by fourteen (29%) and radio programming was used in eight (16%) of the stores included.

When Managers were asked why music was played in the store, nineteen (39%) indicated that their primary intentions were to please or influence consumers. No one indicated the primary function was to influence employees; twenty-six (55%) said it was for both employees and consumers, and four managers used music for their own personal interest.

Managers were then asked to evaluate the reactions of employees and customers to the music played in their stores. Although none had ever surveyed customers or employees to determine their feelings, managers believed that employees did not appreciate the music as much as customers (Table 1).
TABLE 1
Managers' Evaluation
of
Reactions to Background Music

<table>
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<tr>
<th></th>
<th>Enjoy</th>
<th>Indifferent</th>
<th>Dislike</th>
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<tbody>
<tr>
<td>Employees</td>
<td>17</td>
<td>17</td>
<td>12</td>
</tr>
<tr>
<td>Customers</td>
<td>30</td>
<td>16</td>
<td>0</td>
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Open-ended responses clarifying what managers felt would lead employees to dislike background music included lack of variety and type of music inconsistent with taste. The type of music used in ninety-six percent of the stores was considered "easy listening"; the others were "country." They considered type and variety less important with respect to their consumers for whom they indicated that the music was relaxing.

Of the seven managers without music in their stores, six indicated they would not consider adding a background sound system. They felt its effect was not important or that the costs exceeded the benefits.

Most retail supermarkets had some form of background music which managers considered beneficial. The benefits they expected were primarily in the development of a positive atmosphere for the consumer. Music to provide a pleasant working atmosphere was definitely secondary with many acknowledging that for some employees, the effect was negative.

Managers' observation of these attitudes may be a reflection of the differences in exposure to the music. Customers spend a limited amount of time in the store and, thus, don't hear repetitions in the programming. Short exposures may minimize reaction to less preferred music types. Employees hear the entire set of music with whatever degree of repetition that may require.

The differences in music preferences may be inevitable where employees and consumers are drawn from different segments of the population. In the example of supermarkets used in this survey, the potential for age, social, educational, and economic differences are substantial.

The decisions relative to selecting and playing background music are not as simple as some managers may feel. Attempts to use "atmospherics" to produce a favorable environment to facilitate customer response (buying) and employee response (working) may create a dilemma for managers for which the solution cannot be positive for all.
FORMAL EVALUATION OF RETAIL BUYERS

Brian F. Harris, University of Southern California
Michael K. Mills, University of Southern California

Prior research has pointed to the importance of retail buyers' job performance on the operating success or failure of a retail store (e.g., Martin 1973), yet little attention has been devoted to an examination of the performance measurement mechanisms used by stores to evaluate their retail buyers. This study analyzed the extent and nature of formal performance evaluation processes for retail buyers.

Method

Two hundred and thirty-four department and grocery store buyers solicited from all parts of the United States responded to an extensive written survey instrument which probed the prevalence and characteristics of the evaluation process for retail buyers. One section of that instrument, that dealing with the formal performance appraisal process, forms the basis of this study.

Results

The study revealed the following set of results with respect to the formal evaluation process:

Results on Formal Performance Evaluation

1. Eighty-two percent of the sample indicated that their job performance was evaluated "in a regularly scheduled formal appraisal", with some 83 percent of the respondents indicating that a formal performance appraisal was done annually by their firm.

2. Typically the results of the appraisal were discussed with the respondents; forty-four percent of the sample indicated that the performance interview lasted from 30 minutes to an hour.

3. In general respondents were quite knowledgeable about the criteria used in measuring their performance; 40.4 percent knew "exactly what criteria were used", 47.3 percent had "a reasonably good idea", and 11 percent had "some idea" of these evaluation criteria.

4. Thirty-seven percent of the buyers, however, responded that they "had no input" in helping to determine the final rating they actually received.

Results on Formal Performance Appraisal by Store and Buyer Characteristics

Chi-square analyses revealed that:
1. A significantly larger percentage of buyers in corporate chains received formal performance evaluations as compared to buyers in independents and wholesalers.

2. Buyers in publicly owned companies reported a significantly higher percentage of formal evaluations than did those in privately held organizations.

3. Grocery and department store buyers were more likely to be formally evaluated than buyers working for food wholesalers.

4. Buyers who had worked in their present position for 2 or more years, those who had been responsible for buying their present product line for 2 or more years, and buyers who bought for 50 or more stores reported receiving a lower percentage of formal performance appraisals than did less experienced buyers or those buying for smaller organizations.

5. Male buyers reported a significantly greater incidence of formal performance appraisal than did female buyers.

Conclusion

The study results have shown substantial differences with respect to the incidence of formal performance appraisal of retail buyers, particularly when the results were broken down by store and buyer characteristics. Certainly, more research is needed to link the presence or absence of formal evaluation processes to additional aspects of the operating success of the store, other feedback mechanisms, buyer satisfaction and the like. Only in this way will a definitive picture of the importance of the evaluation process on store and buyer success emerge.

REFERENCES

arithmetic. On a more sophisticated level, it is designing educational opportunities, experiences, and institutions that meet the real needs of people.

Air pollution is a widely recognized "social problem" in Denver. Despite the EPA, Sierra Club, and so many others, the air in Denver seems to get browner every year.

"Marketing" solutions to the problem would be providing and selling a viable mass transit system. It would also be replacing the present polluting products and lifestyle with newer and better options. The old systems have not worked because they relied upon force and dubious premises about how people live and what they want.

The marketing solutions to these problems are to identify the real needs, wants, and problems of the people; develop solutions in the form of newer and better goods and services, and then efficiently market the new products.
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