



Excellence in
Management
Education

Chair of Market Research

Activity Report 2012/2013

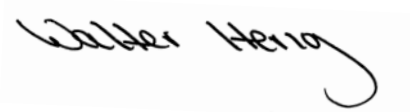
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Preface

This report provides an overview of the activities at the Chair of Market Research in the academic year 2012/2013. Specifically, it describes research projects, lectures at all academic levels (Bachelor, Master, and PhD program), as well as our services for the WHU – Otto Beisheim School of Management.

I would like to take this opportunity to thank Katharina Weiss, Kristina Schmidt, Bettina Bielesch, and Marion Stadler for their outstanding work and commitment. Furthermore, I am grateful to my colleagues Martin Fassnacht, Otto Beisheim Endowed Chair of Marketing and Commerce and Speaker of the Marketing Group, Ove Jensen, Chair of Sales Management and Business-to-Business Marketing, Tillmann Wagner, Chair of Services Marketing, and Tim Oliver Brexendorf, Head of the Henkel Center for Consumer Goods, – it is a pleasure to be a member of the Marketing Group. Finally, I would like to thank the Dean, Michael Frenkel, as well as the WHU Foundation for their trust and continued support of the Chair of Market Research.



Walter Herzog

Team



Prof. Dr. Walter Herzog
Chairholder

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Prof. Herzog studied at the University of Mannheim (Germany) from 1999 to 2004. In 2008, he received his PhD from the University of St. Gallen (Switzerland), and he was a visiting scholar at the University of Michigan from 2007 to 2008. Since 2009, he is responsible for the Chair of Market Research at WHU. His research focuses on customer relationship and sales management. Furthermore, Prof. Herzog conducts methodological research on measurement theory and causal inference. His research has been published in marketing journals (e.g., Journal of Marketing) and statistics journals (e.g., Structural Equation Modeling). Prof. Herzog teaches methods courses such as “Market Research Methods” (bachelor’s level), “Advanced Methods of Market and Management Research” (master’s level), and “Latent Variable Modeling” (doctoral level).



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Katharina Weiss has been working for the chair since October 2009.



Dipl.-Kffr. Kristina Schmidt
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Since October 2009, Kristina Schmidt has been working as a Research Assistant and PhD candidate at the Chair of Market Research. She completed her graduate studies in business administration at the University of Mannheim, majoring in marketing, organizational behavior, and intercultural studies. During her studies, she worked as a student assistant at the Chair of Marketing III. Her graduate thesis “The Impact of Co-branding on Consumer Perception and Buying Intention – An Experimental Investigation of Multiple Co-brands” received an award for excellent research efforts of the Stiftung Marketing at the University of Mannheim. Moreover, she gained practical experiences in the automotive and the telecommunications industry.

Team



MSc Bettina Bielesch
Research Assistant

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Bettina Bielesch has been working as a Research Assistant and PhD candidate at the Chair of Market Research since February 2013. Her research interests encompass consumer behavior, CSR, and food marketing. She holds a Master degree in International Business from Maastricht University with a focus on Strategic Marketing. In her Master thesis “How Thin is Too Thin? The Impact of Extremely Thin Media Models on Women: Applying an Evolutionary Perspective” she investigated the influence of exposure to thin media models on females’ subsequent eating behavior. Before her PhD studies she gained several years of working experience in management consulting in the field of marketing-mix optimization, customer analysis, and CRM in the automotive, consumer goods, and retail industry.



Marion Stadler
Student Research Assistant

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Marion Stadler has been working as a Student Research Assistant at the Chair of Market Research since August 2013. She is currently in the process of completing her studies in psychology at the University of Regensburg and will join our team as a Research Assistant and PhD candidate in October 2013. She wrote her diploma thesis “Benefit and Acceptance of Recommender Systems in the Car” in close cooperation with Continental AG and furthermore, she gained business experience in internships in the areas of innovation management and market research.

Teaching

The Chair of Market Research offers courses on the bachelor's level ("Market Research Methods"), on the master's level ("Advanced Methods of Market and Management Research"), as well as in the PhD program ("Latent Variable Modeling"). Overall, the students evaluated the courses positively – on a scale from 1 (excellent) to 5 (poor), the average satisfaction with the respective courses was:

- *Market Research Methods: 1.63 (fall term), 1.61 (spring term)*
- *Advanced Methods of Market and Management Research: 1.59*
- *Latent Variable Modeling: 1.56*

BSc Program

Market Research Methods - Fall Term 2012/Spring Term 2013

(37 students)

Market research methods translate data into useful information, thereby improving marketing managers' decisions and the company's market orientation. Market research projects provide answers to strategic questions, such as:

- Are the customers satisfied with the company?
- How do customers perceive the company and its products?
- Which instruments increase customer satisfaction?
- Which marketing activities pay off?

This course provides a sound theoretical and applied introduction to the methods of data generation and data analysis. Furthermore, the course enables participants to conduct market research projects and to critically evaluate market research findings of third parties (e.g., consultants). Moreover, participants will be familiarized with the limitations of the discussed methods.

[2 SWS; 3 ECTS]

Teaching

MSc Program

Advanced Methods of Market and Management Research - Fall Term 2012

(52 students)

General managers, management consultants, investment advisors, brand managers as well as sales managers need an excellent knowledge of market and management research methods for at least three reasons:

- First, knowledge of analytical methods enables you to soundly answer crucial questions facing any business: How do our customers and employees perceive us? How do our activities influence customer and employee behavior? Thus, knowledge of analytical methods enables you to make better decisions.
- Second, knowledge of analytical methods enables you to back up your discussion position with empirical evidence and quantitative facts. In internal debates, those who are able to provide empirical evidence and quantitative facts typically have the most powerful arguments. Thus, knowledge of analytical methods increases your internal authority and enables you to better champion your ideas.
- Third, knowledge of analytical methods enables you to detect methodological flaws and to challenge false claims made by others (for instance, management consultants, market researchers, internal opposition). As Benjamin Disraeli has noted, “there are three kinds of lies: lies, damned lies, and statistics”. Thus, knowledge of analytical methods enables you to defend against assertions and manipulative tactics.

Finally, the course is an excellent preparation for students who are considering a PhD thesis after their MSc studies.

[2 SWS; 3 ECTS]

Teaching

PhD Program

Latent Variable Modeling - Spring Term 2013

The general latent variable model (or special cases of it such as ANOVA models, regression models, factor analysis models, structural equation models, etc.) is applied in almost every scientific study in business administration. A sound knowledge of the model and its underlying assumptions is crucial when you set up your studies, write up results in an appropriate way, defend your methodological approach against reviewers, and ultimately get your papers published.

Course objectives:

- The course provides a solid review of the statistical theory and the assumptions underlying the latent variable model. It should be noted that the statistical concepts are presented in an accessible way; graduate course work in advanced statistical methods is not necessary.
- Participants learn how to estimate latent variable models by means of the *Mplus* software program. *Mplus* is an easy to use software package for the estimation of general latent variable models. For further information visit: www.statmodel.com.
- Latent variable models are used in many scientific disciplines (e.g., psychology, sociology, and biology) and there are certain discipline-specific methodological paradigms and trends. The course covers modeling issues and trends that are specific to the area of business administration.

[2 SWS; 3 ECTS]

Participants and topics of the seminar papers:

- **Li Chen** (Chair of Organizational Behavior)
"Literature Review in Preparation for Scale Development in Chinese Leadership Research"
- **Radoslav Hristov** (Chair of Empirical Capital Market Research)
"Maximum Likelihood Parameter Estimation and Path Modeling via Particle Filtering in a Mean-Reverting Stochastic Volatility Environment"
- **Laura Janz** (Chair of Organizational Behavior)
"Truth Seeking and Truth Avoiding: Toward a Measurement Scale"
- **Lukas Petrikowski** (Institute of Management Accounting and Control)
"The Relevance of Common Method Variance in Current Management Accounting Research"

Teaching

- **Michael Schmaelzle** (Chair of Production Management)
“A Summary of the PhD Course ‘Latent Variable Modeling’ “
- **Mathias Schmidt** (Chair of Empirical Capital Market Research)
“Influence of Industrial Sub-Index on the iTraxx Europe Using Latent Variables”
- **Sebastian Unterhuber** (The Otto Beisheim Endowed Chair of Marketing and Commerce)
“Does Price Fairness Mediate the Effect from Channel-Based Price Differentiation on Consumer Reactions?”
- **Matthias Winkenbach** (Chair in Logistics Management)
“Closed-Form Cost Structure Approximation for an Urban Logistics Consolidation and Transportation Service Using Multivariate Regression Analysis”

Theses

- **Dominik Pederzani** (B.Sc.)
“Customer Resistance to Relationship Marketing Attempts: A Literature Review and Implications for Marketing Management”

Invited Guest Speakers (Marketing Research Seminar)

- **Dr. Femke van Horen** (Department of Psychology, Social Cognition, University of Cologne)
“Contextual Influences on Copycat Evaluation and Choice”

Teaching

Dissertations

Kristina Schmidt

Causal Effects of Surveys on Customer Behavior

Second Supervisor: Ove Jensen, Chair of Sales Management and Business-to-Business Marketing



Any market researcher measuring customer satisfaction to predict future purchase behavior implicitly assumes that the act of measuring customer attitudes does not have an impact on customers. However, research on the mere-measurement effect has demonstrated that, contrary to this assumption, surveying customers increases attitudinal and behavioral outcomes (e.g., amount of money spent, repurchase incidence). Since market research studies are obligated to neutrally gather insights, such effects are highly problematic and undesirable.

However, as previous studies have not accounted for noncompliance, that is, for the common phenomenon that some customers do not respond to the survey, the starting point of this dissertation is to investigate whether such causal effects of survey participation actually exist. As regards extending current research on survey effects, this dissertation also explores the heretofore uninvestigated effect of refusing to participate in customer surveys. Together, the results intend to provide a more comprehensive picture of the total effects of customer surveys.

Evidently, achieving the aforementioned objectives rests on methodologically accounting for noncompliance. Borrowing from econometrics, biometrics, and general statistics, this doctoral dissertation thesis will employ principal stratification (Frangakis & Rubin 2002), the framework of potential outcomes (Neyman 1923), and Rubin's Causal Model (Holland 1986) to estimate the causal effects (Angrist, Imbens & Rubin 1996; Imbens & Angrist 1994) of survey participation and nonparticipation in a large-scale field experiment. Moreover, laboratory experiments will be used to investigate the mechanisms behind the respective survey effects.

Teaching

Dissertations

Bettina Bielesch

Impact of Corporate Social Responsibility on Consumer Behavior



Corporate Social Responsibility (CSR) is a concept that has received significant attention during the past decades. CSR can broadly be defined as a company's status and activities with respect to its perceived social obligations (Brown & Dacin 1997). Companies place more and more attention to CSR on their corporate agendas because it has been shown that the communication of CSR activities not only boosts purchase intentions and loyalty but also enhances evaluations of the company or brand (Sen & Bhattacharya 2001). In addition to the beneficial outcomes associated with a positive CSR record, recent research suggests that CSR may not always be an asset. Specifically, when products are of high quality or associated with strength-related attributes, a positive CSR record can decrease purchase intention and product preference (Luchs et al. 2010; Sen & Bhattacharya 2001). This dissertation extends the existing literature and addresses two research topics:

1. *The interactive effect of CSR and perceived innovativeness on brand attitude*

Although CSR and innovation play an important role in the quest for competitiveness, the two concepts have rarely been discussed in combination in the consumer behavior literature. Shorter product lifecycles and an acceleration in the rate of technological development force companies to focus on new product innovations. At the same time, consumers also expect companies to have a positive CSR record and to consider environmental ramifications of their activities. In this research, we explore whether CSR boots or reduces the positive impact of perceived innovativeness on brand evaluations and whether CSR- and innovation-related brand attributes can create a homogeneous brand image.

2. *How does the framing of CSR messages influence consumers' perceptions of brands?*

According to construal-level theory, any action can be construed at different levels of abstraction (White, MacDonnell & Dahl 2011). Therefore, CSR initiatives can also be communicated and construed in abstract (e.g., "we are committed to protect the environment") and concrete ways (e.g., "we recycle 70% of our paper waste"). However, the ramifications of formulating CSR initiatives in abstract versus concrete ways have not yet been investigated and therefore, we explore the effect of CSR message framing on (1) a firm's social brand image and (2) consumers' general decision behavior (e.g., short-term versus long-term oriented decisions).

Teaching

Dissertations (Second Supervisor)

Marlon Braumann

Sales Force Incentive Plans and Performance Measurement

Supervisor: Ove Jensen, Chair of Sales Management and
Business-to-Business Marketing



Martin Dahm

Pressure From Behind in Queues: Reversal of the „Number-Of-People-Behind-Effect“

Supervisor: Daniel Wentzel, Chair of Marketing, RWTH Aachen



Daniela Götz

Vertical Extension of Brands

Supervisor: Martin Fassnacht, Chair of Marketing and Commerce



Michael Henrich

Exploring Profitability Challenges in Relationships with Business Customers

Supervisor: Ove Jensen, Chair of Sales Management and
Business-to-Business Marketing



Teaching

Dissertations (Second Supervisor)

Philipp Kluge

Essays on Marketing Luxury Goods

Supervisor: Martin Fassnacht, Chair of Marketing and Commerce



Steffen Sachs

Sales Personalities and Sales Positions

Supervisor: Ove Jensen, Chair of Sales Management and
Business-to-Business Marketing



Thomas Weiber

Angebotspreisfindung bei umkämpften Aufträgen

Supervisor: Ove Jensen, Chair of Sales Management and
Business-to-Business Marketing



Dissertations (Additional Supervisor)

Verena Weber

A Financial Orientation in Marketing and Sales

Supervisor: Ove Jensen, Chair of Sales Management and
Business-to-Business Marketing



Research

Publications

- Hattula, J., Herzog, W., Dahl, D. W., & Reinecke, S. (2012). When Empathic Managers Become Consumers: A Self-Referential Bias. *Advances in Consumer Research*, 40.

Conference Contributions

- Herzog, W. & Boomsma, A. (2013). Causal Mediation Analysis in Behavioral Experiments: Addressing Omitted Variables and Measurement Error. *International Meeting of the Psychometric Society*, Arnhem, The Netherlands.
- Schmidt, K., Herzog, W., & Hammerschmidt, M. (2013). The Effect of Survey Nonresponse on Nonrespondents' Attitudes and Behaviors: An Application of Principal Stratification. *International Meeting of the Psychometric Society*, Arnhem, The Netherlands.

Research Presentations

- Herzog, W.: „Do Relationship Marketing Campaigns Affect Non-Responding Customers?“, BI Oslo, Norway (February 27, 2013)
- Schmidt, K.: „The Subtle Effects of Customer Surveys on Nonrespondents' Attitudes and Behaviors“, Aston Business School, UK (May 30, 2013)

Reviewing Activities

- Journal of Marketing Research
- Structural Equation Modeling
- European Journal of Marketing
- Schmalenbach Business Review
- Zeitschrift für Betriebswirtschaft
- Electronic Markets
- Marketing Review St. Gallen

Activities at WHU

- Design and implementation of a WHU strategy project to improve teaching quality
- Statistical consulting for faculty members and doctoral students
- Liaison lecturer, Konrad-Adenauer-Stiftung (currently, 25 students are supported)
- Member of appointment committees for professor positions in econometrics and marketing

Sustainability

WHU is committed to both research on sustainability-related topics as well as educating students in ethical and sustainable management behavior. At the Chair of Marketing Research, this strategic orientation is reflected by two research projects. First, Bettina Bielesch's dissertation thesis explores the "Impact of Corporate Social Responsibility on Consumer Behavior" (see p. 11 for further details on this research project). Second, a research project with Peter M. Fischer and Sven Reinecke (both at the University of St. Gallen, Switzerland) focuses on the drivers of short-term oriented versus sustainable performance evaluations of marketing and sales managers.

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