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Executive Summaries

Network Analysis in Marketing

Cynthia M. Webster & Pamela D. Morrison

Understanding relationships, whether they are supplier/customer networks, intra-organisation cross-functional links, or consumers using their personal and professional contacts during the buying process, is integral to marketing. Social network theories have been readily accepted by marketers studying the structure and formation of communication networks; however, few marketing studies have employed the formal quantitative techniques associated with these theories. This paper attempts to redress this omission by: reviewing the marketing studies that have incorporated network theory; describing the most common network analysis techniques and their data requirements; and finally, providing a practical demonstration of a number of these network measures using a large business-to-business communication network data set.

A Study of Perceptions Regarding Service Firms' Attitudes Towards Exporting

Paul G. Patterson

Today service firms exist in a global marketplace which is increasingly characterized by the speed and ease with which services cross national boundaries. Whether in a form such as professional knowledge and expertise (e.g., legal, project management, engineering or management consulting); experiential services (e.g., theatre, entertainment, tourism) or embedded in goods (e.g., software, training manuals), services are no longer constrained by domestic boundaries. In the world economy services now account for some 60% of GNP in industrialized nations, and 25-30% of world trade, with the growth in service exports now outstripping the export of manufactured goods in developed nations. Yet less than 5% of Australian service firms export compared

with 69% in Singapore, and between 10%-20% in the European union countries. Hence there is private sector as well as government interest in understanding the factors that either encourage or impede service firms from exporting.

This study of three hundred and fifty Australian service enterprises (evenly split between exporters and non-exporters) examined the attitudes, perceived costs and benefits of exporting, and firm capabilities that propel some firms to begin exporting. The results indicate *Service exporters* see the major barriers to exporting as competitive intensity in foreign markets together with the commitment and investment necessary for market entry. They viewed know-how limitations, restrictions in target country, and country-of-origin bias as less of an impediment. Importantly they were confident that they possessed services suited to international markets. Furthermore, and somewhat surprisingly, exporters viewed country-of-origin bias and competitive intensity in foreign markets as more of an obstacle than did non-exporters, probably reflecting their first hand experience. In terms of benefits and risks, exporters were motivated by potential higher profitability than in domestic markets and, by the growth opportunities, which they saw as significantly higher than non-exporters. Not so the risks however, where both groups surprisingly held similar views on the costs and risks involved. It would therefore seem non-exporters underestimate the potential benefits but have a realistic assessment of the risks. Exporters were also distinguished by a higher proportion of managers with (a) university education, (b) overseas travel experience, and (c) spent considerably more on R & D (as a % of sales).

Nonexporters on the other hand, were characterized as having serious know-how limitations (lack of exporting expertise, lack of contacts and networks in foreign

markets, and a lack of confidence in their ability to assess overseas market opportunities). They also displayed a lack of commitment for the investment required. Interestingly, they viewed the intensity of foreign competition and accompanying risks, in a similar manner to exporters. Importantly, however, they viewed the benefits of exporting significantly less, which may explain their reluctance to commit to an internationalization path.

Several implications for management and public policy makers flow from these findings. First, size is not an inhibiting factor. This was one of the first studies that attempted to control for firm size when examining the export decision. Unlike exporters of manufactures, size of organization is not driving perceptions of costs, benefits or barriers to internationalization. Second, *perceptions of the benefits* of internationalization were the single most powerful variable discriminating between exporters and non-exporters. This is perhaps not surprising as non-exporting managers have not experienced first hand the benefits of exporting, and as such rated them well below that of experienced exporters. Public policy makers, in an effort to encourage more service firms to begin internationalizing, should consider public seminars and/or workshops featuring successful, highly experienced and credible service exporters and focusing on the benefits (positives) rather than the costs and risks (negatives) which failed to discriminate between exporters and non-exporters. *Know-how limitations* (encompassing barriers such as 'lack of contacts in foreign markets', 'difficulty in gaining foreign market entry', 'lack of knowledge to assess export market opportunities', 'language and cultural differences') was also highly significant in distinguishing between exporters and non-exporters. This suggests that any non-exporter considering internationalization, would be well advised to develop and strengthen their international marketing expertise amongst key staff via training courses/workshops/seminars and/or recruitment of human resources with the requisite skills and experience. From a public policy viewpoint, targeting non-exporters with educational seminars, trade delegation visits to select foreign markets and hands-on workshops will need to be a high priority if they are to be induced to embark on an internationalization route. Trade visits in particular are important for services since the intangible nature of the product dictates that trust, reputation and personal relationships are critical in forming trading relations.

Seven Reasons Why Marketing Practitioners Should Ignore Marketing Academic Research

Peter November

As a business executive, do you struggle to understand marketing academic work? Do you worry that somewhere, deep within an obscure article, there may be a valuable business insight that you are missing? Do you assume that the purpose of academic research is to help you? This article explains why you should stop worrying and why, for the foreseeable future, you should ignore academic marketing research. Marketing academics face two masters: the university system and the world of marketing practice. Since the university pays their salaries, academics put the university system first. Unfortunately, the outputs required by universities are quite different to the requirements of practitioners. In addition, the current state of the art in marketing academic research is at an early stage of development. Unless you understand the shaky nature of academic marketing research, you could make the mistake of thinking that the results are solid whereas in fact they are quite soft.

Perceptions of Marketing Journals by Senior Academics in Australia and New Zealand

*Gillian Sullivan Mort, Janet R. McColl-Kennedy,
Geoffrey Kiel & Geoffrey N. Soutar*

Marketing academics in business schools in Australia and New Zealand face a number of performance criteria. Significant among these, and ranked most highly by university managers and policy makers, is the need for academics to publish their research in high quality marketing journals. Acceptance for publication in journals requires that the research be assessed by peers as making a contribution to knowledge in a "double blind" review process, where neither the author nor the reviewer knows who the other is. While any publication should thus be acknowledged as a contribution, it is also accepted that publication in some journals signals a stronger, better contribution than publication in others. However which journals are considered "better" remains tacit. The purpose of this paper is to make tacit knowledge explicit to support an open, productive and effective culture in the Australian and New Zealand Marketing Academy (ANZMAC), as well as helping academics to find appropriate outlets for their work, assess the performance of fellow academics, assist in mentoring doctoral students and junior academics and

communicate marketing academics' scholarship to the wider academic community and to policy makers and other stakeholders. A survey containing a comprehensive list of 73 journals was sent to all professorial members of ANZMAC and Heads of Marketing Schools in Australia and New Zealand, with an overall response rate of 45%. Respondents rated the journals on a 5-point quality scale and means of ratings were used to establish overall rank. Ten journals were rated as "very good" to "excellent", 31 were rated as "good" to "very good", 25 as "fair" to "good", with seven falling into the lowest category, "poor" to "fair". The top 10% were Journal of Consumer Research, Journal of Marketing, Journal of Marketing Research, Marketing Science, Journal of Retailing, Journal of Academy of Marketing Science, and Journal of International Business Studies. The Australasian

Marketing Journal was viewed as "good" to "very good". It also ranked in the top five for familiarity (knowledge of content of the journal). This paper is a timely and useful report about the perceptions senior Australian and New Zealand marketing academics have of the quality of a comprehensive list of marketing journals. The paper presents information Australasian marketing academics need to know. Academics now have a codified, rather than a tacit, knowledge base to inform their decision-making and communication with stakeholders. However, suitable caution should be exercised when employing any journal list because journals will change their status over time, new journals will be developed and it is often the case that innovative or contrary research is regarded as too risky for "top" journals, which tend to reflect orthodoxy.

Network Analysis in Marketing

Cynthia M. Webster & Pamela D. Morrison

Abstract

Understanding relationships is fundamental to marketing. Research has moved beyond simple dyadic relations to examine how networks of relations influence behaviour. While network theory is frequently drawn upon in marketing, few researchers apply the formal network analytical techniques developed. The aim here is to make network analysis more accessible. In this paper we discuss the basic data requirements and use a large business-to-business communication network to demonstrate a number of network measures and theories that have been applied in marketing studies.

Keywords: Network analysis, Marketing relationships, Communication networks

1. Introduction

Whether it is business-to-business, business-to-consumer or consumer-to-consumer, much of marketing revolves around relationships. Creating and fostering supplier and customer relationships, coordinating cross-functional links within an organisation, knowing how competitors are positioned within an industry, and understanding when and to what degree consumers make use of their personal and professional contacts are fundamental issues in the field. Complex issues such as collaboration, trust, power and choice involve more than simple dyadic relationships, most are embedded in networks of relationships.

Since understanding the structure and function of networks, in both business-to-business and consumer markets is essential to marketing (Arabie and Wind 1994; Iacobucci 1996; Wilkinson 2001), it is not surprising that network theories have been readily accepted. Network theories have been applied to a wide range of marketing issues. These areas include: word-of-mouth (WOM) communication (Duhan, Johnson, Wilcox and Harrell 1997; Goldenberg, Libai and Muller 2001), relationship marketing (Achrol 1997; Brodie, Coviello, Brookes and Little 1997; Iacobucci and Ostrom 1996; Mattsson 1997), information acquisition (Moorman and Matulich 1993; Rindfleisch and Moorman 2001), and diffusion and adoption of new products and services

(Midgley, Morrison and Roberts 1992; Morrison, Roberts and Midgley 2000; Rogers 1995).

Although there is a substantial literature on network theories, relatively few marketing studies have employed the formal network quantitative techniques that are associated with the theories. While analytic tools are available, texts have been written (Scott 1991; Wasserman and Faust 1994; Wellman and Berkowitz 1997) and computer programs developed (Borgatti, Everett and Freeman 2002; Krackhardt, Blyth and McGrath 1994; Boer, Huisman, Snijders, and Zeggelink 2001), only a few marketing researchers have used them. Notable exceptions include, but are not limited to: Iacobucci, Henderson, Marcati and Chang's (1996) article on brand switching behaviour; Iacobucci and Hopkins' (1992) discussion of network models in marketing; Ronchetto, Hutt and Reingen's (1989) study of organisational buying behaviour. The general avoidance of quantitative network analysis within marketing is most likely due to three factors: 1) the special data requirements needed to perform network analysis, 2) the terminology used to define the network analytic models, and 3) the cumbersome computer programs that were first developed.

In this paper we propose to make network analysis more accessible. We begin with a brief introduction to social network analysis and discuss the basic data formats

available, with a large business-to-business communication network as an illustrative example. Next, we review the marketing studies that investigate network theories with formal structural measures. With each network theory discussed, we use one of the latest computer programs, Ucinet 6 (Borgatti, Everett and Freeman 2002), to calculate formal measures for our business-to-business network example. Overall, the purpose of this paper is to stimulate novel directions for marketing research in terms of structural comparisons.

2. The Network Perspective

The focus of network analysis is in understanding how *structural properties* of a network affect behaviour (Wellman 1983). Many marketing studies interested in relationships, however, simply gather information on the characteristics of network members such as network size (e.g., number of strategic alliances), frequency of interaction (e.g., number of times a month information is sought from a personal source), or relationship type (e.g., whether a strong or weak recommendation source is used). Such information is useful but limited in determining how the structure of a network affects network members.

Information on the inter-relationships among network members is required to investigate structural issues. Issues, such as whether decentralised or centralised networks promote trust amongst network members, or how influential are reference groups within dense versus sparse networks, or whether lead-edge users are positioned within the core or on the periphery of networks, call for data on both direct and indirect linkages which provide differential opportunities and constraints for the network members involved. Social network analysis, therefore, investigates quantitative structural properties that cannot be realised from the study of individuals' characteristics or from simple dyadic relationships.

3. Network Data

3.1 Network Elements

Networks consist of members, referred to as *actors*, and their *relationships*. *Actors* within a network are distinct individuals (e.g., peers within a social group) or collective units (e.g., organisations within a specific industry). *Relational ties* link network members. These linkages may differ in *direction* (symmetric or asymmetric), *valence* (positive, neutral or negative), *strength* (weak, moderate or strong), and *content* (e.g.,

advice seeking, resource sharing, informal communication and so on).

3.2 Relational Data Matrix

A standard dataset includes a set of informants (the rows of the matrix) and their responses to a set of questions about their attributes in regards to specific issues (the columns of the matrix). The result is an actor-by-attribute matrix. A relational dataset used in network analysis also includes a set of informants (the rows of the matrix), but their responses are to a set of questions about their relationships to specific actors. The result is an actor-by-actor matrix, not an actor-by-attribute matrix.

Typically, relational information is obtained for a single set of actors (e.g., resource sharing among all libraries within Australia). This is referred to as a *one-mode network*. The relational information is entered in a square matrix in which the actors for the rows and columns are the same. Not all relations involve the same set of actors (e.g., buyer/supplier relationships, consumer brand loyalty). In this case relational information is obtained on two different sets of actors, where the actors on the rows differ from the actors on the columns. This type of network is called a *two-mode network*.

The existence of a tie between two actors is entered in a *binary* adjacency relational data matrix as a '1' if present or '0' if absent. For relationships in which *valued* information has been obtained (frequency of interaction, strength, duration, intimacy) a real number is entered. Valued data may be entered as either *similarity* data, where larger numbers in the cells of the matrix represent stronger ties (e.g., duration of the relationship), or *distance* data, which is like a road map where smaller numbers indicate closeness or stronger ties (e.g., rank order from "1", most important, to "5", least important).

Table 1 is an example of an adjacency data matrix for communication flow among 27 Australian laboratories that are early adopters of a particular technology. Reading across the rows shows that Actor 4 reports a communication tie with Actor 25, but note that Actor 25 does not report a communication tie with Actor 4. Since theoretically communication is a mutual relationship, this example brings up concerns of validity and reliability. As with attribute data, data quality issues with relational data must be considered (Marsden 1990). Research has shown that, overall, people are better at reporting their general interactions and typical relationships than they are at reporting specific connections that occur during restricted time periods

Table 1: Communication Network for 27 Early Adopter Laboratories

Actor Labels	4	6	7	8	0	1	2	2	2	4	4	6	7	7	0	1	1	1	1	1	1	1	1	1	2	2	
4	0	1	0	0	1	0	0	0	1	0	0	1	0	1	1	0	1	0	1	1	1	0	0	0	0	0	0
6	1	0	0	0	0	0	0	0	0	1	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0
7	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0
8	0	0	1	0	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0
10	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	0	0	0	0	1	0	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	1	0	0	0	0	0
20	0	0	0	1	1	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0
22	0	0	0	1	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	1	0
26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0
46	1	0	0	1	1	0	0	0	0	1	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0
48	1	0	0	0	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0
64	0	0	0	0	1	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
76	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0
78	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
106	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0
110	1	0	1	0	1	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0
131	0	0	0	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
140	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
144	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
152	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	1
170	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1
173	0	0	0	0	1	0	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0
175	0	0	0	0	1	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0
177	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0
202	0	1	0	0	0	0	0	0	0	1	0	0	0	1	1	0	0	0	1	1	0	0	0	0	0	0	1
210	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0

(Bernard, Killworth, Kronenfeld and Sailer 1984; Freeman, Romney and Freeman 1987).

3.3 Data Collection

All of the standard data collection techniques of surveys, interviews, observations, experiments, documentary analysis, and diaries can be used to obtain network data. The main difference is in the level of specificity. Relational studies in marketing mostly have asked informants to indicate the *types* of actors with which they have some relation (e.g., When searching for information

on holiday destinations, which of the following sources do you use: friends, family, colleagues, and/or professional travel agents?). These studies then analyse the data in the standard way and report categorical findings (e.g., More people use strong tie sources, family and friends, for information concerning holiday destinations than weak ties.). The key to conducting a network study is to elicit information pertaining to the specific relations among explicit actors, not types of actors (e.g., List the initials or first names of all the people you would go to for information on holiday

destinations.). Once the specific actors are identified, then additional relational information (e.g., Which of the listed actors are friends of yours? Which have social contact with one another?), as well as attribute information pertaining to each actor can be obtained (e.g., Which actors are male? Which are female?).

Data collection also depends on the focus of the research. Is the goal to explore a single, bounded network in which all actors that have meaningful relationships can be identified (e.g., the diffusion of an innovation among all research laboratories in Australia)? Or is the research concerned with comparing networks among actors involved in separate networks (e.g., Consumers of cosmetic surgery do not necessarily have connections to one another, though a study may investigate to what extent consumers' personal networks influence their decision of which cosmetic surgeon or procedure to choose.)? When the goal is to map the complete network consisting of the relational ties among members of a single bounded community, it is referred to as a *socio-centric* study. Relevant relational data are obtained for each actor in the network. This allows for a complete analysis of the overall network structure as well as a positional analysis for each actor embedded in the network. *Ego-centric* or personal networks are centred on a focal actor (*ego*) and ego's relationships to a set of others (*ego's alters*), plus the relationships among these alters. Without information on the inter-relationships among ego's alters, little structural analysis can be performed as the only information obtained is ego's dyadic ties to a limited number of alters (McCarty 2002).

Informants' verbal reports are by far the most common way to collect relational information. For small (50 actors or less) socio-centric studies *saturation surveys* are used. Relational data are obtained from multiple, if not all, actors within the network. Informants are given some type of recognition task and are asked to identify those with whom s/he has a particular relation (see Weller and Romney 1988 for descriptions of various techniques). The most popular recognition technique is to provide informants with a roster of names of all actors in the network. Each informant then indicates the dyadic ties with whom s/he is connected. This results in a single vector of relational information for each informant. These vectors are then combined to form a square actor-by-actor relational matrix. Data can be obtained by having informants use some type of ranking or rating scale (e.g., full rank order, paired comparisons, triads or likert scales). With the roster method, informants report

their ties without considering how other network members are interconnected. To obtain each informant's global perspective of the network, pile sort techniques (Webster 1994) and the Cognitive Social Structure method can be used (Krackhardt 1987).

For relatively large networks (Burt and Ronchi 1994) and for ego-centric networks, recognition tasks are not possible. Instead, informants are asked to recall their specific relations. Two methods of data collection aid in the recall of network ties: *name generators* and *position generators* (for a list of questions and procedures see: Burt 1984; Killworth, McCarty, Bernard, Johnsen, Domini and Shelley 2003; McCallister and Fischer 1978; van der Poel 1993). With name generators, informants are asked to recall actors (e.g., people, organisations, departments or whatever the unit of analysis is) with whom they have a particular relation, such as 'discusses important issues with'. Names also can be used as probes. A name is stated (e.g., Sue or the Red Cross or Accounting) and informants are asked whether they know or have a particular relationship with an actor of that name. With position generators, roles or positions (e.g., doctor, politician, teenager or a charity organisation, a financial institution ...) are used as stimuli and informants are asked whether they have a connection to someone or some organisation in that role.

4. Network Analysis

4.1 Visual Representations: Graphs.

Among the major advantages of network analysis is its use of graph theory. Graphs allow for a visual representation of the structural and relational positions of network members (Freeman 1984; Hage and Harary 1983; Moreno 1953). In a graph network actors are displayed as points (called nodes) and the relations between actors are shown as lines connecting the nodes. When a relation is mutual, the ties between actors are shown with arrows headed at both ends. A relation that is headed by a single arrow indicates a tie directed from one actor to another.

Figure 1 is a graph of the communication network for the 27 Australian laboratories in Table 1. A visual exploration of the network structure quickly reveals that the majority of the communication ties are directed at only six labs: labs 4, 8, 10, 76, 78 and 106. Most of the remaining labs receive fewer than three ties, with five labs – 20, 22, 173, 175, 177 – receiving no reported ties. This suggests a core-periphery structure to the network with certain labs being preferred communication

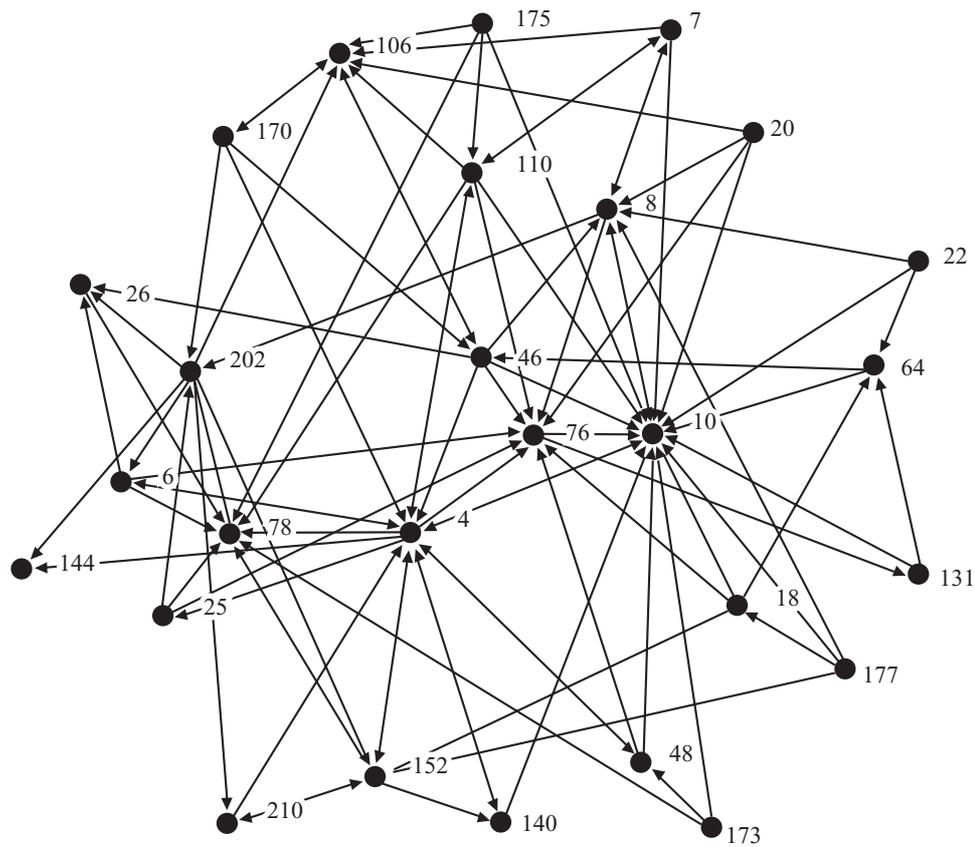


Figure 1: Communication Network for 27 Australian Laboratories

partners or more important to the communication structure than others.

Incorporating attribute information of the actors can reveal further insights. For example, labs 10 and 202 adopted a particular technology much earlier than the other network members. These two labs, however, are not directly connected to one another and are in very different positions within the network. Many labs report a communication tie with lab 10, two of which are mutual, one to lab 8 and one to lab 4. Lab 202 reports seven ties, but none are mutual and only three labs report having a tie to 202. Four labs - 8, 76, 18, and 152 - adopted the technology within three years following the two innovators. Note lab 8 is the only lab that reports having communication ties to both labs 10 and 202. All the others have ties to either 10 or 202, but not both. In the following year labs 4, 110, 25, 177 and 48 adopted the technology. Again, these labs have direct ties to only one of the first adopters, not both. These findings point

to a division within the network that possibly stems from the two innovator labs.

4.2 Network Measures

Once a network involves more than twenty actors, it becomes very difficult to adequately analyse the network visually. Quantification is required. Two basic lines of inquiry in network analysis are that of cohesive subgroups and actor positions and roles. Since over 50 network measures exist, we review those that have been used in marketing and discuss the relevant theories. All of the network measures and visual displays are generated by the network software program *Ucinet 6* (Borgatti, Everett and Freeman 2002).

4.2.1 Cohesion and Clustering

Density is the most common measure of network cohesion. It measures the extent to which all possible ties are present for any one network. It is the number of actual ties present divided by the total possible number

of ties. Density can be calculated for the entire network as a whole as well as for each actor's personal network. The overall density for the communication network example is 22.79%, indicating a relatively loose-knit network. The density for lab 210's network is 66.67%. Lab 210 has direct ties to labs 4, 152, 202 but the possible tie between labs 4 and 202 is not present. So for lab 210's network there are two ties present (4, 152 and 152, 202) out of a possible three giving a density of 66.67%.

Dense networks are thought to encourage cooperation and collaboration among the actors involved because everyone is directly invested in one another. Along with cooperation comes pressure to conform to established systems and norms. Loose-knit networks benefit actors that choose to operate differently. Cadeaux's (1997) paper on product assortment qualifies this line of thinking. He observed that dense, horizontal networks

led to product standardisation, but this in turn enhanced supply diversity. He also cautioned that networks with low densities can be quite rigid and only those actors with sufficient status were able to negotiate their exchange relations.

Network subgroup detection has been of continuing interest in marketing. In an early study Wilkinson (1976) compared two methods of identifying subgroups to explore power and influence relations in distribution channels. Reingen, Foster, Brown and Seidman (1984) found that friendship cliques had a significant impact on brand choice behaviour. *Clique* (Luce and Perry 1949) is a longstanding, robust measure of network subgroups. A clique is a subset of actors who all have direct connections to one another and no additional network member can be added who also has direct connections to everyone in the subset. Due to the strict definition of a clique, typical networks consist of a relatively large

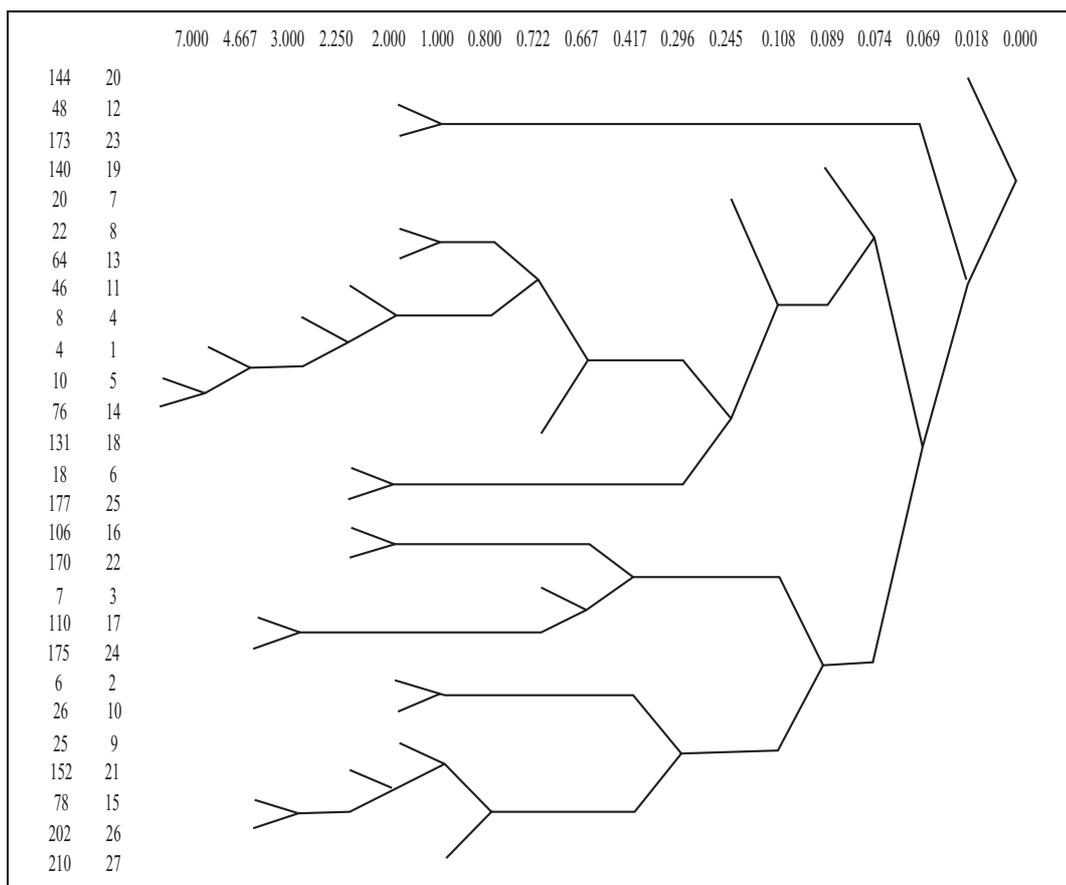


Figure 2: Hierarchical Clustering of Clique Co-membership

number of cliques that are small in size with a fair amount of overlap in membership.

In total 38 cliques are identified in the Australian laboratory communication network. Lab10 is a member of 19 of the 38 cliques while lab 202 is involved in 5 cliques. Note the overlap in the 5 cliques: {C1 = 202, 78, 26, 6; C2 = 202, 78, 25; C3 = 202, 78, 152; C4 = 202, 152, 210; C5 = 202, 106, 170}. A hierarchical clustering of the clique co-membership, shown in Figure 2, reveals the general subgroup structure for the entire network (Freeman 1996). There are clearly two main subgroups, with the two innovator labs located in separate ones.

Probably the best known network theory in marketing, *strength-of-weak-ties* (Granovetter 1973,1983), combines the notions of cohesion and clustering. Strength-of-weak-ties proposes that individual actors within a network tend to gain novel information from their less intimate relationships rather than from their close ties. The reasoning behind this argument is that actors who are strongly connected tend to share their information with one another and hence possess the same knowledge. Since the knowledge within a closely-knit group of actors is homogeneous, new information tends to come from sources with external connections which are likely to be weak. This suggests that weak ties act as “bridges” disseminating novel information from one dense portion of a network to another.

Reingen and colleagues were the first to use formal network measures to test hypotheses related to the *strength of weak ties* theory within a service marketing environment (Brown and Reingen 1987; Reingen and Kernan 1986). In addition to the general support for the strength-of-weak-ties theory, that weak ties advance the flow of information throughout a network by acting as bridges between dense subgroups, they found that strong ties were more numerous and more influential as information sources but were less likely to be actively sought out. Apparently, much of the information from strong ties is gained through everyday, casual interaction not from purposeful search.

Strength-of-weak-ties has been extended further to include the type of information exchanged. Frenzen and Nakamoto's (1993) experimental results showed that individuals tended to allow valued information, that had the potential to provide limited positive benefits, to flow to strong ties only. As information became inexpensive and benefits were permitted to become common, weak ties are developed. Their findings indicate that

motivation can moderate the ways in which actors use their personal networks.

4.2.2 Position or Role

Where actors are located in a network can have a large impact on their performance. The notion of centrality has attracted research in marketing for some time. *Centrality* has been equated with popularity, independence, influence, prominence and power (Bonnacich 1987; Freeman 1979; Katz 1953; Taylor 1969). It is thought that actors in highly central positions have access to more resources and typically are able to control the flow of resources, to a large extent, throughout the network. Peripheral actors are vulnerable because they are dependent on only a few ties.

Degree Centrality is the most basic centrality measure and indicates activity level or popularity. It can be calculated for both ties that are incoming, the total number of ties received, and outgoing, total number of ties reported. Czepiel (1974, 1975) used the concept of centrality, measured by the number of ties received, to investigate innovation diffusion and found that centrality was associated with early adoption, although the relationship was not significant. He noted that firm size was associated with both the number of ties received and adoption time, larger firms tended to receive more ties but were later adopters, and recommended the inclusion of both actor and context level characteristics in any network study.

The communication network example (Figure 1) shows lab 10 to be by far the most central with incoming ties, receiving 16, with labs 4, 76 and 78 next, receiving 9 ties. The centrality ranking differs for sent ties with lab 4 most central sending a total of 10 ties, lab 202 next with 7 ties sent and labs 46 and 110 sending 6 ties. Lab 10 reports only 2 communication ties to network members. Clearly lab 10 is the most popular while lab 4 is the most active network member. Pearson correlations of lab size, centrality and time of adoption indicate significant associations for adoption time and centrality with labs that are more central to the communication network adopting earlier (adoption time by incoming ties pearson's $r = -.278, p < .05$; outgoing ties pearson's $r = -.280, p < .05$). For this example there is no significant relationship between size, with number of full-time employees and budget as proxies, and centrality (employees by incoming ties = .097; by outgoing = .044; budget by incoming = -.081; budget by outgoing = -.121).

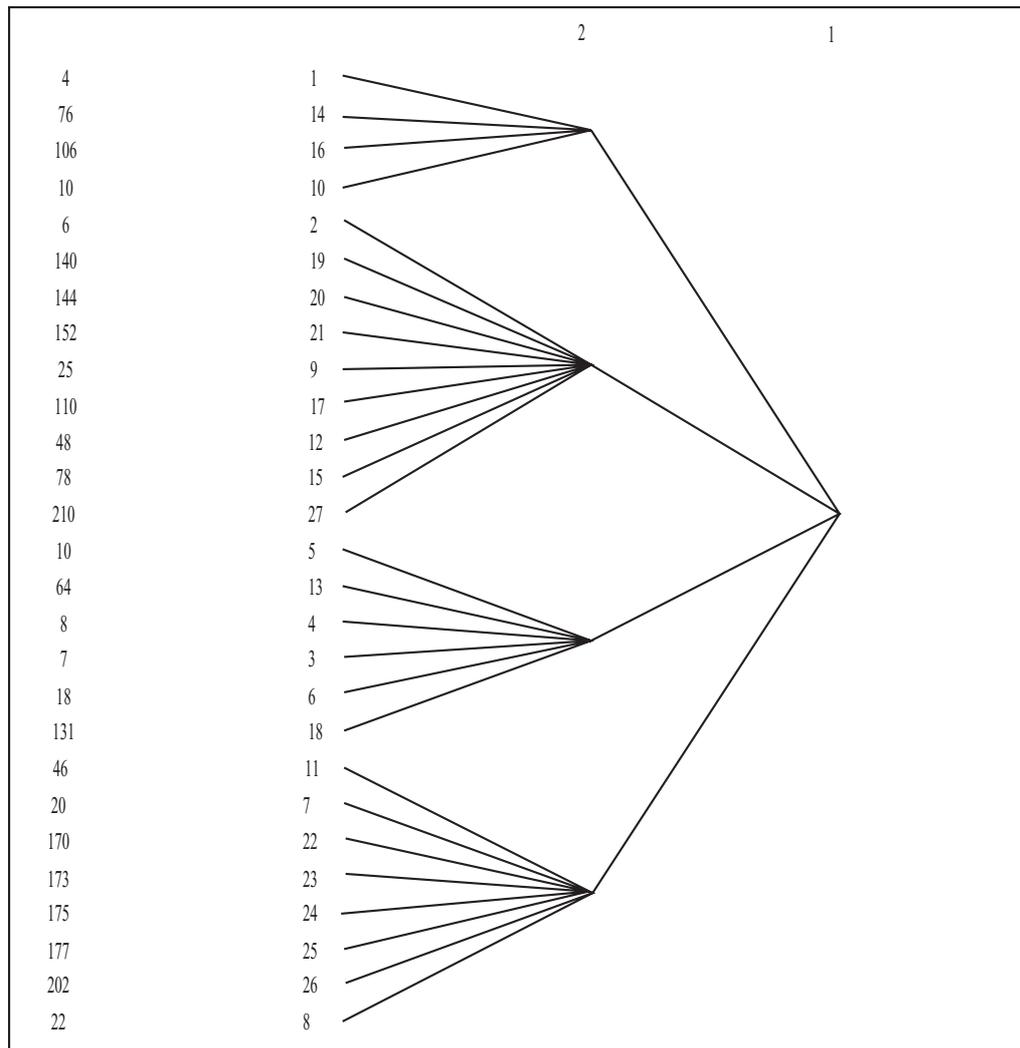


Figure 3: CONCOR Structural Equivalence Results for Incoming Ties

Structural Equivalence (Lorrain and White 1971) is a positional measure that identifies actors whose relations are structured identically. Structurally equivalent actors are substitutable, occupy the same role in the network, not because they are directly connected to one another but because they have exactly the same connections to exactly the same others. Resource exchange does not occur directly, but through accessing the same third parties. An example where we might expect structural equivalence to hold is in highly competitive situations where competitive businesses gain information from the same third party suppliers rather than directly from competitors (Burt 1987).

Ward and Reingen (1990) used CONCOR (Breiger, Boorman and Arabie 1975) to measure structurally equivalent actors in their study of group decision making. CONCOR (based on the CONvergence of iterated CORrelations) places network actors into structurally equivalent sets, or structural roles, based upon the convergence of iterated correlations. Basically the network's relational data are entered as an actor by actor adjacency matrix. CONCOR repeatedly correlates the rows or the columns or both of the data matrix until there is convergence resulting in each entry being a 1 or -1. This matrix is used to divide network actors into two equivalence sets such that members of the same set are

positively correlated and members of different equivalence sets are negatively correlated. Subsequent divisions are then applied to the separate sets.

Figure 3 shows the results for the received communication ties using CONCOR. The numbers in the far left column represent the same actors as shown in Figure 1. Four equivalence sets are identified. One of these role sets consists of labs 4, 76, 106 and 26. While these labs are not directly connected to one another, they have received ties from some of the same others, especially labs 6, 46, and 110. Note labs 10 and 202 do not occupy the same network role. Even though they are the two innovators in the network, structurally they are not substitutable because they are connected to different others. This result puts into question the usefulness of structural equivalence as a measure to determine network roles. In their reanalysis of Coleman, Katz and Menzel's (1966) classic *Medical Innovation* data set, van den Bulte and Lilien (2001) incorporate marketing variables along with structural equivalence and conclude that network effects disappear when marketing tactics are taken into account. Their results call attention to the importance of including situational variables in all research.

5. Discussion

Network theories have been widely used in marketing. Although network measures are nonstandard and the collection of network data is demanding, researchers have found network analysis to complement and extend traditional methods. We have reviewed only a few of the available network analytical techniques. Many more exist that have yet to be applied to marketing situations. The marketing studies reviewed have exposed the limitations to taking a purely structural approach. Characteristics of the actors, of the relationships and of the situation all should be considered to ensure a comprehensive investigation is performed.

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A Study of Perceptions Regarding Service Firms' Attitudes Towards Exporting

Paul G. Patterson

Abstract

The globalization of business has created increased opportunities for the export of a wide range of services. However to date, no study has examined the attitudes, motives and characteristics that propel some service firms to embark on an internationalization path. This study of three hundred and fifty Australian service enterprises examines perceptions and attitudes towards exporting. A theoretical model was developed based on the Resourced Based View, the Theory of Reasoned Action and the Stages of Internationalization approach, and then empirically tested. Based on a logistic regression model, perceptions of the benefits of exporting were found to significantly differentiate exporters from non-exporters, however surprisingly, not so risk perceptions. Exporters were also distinguished by higher R&D intensity and characteristics of key marketing personnel. The major obstacles to internationalization were barriers such as commitment and preparedness to invest in entry costs, lack of international marketing expertise and foreign contacts, and degree of competitive intensity in international markets.

Keywords: International marketing, Services, Exporting

1. Introduction

Competitive pressures in domestic markets as well as the globalization of economic activities have encouraged many service firms to seek new opportunities offshore. These firms exist in a global marketplace which is increasingly characterized by the speed and ease with which services are crossing national borders. Whether in a form such as professional knowledge and expertise (e.g., legal, project management, engineering or management consulting); experiential services (e.g., theatre, entertainment, tourism) or embedded in goods (e.g., software, training manuals), services are no longer constrained by domestic boundaries.

In this new economic order, services are increasingly providing "intelligent" input and adding value to a wide range of products and other processes (Vargo and Lusch 2004). For example, services can be the initial element in producing an innovative packaging material through R & D or the "enabling" element in developing a major mining project via financing and environmental consulting advice. In other instances, services add value by providing convenience, health and knowledge. In the

world economy services account for some 60% of GNP in industrialized nations, and 25-30% of world trade (Fletcher and Brown 2003). While Singapore leads the way with exports comprising 69% of total services production, most European countries export between 10% and 20%, with Australia and USA around 5% each. Hence there is considerable potential to increase exports of services. Thus there is considerable managerial as well as scholarly value in identifying the firm, environmental and management characteristics, and attitudes that either motivate or alternatively, act to impede, service organizations from embarking on an internationalization path. Such information would be invaluable for governments attempting to develop policies to encourage exports, or as a means of providing guidance for firms internationalizing for the first time.

The primary purpose of this study was to identify the key characteristics that discriminate exporting from non-exporting firms. This was achieved by developing a logistic regression model based on data from a survey of 347 Australian service firms (approximately evenly split between exporters and non-exporters).

2. Literature Synthesis

2.1 The Service Economy in an International Context

Bateson (1992), Lovelock and Wirtz (2004) and others have universally ascribed to services a number of unique characteristics. While these characteristics have been extensively discussed in a domestic marketing context, three are especially relevant in the context of internationalization, namely: *inseparability, intangibility, and heterogeneity*. First services cannot be directly exported in the way physical goods can (Carman and Langeard, 1980). They therefore cannot enjoy the luxury of learning from gradual experience as does a goods exporter and thus are forced to choose from a reduced set of entry modes. Furthermore, a high degree of provider-client contact often requires the service firm to have a local presence (e.g., branch office) on foreign soil and to deal with often significant cultural differences (language, customs and communications symbols) and relocation of key personnel, meaning higher investment and accompanying risk than might otherwise be the case (Riddle, 1986). Heterogeneity (or variability) refers to the fact that quality is more variable and difficult to manage than is generally the case with manufactured goods. Because personnel play an integral part in the “manufacture” of many services (e.g., management consulting assignments, engineering projects, project management, live concert performance), standardization and quality control are difficult to achieve. This lack of control in a foreign country only exacerbates the costs (e.g., recruitment and training of local personnel), perceived risks and uncertainty for firms considering internationalization. As Dahringer (1991) points out:

“Service marketers are considerably challenged to manage these characteristics to allow services to be marketed successfully across national boundaries” (p6).

The following sections synthesize the relevant literature in order to provide a rationale for the inclusion of various constructs in a theoretical model to explain the service export/non-export decision.

2.2 Theoretical Foundations

Since the 1960s a substantial literature has focused on the export behaviour of firms in the manufacturing sector. Corresponding studies in the service sector are sparse by comparison (Knight, 1999). Exceptions include the work of Erramilli (1990, 1992) and Ekeledo and Sivakumar (1998) who examined entry mode choices and strategies. Other studies have analysed

barriers to internationalization (Dahringer, 1991), assessment of opportunities (Tronsden and Edfelt, 1987), trends in international service trade (Palmer, 1985), the internationalization process in specific industries (Coviello and Martin, 1999; Terpstra and Yu, 1988; Williams, 1992), export performance of professional service firms (La, Patterson and Styles, 2004), and a typology of service types in international markets (Patterson and Cicic, 1996). However, no research could be located which specifically examined the differences (motivations, barriers, environmental factors, individual-manager or organizational/firm characteristics) between exporters and non-exporters in the service sector. Hence it is not surprising that Clark, Rajaratnam and Smith (1996) noted “for international services, theory lags practice by a considerable degree,” (p.9).

Much of our understanding of the motives of exporters and non-exporters is based on studies in the manufacturing sector (Burton and Schlegelmilch, 1987; Cavusgil, 1984; Cavusgil and Naor, 1987). Hence an academically interesting and managerially relevant question is “how much of that knowledge is relevant to the internationalization of service firms?” Given the unique characteristics of services, the answer to this question seems equivocal. Hence in determining the relevant variables to study we employed a multi-faceted approach. That is a series of qualitative, indepth interviews were conducted with service firms that were either exporting or not exporting (but had the potential to do so) and drew on the findings of the export literature in the manufacturing sector. Furthermore, several theories are used to explain the internationalization process to provide a theoretical platform.

While internationalization studies have typically been viewed from a single theoretical perspective, we synthesise several theories to develop a conceptual model of the export decision, namely: (1) Resource Based View (RBV) of the firm; (2) Theory of Reasoned Action (TRA); and (3) Stages of Internationalization model.

The resource based view of the firm (RBV) (Wernerfelt, 1984; Barney, 1991), as opposed to a relational view, has an inward focus in that it considers a firm’s resources as primary sources of competitive advantage. Providing these internal resources (products/services, capital, technology, specialised knowledge, human resources, contacts and networks, Wilkinson and Van Nguyen 2003) meet certain criteria (e.g., difficult to imitate and difficult to substitute), then they can form the basis of creating a superior competitive advantage. In essence, it

argues that firms gain competitive advantage by leveraging internal resources, and that firm factors explain performance more so than industry factors. In an export setting, Piercy, Kaleka and Katsikeas (1998), for example, found empirical evidence to support the importance of possessing competitive skills and resources to export success. In the context of the export decision, we contend that possessing such resources in an international context will provide the motivation, encouragement and capability to provide the stimulus to export.

As well as drawing on theory that examines the export decision from an organizational level (i.e., RBV), we also consider it from the individual manager level. Hence we draw upon the Theory of Reasoned Action (TRA). TRA is a model of the determinants of volitional behaviour. It suggests that behaviour is directly influenced by one's behavioural intentions, and in turn, intentions to act are preceded by an individual's attitude towards the act and associated subjective norms (Ajzen and Fishbein, 1980). Over the past two decades TRA has been successfully applied in numerous consumer behaviour contexts and even in cross cultural settings (Bagozzi, Wong, Abe and Bergami, 2000). Here we employ TRA by capturing key informants attitudes towards the act of exporting or not exporting. Therefore variables designed to capture attitudes towards the benefits, costs and risks of embarking on an internationalization path are included.

The third theory drawn upon in conceptualizing the export decision is the "stages of internationalization model" (Cavusgil, 1984). Previous works in this area indicate that international expansion is strongly influenced by managerial experience and learning. In other words, firms (i.e., managers) learn from experience, further enhancing market knowledge and overseas contacts, which leads to a deeper commitment and consequently expansion into more 'psychically distant' markets. While this model has been used to explain firms' expansion in international markets, it also seems relevant to the initial export decision. Much of this experience and knowledge is embedded within individual managers, and plays a role in their decision to begin internationalizing or not.

These three theoretical foundations suggest that several categories of constructs need to be incorporated into any model that examines the reasons behind the initial export decision. First, RBV suggests that firm capabilities and competitive factors be included. Second, TRA suggests that variables related to the attitudes towards the

benefits, risks and barriers to exporting be included. Finally the stages model suggests individual manager characteristics and experience should also be included. An examination of the export literature over the past two decades revealed the construct groups above have variously been employed to distinguish between exporters and non-exporters in different continents and industries. These constructs therefore form the basis of the conceptual model. Each construct is discussed in more detail in the following section.

2.3 Development of a Conceptual Model

This section justifies the inclusion of various constructs in the conceptual model (Figure 1).

First, we consider *domestic market competition*. Manufacturing firms that have expanded domestically to the point of saturation, encounter less difficulty in making the transition to international marketing. In their study of Australian firms, Welch and Wiedersheim-Paul (1980) concluded that domestic market expansion provides a form of training ground for potential exporters. However, research (Austrade 2002) has shown that small, flexible, entrepreneurial service firms with little demonstrated domestic market expansion, are equally likely to internationalize. In addition, intensity of competition in local markets has been shown to act as a strong inducement to seek export markets as a means of reaching market share and profit targets (i.e., "domestic push") (Lovell, Patterson and Walker, 2004).

Firm capabilities. The emphasis in several empirical studies has been to identify those internal (firm) resources that facilitate initial and ongoing international involvement. Firms participating in internationalization have often been shown to have distinguishing capabilities not possessed by non-exporters. These capabilities result from superior product quality, product embodiment in skilled personnel (e.g., engineering consultants, international lawyers, environmental engineers), ability to establish interpersonal relationships across cultures (Styles and Ambler, 2003; Wilkinson and Nguyen, 2003; Zou et al., 2003), cost advantages, distribution efficiencies and technological superiority (Cavusgil and Naor, 1987; Coviello and Martin, 1999; La, Patterson and Styles, 2004; Yaprak, 1985). Concerning firm size, it has been argued that this facilitates international involvement because larger firms are able to devote managerial, financial and production resources to the process. Such firms possess more "slack" in their resources, which if necessary, may be

channeled to internationalization efforts (Cavusgil and Naor, 1987). Aaby and Slater (1989) however reviewed conflicting evidence to this thesis and found little consensus.

Perceived barriers to exporting. Barriers to exporting (also referred to as hindrances) embrace attitudinal, structural, and operational constraints that hinder a firm's ability to initiate, develop or sustain international operations. Further, they are known to exist at all stages of the internationalization process (see Leonidus, 1995 for a review). Factors such as insufficient knowledge of opportunities abroad, difficulties in understanding foreign business practice, different product and customer standards, prohibitive or restrictive foreign government regulations, intensity of foreign competition, and lack of foreign connections (Bilkey, 1978; Ekeledo and Sivakumar, 1998; Eshghi, 1992; Yaprak, 1985) were identified. Interestingly, interviews with non-exporters repeatedly stressed a lack of international know-how (knowledge and expertise in researching and developing strategies to penetrate foreign markets) as a major reason for not pursuing international markets.

Perceptions of benefits and risks. A stream of research shows that non-exporters view exporting as more costly, risky and less profitable than domestic marketing (Burton and Schlegelmilch, 1987). Some studies have related export marketing to the prior expectations of key managers for achieving business goals such as profits, growth rates, and foreign market penetration. These expectations and attitudes are based on their own and/or other firms' experiences (See Cavusgil and Naor, 1987 p.223). It seems reasonable to speculate that similar attitudinal categories might be even more applicable to the service sector where firms do not have the luxury of learning gradually from casual exporting in the same way that exporters of manufactured goods do.

Finally, managerial characteristics are thought to be important in determining firms' propensity to export (Bilkey, 1978; Cavusgil and Naor, 1987; Gray, 1997). In the manufacturing export literature, managers' education, proficiency in foreign languages, age, frequency of travels abroad, and time spent on assignments abroad have all been correlated with internationalization. It is generally accepted that these factors are important (either directly or as antecedents of attitudes toward exporting) in a company's propensity to export. Such managerial characteristics are likely to lead to a more international orientation, cultural awareness and "open mindedness", as well as a reduction in the cost

of collecting and interpreting the vast array of information available upon which market entry decisions are made. Furthermore, for services where people are variously involved in the 'manufacture' and delivery process, a sensitivity to cultural differences and nuances is considered to be a critical "success factor" for successful foreign market entry (La, Patterson and Styles, 2004; Riddle, 1986).

Based on this review and qualitative interviews, five categories of constructs are predicted to be important determinants of the decision to export/not export services, and hence are included in the conceptual model (refer Figure 1).

3. Research Design

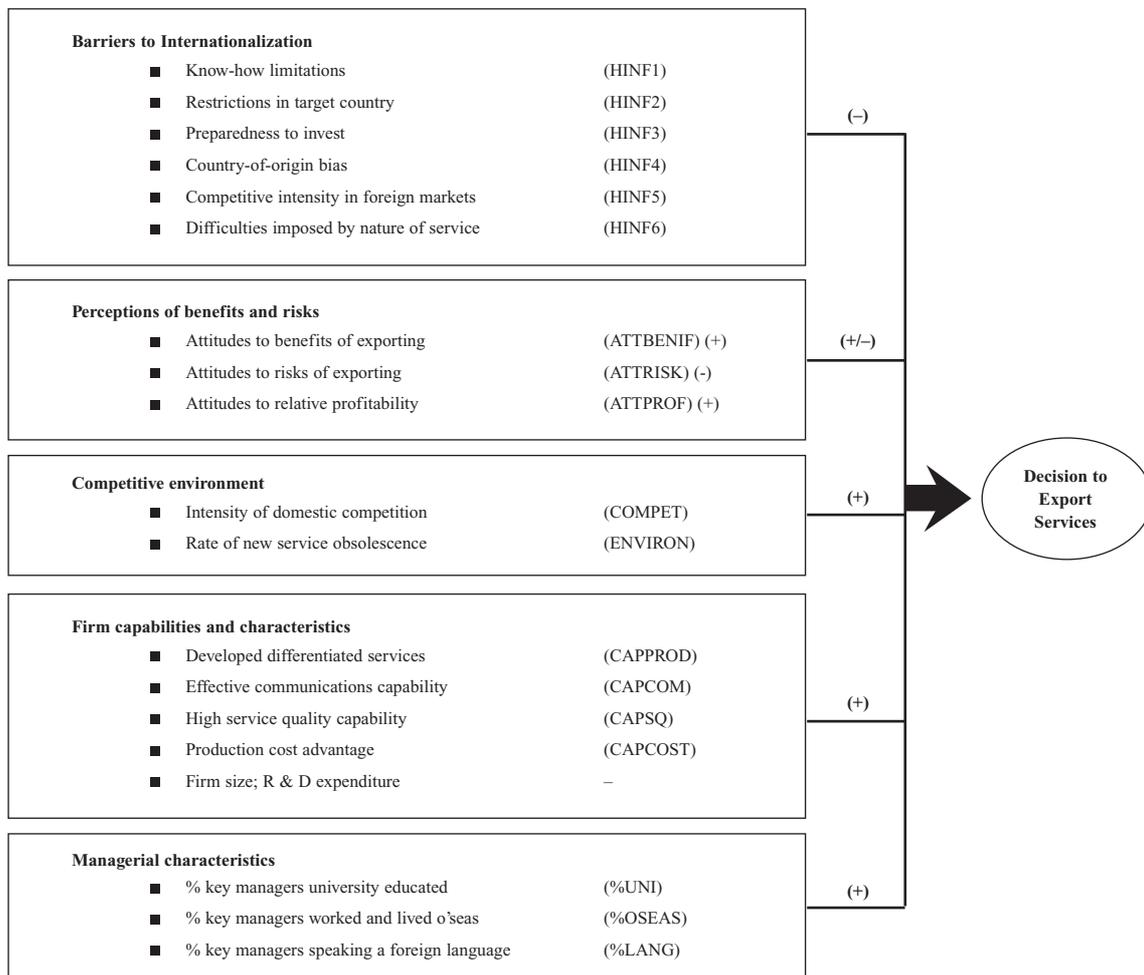
The Australian service sector provides an ideal context for a study such as this. First, Australia has produced a vibrant and thriving service economy in recent years. Second, this sector has been especially aggressive in capitalizing on overseas market opportunities, particularly in the Asia-Pacific region. Finally, studying service firms from a single and relatively homogeneous economic environment affords the researcher the opportunity to examine international marketing practices without the possibility of confounding relationships.

3.1 Data Collection

A two-stage research design was employed. The first stage involved qualitative, semi-structured depth interviews with twenty service firms (fifteen of whom were currently involved in international marketing). The purpose of this phase was to gain a first-hand understanding of the factors which motivated their internationalization program, attitudes to the risks, benefits, and barriers to exporting, and to gain insights into the problems and opportunities posed by the characteristics of services.

Stage two involved a cross-sectional survey of service organizations who were both involved and not involved in international markets. Pretested, self-administered questionnaires were mailed to a non-probability sample of 1264 organizations. The sampling frame comprised organizations on the membership lists of the Australian Marketing Institute, Coalition of Service Industries, Association of Consulting Engineers, and the "Top 500 Exporters" list of Australian companies. After one follow-up reminder letter and the incentive of receiving an executive summary of the findings, 347 usable questionnaires were returned (approximately evenly split

Figure 1: Determinants of Service Firms Decision to Export



between exporters and non-exporters). A further 183 were returned due to incorrect addresses or incomplete information and 67 reported they were not involved in marketing services (only goods). After excluding these, the net response rate is 34.2%. An analysis of a second wave mailing was compared with the first wave, as recommended by Armstrong and Overton (1977), and revealed no statistically significant differences ($p < .05$) on key questions.

Finally, the covering letter directed the questionnaire to the senior executive officer responsible for the organization's internationalization efforts. If they were not involved, it was requested that it be forwarded to the senior Marketing person. From a methodological viewpoint, interviewing a single person (key informant) for a study such as this has advantages and

disadvantages. For a review of these advantages/disadvantages the reader is referred to Moriarty (1983) and Philips (1981).

3.2 Measures

Since only a few service specific studies could be located, questions used to capture the constructs were based on the international manufactures literature (e.g., Cavusgil and Naor, 1987; Cavusgil and Nevin, 1981; Eshghi, 1992) (modified to a service context), plus qualitative interviews. All measures were examined and verified for face validity by four industry executives experienced in international marketing, and three academics experienced in international and/or services marketing. The dependent variable was measured dichotomously, based on whether or not the organization had exported services in the past three years. For those

firms that had exported, they were then asked if they intended to continue exporting over at least the next 2 years. Only those who answered in the affirmative to this second question were included as an exporter. In all, nineteen independent variables (in five categories as per Figure 1) were employed. Most *independent variables* were measured using 5-point rating scales with bipolar descriptors.

Given some questions were unique to a services context and there are few service export studies to guide us, a priori, it was not possible to predict the likely dimensions (factor structure) that might emerge within each construct category. Hence exploratory factor analysis (EFA) was deemed appropriate to examine the factor structure within each construct group. Each item represents an independent attempt to measure a particular construct. Accordingly, all items of a scale should load strongly on one factor if they are to satisfy the requirements of convergent validity, and load weakly on all other factors to satisfy the requirements of discriminant validity (Kohli, 1989). After excluding items that cross loaded, the retained items (questions) demonstrated high convergent and discriminant validity. A principal components factor analysis with varimax rotation showed the resultant factors were “clean” in that they loaded (factor loadings exceeding +/- 0.45) on one factor alone.

To illustrate, an EFA of the items designed to capture the barriers (or hindrances) to exporting revealed six factors (HINF1 to HINF6) in Figure 1: (1) know-how limitations (e.g., lack of expertise to assess foreign market opportunities); (2) restrictions (e.g., import regulations) in foreign country; (3) preparedness to invest in entry costs; (4) country-of-origin bias against Australian services; (5) competitive intensity in foreign markets; and (6) difficulties imposed by nature of the service. Factor scores were used as weights to reflect the importance of individual items when summing the variables to form composite constructs (i.e. a weighted sum of items comprising a construct). The Appendix shows the number of individual questions (items) within each factor, percent variance explained and a measure of the internal consistency of each factor (Cronbach alpha coefficient). All variables within each factor generally have acceptable Cronbach alpha coefficients, in most cases exceeding 0.70.

Intercorrelations among the explanatory variables were at acceptable levels, with the largest being 0.572 (or 32.7% shared variance) between HINF1 (Know-how limitations) and HINF3 (Preparedness to invest in entry

costs). The vast majority of intercorrelations were less than 0.30, indicating that multicollinearity is not a problem (refer Appendix). Furthermore, they were examined for skewness and kurtosis, and deemed appropriate for subsequent analysis.

A broad range of exporting and non-exporting service organizations responded to the survey. Small firms with little or no potential to export (e.g., hairdressers, motor mechanics) were deliberately excluded from the sample to ensure the exporter and non-exporter groups could be meaningfully compared. Table 1 summarises the types of firms in the sample.

4. Results

Predictions about the factors leading to the decision to export (rather than not export) services were tested via a binary choice, step-wise, logistic regression model, estimated by the maximum likelihood method. In logistic regression the dependent variable is binary (in our case exported or not exported in past 3 years). Problems of this nature are sometimes handled via discriminant analysis, an accepted and useful procedure. Logistic regression however has two key advantages: (1) it is more robust to violations of assumptions (Press and Wilson, 1978) and (2) the coefficient divided by its standard error is asymptotically interpretable as a t-statistic (Domencich and McFadden, 1975).

The model Chi-square and the goodness-of-fit index suggest a reasonable fit to the data. Further evidence of fit is given by the model's classification rate or hit ratio of 78.2% (84.3% for exporters, and 69.2% for non-exporters). This percentage is a strong indication of the discriminating power of the predictor variables. In fact, these percentages can be compared favorably with the proportional chance criterion (53.2%) as the most useful reference point in instances of unequal cell sizes (Morrison, 1969). These differences should be used with caution however, as the same data that were classified were also used to estimate the model, creating an upward bias in the model's hit rate. Furthermore, a comparison of mean scores (t-test) was calculated for firms who have exported services, and those that have not. These results are displayed in Table 2.

The logistic regression results are depicted in Table 3. Nonsignificant predictor variables were deleted from the initial regression model and the model re-run to give a parsimonious result (see Table 3). Overall, the results provide some insightful conclusions. Most importantly, of the five construct groups hypothesized to distinguish

Table 1: Frequency Distribution of Firms in Sample

Service type	Number	%
Business Advisory Services corporate strategy marketing, legal, finance, etc)	95	27.4
Engineering/Technical Advisory (e.g. architectural)	88	25.4
Construction/Mineral Exploration	21	6.0
Education/Training	20	5.9
Information Technology/Telecommunications	25	7.2
Finance/Banking/Insurance	25	7.2
Hospitality/Tourism/Recreation	11	3.2
Transportation and Other Services	43	12.3
Software/Movies/Music/Book Publishing	15	4.3
Not Specified	4	1.1
Total	347	100

between exporters and non-exporters, only three (perceived barriers to exporting; perceptions of benefits; and managerial characteristics) were found to be significant. Positive (negative) values of the coefficients increase (decrease) the likelihood of exporting for positively valued variables. With this in mind it is interesting to note that not all of the significant explanatory variables had coefficients with signs in the expected direction. This will be discussed in the following sections.

4.1 Perceived Barriers to Exporting Services

Referring to Table 3, as might be expected, perceived Know-how limitations (HINF1 e.g., difficulty in gaining market entry, lack of foreign contacts/networks, lack of exporting expertise); Preparedness to invest in entry costs (HINF3); and the Difficulties imposed by the nature of the service (HINF6 e.g., our service not marketable overseas) are significantly, negatively related to the decision to export. Hence, the greater the

perceived know-how limitations, investment required for market entry, and the perceived difficulties imposed by the nature of the service, the less likely the firm is to be an exporter.

However, concerning HINF5 (Competitive intensity in foreign markets), the positive coefficient (coefficient = .841/ sig = .000) indicates surprisingly, that exporters view this as more of a barrier than non-exporters. It appears that, having experienced first hand the competition in foreign markets, that some service firms at least, have a more realistic assessment of the competition than those who have not experienced it - and it is more competitive than might be presumed. Likewise, country-of-origin bias or lack of established country image (HINF4), surprisingly, has a positive coefficient in Table 3 (.585/ sig .012) and a lower exporter mean value in Table 2, indicating the stronger the perceptions of Australia's lack of reputation in world markets, the more likely it is that a firm will be an

Table 2: Mean Scores for the Discriminating Variables

Constructs	Group Means ¹		
	Exporters n=186	Non-Exporters n=141	Sig. (p<)
Barriers			
Know-how limitations	3.5	2.8	.00
Restrictions in target country	3.9	3.9	ns
Investment/commitment to entry costs	3.3	2.9	.01
Country-of-origin bias against Australia	3.5	3.7	ns
Competitive intensity in foreign markets	3.2	3.8	.00
Difficulties imposed by nature of service	4.1	3.4	.00
Perceptions			
Benefits of exporting	3.8	3.1	.00
Risks	3.4	3.3	ns
Profitability vis-a-vis domestic market	3.2	3.1	ns
Competitive environment			
Intensity of domestic competition	3.6	3.4	ns
Rate of new service obsolescence	2.8	2.6	ns
Firm capabilities and characteristics			
Capabilities:			
Development of differentiated services	3.4	3.3	ns
Effective promotion	3.0	2.9	ns
Service quality	4.0	3.9	ns
Service cost advantage	3.3	3.4	ns
Characteristics:			
Size (number employees)	554	222	.00
R & D (as % of sales)	5.9%	4.0%	.05
Managerial characteristics			
% key managers with university education	81%	65%	.00
% key managers who have worked & lived overseas	58%	41%	.01
% key managers speaking a foreign language	28%	29%	ns

Note¹ Based on two-tail t-test.

exporter. This finding may at first seem counter-intuitive. A plausible explanation is that firms who have experienced first hand the difficulties of exporting their

services are able to realistically assess the negative image impact (which may not be as bad as presumed), and yet have the managerial commitment to overcome it.

As indicated in our qualitative stage, and as expressed by the CEO of a medium sized management consultancy:

“The motivation for internationalization came from the owners strong belief that their future lay in South-East Asian markets” (emphasis added).

It seems that the exporter group have shown a steely determination and commitment to overcome such bias (and other barriers), a determination not manifest among the non-exporters in our sample. Moreover, the views of non-exporters perhaps reflect decision-makers subjective opinions, which are perceptual rather than experiential.

In terms of ranking the barriers from Table 2, exporters rate Competitive intensity (HINF5), Preparedness to invest (HINF3) and Know-how limitations (HINF1) as the major barriers, while non-exporters also perceive HINF1 and HINF3, along with HINF6 (Difficulties imposed by nature of service) as the main barriers. This latter barrier for non-exporters (HINF6 e.g., “our services are not marketable overseas”) may simply be a reflection of the fact that they have not committed sufficient resources to foreign markets. Interestingly, both groups viewed HINF2 (Restrictions in target countries, such as foreign exchange controls, import regulations/procedures, etc.) and HINF4 (Country-of-origin bias) as less of a barrier than the preceding ones. Both HINF2 and HINF4 are “external” in the sense that they might be viewed as being imposed by the foreign market. Conversely, HINF1, HINF3 and HINF6 might be classified as “internal” (e.g., preparedness to invest) to the firm and therefore controllable to some extent.

4.2 Attitudes to Benefits and Risks

Perceptions of the benefits of exporting (.889/ sig = .001), and likely profitability relative to domestic market profitability (.430/ sig = .056) were shown to be significant in separating exporters from non-exporters. As might be expected, higher perceptions of benefits and relative profitability increase the likelihood of exporting. What is surprising however, is that risk perceptions are not significant in separating the two groups. It appears as if non-exporting firms have realistic expectations of the difficulties and risks involved.

4.3 Competitive Environment (Domestic)

The logistic regression results (Table 3) show that the two factors in this construct group are nonsignificant in separating exporters from non-exporters. The comparable mean scores in Table 2 also reflect this.

Interestingly, this is at variance with research in the manufactured goods sector where it has been shown that domestic competitive intensity and domestic market saturation provide a strong motive for exporting.

A possible explanation for this finding is that in service industries it is often difficult to create a long-term, sustainable competitive advantage. Most tactical and strategic moves may be copied by competitors in the short-run. This was reaffirmed in our qualitative interviews with one small marketing consultancy and a large accountancy-audit practice, where the difficulty in achieving meaningful competitor differentiation was highlighted. This overall services-wide competitive intensity is also evidenced by the fact that 67% and 66% of respondents respectively, rated “general competitive intensity” and “price competition” as being very/extremely high in their industry. The net result is that degree of domestic competition in particular fails to distinguish between exporters and non-exporters. Rather, it seems other factors, especially perceptions of benefits and the hindrances/barriers to exporting are the distinguishing criteria. It therefore seems that domestic competitive intensity is a necessary but not sufficient condition to justify exporting.

4.4 Firm Capabilities

The results show no significant differences in the capabilities of the two groups to develop differentiated services and effective marketing communications campaigns; provide high levels of service quality; and achieve production cost advantages. This result parallels the findings from similar studies in the manufacturing sector (e.g., Cavusgil and Naor, 1987). However, exporters were on average, larger (average employees 554 v 222, $p < .00$) and spent more on R&D as a percent of sales (5.9% v 4.0%, $p < .00$). The last point is worthy of comment - that is regardless of size, exporters spend on average nearly 50 percent more on R&D (as a percent of sales) than non-exporters. This may well be one of the keys to their success in so much as it aids the development of services with a competitive edge and more suited to target markets.

With services, trust and relationship development are paramount (due to intangibility, and potential customers cannot try out or inspect the product in advance of purchase). However these processes are both time consuming and costly. Thus, establishing a foothold in overseas markets can be a slow, difficult and expensive process. This suggests that it is probably the better-run

firms with an international orientation and vision who commit resources to R&D, in order to design and customize service products to meet market opportunities.

Firms interviewed during the qualitative phase of this study who reported success in penetrating overseas markets, without exception, attributed much of their success to the commitment and vision of one or more key executives. But it may be that once a firm has made the plunge into internationalization, it is likely that this increases both the incentive and pressure to improve performance - to spend more on R&D to maintain a strong competitive position. So, whether better managed firms naturally spend more on R&D, or the internationalization process per se encourages additional R&D expenditure, or both, is not clear from our analysis. These questions warrant further investigation.

4.5 Characteristics of Key Managers

In order to control for firm size (based on number of full-time employees), managerial characteristics (e.g., number of key managers within a firm speaking a foreign language) were expressed as a percent of the total staff in an organization's international marketing division/department. It will be noted in Table 2 that the exporting firms have a higher proportion of their marketing personnel who have lived and worked overseas (58% v 41%), and who possess a university education (81% v 65%). However, as depicted in Table 3, only the percent of managers with university education was significant in separating the exporter from the non-exporter group. It appears as if this education has imbued key managers with some of the knowledge, skills and foresight to pursue overseas markets. Concerning the percent of marketing personnel having lived and worked overseas, this result raises the question of cause and effect. Do service exporters have more of their key marketing personnel traveling overseas because of their exporting activity, or are these more cosmopolitan employees change-agents, and responsible (in part) for the firm's exporting drive?

In summary, the data in Tables 2 and 3 indicate that the perceived barriers or hindrances and perceptions of the benefits of exporting, together with managers education, are the construct groups which discriminate between service exporters and non-exporters. These findings are in partial agreement with comparable studies in the manufacturing sector (see Cavusgil and Naor, 1987 for a summary), and suggest that these factors impact on the

internationalization decision - whether they be goods or services. However, unlike comparable studies of manufacturing firms, internal firm capabilities, attitudes to internationalization (other than perceptions of benefits) and degree of domestic competitive intensity did not separate exporters and non-exporters in the sample. Concerning attitudes, both service exporters and non-exporters displayed similar views concerning the perceived risks of internationalization. This is in contrast to a number of manufacturing studies (e.g., Cavusgil, 1984) indicating non-exporters perceive higher risks in internationalization.

Again, findings from the export (goods) literature (e.g., Welch and Weidersheim-Paul, 1980) suggests competitive intensity and demand saturation in domestic markets act as a strong inducement to look abroad for opportunities. However, this was not the case here possibly because service firms find it difficult to develop advantages that cannot be copied or imitated, and hence most markets are viewed as highly competitive.

5. Controlling for Firm Size

It will be noted from Table 2 that on average, firms exporting services are significantly larger than their non-exporting counterparts. This is perhaps not surprising given previous research findings among goods manufacturing firms (Burton and Schlegelmilch, 1987). The obvious question however is - are the apparent differences in attitudes, perceptions of benefits and firm capabilities between service exporters and non-exporters displaying nothing more than a spurious relationship? In other words, is size of firm driving the differences in attitudes, perceptions, and the decision to internationalize? An alternative question to ponder is whether firm size has acted as a suppressor variable, and in fact masked relationships between competitive environment and firm capabilities constructs and the decision to export/not export?

To establish whether the apparent differences between service exporters and non-exporters depicted in this study were spurious or not, two steps were taken. Firstly the zero order correlations between size (measured in number of full-time employees) and each of the predictor variables were calculated. All correlations are very small (ranging from only $r = .01$ to $.15$) and mostly not statistically significant from zero ($p < .05$) suggesting that organization size is not associated directly with attitudes, perceived barriers, etc., to exporting.

Next, the relationships exhibited in Tables 2 and 3 were

again tested, but this time controlling for organization size using analysis of covariance (ANOCOVA) (Wonnacott, and Wonnacott, 1969). Size was held constant by categorizing respondent firms according to their median value. This resulted in two groups - "small" (40 or less employees) and "larger" organizations (more than 40 employees), and then examining mean scores in each group of predictor variables. In nearly all cases the relationships depicted in the study results remained intact (refer Table 5).

The data in Table 5 confirm the relationships reported earlier in this study, - i.e., the differences across the exporter and non-exporter groups concerning attitudes and perceptions towards internationalization are not due to firm size. For example, from Table 5, *Difficulty imposed by the nature of the service* for both small and large exporting firms (HINF6) were found to have similar means (4.1 and 4.0 respectively), whilst *non-exporters* display a significantly lower mean (but again with no significant difference across firm size). The analysis suggests that while average firm size varies between the groups, it is not acting to induce spurious relationships between the various predictor variables and the dependent variable.

6. Discussion

6.1 Contribution to Theory

While the Resourced Based View has been useful in explaining export performance, entry mode choice and cross-border relationship success, this study found little support for the relevance of RBV in trying to predict a firm's export decision. Neither firm capabilities (and characteristics) nor the competitive environment constructs were useful in discriminating between exporters and non-exporters. As alluded to earlier, because of the nature of services, it may well be that most service firms view the market as intensely competitive and thus it does not serve as a discriminating variable. However, the Theory of Reasoned Action (TRA) seems well supported by the results. Managers' beliefs about the costs, benefits and barriers (hindrances) account for the majority of the power in distinguishing between the two groups. This is perhaps not surprising given that individual managers make the export/not export decision on behalf of the firm, and their behaviour is necessarily shaped by their personal experiences, beliefs and attitudes. The Stages of Internationalization model was shown to have only minor relevance, with only one of the three managerial characteristics being significant in the model.

6.2 Exporter/Non-exporter profile

Service exporters saw the major barriers to exporting as competitive intensity in foreign markets together with the commitment and investment necessary for market entry. They viewed know-how limitations, restrictions in target country, and country-of-origin bias as less of an impediment. Importantly they were confident that they possessed services suited to international markets. Furthermore, and somewhat surprisingly, exporters viewed country-of-origin bias and competitive intensity in foreign markets as more of an obstacle than did non-exporters, no doubt reflecting their first hand experience.

In terms of benefits and risks, service exporters were motivated by potential higher profitability than in domestic markets and, by the growth opportunities, which they saw as significantly higher than the non-exporter group. Not so the risks however, where both groups surprisingly held similar views on the costs and risks involved. It would therefore seem non-exporters underestimate the potential benefits but have a realistic assessment of the risks. The exporting group was also distinguished by a higher proportion of managers with (a) university education; (b) overseas travel experience, and (c) spent considerably more on R & D (as a % of sales). However only the extent of university educated managers was successful in separating the exporter and non-exporter groups.

Nonexporters on the other hand, were characterized as having serious know-how limitations (lack of exporting expertise, lack of contacts and networks in foreign markets, and a lack of confidence in their ability to assess overseas market opportunities). They also displayed a lack of commitment for the investment required, and claimed to possess services not suited to international markets. Interestingly, they viewed the intensity of foreign competition and accompanying risks, in a similar manner to exporters. Importantly, however they viewed the benefits of exporting significantly less, which may explain their reluctance to commit to an internationalization path.

Contrary to predictions, neither the nature nor intensity of domestic competition, nor firm capabilities (communication effectiveness, service quality, lower cost of production) were effective in distinguishing the exporter and non-exporter groups. Both groups viewed these factors in a similar manner. It appears that the intensity of local competition alone does not provide sufficient impetus for non-exporters to embark on a

Table 3: Logistic Regression Model

Construct ^a	Parameter Estimate	Sig
Barriers		
Know-how limitations	-.451	.009
Restriction in target country	— b	ns
Investment/commitment to entry costs	-.842	.000
Country of origin bias against Australia	.585	.012
Competitive intensity in foreign markets	.841	.000
Difficulty imposed by nature of service	-.472	.030
Perceptions		
Benefits of exporting	.889	.001
Risks	—b	ns
Profitability vis-a-vis domestic market	.430	.056
Competitive Environment		
Intensity of domestic competition	—b	ns
Rate of new service obsolescence	—b	ns
Firm Capabilities & Characteristics		
(a) Capabilities:		
Development of differentiated services	—b	ns
Effective promotion	—b	ns
Service quality	—b	ns
Service cost advantage	—b	ns
(b) Characteristics:		
Size (no. of employees)	—b	ns
R & D (% of sales)	—b	ns
Managerial Characteristics		
% of key managers with university education	.010	.009
% key managers who have lived & worked o'seas	—b	ns
% key managers speaking a foreign language	—b	ns
Log-likelihood value	259.16	(.332)
Model Chi-square	90.5	(.000)
Goodness of fit	325.1	(.237)
Degrees of freedom	280	
Hit Ratio	78.2%	

Note: ^aAll interval scaled independent variables were standardized for parameter estimation.

^bNon-significant constructs not included in final (trimmed) model & parameter estimation.

Table 4: Classification Matrix

Actual Group	Predicted Group		Actual Total
	Exporter	Non-Exporter	
Exporter	145 (84.3%)	27 (15.7%)	172
Non-Exporter	36 (30.8%)	81 (69.2%)	117
Predicted Total	181	108	289

Percent correctly classified = $(100)(145+81)/289 = 78.2\%$
 Proportion chance criterion = $(0.626)^2 + (0.374)^2 = 51.8\%$

Table 5: Difficulty Imposed by Nature of Service and Attitudes to Benefits BY Exporter/Non-Exporter - Controlling for Firm Size¹

Exporters			Non-Exporters		
Smaller (n=76)	Larger (n=105)	(p≤)	Smaller (n=90)	Larger (n=53)	(p≤)
<i>HINF6 - Difficulty Imposed by Nature of Service</i>					
\bar{x} 4.1	\bar{x} 4.0	ns	\bar{x} ns 3.3	\bar{x} 3.5	ns
<i>ATTBENIF - Attitudes to Benefits</i>					
\bar{x} 4.1	\bar{x} 4.0	ns	\bar{x} ns 3.3	\bar{x} 3.5	ns

Note¹: Based on ANOCOVA.

Note²: Scale anchored at 1= Hindering to a great extent to 5= Not hindering at all.

(perceived) risky internationalization path. It also indicates that non-exporters on the whole are as confident as exporters when it comes to assessing their own competitive strengths. This is again at odds with the manufacturing export literature, where Weidersheim-Paul, Olson and Welch (1978) found firms with perceived differential advantages in pricing and technical superiority were more likely to export. This

contradictory observation might be explained by the fact that, in service industries at least, having a self-perceived excellent service is a necessary, but not a sufficient condition to export.

6.3 Managerial implications

Several implications for management and public policy makers flow from these research findings. First, while

service exporting enterprises were, on average, larger than non-exporters, size per se is not an inhibiting factor. This was one of the first studies that has attempted to control for firm size when examining the export decision. Unlike exporters of manufactures, size of organization is not driving perceptions of costs, benefits or barriers to internationalization, nor is it the driving force behind a service firms propensity to invest in R&D. Therefore smaller firms should not be deterred from thoroughly researching and considering an internationalization path. This conclusion is supported by a recent government report which found while the vast majority of export revenue is produced by very large service firms, the largest number of Australian exporters are small (less than \$5m turnover), innovative, flexible companies. Many of the exporting “Davids” are up against the “Goliaths” of global trading, but they prosper because of their flexibility in following-up niche opportunities and by customizing their output. Despite being the second largest service economy in Asia, the export participation rate among Australian service firms is only 1.2%. Hence the opportunity exists for small and medium sized firms (as well as large enterprises) to consider internationalizing.

Second, both the logistic regression analysis and the differences in mean values indicates *perceptions of the benefits* of internationalization to be the single most powerful variable discriminating exporters from non-exporters. This is perhaps not surprising as non-exporting managers have not experienced first hand the benefits of exporting, and as such have rated them well below that of experienced exporters. Public policy makers, in an effort to stimulate more service firms to begin internationalizing, should consider public seminars and/or workshops featuring successful, highly experienced and credible service exporters and focusing on the benefits (positives) rather the costs and risks (negatives) which failed to discriminate between exporters and non-exporters.

Consistent with other studies (e.g., Cavusgil and Naor, 1987; Gray, 1997) *Know-how limitations* (encompassing barriers such as ‘lack of contacts in foreign markets’, ‘difficulty in gaining foreign market entry’, ‘lack of knowledge to assess export market opportunities’, ‘language and cultural differences’) was highly significant in distinguishing between exporters and non-exporters. Further, of all the explanatory variables investigated, it displayed the greatest variation in mean scores between the two groups. This suggests that any

non-exporter considering internationalization, would be well advised to develop and strengthen their international marketing expertise amongst key staff via training courses/workshops/ seminars and/or recruitment of human resources with the requisite skills and experience. From a public policy viewpoint, targeting non-exporters with educational seminars, trade delegation visits to select foreign markets and hands-on workshops will need to be a high priority if many service exporters are to be induced to embark on an internationalization route. Trade visits in particular are important for services since the intangible nature of the product dictates that trust, reputation and personal relationships are critical in forming trading relations.

Next, a *Preparedness and commitment to invest in entry costs* was also found to be extremely important in separating the two groups. Two key statements within this factor where there was strong agreement by non-exporters were: “There is an inadequate commitment of resources to developing export markets” and “Lack of capital to finance expansion”. This suggests two things. First, it indicates a lack of willingness, real commitment and vision on the part of top management to expand abroad. Throughout the qualitative interviews it was clearly demonstrated that this vision (which became infectious among other key managers) and accompanying commitment over an extended period was a necessary (but not sufficient) condition to succeed in export markets. Whether perceptions of obstacles, risks and benefits drive this vision or the reverse, is not clear. Concerning the second point, i.e. lack of capital, previous research in an Australian context found seventy percent of high achieving service exporters use at least one government support scheme (Austrade, 1994). Financiers also typically view smaller enterprises as riskier because of their limited asset base, lack of track record and propensity to failure. Consequently they often fail to raise the necessary capital to finance expansion plans.

Finally, it was noted that exporting firms in our study committed considerably more to R&D (as a proportion of sales revenue) than did non-exporters. What is not clear however, is whether the better managed firms who undertake more R&D therefore find it easier to break into foreign markets (due to more unique, differentiated services, or better research information concerning the target countries)? Or is it that once a firm has committed itself to internationalization, this increases both the incentives and pressure to improve performance (and hence more is spent on R&D)?

From a managerial and public policy viewpoint, understanding the motives, perceived barriers and structural, and managerial characteristics of exporters as outlined in this study, should place policy makers in a better position to assist more service firms to embark on an internationalization program.

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Appendix 1: Summary of Constructs Employed in Analysis

Factor	Description	No. Items	% Variance Explained	Cronbach Alpha
Barriers to Internationalization				
HINF1	Know-how limitations (Lack of contacts in foreign markets; difficulty in gaining market entry; lack of exporting expertise; lack of expertise to assess export opportunities; language cultural limitations)	5	27.1	.84
HINF2	Restrictions in target country (Import of regulations in foreign market; foreign exchange controls in target country; export restrictions in foreign market)	3	11.1	.87
HINF3	Preparedness to invest in entry costs (Inadequate commitment of resources; lack of capital; cost of settling employees in foreign country; need to customize services; recruiting & training foreign nationals)	5	6.9	.71
HINF4	Country-of-origin bias against Australia (Australia's lack of recognition for services in world markets; prejudice against Australian services; unstable demand;)	5	6.1	.65
HINF5	Competitive intensity in foreign markets (Competition from other overseas firms; from Australian firms in overseas markets; from local firms in target country)	3	5.0	.72
HINF6	Difficulties imposed by nature of service (Lack of suitable services to export; focus on satisfying local demand; service not marketable overseas)			
	Response format: 1= Hindering to great extent to 5= Not hindering at all	3	4.7	.60
			(60.9%)	
Perceptions of Benefits & Risks				
ATTBENIF	Benefits of exporting (Exporting could help us develop more competitive services; make a major contribution to firm's growth; is a desirable task for my firm; help us diversify; will result in greater financial returns)	5	33.9	.81
ATTRISK	Risks of exporting (Exporting is not risky if you plan well [reverse scaled]; involves greater costs than selling in domestic market; involves greater risks than selling domestically; cost of exporting is more reasonable than most people think)	4	22.3	.72
ATTPROF	Profitability vis-a-vis domestic market (We could make higher margins by exporting; is potentially more profitable than selling in the Australian market)			
	Response format: 1=Strongly agree to 7=Strongly disagree	2	7.8	-
			(64.0%)	(r = 0.543)

(continued)

Summary of Constructs Employed in Analysis

Factor	Description	No. Items	% Variance Explained	Cronbach Alpha
Competitive Environment¹				
COMPET	Intensity of domestic competition (Intensity of market competition; price competition; service quality competition)	3	37.0	.85
ENVIRON	Rate of new service change (Rate of new service introductions; rate of technological change; rate of service obsolescence)			
	Response format: 1=Moderately high to 5=Extremely high	3	31.5 (68.5%)	.71
Firm Capabilities²				
CAPPROD	Capability to develop differentiated services (Ability to differentiate our services; speed of service introductions; success rate of new services)	3	31.3	.78
CAPCOM	Effective reach and communications capability (Extent of our distribution network; quality of salespeople; advert effectiveness)	3	11.2	.55
CAPSQ	High service quality capability (Quality of our customer service; service quality effectiveness)	2	9.8	- (r = 0.60)
CAPCOST	Service cost advantage (Effectiveness of cost containment; cost of production)	2	8.8	- (r = 0.44)
	Response format: Please indicate how you perceive your skills & capabilities relative to those of your major competitors? 1=Much weaker, 3=About same, 5=Much stronger.		(61.1%)	
Managerial Characteristics³				
%UNI	Percent of key managers involved in export decisions who have university education	1	-	-
%OSEAS	Percent of key managers involved in export decisions who have worked & lived overseas	1	-	-
%LANG	Percent of key managers who speak a foreign language	1	-	-
Note 1	Each construct was conceived as being unidimensional, and confirmed by reliability analysis.			
Note 2	Firm capabilities was also captured by two additional characteristics - Size (no. employees) and R&D as a percent of sales.			
Note 3	All the managerial variables were expressed as a percent of the total number of managers involved in exporting within the organization. This was done to control for the effects of organization size.			

Appendix 2: Correlation Matrix of Independent Variables

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
1.HINF1																			
2.HINF2	26																		
3.HINF3	57	40																	
4.HINF4	36	44	49																
5.HINF5	23	34	38	44															
6.HINF6	40	13	30	19	ns														
7.ATTBENF	ns	-11	ns	ns	-17	51													
8.ATTRISK	-16	-15	-33	13	-19	ns	ns												
9.ATTPROF	ns	ns	ns	ns	ns	31	51	-20											
10.COMPET	ns	ns	ns	ns	-23	ns	14	11	12										
11.ENVIRON	ns	ns	ns	ns	ns	ns	ns	ns	ns	17									
12.CAPPROD	ns	ns	15	ns	17	17	13	ns	ns	-17	ns								
13.CAPCOM	23	ns	24	ns	ns	14	ns	-21	ns	ns	ns	33							
14.CAPSQ	ns	ns	ns	ns	15	ns	ns	ns	ns	-13	ns	46	20						
15.CAPCOST	12	ns	18	ns	ns	ns	ns	-11	ns	ns	ns	32	21	23					
16.%UNI	ns	ns	ns	ns	-15	13	ns	20	ns	ns	-11	ns	ns	ns	ns				
17.%OSEAS	19	ns	15	ns	ns	16	12	ns	12	ns	ns	ns	ns	ns	ns	21			
18.%LANG	ns	ns	ns	ns	ns	ns	ns	ns	14	-12	ns	ns	-13	ns	ns	11	21		

Notes: 1. Decimal points omitted for clarity

2. ns indicates the coefficient is not significantly different from zero at $p < 0.05$ level

Seven Reasons Why Marketing Practitioners Should Ignore Marketing Academic Research

Peter November

Abstract

This article seeks to explain why marketing practitioners should continue to ignore marketing academic research. The reasons are organized into seven categories: customers, structure, causality, reductionism, precision, generalisations and replication. Evidence is drawn mostly from award winning articles. In the short term, the author advocates removing claims of usefulness from academic work, celebrating its academic value and maintaining the gap between academics and practitioners. In the long term, he anticipates the development of new approaches to academic work that might bridge the academic/practitioner gap.

Keywords: Academic/practitioner gap, Criticism of academic research

1. Introduction

Many disciplines that exist as professional practice and as university subjects face questions about the relevance of academic research to practice at some time in their development. In management, Porter and McKibbin (1988), Abrahamson (1996), Mowday (1997), and Rynes, Bartunek and Daft (2001) discuss the so-called gap between academic research and management practice. Anderson (1998) describes the views of managers on academic research in organizational behaviour as unreadable, banal and inconsequential. Bolton and Stoicis (2003) discuss what they call 'the disconnect' between academic research and practice in the field of public administration. Thomas (1994) in social work and Buckley (1998) in business administration both write about the questionable utility of scholarly research to practitioners in their respective disciplines. Senge (1988, p.49) says that a "gap has been observed between the practice and teaching of management accounting". Lee, Koh, Yen and Tang (2002) report on the gap between academics and professionals in information systems and Ho (2000, p. 6) states that:

"Much academic research on information technology, systems, and management has been branded by practitioners in business as unusable, irrelevant, and unreadable."

Finally, Wilkerson (1999, p. 599) sums up the position across business disciplines:

"Is academic research in business management disciplines readily related to workplace issues and practical management skills? And is it typically conveyed in terms familiar to practitioners. Generally, the answer to both would seem to be no."

It should come as no surprise that this debate has also surfaced in marketing. For example, Westing (1977, p. 3), amongst other criticisms, summed up the efforts of marketing scientists as "the mountain has labored and brought forth a mouse". Maiken (1979, p. 58), a thoughtful practitioner commenting on his attempt to keep in touch with academic work, wrote:

*"The more I read in the **Journal of Marketing**, or tried to read in the **Journal of Marketing Research**, the more I realized that what was meaningful to the marketing academician in terms of tools or techniques to solve my marketing problems, had little or no application in the marketplace."*

Armstrong (1991) showed that practitioners had a poor knowledge of the findings of consumer research. Their guesses or predictions about findings published in the *Journal of Consumer Research* were less than chance. (Surprisingly, the guesses or predictions of academics

were worse than practitioners.) After a major assessment of the effectiveness of academic research, Myers, Massy and Greysier (1980) concluded that academic marketing research had relatively little impact on improving marketing management practice. Gautier (2002), in reviewing the 270 papers presented at an Australasian conference with the title ‘Bridging Marketing Theory and Practice’, could find little of practical relevance in the few papers she could actually understand. And finally, Shelby Hunt (2002, p. 305) wrote:

“Throughout its 100-plus year history, one of the most recurring themes has been that there is a ‘gap’ or ‘divide’ between marketing academe and marketing practice. As evidence, critics point out (among other things) that marketing practitioners neither subscribe to nor read academic marketing journals.”

The purpose of this article is to put forward reasons why marketing practitioners should not read academic journals and should not attend academic conferences: why, for the most part, they should ignore our work.

But first some words of warning. My purpose is not to argue that academic research in marketing should be irrelevant to practitioners. Myers (1979, p. 62) states that:

“Marketing academicians should recognize that the overall importance of research and knowledge development in this field, over the short-run or long-run, is to improve marketing practice and decision-making, and in general, to advance the state of knowledge useful to the profession.”

I am not disagreeing with Myers although it may look as though I am. I am arguing that in *its present state*,

Table 1: ANZMAC 2001 Conference Assessment Criteria

	Assessment Criteria	Excellent			Poor		N/A
1	Extent of contribution to Marketing in terms of:						
	a The theoretical/conceptual framework	5	4	3	2	1	N/A
	b The presentation of findings	5	4	3	2	1	N/A
	c Methodology (case method, sampling, measures, statistical analysis, etc)	5	4	3	2	1	N/A
	d Results obtained and implications for Marketing	5	4	3	2	1	N/A
2	If not a major contribution in terms of 1, does it nevertheless:						
	a Provide a useful summary of the state of knowledge in its field?	5	4	3	2	1	N/A
	b Replicate existing work in a competent manner to provide further support / modification to existing hypotheses?	5	4	3	2	1	N/A
	c Suggest applications useful to practitioners?	5	4	3	2	1	N/A
3	Organisation and writing style	5	4	3	2	1	N/A
4	References are sufficiently complete and adequate credit given to other contributors in its field?	5	4	3	2	1	N/A
5	Overall contribution to Marketing of paper in its present form	5	4	3	2	1	N/A

academic research in marketing should be ignored by marketing practitioners.

Should we try to make it more relevant? Is it less relevant today than in the past? Is it less relevant to our practitioners than other academic disciplines are to theirs? These are interesting questions. But my focus is on seeking the reasons why practitioners who ignore academic work in marketing are doing the right thing at this point in time. Whether we should do anything about this or, indeed, if it is possible to do anything about this, are questions that others might like to tackle.

2. Seven Reasons Why Marketing Practitioners Should Ignore Marketing Academic Research

#1 Customers

The main reason why practitioners should ignore our work is that they are not the customers for it. They do not ask us to do the research and they do not pay us to do the research [1]. Why then should they expect academics to produce something of value to them? Strictly speaking, the university is the customer: he who pays the piper. We have a contractual obligation to conduct research to the standards of university work and the university pays us even though it is our secondary customers, the community of academic scholars, who listen to the tune.

Imagine you are a young academic. You have just finished your PhD and are at the lowest level in the academic hierarchy. You have a fairly substantial teaching load but it is clear that your promotion has little to do with how well you teach. As long as you do an adequate job of teaching, your chances of promotion will not be damaged. But actual promotion, especially to higher levels such as Senior Lecturer, Associate Professor and eventually Professor will depend almost entirely on the amount you have published, particularly in the more prestigious journals. This is true *irrespective* of your discipline. There is no obvious reason why Marketing should be any different.

The relevance of this published material to practitioners has nothing to do with your promotional prospects or its chance of being published. At most universities, the critical factor is the *number* of publications and the *type* of journal in which they are published - not their relevance. The absence of relevance can readily be seen in the published products.

The absence of *considerations* of relevance can be seen in the assessment 'rules' that journal editors give to their reviewers and conference organizers give to reviewers of

conference papers. For example, Table 1 is the list of criteria used for reviewing papers submitted for the 2001 ANZMAC conference.

While some recognition is given that work might be useful to practitioners, it is clearly possible to get a high score, and therefore acceptance of the paper, without this. Indeed it is fairly obvious that theoretical and conceptual findings, presentation, methodology, and implications for the discipline of marketing are the important issues. Rigor is clearly much more important than relevance. If you can also make your work relevant to practitioners so much the better, but this is not vital [2].

An article with the title "Aspects of Chi Square Testing in Structural Equation Modeling" and published in the *Journal of Marketing Research* would be regarded as much more valuable to the marketing academic community and the author would stand a far greater chance of getting promotion or funding to attend a conference than one who had written "How to Make Your Web Site Irresistible" in the *Marketing Magazine*. Indeed the majority of universities would assign no credit to an academic publishing the latter since it is not a refereed journal.

The fact of the matter is that marketing, viewed from the academic perspective, has many interesting aspects to it. These are not seen as relevant or interesting from the much narrower perspective that practitioners have. The same is true of other disciplines. For example, marine biologists have a much deeper and varied interest in marine life than fishermen ("Just tell me how to catch more fish."). Although a little unfair, at times marketing practitioners seem equally narrow ("Just tell me how to catch more customers.").

#2 Structure

The second reason why practitioners should ignore our work is that they naturally tend to use their own personal practice as a frame of reference. For the most part, they can only ask "How does this relate to me and what I do?"

The principle of academic freedom of enquiry means that each academic decides for him or her self what to research. Even within a university department, staff normally decide for themselves what research they will do. As long as they comply with the accepted practice of research, any topic within the very large boundary of marketing is acceptable. What matters is that you get published, not what you study, not why you study it, and certainly not whether it will be useful to practitioners. The consequence of this is that each year thousands of

independent and capricious studies are produced by well-meaning academics each trying to advance her or his career.

Of course we all link our work to previously published material but we all know how easy it is to weave in a reasonable number of references so this does nothing to prevent the production of what, taken as a whole, is an arbitrary, chaotic and unpredictable collection of work that has no apparent structure. How is a practitioner to make sense of, for example, a day of papers presented at an academic conference? How is he or she going to put any given paper into a general context of meaning or knowledge advancement when we ourselves have no such thing?

Some academics talk about 'gaps' in the literature as though the literature is a well-built wall with just the occasional gap that needs filling. Each study is, as Pink Floyd would say, another brick in the wall. The reality is that, while we do seem to have an agreed standard as to what a brick is, there is no agreement as to which bricks need to be made first, no foundations, no architect of the final wall, and no idea as to what the wall is expected to do when, if ever, it is built. It is as though we are constructing the Great Wall of China by agreeing that all the bricks will be empirical studies that pass certain statistical tests. However we do not agree on who will build each bit of the wall nor do we agree on when or where we will build it. The consequence is that we have hundreds of well-meaning marketing scholars working very hard at making bricks. Each journal and each conference is just a jumble of bricks with the occasional group cemented together by a short term research fad, fashion or multi-researcher project [3].

In strong disciplines there is a 'natural' organising framework built into the knowledge itself. In Chemistry there is the Periodic Table as well as subdivisions into Inorganic, Organic, Physical, etc. In Mathematics there is Algebra, Arithmetic, Geometry, Statistics, etc. In Structural Linguistics there is Phonology, Morphology, Syntax and Semantics. In Geology there are eons, eras, periods and epochs. In Music and Art there are the major historical periods. We have no agreed fundamental structure round which we build knowledge – only a ragbag system of textbook chapter headings. Its absence means that practitioners, with their narrow self-centred perspective on knowledge, are bewildered. What is truly remarkable is that marketing academics seem to thrive with a flimsy rather than a well-grounded structure of knowledge.

#3 Causality

The third reason why practitioners should ignore our work is that we sometimes make false or misleading statements about causality in our arguably misguided efforts in seeking relationships between variables in marketing systems.

Perhaps practitioners can be forgiven for not understanding the difference between causality and association, and we can help by wording our findings very carefully. However this is a mistake that academics should not make in their own work and reviewers need to be vigilant so that unfounded claims of causality do not taint our published literature. Let me illustrate this point with what must be one of the worst examples of this in recent times.

Narver and Slater (1990) wrote what some regard a classic and seminal article in the *Journal of Marketing*. It was a study largely devoted to a method of measuring market orientation, but it is better known (correctly or incorrectly, depending on your point of view) as giving the first empirical research evidence that the Marketing Concept is true even though it was predated by a British study (Lynch, Hooley and Sheperd, 1989) that did the same. Their conclusions section begins with the words (p. 32):

"The findings support our hypothesis that . . . market orientation is an important determinant of profitability."

This is an unconditional causal statement and it is potentially seriously misleading. Readers are given no indication here or anywhere else in the article of how important a market orientation is, nor what other things are important, nor how it compares with other orientations, and there is no explanation as to how much effort should be put into obtaining a market orientation nor the extent to which the cost of doing this will affect profitability. In addition, and of particular importance here, the proposition suggests that market orientation has a causal impact on profitability. While the word 'determinant' is not the word 'cause', it means practically the same thing.

Do these authors understand that they cannot make such a claim? The mind-boggling answer is YES! In the very same article they say (p. 33):

"The cross-sectional nature of the data in our study restricts conclusions to those of association, not causation."

Causality cannot be inferred from cross-sectional studies and it is by no means certain that it can be gleaned from

longitudinal studies either. Since most marketing academic research is cross-sectional, we are wasting our time if we think we are saying anything about causality and we are in danger of misleading practitioners because they, like some academic researchers, do not understand the limitations of most academic research.

#4 Reductionism

The fourth reason why practitioners should ignore our work is the good chance that they will not appreciate the dangers inherent in studying small parts of systems and then applying the knowledge gained to other parts or, worse, to the system as a whole.

Would-be PhD students are invariably advised that their initial ideas are too grand and are encouraged to scale down the scope of their proposed study to more manageable proportions. While a narrowly focused study is manageable and likely to lead to a definitive result, the results, assuming they have statistical validity, cannot be applied outside the scope of the study. This means that we can never generate any generalisations from a single reductionist study.

Just because a survey has a good response rate, the variance is high and the measures of significance indicate statistical significance, there are no grounds for drawing any inferences outside the bounds of the study itself. If the study happens to be an analysis of the opinions of a convenience sample of undergraduates in a suburb of Los Angeles on the web sites of fifteen car manufacturers then the conclusions are *statistically* valid only for the study itself. That statistical validity does not extend to other people (even students), countries, web sites, time periods or products. The study is a one-shot historical fact. Many aspects of the study might be interesting from an academic point of view but a practitioner could misuse the study unless it contains a clear warning of its limitations.

Scientists have recognised the problem of reductionism and started to do something about it. As Freedman (1992, p. 30) puts it:

"Nineteenth-century physics, based on Newton's laws of motion, posited a neat correspondence between cause and effect. Scientists were confident that they could reduce even the most complex behaviors to the interactions of a few simple laws and then calculate the exact behavior of any physical system far into the future. . . . But during the past few decades, more and more scientists have concluded that this and many other of

science's traditional assumptions about the way nature operates are fundamentally wrong."

The marketing science approach, a requirement for most articles in all top marketing journals, is based on the Newtonian view and approach to science. Members of our marketing academic community who encourage us to conduct traditional science-like studies based on reductionism are old fashioned in their understanding of science. A new approach to science has emerged. Again in the words of Freedman (1992, p. 30):

"The way scientists identify the predictable patterns in a system has been turned on its head. Instead of trying to break down a system into its component parts and analyse the behaviors of those parts independently - the reductionist tradition - many scientists have had to learn a holistic approach. They focus increasingly on the dynamics of the overall system. Rather than attempting to explain how order is designed into the parts of a system, they now emphasize how order emerges from the interaction of those parts as a whole."

Thus to have any chance of understanding the behaviour of a marketing system we need to study it as a total entity. Studying a part, traditional reductionism, will only tell us about that part, not other parts and not the whole. Using the metaphor of bricks and walls again, reductionist studies create bricks. Several studies produce a pile of bricks, not a wall. Bricks do not self-organise into a wall: observation and the third law of thermodynamics tell us so. We have yet to work out how to study marketing as a total entity but there is a glimmer of hope: see for example the work of May (1976), Cvitanovic (1993), Hibbert and Wilkinson (1994), Levy (1994) and Doherty and Delener (2001).

But how can we expect practitioners to understand this when few marketing academics seem to understand it?

#5 Precision

The fifth reason why practitioners should ignore our work is that they might be deluded into thinking that it is thick ice when in fact it is thin.

Is Marketing a science? Can Marketing be a science? These are old and much debated questions. For the most part, the battle has been won by those who have argued that Marketing can be a science if it adopts a scientific approach (Hunt 1976). I agree that a scientific approach can be used in Marketing but its rigor gives a false sense of precision.

Because our measurement systems lack precision in comparison with those used in classical sciences, our findings are subject to much higher uncertainty even though we use a scientific method. And yet, somehow, this lack of precision does not come through in the Marketing literature. Authors mislead their readers (and themselves) into thinking that their results are more meaningful than they really are.

Poor data can never be corrected by high statistical validity. Measurement systems are the weakest part of our work and that weakness cannot be corrected after the measurements have been made. We take our statistical inference methods from sciences but we do not take their precise measurement systems. We can measure the distance to the moon with incredible precision but we cannot measure what Mrs Jones thinks of her favorite washing powder on anything other than the crudest of scales. Imagine if science relied on the opinion of Mrs Jones as to how far the Moon was from the Earth. Averaging a set of temperatures makes sense numerically. Averaging a set of ordinal opinions does not.

It is perilously easy to create a false sense of precision through the application of statistical validity tests. A famous example of this from our literature comes from a frequently quoted but not carefully read article by Jaworski and Kohli (1993). The prime focus of this article is the relationship between market orientation and business performance. The authors collected two kinds

of data on business performance: objective data on market share and judgemental (estimated) data on business performance. They found (p. 63 with emphasis added by the current author):

“ . . . a market orientation appears to be significantly related to business performance when the overall performance is assessed using judgemental measures (b=.12, p<.01, Sample I; b=.36, p<.001, Sample II). By contrast, a market orientation does not appear to be related to performance using the more objective measure of market share.”

Then, with a curious slight of hand, they conclude (p. 64):

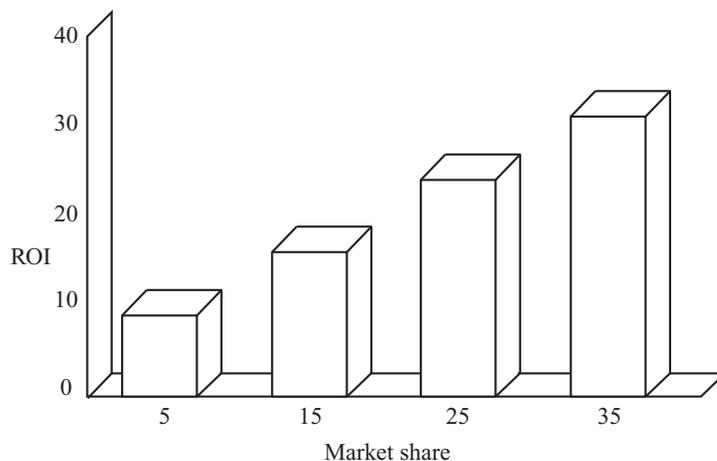
“The findings of this study suggest that the market orientation of a business is an important determinant of its performance, regardless of the market turbulence, competitive intensity, or the technological turbulence of the environment in which it operates.”

This finding not only has confusion over causality but it also favors lower quality data because this gives statistical validity to the proposition that the authors believe to be true. What happened to the objectivity of the scientific method?

Wensley (1997) offers an interesting example of how the graphical presentation of marketing academic work can easily mislead statistically naive practitioners into thinking that precision exists where it does not. The example he gives, the relationship between market share

Figure 1: Bar Chart showing the Relationship between Market Share and Profitability (ROI).

Source: Wensley (1997, p 64)



and profitability (ROI), is an object study in the problems that academic researchers face when studying complex phenomena and in the dangers practitioners face when reading research findings. Despite a large number of studies (high replication) this matter is by no means clear. The only safe conclusion one can make at this time is that there is some evidence that in some cases and in some industries there is a loose relationship between market share and profitability.

However by presenting findings in the form of bar charts such as is given in Figure 1, practitioners (who frequently make the same mistake) can be easily misled into thinking that the relationship is much stronger than is in fact the case.

This type of misleading graph is actually based on data that has the same statistical relationship between profitability (ROI) and market share as the scatter plot of Figure 2. The illusion of precision disappears.

#6 Generalisations

The sixth reason why practitioners should ignore our work is that the few generalisations we produce largely only corroborate what practitioners already know, do not help with decision detail and can become unquestioned articles of faith.

Leone and Schultz (1980), in another award winning article, describe how they tried to write a marketing book analogous to Berelson and Steiner's *Human Behavior: An Inventory of Scientific Findings*. They gave up because they found hardly any scientific findings and wrote the article on this dilemma instead. They said (p.11):

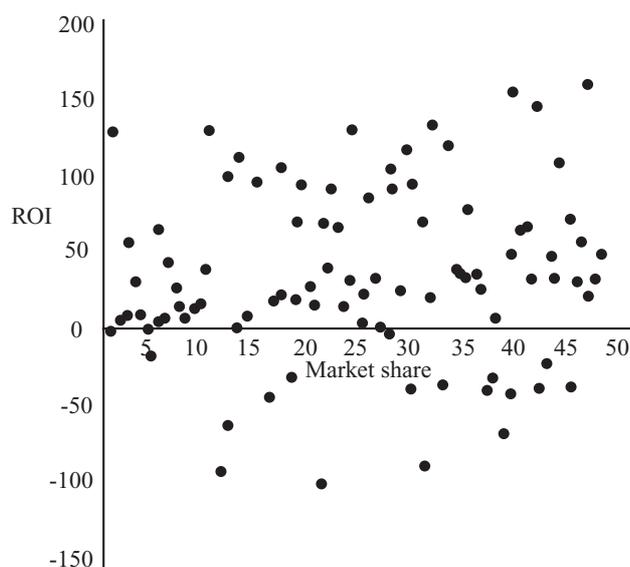
"... there is a great deal of empirical research, but very little of it is generalizable. Hence we have very little knowledge of marketing phenomena."

What then is the general nature of research output by marketing academics? Leone and Schultz refer to "one-shot studies that represent historical facts." They argue that it is only by replicating studies that we can move to generalisations, but they warn (p. 17):

"There are no universal generalizations in marketing. When we report, for example, that advertising has a positive influence on sales, we do not imply that this is true in every circumstance. It simply means that there is corroboration for this proposition from a number of sources for particular types of goods. The conditions under which the generalization hold are, strictly speaking, limited to the evidence reported herein."

Even with these caveats, the proposition that, in general,

Figure 2: Scatter Plot showing the Relationship between Market Share and Profitability (ROI).
Source: Wensley (1997, p 66)



advertising has a positive impact on sales is hardly news to a marketing practitioner.

And after many studies have been done in an area of marketing, a major difference seems to exist between the generalisation of science, such as Ohm's Law, and the generalisations that we can produce. Ohm's law is a generalisation for the flow of electricity in a conductor. It is both generally true and specifically true. It can be used to predict say the current flowing in a specific conductor given a knowledge of its resistance and the voltage applied across it [4].

Marketing generalisations, such as there being a positive relationship between advertising spending and sales, do not help with the specifics of advertising decisions. Once advertising budgets are set there are innumerable problems of detail to be handled, any of which can affect success. How many studies, how much time and how much money will be required before all these problems can be solved with our current research methods? Indeed are there theoretical grounds for even thinking that it is possible to produce empirically based generalisations for all this detail (irrespective of time and money)?

Many marketing decisions such as advertising have both quantitative (how much to spend on advertising) and qualitative (message and medium) dimensions. We also know that, at the brand level, there are important relative, as well as absolute, effects. It is not simply a case of how much you spend or what your advertising message is, but also a case of how much you spend relative to your competitor and what their message is in comparison with yours. Are generalisations ever going to help with this kind of complexity? And yet practitioners handle this every day without help from a set of empirically verified, statistically significant generalisations.

The most dangerous generalisations are those which are promulgated without question and which are used to build the very foundations of a discipline. Undoubtedly for marketing the key generalisation is the marketing concept.

While Narver and Slater (1990) among others (Aaker 1988, Kohli and Jaworsik 1990, Peters and Waterman 1982) supported this notion, doubts as to its universality have been expressed (Hart and Diamantopoulos 1993, Greenley 1995, Wong and Mavondo 2000) although Kotler (1973), rather surprisingly, was perhaps the first to draw our attention to this possibility. This is strange because the very public debacle of arguably the epitome of a marketing oriented company, IBM in 1992, should have raised significant doubts (Rogers 1986, Carroll

1993, Heller 1994). But it took a non-marketing academic (Christensen 1997) to provide both evidence and a theoretical foundation that explains why the marketing concept is not a universal generalisation. Yet seven years later most of us still teach it as a fundamental part of marketing!

#7 Replication

The seventh reason why practitioners should ignore our work is that its truth-value is highly questionable: often it is not even thin ice, it is water.

The idea of marketing science espoused so clearly and persuasively by Hunt (1976) has dominated research in marketing ever since. It is built on three premises of which only the final one is really significant here:

- A distinct subject matter.
- The presumption that this subject matter has underlying uniformities and regularities.
- An intersubjectively certifiable truth content.

The idea of intersubjective certification means that . . .

“. . . different (but reasonably competent) investigators with differing attitudes, opinions, and beliefs will be able to make observations and conduct experiments to ascertain their truth content.” (Hunt 1976, p. 27)

The principle of replication has been acknowledged as an essential part of scientific study (Blaug 1992; Kane 1984; Rosenthal and Rosnow 1984). Thus even after a carefully constructed and executed empirical study in marketing has been published, in other words one which satisfies the stringent selection criteria of the leading journals, there are no grounds for accepting the findings until the work has been *independently* replicated a reasonable number of times without major anomaly. Lindsay and Ehrenberg (1993) are able to claim that unreplicated work is virtually meaningless and useless irrespective of its level of statistical significance. However Anderson (1983) points out that the smug feeling replication gives is ill founded because no one can say how many replications are required.

Several marketing academics (Hubbard and Armstrong 1994; Hubbard, Brodie and Armstrong 1992; Hubbard and Vetter 1996) have called for more replication studies as the essential way of creating a foundation for the marketing discipline. Indeed, this point was also made by Leone and Schultz (1980) in their work on marketing generalisations (see above). On this basis we need to add two questions to the criteria for accepting work for

publication:

- Can it be replicated from the information given?
- Is it probable that it will be replicated?

In Marketing we have no tradition of ascertaining the truth content of a published empirical study other than by repeating it with new data. This is far from the case in other disciplines. For example in political and social research the leading empirical methods journal *Political Analysis* sets a direct replication requirement (Epstein and King 2002, p. 46):

“Authors of a quantitative article in Political Analysis must indicate in their first footnote in which public archive readers can find the data, programs, recodes, or other information necessary to replicate the numerical results in their article.”

In a showpiece longitudinal and comparative study, Hubbard and Vetter (1996) measured the extent of replication in Marketing, Accounting, Economics, Finance and Management for the period 1970 to 1991. They found an average replication rate of 6.2%. In the marketing literature the replication rate was 2.6% – the lowest of the five disciplines studied. Put another way, over 97% of marketing empirical studies is academic clutter: they have not been independently tested and until they have they are *virtually meaningless and useless*. They serve as potential starting points for further study but it is only when they are actually used for this purpose that they become of some value.

But some studies have been replicated. On the assumption that the unreplicated ones are similar, what does replication tell us about our research findings and, indirectly, about the effectiveness of our standard research paradigm?

Hubbard and Vetter found that when independent researchers did the replication, clear support was found in 11.5% of cases. When the original researchers did the replication, clear support was found in 57% of cases! Clearly, we need to ignore replication studies done by original researchers.

If a practitioner reads anything from the large unreplicated bulk of marketing academic work he or she needs to know, firstly, that there is almost no chance that the work will be replicated, and until it is, the study is *virtually meaningless and useless*. Secondly, if it is replicated, there is about a 90% chance that the study will not be validated on the first independent test.

3. Conclusions

At the end of most articles these days, editors request authors to put in a ‘managerial implications’ section. Often these go well beyond the bounds of validity in an effort to appeal to practitioners (who do not read academic journals). As Brown (1996, p. 260) wisely commented:

“Many scholarly papers continue to disport a so-called ‘managerial implications’ section, but what manager in their right mind would proceed to act on such recommendations? In truth, how many of us would want managers to implement our pseudo-suggestions, especially if we were held responsible, despite all the standard caveats and get-out clauses, when things went awry?”

The managerial implications for this article are that managers should continue to avoid reading academic work and avoid attending academic conferences because we are simply not yet able to produce knowledge that is useful to practitioners in anything other than very meagre quantities. It is very difficult for practitioners to find this work among the very large quantity that, quite rightly, only serves academic ends.

Until a work has been thoroughly replicated it should contain, not a section on managerial implications, but a section giving a clear warning against the application of the work in any practical circumstance. Although academics are often criticised for writing in an abstruse style, this is actually an advantage since it is less likely that practitioners will read the work. It is important that we maintain the gap between academics and practitioners. It could be that eventually we will find ways of studying marketing systems that do not suffer from the problems outlined in this article, but until that time comes we should celebrate the complexity and difficulty of our chosen field of enquiry and serve our academic customers.

Endnotes

1. I acknowledge that there are exceptions where businesses, trade associations or other organizations sometimes sponsor academic research in marketing such as ARC linkage grants and the CRC support of sustainable tourism. However, sponsorship does not automatically mean that the work will be of use to the sponsor. Sometimes sponsors have a genuine interest in contributing, altruistically, to the world of knowledge. Also, just because practitioners have not requested and paid for our work does not, in itself, mean that the work

cannot be of value to practitioners. Rather, I am arguing that because, in most cases, practitioners have neither requested nor paid for the work, they are in no position to complain about the product.

2. Some academics also present work at practitioner conferences and directly to practitioners, usually through a consulting assignment. In these cases, quite different 'rules' apply.

3. Researchers who write state-of-the-art studies and those who do meta-analytic research sometimes alleviate this problem.

4. Possibly the closest thing we have to Ohm's law is the Dirichlet model developed by Goodhardt, Ehrenberg and Chatfield (1984) and applied in quite a wide range of contexts (Ehrenberg, Uncles and Goodhardt 2004). However, the research process advocated by Ehrenberg (1994) is distinctly different from the one conventionally used in marketing academic work and therefore there is little ground for expecting that similar strong generalisations will be produced. And, of course, one swallow does not make a spring. Certainly the famous 1995 special issue of *Marketing Science* on empirical generalisations 14(3) part 2, G1-G236 was no spring for Marketing.

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Biography

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Perceptions of Marketing Journals by Senior Academics in Australia and New Zealand

Gillian Sullivan Mort, Janet R. McColl-Kennedy, Geoffrey Kiel & Geoffrey N. Soutar

Abstract

Increasingly, business schools are under pressure to produce quality outputs, including high quality international refereed journal publications. Understanding senior Australian and New Zealand marketing academics' views of journal quality is valuable to individual scholars and to the marketing discipline. This paper presents the findings of a study of such perceptions provided by senior academics in Australia and New Zealand. A survey containing a comprehensive list of 73 journals was sent to all professorial members of ANZMAC and Heads of Marketing Schools in Australia and New Zealand, with an overall response rate of 45%. Respondents rated the journals on a 5-point quality scale and means of ratings were used to establish overall rank. The results suggested that, while senior faculty in Australia and New Zealand have their own distinct perceptions of journal quality, these views are not inconsistent with international views. The implications of the results and directions for future research are discussed.

Keywords: Journal rankings, Journal perceptions, Australian and New Zealand Marketing

1. Introduction

Refereed journal publications are a standard way through which academics disseminate knowledge and considerable emphasis is placed on publication in international peer reviewed journals. As marketing has developed the number of such journals has increased dramatically (Baumgartner and Pieters, 2003) and over 550 such journals are listed in Cabell's Directory (Cabell, 1997-98) providing guidance on publishing outlets appropriate for research in marketing. Increasingly, specialised outlets have emerged for specific interest areas, following the lead of the *Journal of Retailing* established in 1925. In addition, the perceived quality of existing journals has changed and the academic environment has become increasingly competitive, with business schools coming under increased pressure to produce high quality outputs. Consequently, marketing academics in Australia and New Zealand are required to make judgements about the quality of a growing number of journals.

Despite a number of attempts to evaluate journals most, until very recently, have been undertaken in the United

States (cf. Fry, Walters and Scheuermann, 1985; Luke and Doke, 1987; Hult, Neese and Bashaw, 1997) and reflect the views of American academics during the 1980s and 1990s. Notable exceptions have been work by Polonsky and others in the Asia Pacific region (Polonsky, Jones and Kearsley, 1999; Polonsky and Waller, 1993), a specific British study by Easton and Easton (2003) and a worldwide survey conducted by Theoharakis and Hirst (2002). The marketing discipline in Australia and New Zealand has continued to develop and mature, reflecting a dynamic fusion of the discipline's American, European and Asia Pacific characteristics. Given the scarcity of Australian and New Zealand rankings, however, marketing academics in Australia and New Zealand have relied largely on American based rankings and/or personal evaluations and word of mouth.

This paper attempts to address this deficit and move such evaluations from tacit to formal knowledge by reporting the findings of a survey of the perceptions of senior marketing academics in Australia and New Zealand. Respondents evaluated a comprehensive list of 73 journals on a 5-point scale ranging from "excellent" (publishes the highest quality research) to "poor"

(publishes research of marginal quality). The paper reports a simple, perceived quality ranking, compares our study with the rankings of other similar studies and identifies senior faculty's perceptions of the top journals in key research specialisations.

2. Publication Imperative

The need to publish is widely known and understood (Moxley, 1992). As early as 1988, department chairs indicated that research was the major factor in evaluating faculty performance (D'Onofrio, Slama and Tashchian, 1988). Publication in refereed journals is a standard strategy for disseminating research knowledge and fulfilling the criteria for research productivity (Hult, Neese and Bashaw, 1997). While the publication of scholarly books is a continuing tradition in European marketing schools, European marketing academics also publish in refereed journals in order to reach a wider audience in a more timely manner, with the added testament to quality afforded by an authoritative editorial board and a double blind peer review process. Informed by European and North American research traditions, and latterly developing a distinct voice, Australian and New Zealand marketing academics have generally published in refereed journals. It could be argued that they are, however, disadvantaged by having relatively few local or regional journals, but advantaged by writing in English and, thus, are able to readily access North American, European and other English language journals. Moreover, marketing has continued to develop, with significant specialisation and an increasing number of journals that reflect these specialist fields (Baumgartner and Pieters, 2003; Malhotra, 1999).

Research funding and faculty appointment and promotion has become increasingly competitive and the perceived quality of publications is increasingly important. For the individual, publication quality is used as evidence of scholarship, while, at a university or school level, quality is used for accreditation, funding and prestige purposes (Bakir, Vitell and Rose, 2000). One proxy for a publication's quality is the journal itself. Consequently, marketing academics are increasingly faced with a need to assess the quality of a large number of journals to find the best outlet for their work, to provide a measure of the performance of fellow academics and to ensure that the wider academic community understands marketing academics' scholarship.

2.1 Assessments of Contribution to Knowledge

It may be argued that a peer-reviewed journal, by its nature, only publishes material that contributes to knowledge and that all publications are equal. This may be the position taken by Australia's Department of Education, Science and Training (DEST) in its tradition of awarding equal value to publications in all peer-reviewed journals. It can be argued that such an approach measures productivity, but not scholarship (Kirkpatrick and Locke, 1992). It is more generally argued (borrowing from Orwell, 1951) that, while all publications are equal, some are more equal than others. That is, some publications make a stronger contribution to knowledge and measures of scholarship need to be broader than all-inclusive counts (Kirkpatrick and Locke, 1992). The necessity to evaluate publications arises from a need to identify stronger contributions to knowledge for a variety of purposes, such as evaluating individual academic or departmental performance, informing research students and mentoring junior faculty.

An article's contribution to knowledge can be evaluated in a number of ways (Hult, Neese and Bashaw, 1997; Kirkpatrick and Locke, 1992; Van Fleet, McWilliams and Siegel, 2000). First, scholars individually evaluate a paper as contributing or not contributing to the discipline and second as contributing or not contributing to their own work. Second, peers or senior scholars, at the request of review panels, carry out evaluations in their role as respected scholars. Many are reported as considering that their own personal evaluation of a paper's contribution to the discipline is fairer and more accurate in the context of reviews for tenure, promotion and other similar purposes than other alternatives (Van Fleet, McWilliams and Siegel, 2000). When a personal evaluation is made, judgement plays a significant part and the expertise and skill of the judge is crucial.

A paper's contribution to knowledge may also be assessed by its citation rate (Kirkpatrick and Locke, 1992). However, not all journals appear in citation indexes, with newness or specialisation being common reasons for exclusion. There is also some discussion about whether early or late citation makes a difference (Garfield, 1998), being cited soon after publication indicating an initial impact, while later citation may mean a more lasting contribution. Citation rates are also noted as helpful in assessing an individual article's contribution but are not as helpful in developing target

journals as part of a publication strategy, as citation rates apply to individual articles not the publication outlet itself.

2.2 Perceived Quality of the Journal

Yet another measure of a paper's contribution to knowledge is the (perceived) quality of the journal in which it appears, where the overall quality of the journal acts as a proxy for the quality of individual papers within that journal. Journal quality may be inferred by the acceptance rate of papers submitted to the journal. However, reliance on acceptance rates is problematic as there is no generally accepted measure for arriving at acceptance rates and, thus, their meaning is unclear. Further, reported acceptance rates may not be accurate, acceptance rates vary across fields and across time and acceptance rates do not necessarily correlate with other measures of journal ranking (Van Fleet, McWilliams and Siegel, 2000).

The quality of a journal can also be assessed subjectively. Such assessments may develop after years of experience, by reading and evaluating work and acting as a reviewer or editor. Such knowledge is part of a scholar's tacit knowledge (Armbrecht et al., 2001). Such assessments of journal quality by senior academics may be conveyed during the doctoral training process, the induction and mentoring of faculty or among research collaborators seeking publication outlets. Theoharakis and Hirst (2002) found that familiarity with a journal as a member of the editorial board or author leads to a more favourable evaluation of a journal and, thus, quality perceptions may depend significantly on a researcher's interests. They also found that there were significant differences in perceptions between North American, European, Asia and Australian and New Zealand segments.

3. Moving from Tacit to Codified Knowledge

Senior faculty in the process of faculty appointment, confirmation, promotion and awarding of research grants are often required to make assessments of journal quality. While this knowledge remains tacit it is generally not amenable to discussion, examination or indeed development and change. Such tacit knowledge can form part of what is termed "stickiness" (von Hippel, 1998) and may well prevent knowledge flows resulting in competitive advantage for those "in the know" and as a barrier to those without this knowledge. Moving from tacit to codified knowledge makes knowledge more widely available and more amenable to knowledge

management strategies and thus more imitable. Codifying senior faculty perceptions of journal quality is likely to make explicit the judgement criteria that are, at present, implicit or tacit.

As one strategy in moving from tacit to codified knowledge, perceptions of journal quality can be formed through internally or externally developed lists (e.g. DuBois, 2000; Enomoto, 1993; Hult, Neese and Bashaw, 1997; Mylonopoulos and Theoharakis, 2001; Nisonger, 1999; Trieschmann et al., 2000; Van Fleet, McWilliams and Siegel, 2000). Internal lists, like those that are restricted to one department or school, can suffer from political bias and create a "ghetto" mentality if they vary widely from scholarly norms (Van Fleet, et al., 2000).

A number of benefits of "external" lists have been noted (Van Fleet, et al., 2000). They can provide an explicit measure of the value of research output, establish publication targets, reduce uncertainty in planning and evaluation, guide publication strategies, provide information on journal quality, reduce time and effort in evaluations, provide defensible information in grievance situations and are useful in benchmarking and baselining. It has also been noted that many faculty prefer to have access to a perceived ranking of journals as a guide to decision making when asked to evaluate the quality of others' work (Hult, et al., 1997).

Recent discussion on the ELMAR email list (for example by Armstrong, Dann, Kohli and others during June to November 2002) focused on the disadvantages of "external" lists as being, among other things, detrimental to the reporting of useful research findings and detrimental to innovation in the discipline and ranking the unrankable. It is widely accepted that highly innovative methods, approaches and topics are typically regarded as too new or too risky for publication in top journals. However, as part of the ELMAR discussion, Brumbaugh (2002) cogently argued that "informal" or tacit lists are in frequent use by all business schools. Brumbaugh also noted that, while newer business schools may formalise their lists, they often have longer lists of well-regarded journals. Theoharakis and Hirst (2002) in their recent research on lists noted that they targeted faculty from leading business schools in their survey, as they tend to place importance on high quality research and have often developed formal criteria, such as lists, for evaluating research output.

Lists may operationalise quality in a number of ways, including popularity, impact, overall rank, being placed

in the top 10 per cent of journals, ability to disseminate scholarly knowledge or the perceived quality of published material. Implying quality based largely on frequency of submission to a government agency and the institution's rating (such as in Easton and Easton's 2003 study) is problematic. Indeed, the Easton and Easton study reported the top "implied quality" entry as *Advances in Consumer Research*, which is not a journal but, rather, the published proceedings of the Association for Consumer Research conference. Further, the Easton and Easton (2003) RAE "implied journal quality" (RIJQ index) was based solely on British data and uses the RAE assessments that apply only to British higher education institutions. Easton and Easton (2003, p. 19) acknowledged serious flaws in the listing as "there are a number of very serious caveats to be entered before accepting RIJQ as a valid indicator of journal quality." Although, they saw the one advantage of the RIJQ listing as being that "it is useful in terms of middle to low quality journals" (Easton and Easton 2003, p. 20).

While there is no agreed theory underlying the development of such lists (Van Fleet, et al., 2000), the present research used a knowledge management framework (Armbrecht et al., 2001; Schulz and Jobe, 2001) and reports a list of marketing journals based on the perceptions of heads of school and professors of marketing in Australia and New Zealand in order to codify tacit into explicit knowledge. The purpose of making tacit knowledge explicit is to support an open, productive and effective culture, as well as helping academics to find appropriate outlets for their work, assess the performance of fellow academics and communicate marketing academics' scholarship to the wider regional academic community.

4. Methodology

The present study's objective was to rank marketing journals according to the perceptions of quality of senior marketing academics in Australia and New Zealand. The operational definition of the sample frame was academics at professorial level in marketing or holding a head of marketing school position (or equivalent) in Australia and New Zealand. While other operationalisations could have been adopted, such as all "productive researchers using DEST data", professors and heads of department were targeted because of their leadership role in the discipline. The leadership provided as supervisors and examiners of research higher degree theses, in grant evaluation and in employment and promotion decisions, as well as their function as opinion

leaders and knowledge managers, provides a distinct perspective not usually available to academics. While it is acknowledged that some head of department roles may be administrators, such people are also generally active researchers and are academics with extensive experience. For similar reasons, Theocharakis and Hirst (2002) targeted faculty from leading business schools.

In the current study respondents were asked to rate 73 journals identified by title and publisher. Although the inclusion of publisher details may have biased the sample by framing respondents' perceptions of the journals, it was considered important as a means of aiding participants' recall, given the similarity of many journal names and the extensive list they were being asked to assess.

The survey instrument, including a cover letter explaining the purpose of the research and instructions for respondents, was first tested in a pilot study. The final survey was emailed to 73 senior marketing academics (professorial members of the Australian and New Zealand Marketing Academy (ANZMAC) and the heads of school of all marketing schools in Australia and New Zealand). Details of professorial members were obtained from the ANZMAC membership database. The heads of school database was created by searching all Australian and New Zealand university websites, using a master list of AVCC member universities for Australia as the basis for the list. A follow up survey was administered 10 days after the initial mail out and a third reminder was sent another week later. Thirty-three faculty members responded, providing a 45% response rate.

Following Luke and Doke (1987), the journals were selected because they were frequently cited, had appeared in previous rankings and/or were nominated by members of the research team. A relatively large number of journals was included in an attempt to adequately represent the breadth of research interests and scholarship in the marketing discipline in Australia and New Zealand. General management journals with a strong practitioner orientation, such as the *Harvard Business Review*, were omitted. Also omitted were publications in any conference proceedings, including the ANZMAC conference and other well-known international conferences, such as the proceedings of the American Marketing Association's Summer and Winter Educators' Conferences, the proceedings of the Academy of Marketing Science and *Advances in Consumer Research*. However, it is interesting to note that *Advances in Consumer Research* is sometimes viewed as

a journal, with Hult et al. (1997) ranking *Advances in Consumer Research* at number 13 out of 40 journals.

Respondents rated each journal's quality on a 5-point scale (ranging from "poor", "fair", "good", "very good" to "excellent"). A "cannot rate" category was used as a measure of journal familiarity (Luke and Doke, 1987). Participants were also asked to add other journals they thought should have been included and were given an opportunity to make comments.

The journals were ranked according to their mean and a Spearman correlation coefficient was computed between the journal rankings and the rankings from the percentages of those who could not rate a journal to see whether there was a relationship between journal rating and familiarity.

5. Results

The journal ranking obtained is provided in Table 1. The means varied from 1.2 to 4.9. The *Journal of Consumer Research* and *Journal of Marketing* received near perfect scores (4.9 and 4.8 respectively). Ten journals were rated as "very good" to "excellent", 31 were rated as "good" to "very good", 25 as "fair" to "good", with seven falling into the lowest category, "poor" to "fair". The top 10% were *Journal of Consumer Research*; *Journal of Marketing*; *Journal of Marketing Research*; *Marketing Science*; *Journal of Retailing*; *Journal of Academy of Marketing Science*; and *Journal of International Business Studies*.

The study also identified the top journals in a number of research specialisations. The *Journal of Consumer Research* was identified as the top journal in consumer behaviour; the *Journal of Marketing Research*, the top journal in marketing research; the *Journal of Retailing*, the top journal in retailing; the *Journal of International Business Studies*, the top in international marketing; the *Journal of Advertising*, the top in advertising; the *Journal of Public Policy and Marketing*, the top in the field of public policy; the *Journal of Service Research*, the top journal in services; *Industrial Marketing Management*, the top in industrial marketing (business to business); and the *Journal of Strategic Marketing* the top journal in strategy.

Of particular interest, the *Australasian Marketing Journal (amj)* was viewed as "good" to "very good". It also ranked in the top five for familiarity (knowledge of content of the journal). In contrast, the *Australian Journal of Market Research* was placed in the "fair" to

"good" category, with 39% unfamiliar with the journal. Other local journals (*Marketing Bulletin* and *Marketing*) were similarly ranked, falling just on or below the lowest group cut-off. This suggests *amj* is considered the most prestigious Australasian marketing journal.

Spearman's correlation (ρ) between quality and "cannot rate" was - 0.67 ($p = 0.00$), suggesting a strong relationship between perceived quality and familiarity. The seven "bottom" journals surveyed had, for example, between 52% and 88% of responses in the "cannot rate" category.

Table 2 provides a comparison between the results of the present study and those of Theoharakis and Hirst (2002), Polonsky et al. (1999) and Hult et al. (1997). The *Journal of Consumer Research*, the *Journal of Marketing*, and the *Journal of Marketing Research* are ranked in the top three in all lists, except in those of Polonsky et al. (1999). It is, however, important to note that the Polonsky et al. (1999) looked at accessibility of journals in Australian university library holdings (either in hard copy or full text electronic format) and not at academics' perceptions of journals. The *Journal of Academy of Marketing Science*, *Marketing Science*, the *International Journal of Research in Marketing* and the *Journal of Retailing* are also consistently ranked very high.

Table 3 lists the journals that were common to all four studies. A Spearman rank correlation between the studies found high correlations between the various results. The correlation between the present study and Theoharakis and Hirst's (2002) recent international survey among leading business schools was 0.89 and with Hult et al.'s (1997) study was 0.65. A much weaker correlation was found with Polonsky et al.'s (1999) study, which is not surprising given the different focus of their study.

6. Conclusions

The present paper is a timely and useful report about the perceptions senior Australian and New Zealand marketing academics have of the quality of a comprehensive list of marketing journals. Mindful of the caveats involved in presenting any such list, discussed further below, the paper presents information Australasian marketing academics need to know. Academics now have a codified, rather than a tacit, knowledge base to inform their decision-making. Active researchers should understand more clearly the basis on which decisions are made for grants, employment and tenure decisions. Novice researchers and students can also gain increased insight into the "collective mind" of

Table 1: Australian and New Zealand Senior Academics' Rankings of Marketing Journals

Rank	Journal	Mean	N	% Can't Rate
1	Journal of Consumer Research	4.9	27	18%
2	Journal of Marketing	4.8	33	0%
3	Journal of Marketing Research	4.6	33	0%
4	Marketing Science	4.5	23	30%
4	Journal of Retailing	4.5	24	27%
4	Journal of the Academy of Marketing Science	4.5	32	3%
7	Journal of International Business Studies	4.4	23	30%
8	International Journal of Research in Marketing	4.3	31	6%
9	Journal of Advertising	4.1	24	27%
10	Marketing Letters	4.0	24	27%
11	European Journal of Marketing	3.9	32	3%
11	Journal of Business Research	3.9	31	6%
13	Journal of Public Policy & Marketing	3.8	18	46%
13	Journal of Service Research	3.8	19	42%
13	Journal of Advertising Research	3.8	25	24%
16	Journal of Marketing Management	3.7	29	12%
16	Industrial Marketing Management	3.7	24	27%
16	Psychology & Marketing	3.7	21	36%
19	Journal of Macromarketing	3.6	21	36%
19	Journal of Strategic Marketing	3.6	25	24%
21	Advances in International Marketing	3.5	14	58%
21	Journal of Consumer Psychology	3.5	18	46%
23	International Marketing Review	3.4	24	27%
23	Journal of Market Research	3.4	24	27%
23	Journal of International Marketing	3.4	22	33%
23	Journal of Consumer Behaviour	3.4	20	39%
27	Marketing Theory	3.3	17	49%
28	Journal of Personal Selling & Sales Management	3.2	10	70%
28	Journal of Market-Focused Management	3.2	11	67%
28	International Journal of Market Research	3.2	23	30%
28	Journal of Retailing & Consumer Services	3.2	12	64%
28	Journal of Marketing Education	3.2	26	21%
28	International Journal of Advertising	3.2	20	39%
34	Journal of Product & Brand Management	3.1	28	15%
34	Journal of Services Marketing	3.1	27	18%
34	Journal of Brand Management	3.1	23	30%
34	Australasian Marketing Journal	3.1	32	3%
38	Journal of Consumer Marketing	3.0	23	30%
38	International Journal of Retail & Distribution Management	3.0	18	46%
38	Journal of Hospitality & Tourism Research	3.0	12	64%
38	Journal of Marketing Channels	3.0	8	76%
42	Journal of Marketing Communications	2.9	19	42%
42	Journal of Marketing Theory & Practice	2.9	17	49%
42	Marketing Intelligence & Planning	2.9	27	18%
45	Marketing Management	2.8	19	42%
45	Journal of Interactive Marketing	2.8	14	58%
45	Journal of Business & Industrial Marketing	2.8	18	46%
45	Journal of Health Care Marketing	2.8	16	52%
45	Journal of Professional Services Marketing	2.8	16	52%
50	Journal of Euromarketing	2.7	13	61%
50	Journal of Business to Business Marketing	2.7	21	36%
50	Vacation Marketing	2.7	6	82%
50	Journal of Targeting, Measurement & Analysis for Marketing	2.7	12	64%
54	Journal of International Marketing & Marketing Research	2.6	13	61%
54	Journal of Global Marketing	2.6	15	55%
54	International Journal of Bank Marketing	2.6	16	52%
54	Journal of Current Issues & Research in Advertising	2.6	9	73%
58	Marketing Research	2.5	19	42%
58	Journal of Travel Research	2.5	8	76%
58	Journal of International Consumer Marketing	2.5	11	67%
58	Journal of Non Profit & Public Sector Marketing	2.5	11	67%
58	Journal of Travel and Tourism Marketing	2.5	11	67%
58	Australian Journal of Market Research	2.5	20	39%
64	Marketing Education Review	2.2	13	61%
65	Marketing News	2.1	21	36%
65	Marketing Bulletin	2.1	22	33%
67	Marketing	1.8	16	52%
67	Journal of Database Marketing	1.8	10	70%
69	Marketing Business	1.5	11	67%
69	Marketing Week	1.5	13	61%
71	Sales & Marketing Professional	1.3	4	88%
72	Precision Marketing	1.2	5	85%
72	Direct Marketing	1.2	6	82%

Table 2: Comparison of Journal Rankings across Four Studies

Journal Name	Current study	Journal Name	Theoharakis & Hirst WorldWide 2002	Polonsky et al 1997	Journal Name	Hult et al 1999
Journal of Consumer Research	1	Journal of Marketing Research	1	1	Journal of Marketing	1
Journal of Marketing	2	Journal of Marketing	2	1	Journal of Marketing Research	2
Journal of Marketing Research	3	Journal of Consumer Research	3	3	Journal of Consumer Research	3
Journal of Retailing	4	Marketing Science	4	4	Harvard Business Review	4
Journal of the Academy of Marketing Science	5	Management Science	5	5	Journal of Retailing	5
Marketing Science	6	International Journal of Research in Marketing	6	7	Journal of Advertising	6
Journal of International Business Studies	7	Harvard Business Review	7	8	Journal of Advertising Research	7
International Journal of Research in Marketing	8	Journal of the Academy of Marketing Science	8	9	Journal of the Academy of Marketing Science	8
Journal of Advertising	9	Journal of Consumer Psychology	10	10	Marketing Science	9
European Journal of Marketing	10	Marketing Letters	11	11	Journal of Business Research	10
Journal of Business Research	11	Journal of Business Research	12	12	Journal of Business	11
Journal of Advertising Research	12	Journal of Advertising Research	13	12	Advances in Consumer Research	12
Journal of Public Policy and Marketing	13	European Journal of Marketing	14	14	Advances in Consumer Research	13
Journal of Service Research	13	Journal of Advertising	15	15	Sloan Management Review	14
Industrial Marketing Management	16	Journal of Personality & Social Psychology	16	15	Journal of Consumer Psychology	15
Psychology and Marketing	16	Advances in Consumer Research	17	15	Journal of Public Policy and Sales Management	16
Journal of Macromarketing	19	Sloan Management Review	19	15	Journal of Services Marketing	17
Journal of Strategic Marketing	19	Journal of Product Innovation Management	20	20	Journal of International Business Studies	18
Advances in International Marketing	21	Industrial Marketing Management	21	21	Journal of International Marketing	19
Journal of Consumer Psychology	21	California Management Journal	22	21	Psychology and Marketing	20
International Marketing Review	23	Strategic Management Journal	23	23	Industrial Marketing Management	21
Journal of Consumer Behaviour	23	Journal of International Business Studies	23	23	Journal of Marketing Education	22
Journal of International Marketing	23	Psychology and Marketing	24	24	Journal of Marketing Education	22
Journal of Market Research	23	Decision Sciences	25	24	Journal of Product Innovation Management	23
Marketing Theory	27	Journal of Public Policy and Marketing	26	24	California Management Review	24
International Journal of Advertising	28	Organizational Behavior & Human Decision Processes	27	24	Journal of Business and Industrial Marketing	25
International Journal of Market Research	28	Journal of International Marketing	28	28	Journal of Marketing Theory and Practice	26
Journal of Market-Focused Management	28	Journal of Marketing Management	29	28	European Journal of Marketing	27
Journal of Marketing Education	28	Journal of Experimental Psychology: Learning Memory & Cognition	30	28	Business Horizons	28
Journal of Personal Selling & Sales Management	28	Journal of Experimental Psychology: Learning Memory & Cognition	31	31	Journal of Consumer Marketing	29
Journal of Personal Selling & Sales Management	28	Journal of Personal Selling & Sales Management	32	31	Journal of Marketing Management	30
Australasian Marketing Journal	34	Business Horizons	33	31	International Journal of Research in Marketing	31
Journal of Brand Management	34	Journal of Service Research	34	31	Decision Sciences	32
Journal of Product & Brand Management	34	Journal of Market Research Society	35	35	Journal of Global Marketing	33
Journal of Services Marketing	34	Journal of Consumer Marketing	36	35	AMA Educators Conference Proceedings	34
International Journal of Retail and Distribution Management	38	Journal of Services Marketing	37	35	Journal of Health Care Marketing	36
Journal of Consumer Marketing	38	International Journal of Advertising	38	38	Marketing Letters	37
Journal of Marketing Channels	38	Journal of Market Focused Management	39	38	Marketing Management	38
Journal of Hospitality & Tourism Research	38	International Marketing Review	40	38	Journal of Business Ethics	39
Journal of Marketing Communications	42	Marketing Letters	41	38	Marketing Education Review	41
Marketing Intelligence & Planning	42	Journal of Marketing Research Society	42	38		
Marketing Management	45	Journal of Business Venturing	43	38		
Journal of Interactive Marketing	45	Journal of Product Innovation Management	44	39		
Journal of Business & Industrial Marketing	45	European Journal of Marketing	45	45		
Journal of Health Care Marketing	45	Business History Review	45	45		
Journal of Professional Services Marketing	45	Journal of Personal Selling and Sales Management	45	45		
Journal of Euromarketing	50	International Journal of Hospitality Management	46	45		
Journal of Business to Business Marketing	50	Journal of Health Care Marketing	47	49		
Vacation Marketing	50	Journal of Macromarketing	48	49		
Journal of Targeting, Measurement & Analysis for Marketing	50	Asia Pacific Management Review	49	49		
Journal of International Marketing & Marketing Research	54	Behavioural Science	49	49		
Journal of Global Marketing	54	Journal of Public Policy and Marketing	50	54		
International Journal of Bank Marketing	54	Journal of Professional Services Marketing	51	54		
Journal of Current Issues & Research in Advertising	54	Journal of Marketing Management	52	54		
Marketing Research	58	Business History	53	57		
Journal of Travel Research	58	Journal of Hospitality and Leisure Marketing	54	57		
Journal of International Consumer Marketing	58	Journal of Business Logistics	55	57		
Journal of Non Profit & Public Sector Marketing	58		56			
Journal of Travel and Tourism Marketing	58		57			
Australian Journal of Market Research	64		58			
Marketing Education Review	65		59			
Marketing News	65		60			
Marketing Bulletin	65		61			
Marketing	67		62			
Journal of Database Marketing	67		63			
Marketing Business	69		64			
Marketing Week	69		65			
Sales & Marketing Professional	71		66			
Precision Marketing	72		67			
Direct Marketing	72		68			

Table 3: Comparison of Journal Rankings across Four Studies*

Journal Name	Current study	Theoharakis & Hirst**	Polonsky et al.	Hult et al.
Year study was published	2004	2002	1999	1997
Journal of Consumer Research	1	3	7	3
Journal of Marketing	2	2	8	1
Journal of Marketing Research	3	1	1	2
Journal of Retailing	4	8	21	5
Journal of the Academy of Marketing Science	4	9	31	8
Journal of International Business Studies	7	24	15	19
International Journal of Research in Marketing	8	6	31	33
Journal of Advertising	9	15	24	6
European Journal of Marketing	11	14	45	28
Journal of Business Research	11	12	31	10
Journal of Advertising Research	13	13	3	7
Journal of Public Policy and Marketing	13	27	54	17
Industrial Marketing Management	16	21	15	22
Journal of Marketing Management	16	29	54	31
Journal of Personal Selling & Sales Management	28	32	45	16
Journal of Services Marketing	34	37	23	18
Journal of Consumer Marketing	38	36	28	30

* This table compares only those journals that were common in all four studies.

** Rankings based on a world-wide sample of respondents.

Table 4: Spearman Rank Correlations Among the Four Studies

	Current study	Theoharakis & Hirst 2002	Polonsky et al. 1999	Hult et al. 1997
Current study	1.000	.891**	.465*	.651**
Theoharakis & Hirst 2002	.891**	1.000	.497*	.610**
Polonsky et al. 1999	.465*	.497*	1.000	.603**
Hult et al. 1997	.651**	.610**	.603**	1.000

** Correlation is significant at the .01 level (1-tailed).

* Correlation is significant at the .05 level (1-tailed).

the senior members of the Australasian marketing academy and may be helped to position their research output more judiciously.

The formalisation of such knowledge, through the formal presentation of such a list, should not only facilitate the dissemination of knowledge but also provide those who disagree with the “list” with the ability to more easily challenge orthodoxy and further promote academic discourse. In developing this survey care was taken to present respondents with a comprehensive list of journals within the limits imposed by the survey method. As a result, an extensive list, more comprehensive than that provided by most previous research, is now available to inform the decisions of academics in the Australian and New Zealand academy when publishing and evaluating marketing scholarship. Moving from tacit to codified knowledge makes knowledge more widely available thus preventing “stickiness” (von Hippel, 1998) and making knowledge and strategies built upon it more imitable. It thus contributes to a more open and productive academic environment within the Australasian marketing community.

Interestingly, although senior Australian and New Zealand marketing academics have developed their own perceptions of the quality of marketing journals, this view is not widely divergent to those expressed in previously published American-based lists and, indeed, these views are generally consistent with the latest international study by Theoharakis and Hirst (2002) which provides a “world-wide” view of marketing journals. It is sometimes argued that the Australasian academic community presents a fusion of American and European traditions. It is notable that, using this lens, the ranking of journals are consistent with the approach of academics in the other parts of the world. The top journals are global in influence and still principally American based. Indeed, nine of the top ten journals, and seventeen of the top twenty journals, are American based, suggesting the significant impact American academic and professional bodies continue to have on our discipline. It is also clear that the leading regional journal (the *Australasian Marketing Journal (amj)*) is viewed by senior academics as being of “good” to “very good” quality.

Caution should be exercised when employing any list in decision-making. It is often the case that innovative or contrary research is regarded as too risky for “top” journals, which tend to reflect orthodoxy. In addition,

even publication in a highly ranked journal serves only as a proxy and does not say anything directly about the quality of an article. Similarly, caution should be exercised when using lists for promotion or other reward purposes, as some journals are not included in the listings. Newer journals are particularly disadvantaged as they may not be included in the list because they were published after the survey had been undertaken and because it takes considerable time for academic staff to become familiar with these new journals. A good example is the *Journal of Service Research*, which was not included in the Hult et al.’s (1997) study because it was first published after that time (1998). Further, there is a strong correlation between familiarity and the rank of the journal, indicating the need for caution in evaluating the relative quality of the newer journals as newness is a reason for lack of familiarity and, consequently, possibly perceived lower quality.

It must also be recognised that journals may change ranking positions over time. A good example of this is the *International Journal of Research in Marketing* that has moved from thirty-third position in Hult et al.’s (1997) list to sixth position in Theoharakis and Hirst’s (2002) list, and eighth position in this study. Another good example is the *Journal of the Academy of Marketing Science* that was in fourth position in this survey, but in eighth position in Hult et al.’s (1997) study and ninth in Theoharakis and Hirst’s (2002) study.

Finally, it should also be highlighted that, as has been cogently argued elsewhere, even publication in highly ranked journals should be used with other measures, such as citation and peer evaluation, to assess an individual’s scholarship (Kirkpatrick and Locke, 1992).

6.1 Future Research

We consciously limited our study to the perceptions of senior marketing academics (defined as professors and heads of marketing departments in Australia and New Zealand) as these people play a significant role in knowledge management in the discipline and have a major input into promotions and whether staff appointments are continued. Knowing what is in the minds of such people when they think of high quality journals is useful to all within the discipline and this study has moved these perceptions from tacit to codified knowledge. However, it would be interesting for future studies to undertake a survey across the whole discipline of marketing in Australia and New Zealand and to investigate if there are any significant differences of

perceptions based on academic rank or experience. Further, it is important that such surveys be undertaken regularly (say every five years) as perceptions of journals change over time as the discipline itself evolves.

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Commentary on the Mort et al. Paper

Does an Academic Research Paper Contain Useful Knowledge? No ($p < .05$)

J. Scott Armstrong

Assume that you are handed a paper randomly selected from an academic journal in your field. What is the likelihood that it contains useful knowledge?

Along with Ruth Pagell, a librarian for the Goizetta Business School at Emory University, I conducted an analysis to estimate the percentage of published papers in forecasting that contain useful knowledge (Armstrong and Pagell 2003). We defined useful knowledge as evidence that could contribute to better decisions than would have otherwise been made in given situations. We concluded that only 3% met this definition. My opinion, supported by an analysis of literature in marketing (Armstrong 2003), is that the percentage of useful papers in marketing is even lower. When I posted a message to this effect on ELMAR (a listserv for marketing academics and practitioners), some sent messages with concurring opinions, and there were no messages from those who objected. [The essay is in full text at <http://jscottarmstrong.com> under ELMAR, February 27, 2004.]

Now, if less than 3% of published papers are important, should we apply the usual statistical rules and assume that a paper is unimportant since p is less than .05? Practitioners seem to make this assumption, as few read the academic literature. Academicians behave in a similar manner when it comes to applying research studies relevant to their roles as teachers and researchers. For example, despite research showing that teacher evaluations are detrimental to learning, reduce the quality of services rendered to students, reduce student satisfaction, harm morale among faculty, and are expensive, I am unaware of any schools that have acted on this research. (I had asked for such examples in an Essay that I posted on ELMAR.)

1. The Effects of Publishing Rankings of Journals

Mort, et al. (2004) provide descriptive evidence on the perception of academic journals. They do not translate this into advice and they recognize that there are concerns

about how to use their findings. I expect readers will come away with the conclusions that researchers should send their papers to the most prestigious journals, and that schools should judge the quality of a paper by the reputation of the journal in which it appears. This might be helpful advice for those who are trying to advance their careers, but does it help to advance the development of useful knowledge? I think not.

Published rankings of journals are likely to increase the number of submissions to the most prestigious journals. Valuable resources will then be devoted to selecting which of these papers to publish, which will lead these journals to develop “fair” rules for acceptance. This implies basing acceptance on the reviews by referees. As shown in Armstrong and Hubbard (1991), this reliance on the views of reviewers will reduce the chances of publishing useful knowledge because important papers receive harsh reviews.

To compound the problem, schools will base their judgments of faculty on where their papers have been published, an inexpensive and “fair” procedure, rather than whether the research has made an important contribution to knowledge. The latter criterion is more difficult to assess and might be attacked as being unfair. Interestingly, business schools that adhere most slavishly to evaluations based on the quality of journals tend to be those that are making few scientific contributions (Van Fleet, et al., 2000).

Throughout history, people have gone to great lengths to suppress the progress of scientific advances. Outstanding scientists have been subject to ostracism and capital punishment. Our modern-day means are more humane, of course. Privately, many scientists agree that the system does not work, yet they feel powerless to make substantive changes and are forced to settle for simple cosmetic changes. The current procedures for faculty evaluation inhibit scientific progress. However, there are alternative procedures for evaluation of faculty that can

encourage rather than inhibit the development and communication of useful knowledge.

2. Proposals to Increase Contributions to Knowledge

My primary suggestion is that schools directly assess the usefulness of research. They could ask faculty to write short reports (perhaps one page with appendices) on what they discovered, how they made the discovery, and how they can demonstrate that the findings can lead to better decision making. My guess is that fewer than 10% of active academic researchers in business schools will be able to write a convincing statement about the potential value of their research efforts.

To avoid bias in the evaluation of faculty, I propose that those making the judgments initially do so “journal-blind”. That is, the summary would not say where the findings had been published.

The assessment of researchers could also draw upon objective measures. For example, citations can be used to assess usefulness to researchers. Readership and mass media coverage provide ways of assessing usefulness to practitioners.

Journals should focus on publishing papers with useful findings. To accomplish this, editors could ask reviewers to suggest improvements instead of offering an opinion about whether a paper should be published. (I have adopted this role as a reviewer for journal articles.) This would improve papers and would not hamper editors in selecting papers that they judge to make the most useful contributions.

Researchers should focus on doing useful research. If they have something important to publish, they should make it available in a journal. It does not matter that much whether the journal is the most prestigious, because the real task begins after publication. Given that most academicians and practitioners assume that academic papers have no value, authors need to convince them otherwise. You should:

- Show that findings from your approach are useful. To do that, put the findings in the form of principles. “Given conditions x, y and z, you should do A, not B.” Include this in the abstract. We found that in forecasting, only 13% of the papers reported findings and how they were obtained in their abstracts (Armstrong and Pagell 2003).
- Make your findings freely available on websites. Papers that are freely available on the web will be read more. For example, in 1998 I published a paper

in the *Marketing Bulletin*, a journal that is freely available on the web. Although this journal had one of the lowest rankings in the survey by Mort et al., my paper is visited about 1,300 times per year. I expect that readership of this paper is higher than for almost all of my other 100-plus papers.

- Post the paper on your website (or if the journal does not permit this, post the working paper prior to its publication). I have put all of my papers on my website; this has helped to double my citation rate over the past five years.

An assessment system aimed at recognizing useful findings would aid scientific progress. Why would researchers waste time conducting obscure studies if they can see no benefit to themselves?

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Commentary on the Mort et al. Paper

Journal Rankings: Does One Size Fit All?

Michael J. Polonsky

The question of ranking journals, institutions, individual academics and specific papers is regularly visited within business and management disciplines. The Mort, et al. (2004) study advances the discussion by examining this theme within the context of academic marketing in Australia and New Zealand. In this commentary I comment on three aspects of the study that are left partially unanswered: why rank journals in the first place, how should journals be evaluated, and to what extent are the aspirations of academics in the region met?

1. Why Rank Journals?

In describing the perceptions of senior marketing academics from Australian and New Zealand institutions, Mort et al. identify the most highly regarded journals in the eyes of those most directly responsible for recruiting, developing and evaluating marketers within the educational system. This is similar to setting out an assessment scheme for students in order to determine who ought to receive an "A" grade, a "B" grade, and so forth. Publication in the *Journal of Marketing*, *Journal of Marketing Research* or *Journal of Consumer Research*, results in an "A" grade, taking the academic to the top of the class so to speak.

This is an important exercise, especially for research-oriented institutions where there is a need for transparent assessment schemes. However, while this appears to be beneficial, it is unclear whether this use of journal rankings should be the same across all institutions, especially if there is a difference in the educational focus of institutions. Some commentators have argued quite strongly that educational focus should impact on the construction and use of rankings (Hawes and Keiller 2002). For instance, in a teaching-oriented institution publication in the *Journal of Marketing Education* might carry more weight than otherwise, as might authorship of textbooks and case material.

Different institutional perspectives of a journal's "worth" may be important from a workload management perspective as well. For example, some of my research in the area of academic workplace satisfaction and productivity suggests that, in the US, many individuals based at teaching-oriented institutions are, in fact, happier and less stressed because the pressure to publish is not as strong as at research-oriented institutions (Polonsky et al. 2003). Interestingly, these individuals' relative publishing records are not necessarily any lower than others, which might suggest the journals that they target are possibly different. [It also should be noted, however, that salaries at teaching-oriented institutions tend to be lower (DocSig 2004). Moreover, if individuals at these institutions aspire to work at places that value work published in prestige journals, then they need to be able to produce at these levels as well.]

2. How Should Journals Be Evaluated?

The general question of how to evaluate research or journals is not easily addressed. Mort et al. point out that, potentially, various measures are applicable: journal citation indexes, perceptual rankings, and accessibility. All these measures can, and have, been used. They do not necessarily give equivalent results: for instance, the *Sloan Management Review*, the *Journal of Marketing Research* and the *Journal of Advertising Research* topped the *Journal of Marketing* and the *Journal of Consumer Research* in a ranking based on accessibility (Polonsky et al. 1999). In the years since that research was undertaken some journals have invested heavily in making themselves more accessible (the *Journal of Consumer Research* is a case in point).

The authors of the current study correctly identify that there may be variations in rankings resulting from a range of moderating factors, such as: the focus of the institution, the type of programs taught, the background

from which academics come, and regional variations. Indeed, the rationale for Mort et al.'s study is partially that the views of senior academics in Australia and New Zealand may differ from others around the globe. But the question as to why should there be regional differences in how journals are perceived is not really addressed in the paper, although it has been the topic of other research (Theorharakis and Hirst 2002). In a recent ANZMAC paper Polonsky and Whitelaw (2003) found there were regional differences in the perceived relative importance of criteria that could be used to evaluate journals. As such, there may be regional differences in rankings based on specific evaluative criteria, but no differences in overall evaluations of journal quality (e.g., the extent to which a journal publishes relevant and usable research might be weighed differently by different academic communities).

Another response to the question of how to rank journals is to focus on the published papers themselves – to assess the quality of the work published. This is deceptively simple. But, through who's eyes should this be seen? While assessments of research quality by "senior academics" may be highly relevant for those working at academic institutions, would the practical significance of published papers be better measured by CEOs or Chief Marketing Officers in the "top" firms? Moreover, even senior academics, reviewers and editors sometimes have difficulty assessing the quality of published work. The true value and significance of a published work may only be recognised years after it first appeared. It is because of the need for an elapse of time that Nobel prizes are often given to individuals for work completed years previously – in some cases the work had limited impact on the state of knowledge at the time of publication, in other instances time was needed to establish the validity of the work.

A related issue is whether individuals are targeting the most appropriate outlets for their work. In the push to increase research outputs (which is different to inputs such as grants), individuals may be too focused on "runs on the board", rather than ensuring that their work generates knowledge.

3. To What Extent Are Aspirations Met?

The results of the Mort et al. ranking are not surprising if we see the perceptual rankings as based on the underlying aspiration of senior academics in the region to emulate those at leading North American institutions. Academia and academic knowledge are after all international in character, if not truly global.

The question then arises of whether these aspirations are met. Evidence from some non-North American countries is not encouraging. For instance, in the UK in 2002 none of the UK academics surveyed targeted the "big" US journals with research submissions (Easton and Easton 2003). It isn't known how many academics in the Australasia region are targeting works at these "big" journals; however, the number of published papers in these journals from authors in the region suggests academics are striving to target top-tier journals. Moreover, a study by Cheng et al. (2003) demonstrated that the top 20 Asia-Pacific universities (including Australasian institutions) hold their own against North American ones in terms of research productivity in top-tier journals.

One would hope that *all* academics seek to produce the highest quality work and thus, over time, that they would seek to improve their performance in regards to targeted outlets – based on their own individual and institutional criteria. Examining the progression or advancement of work over a person's career is not something that can be undertaken easily, whatever the ranking criteria, but it would be a different, and potentially instructive, way to look at the themes addressed here.

4. Conclusions

The Mort et al. paper allows individuals in Australia and New Zealand to have some idea of the perceptual rankings of journals by senior academics. As such, it communicates valuable information to those who might be evaluated by these senior academics. The question of whether this is how the research performance of all staff, across institutions and across levels within institutions, *should* be measured is something that needs to be considered in the future. Arguably, one size does not fit all.

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Commentary on the Mort et al. Paper

Journal Rankings: How Much Credence Should We Give Them?

Mark D. Uncles

1. Ranking Journals

Mort et al.'s (2004) list of top-tier marketing journals includes the *Journal of Consumer Research* (JCR), the *Journal of Marketing* (JM), the *Journal of Marketing Research* (JMR), the *Journal of the Academy of Marketing Science* (JAMS), and the *International Journal of Research in Marketing* (IJRM). This is not a surprising list. All these journals are strong, academically. If they were brands they might be described as having high-levels of equity: high brand awareness, positive brand associations, broad appeal, wide distribution, etc. A few of the top-tier journals are more specialist; for instance, *Marketing Science* (MS) and the *Journal of Retailing* (JR). These are highly rated journals, although not all academics are either aware of these journals or feel confident evaluating them. The high "can't rate" percentages for these journals capture these factors. Again, there aren't any major surprises here.

That there are so few surprises gives face-validity to the journal ranking. Moreover, given the plausibility of the ranking, it would seem safe to use it for all the purposes described by Mort et al.: to evaluate the research performance of academics, to inform appointments and promotions decisions, to guide publication plans, to direct research funding, and so forth. At an institutional level, the ranking might be used to assess departmental reputations, attract top-notch research students, and obtain and maintain AACSB accreditation. In principle, I see no problem with any of these uses. If we must evaluate the research performance of academics, the quality of the journals in which the work has appeared would seem to be relevant. If we must accredit institutions, taking some account of where staff have published makes sense.

But, there are dangers. All journal rankings suffer from limitations and imperfections. Simple rankings – such as the one with which we are presented – fail to recognise the

diversity of journals and journal types. There are many ways to convey research ideas, principles and findings – a journal article is just one communication vehicle among many alternatives. Ultimately, what really matters is the quality of the research – does it add to the sum of marketing knowledge? Journal rankings *should* have some relationship to research quality, but the relationship isn't going to be perfect. I elaborate on these points.

2. The Imperfections of Journal Rankings

Mort et al. recognise many of the limitations and imperfections of ranking procedures. However, the problems are more severe and more pervasive than they imply. There are at least three reasons for this: the problem of journal selection, the problem of respondent familiarity, and the problem of respondent confusion.

The problem of journal selection

Drawing up the initial list of journals is fraught with problems. Quibbles over inclusions and exclusions will always arise. Why isn't the excellent *Journal of Product Innovation Management* (JPIM) on the list? With its focus on product innovation and product development, this journal addresses themes of major importance to marketers. Is there a specific reason for excluding *Qualitative Market Research* (QMR), or was this a simple oversight, or is the journal too new and untested? If the latter is true, why include the *Journal of Consumer Behaviour* (JCB) and *Marketing Theory* (MT) – both fledglings of the 21st century?

An additional problem is not knowing where to draw the boundaries of the discipline. Why include (and rate very highly) an international business journal (the *Journal of International Business Studies*), but exclude very reputable general management journals in which marketers publish (e.g., *Management Science* and *Organisational Science*)? Why include a couple of mid-to-low-ranking tourism and hospitality journals (*Journal*

of *Hospitality and Tourism Research* and *Vacation Marketing*), but exclude the far more reputable *Annals of Tourism Research*. Or, more controversially, why include any of these titles in a list of marketing journals? There are published lists and rankings of journals in these cognate disciplines, offering more complete information than can be provided by surveying marketers (e.g., see Dubois and Reeb 2000 for international business, and Pechlaner et al. 2004 for tourism and hospitality).

Potentially, a major category of exclusions arises from the decision to list only English-language journals. Most well-known rankings are deficient in this respect. Tellingly, even a recent study of publications by staff at Asia-Pacific universities does not include a single Asian-language journal in its list of top marketing journals (Cheng, et al. 2003). One interpretation is that no worthwhile research is published in French, German, Mandarin, etc. (which is not the case). Alternatively, it is just too hard to include non-English titles, which means we may be resigning ourselves to an unhealthy degree of cultural bias.

Inevitably, it seems, there will be controversy in drawing up the initial list of journals. The underlying difficulty is one of market definition. It is a familiar problem in brand management. Tim Tam and Tiny Teddy appear among the top ten biscuit brands in Australia (Retail World 2003). The former is most definitely a biscuit, whereas the latter could be classed as a biscuit or a snack – perhaps in competition with Sakata rice crackers. Where the line is drawn between these categories, and how brands are allocated, will be open to dispute. Attempting to categorise journals shares some of the same difficulties.

The problem of respondent familiarity

MS and JR are ranked equal 4th, but one third of respondents are not able to rate these journals. There would seem to be two problems here. First, it is somewhat remarkable (disturbing even) that so many of those identified as senior academics and leaders in the discipline are unable to rank these major journals. The research traditions represented by these journals may not be to everyone's liking, but the issues addressed lie at the core of the discipline – product development, pricing, distribution, promotions, services management, etc. For this reason alone we would expect the bulk of senior academics to be able to rank these journals.

Second, and more generally, any ranking exercise must make allowance for varying degrees of respondent familiarity. Having a “can't rate” response category

begins to measure lack of familiarity. But this precaution still allows anomalies to arise. Consider the case of the *Journal of Travel Research* – a journal believed to be number one among US academics in the field of tourism and hospitality and ranked in the top three by non-US academics (Pechlaner et al. 2004). In the present study it is ranked equal 58th, with 76% of respondents saying “can't rate” – this is well below the *Journal of Hospitality and Tourism Research* which is ranked equal 38th in the present study, with 64% saying “can't rate”. These results tell us more about senior marketing academics' ignorance of tourism and hospitality journals than they do about the quality of these journals.

In general, we are left wanting to know much more: do respondents subscribe to the listed journal, are they on the editorial board or do they serve as occasional reviewers, how often do they request or download articles, do they routinely read the journal, do they actively use articles from the journal (which isn't the same as making token citations to classic, but unread, articles)?

A measure of respondent confidence in the ranking would be useful too. Conceivably, the one third who cannot rate MS and JR say this, not because of lack of familiarity, but because they do not have the technical toolkit to judge the quality of the research published in these journals. Just as some of those who possess a marketing science toolkit might have difficulty judging the quality of interpretive articles in JCR.

The distinction that branding theory makes between descriptive and evaluative attributes has relevance here (Hoek et al. 2000). It might be expected a majority of leading marketing academics are able to assess journals in terms of descriptive attributes (e.g., we have been told so many times that JM is a major journal that few would say otherwise), but only users would be able to make a sound assessment in terms of evaluative attributes (e.g., that papers published in JM possess adequate levels of internal and external validity). The evaluative task is hard enough when faced with top-tier journals (although, as discussed later, proxies are used), but it becomes harder as respondents move down the list (there is, then, even uncertainty about the proxies).

The possibility of respondent confusion

Allied to the problem of respondent familiarity is that of respondent confusion. This is to be expected if senior academics have only a passing acquaintance with many of the journals on the list. The problem is exacerbated by the similarity of some of the journal titles. It is easy to

confuse the following titles: *Journal of Consumer Research* (JCR), *Journal of Consumer Marketing* (JCM) and *Journal of Consumer Behaviour* (JCB). Curiously, JCB had a rank of 23 in the Mort et al. study (yet, at the time of the survey, it had only been in existence for two years), whereas JCM had a rank of 38 (despite being well-established for over 20 years). Perhaps respondents were confused about the journal titles, because it really was far too early for most senior academics in the region to make any kind of meaningful assessment of the content of JCB. Doubtless, in the fullness of time, JCB will become a fine and worthy journal, but that will be for others to judge.

Consider another example: what used to be called the *Journal of the Market Research Society* (JMRS) has been re-labelled as the *International Journal of Market Research* (IJMR), which is not dissimilar to the title of the *International Journal of Research in Marketing* (IJRM). The rankings (28th and 8th respectively) suggest senior marketing academics are clear about the relative merits of these journals, but the potential for confusion exists. Of course, there really shouldn't be any confusion – names and ranks aside – because these journals serve completely different purposes: IJMR assists market researchers and fieldworkers, whereas IJRM is a generalist research journal of an academic society.

In branding terminology, there are potential “me-too” or “lookalike” problems here. It is unlikely that titles have been deliberately chosen to confuse and deceive readers, but undoubtedly confusion can reign on assessment and appointments panels, particularly when those sitting on multi-disciplinary panels have only fleeting knowledge of marketing journals and, in haste, confuse titles such as JCR, JCM and JCB (I have seen it happen).

3. Journal Diversity

Respondents to Mort et al.'s survey were asked to rate journals in terms of “research quality”. This would have been taken to mean the perceived thoroughness of the research published in the journal (e.g., the internal and external validity of the research studies). Proxy measures would have been considered too, such as the perceived rigour of the double-blind review process, the perceived quality of the editor and editorial team, and known or perceived rankings from ISI Journal Citation Reports.

These are all relevant criteria for evaluating academic journals, which is why most journals are committed to a peer review process, put together expert editorial teams, and strive to raise awareness and access thereby

increasing citation rates. But let's be clear, there are other ways to rate a journal: we could assess the robustness of the research studies, the face-validity of the models and the plausibility of the results; we might weigh up the insights offered and the innovations made; or we could consider the readability and clarity of published papers, and the practical relevance and usefulness of the research.

Arguably, some of these evaluative criteria correlate. Thus, JM not only upholds peer-review processes, it also invests editorial resources in making papers readable and accessible (often with executive summaries printed in *Marketing News*). At the other end of the scale, it is not unknown for lower-ranked journals to carry academically weak papers that also score poorly on measures of relevance and accessibility – I am sure we all have had the misfortune to read abstruse and badly written papers in lower-ranked journals.

Notwithstanding these caveats, there are some very real differences between journals that are not easily captured by simple rankings. Journals serve different purposes and are aimed at different readers – researchers, educators, consultants, practitioners, students, etc. – and it may be unwise to force this diverse array of journals into a single ranking scheme. Indeed, we could envisage several rankings based on differences such as the following:

- Generalist coverage (JM, IJRM, JAMS – also the *Australasian Marketing Journal* [*amj*]) versus specialist coverage (MS and JR). The desired position of the specialist journals is to be a niche brand (i.e., limited penetration, but highly regarded and frequently read/cited); in practice, many of the specialist journals that appear further down the ranking are likely to be merely small (i.e., limited penetration, not highly regarded and infrequently read/cited).
- Non-aligned journals versus those serving professional purposes. IJRM has a role to play as the official journal of EMAC, as does the *Journal of Marketing Management* [JMM] for the Academy of Marketing or the British Journal of Management for the *British Academy of Management*. As the official journal of ANZMAC, *amj* is a catalyst for research in Australia, New Zealand and the Asia-Pacific region. A local/national brand effect appears to be at work here. This, in part, explains some of the regional differences in journal rankings; for instance, UK academics have high regard for JMM (Easton and Easton 2003), yet this is ranked 31st in the US-oriented study by Hult et al. (1997).
- Academic-oriented journals versus consultant-oriented

journals (*Sloan Management Review*, *California Management Review*, *Harvard Business Review* [HBR], *Business Horizons*, *Long Range Planning*, *Columbia Journal of World Business*). Typically, this distinction carries across into the classroom: research students are expected to read JCR articles, whereas coursework masters students are set HBR articles. Both types are of use.

- A distinction might be drawn between journals that publish “safe” or “sanitised” research and those that welcome controversial and critical papers. A few journals very explicitly call for critical papers in their editorial statements (e.g., MT and JCB). Of the top-tier journals the level of discourse appears to be greater in JCR and JBR, and increasingly in MS. The willingness to publish commentaries, short notes, replies, re-inquiries, etc. provides something of a litmus test in this regard.
- Finally, there are practitioner journals. It is not that the AMA’s *Marketing News*, *Marketing Management* and *Marketing Research* are “bad” and deserve low rankings (which is how they are placed in Mort et al.’s scheme). They are quite simply different. The same applies for regionally important practitioner journals, such as *Marketing Magazine* in New Zealand, *Professional Marketing*, *B&T Weekly* and *AdNews* in Australia, and *Marketing* in the UK. Interestingly, while these publications merit little consideration in academic circles, for most marketing managers these would be the only journal sources they would ever consult. In addition, such journals provide many marketing educators with case material and topical stories. A few of these journals attempt to bridge the two worlds – notable examples are the *Journal of Advertising Research* and *Admap* in the area of marketing communications and *Interfaces* in management science.

Is any of this remarkable? No, of course not. Market partitioning is a familiar enough concept to marketers: we don’t think of special vehicle brands (sports brands such as Ford’s Mustang, Mercedes Benz’ AMG and BMW’s “M”) in the same way as a regular family Holden, Ford or Toyota. In two-car households there might be duplicate purchasing, but that doesn’t mean we would want to put all these brands into a single quality-ranking scheme. If this is true of vehicle brands, there is no reason to treat diverse journal brands any differently.

4. Diverse Means of Dissemination

Wisdom in the arena of marketing communications

suggests that to build brand awareness a number of media vehicles should be used – in a coherent and integrated way. Carried across into the arena of research, this idea implies use of diverse means of dissemination. Securing publication in top-tier journals might be the equivalent of buying prime-time for your TVCs, but we know that non-prime TV, radio, newspapers, magazines, etc. have their uses too.

A couple of anecdotes illustrate my point. Ten years ago *The Marketing Society Review* carried a 3-page article of mine. This practitioner journal isn’t on Mort et al.’s list, nor would I expect it to be. Nevertheless, the article was influential, having significant practical consequences for British retailers and giving rise to follow-up research. Numerous requests for offprints came to me for several years after publication. More recently, a jointly authored article of mine appeared in JCM – ranked equal 38th on Mort et al.’s list – clearly, this is not a top-tier publication, nevertheless there were roughly 4,000 full-text downloads in the first six months after publication, the article was reprinted in *CRM Today* and summarised in *Professional Marketing*. In both cases these were dissemination success stories.

Dissemination of research can be achieved in varied ways: through workshops and conferences, in proceedings and specialist reports, through the immediacy of media coverage or by long-term investment in the nurturing of PhD students and junior staff. Research can be captured through software and on video, film and DVD, as well as the written word – something now explicitly recognised by the Association of Consumer Research and recently discussed in the pages of *Marketing Science* (Lilien 2004). In most scientific disciplines research monographs play an important role. In marketing, despite a plethora of textbooks and popular guides, there are surprisingly few monographs. Yet, taking an historical perspective, some of our most influential ideas have been disseminated as books/monographs (e.g. Alderson *Dynamic Marketing Behavior*, Ehrenberg *Repeat-Buying*, Gabor *Pricing Principles and Practices*).

Nor should dissemination be confined to a single discipline. If we believe we have something to say to other researchers, why not reach broader audiences – *Nature* in general science, *Journal of Applied Psychology* in psychology, *Administrative Sciences Quarterly* in management, *Transportation Research* in transportation, or the *Australian Journal of Management* with a multi-disciplinary audience? This, in fact, is what many in

marketing do already. A key finding from Easton and Easton's (2003) survey of marketing journals in the UK was: "... articles are spread across a vast number of journals many of them not obviously related to marketing. Indeed, what comes across strongly is how permeable the boundaries of any academic grouping are" (p21). This, of course, makes assessment even harder. To tackle the problem of evaluating non-marketing journals some schools rely on ISI Journal Citation Reports; this has the effect of discouraging publication in anything other than heavily cited non-marketing journals – a practice that gives rise to selectivity, although some might see it as overly restrictive and potentially myopic.

The general message here is to think of dissemination in broad terms – to use a variety of communications vehicles, ideally as part of a coherent portfolio of publications and activities (Polonsky et al. 1998). This will include, but not be confined to, highly-ranked academic journals.

5. The Generation and Dissemination of Knowledge

Ultimately, what really matters is having papers that make a contribution to the process of generating and disseminating knowledge. That is, having "important" papers; important in terms of describing an idea, principle or finding that makes a contribution conceptually, methodologically and/or empirically. In a discipline such as marketing we might expect these contributions to have applicability too, but perhaps there should be some room for basic research as well.

This way of thinking shifts attention away from journal ranking per se. More meaningful questions are:

- Does the journal publish interesting and intriguing work?
- What proportion of papers could be classified as important?
- Over what domains do these papers make a contribution?
- With what authority are the claims to knowledge generation made?
- Is the work part of a sustained programme of research?

Having answered these questions it ought to be possible to correlate contribution to knowledge and journal ranking. I would expect a positive correlation, although by no means a perfect one. Armstrong goes as far as to suggest the link between quality of journal and quality of

paper is so weak that journal rankings are an invalid proxy, and that the scientific process may be harmed if too much reliance is placed on this proxy (Armstrong 2003a and b). This, I believe, is an over-statement. Nevertheless, his comments alert us to the dangers of blindly relying on journal rankings as a proxy for contribution to knowledge (Armstrong 2004).

The concern is that too few papers and, therefore, too few journals make enough of a contribution. Some commentators feel the problem lies in the conceptual domain – that more of a contribution is needed in terms of defining constructs, measuring them and theorizing causal relationships between them (Rossiter 2003). Others focus on the empirical and applied aspects, arguing that far too many papers lack practical insights and therefore they are unlikely to be of any value to those engaged in the practice of marketing (November 2004). Despite these criticisms, it is possible to find papers in our top journals that offer applicability, informed by sound concepts, proven methods and empirical facts. The finalists in the ISMS Practice Prize Competition illustrate this – these studies have been written up in *Marketing Science* (e.g. Roberts et al. 2004).

6. Conclusions

Should we dispense with lists and rankings? No. Indeed, it is inevitable that lists will be constructed – the temptation to rate, rank, compare and contrast is too great for most of us to resist. Moreover, if we have these rankings as tacit knowledge there might be value in making the knowledge explicit and transparent.

But, we should not allow these rankings to dominate our research activities and our assessment exercises. The larger project is to generate knowledge – important knowledge – and then disseminate it effectively using a variety of communications media and channels to the audiences we most want to reach, including researchers, educators, consultants, practitioners and students.

Rigid and obsessive adherence to lists is for those with a bean-counting mentality, or for those who are unable to judge when a contribution to knowledge is being made and who feel they must instead fall back on a proxy measure. There are just too many limitations and imperfections for us to give too much credence to journal rankings, especially simple ones that fail to acknowledge the diversity of journal types and the different target audiences that most researchers are trying to reach.

To continue the branding analogy, if we are fortunate enough to have a great consumer product it is likely we

will want to feature it in prime-time TVCs and distribute it through reputable mass retailers (the equivalent of top-tier journals). But that doesn't mean we wouldn't also be interested in other mass media, direct marketing, B2B/institutional sales channels, and so forth. Comparatively, some of these other media and channels may prove to be very effective, even more effective. That's what the folks at Krispy Kreme Donuts appear to be telling us!

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Biography

Mark D. Uncles is Professor of Marketing, School of Marketing, UNSW. He was a respondent to the original Mort et al. survey. As Head of School, Co-editor of *amj* and a member of six other editorial boards, and a frequent member of selection and promotion panels, he has often had to consider the question of how much credence should be given to journal rankings.

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Essentials of Marketing Research

Pearson Education

Naresh Malhotra, John Hall, Mike Shaw, Peter Oppenheim (2004)

The Essentials version of the Malhotra, Hall, Shaw and Oppenheim marketing research text provides the reader with an up-to-date and broad understanding of the components of marketing research. Though being an essentials version, it attempts to take the reader beyond the established and key elements of marketing research. It demonstrates some effort at conveying, though briefly, some of the more recent developments in marketing research. This text also continues the tradition of the full version of Malhotra's book of providing the reader with a range of learning tools – summary tables, flowcharts, definitions.

Structure and Pedagogical Features

The text comprises four parts, covering a six step research process. Part 1 covers the first two steps of the research process, problem definition and the development of an approach to the problem. Part 2 is concerned with step 3 of the process, research design formulation, covering the major ways of collecting data. Part 3 continues with step 3, discussing data collection issues, namely questionnaire design and sampling, before going on to step 4, fieldwork issues. Part 4 then covers the final two steps in the research process, data preparation and analysis and reporting of results. Dividing six steps between four parts is at times a little confusing and untidy, particularly in terms of step 3 stretching across one and a half parts (Part 2 and 3). Condensing the full version into an essential book has added to this confusion through the merging of data preparation (part of step 5) into the chapter on fieldwork (step 4 of the research process). As in the full version, data preparation should be part of the chapters dealing with data analysis. Though the research process is cyclical and the steps intertwined, dividing the research steps cleanly between the parts and, indeed between the chapters, would eliminate some confusion and help the introductory research student to have a clearer understanding of the research process.

The layout of the book is appealing. Effective use is made of headings and subheadings, the latter providing a useful summary, for the student, of major issues in each topic. Each chapter has a number of examples and there is a variety that is likely to appeal to students. The examples cover Australia, New Zealand and Asia, making them relevant, adding interest and demonstrating how research can be used in the real world. Numerous tables throughout the book help to summarise and consolidate key points. Much use is also made of flowcharts. Though these are a beneficial tool for students to gain insight into the various decisions and processes that make up the stages of marketing research, the number of flowcharts tends to get a little tedious. Definitions of key terms are provided in the margins and also provided in the Glossary.

Each chapter commences with its objectives, providing a useful device for students' learning, and concludes with a brief summary and a number of review Questions and Problems. The Questions cover theoretical concepts, allowing a revision of basic content. The Problems present simple applications of the learning from the chapter, in many instances encouraging the student to explore their environment for relevant examples. To supplement this, two comprehensive cases per part are provided at the end of the book to solidify students' understanding and to learn about research in more real-life situations. A range of supplements, PowerPoint slides, Instructor's Manual and Testbank, are available for instructors either on CD or through the supporting website.

Content

No matter how appealing and impressive a book may appear, content is the key issue. How does this book perform in this area? In comparison to other essential marketing research texts, it is very comparable, probably slightly above average. As in most research texts, this

Essentials version begins with an introduction to the market research industry and the types of problems a market researcher may investigate, before introducing the market research process. A constructive discussion of the first two steps of the research process follows. There are a number of valuable inclusions in this first part. Though more emphasis throughout the book is placed on how to do research, this section provides some valuable information for the user or commissioner of research, in particular comprehensive details of what a research brief and a research proposal should contain. Since these two documents play essential roles in a research project, an understanding of them is vital for students, particularly since many in the future are likely to be in the position of requesting some research. The discussion of the role of theory and models in developing ideas and structure of a research approach is another plus. Though relatively brief, this section helps to highlight how the theories from other areas of marketing, for example consumer behaviour, are pertinent to marketing research. A number of examples are provided illustrating how knowledge of this theory can be translated into research questions.

Part 2 provides an efficient description of the various ways of designing research. The discussion in Chapter 3 provides a broad listing of the numerous ways of gathering secondary data, including the role of the Internet. However, the strength of this chapter lies in the comprehensive listing and brief description of the ever expanding sources of syndicated data. This is not often covered in detail in texts, though there are a couple of exceptions. It is also refreshing to see some mention of the growing areas of single-source data and computer mapping that would enable some classroom discussion on the usefulness of combining information from different sources and its role in marketing research.

One area in which all research texts need improving, and not just essential versions, is that dealing with qualitative research. There are two issues that require improvement here: the range of techniques and the analysis of qualitative data. All texts are quite efficient at explaining the various traditional qualitative techniques – what they are, how they differ, their advantages and disadvantages etc. They even provide information on how to conduct these techniques, hints for moderators, and characteristics of moderators. This text is no different. Though these traditional methods are the most popular, and therefore the rationale for their inclusion and discussion is apparent, some mention of more recent (and at time, not so recent) developments would be

beneficial. This text, like the full version, partly tries to address this issue with a brief discussion of phenomenology, ethnography and interpretive practice. Some of these practices are being used on a regular basis by practitioners. Therefore, if students are to come out of a course with relevant knowledge, they should at least know of the existence of techniques beyond focus groups and in-depth interviews.

The second area for improvement is the analysis of qualitative data. As Malhotra et al. recognize, "... business users have been increasingly drawn to the virtues of ..qualitative methodologies.." (p.120), however, it is very rare for a marketing research text to discuss *how* this qualitative data can be analysed and presented. This is a difficult area, and it is not expected that a research text, yet alone an essentials version of a text, should cover this in detail. However Proctor (2003) demonstrates that this is possible, with the inclusion of a whole chapter on qualitative analysis. Malhotra et al., in this text, have attempted to provide some discussion of analysis issues and methods. More, though, could be done, particularly in terms of how to present qualitative results. Much time and emphasis is placed on how to analyse and interpret quantitative data (two chapters in this text) and even the report preparation and presentation chapter concentrates entirely on the presentation of quantitative data with numerous examples of charts and graphs. Some identification of the issues involved with qualitative data presentation beyond "...displaying data in an organized way" and "... qualitative data analysis has an equally important place for market researchers.." (p.120) is necessary in order to present a more balanced approach.

Part 3 covers issues in data collection – questionnaire design, sampling and fieldwork. It has an efficient discussion of what to do, and not do, when constructing a questionnaire and illustrates these points with a number of examples. The chapter on sampling outlines the sampling process and then concentrates on the various sampling methods. There is no discussion of sample size calculations beyond listing qualitative factors that may impact on actual sample size. The omission of any formula in this area is in keeping with the text's aim of being an introductory text that covers the basic issues in research.

As with the previous editions of Malhotra research texts, quantitative analysis is a forte of this edition (Part 4). Not only does it put data analysis strategy in terms of the research process, but it provides the reader with a basic

understanding of when, how and what a variety of tests can provide for market researchers. Within chapter illustrations with associated (SPSS) output tables provide the reader with an opportunity to become familiar with a range of statistical procedures. Added to this are a number of appendices that detail how these tests can be conducted within SPSS. However, it is unknown why Appendix 9A, dealing with some practical data manipulation tools, does not provide more helpful instructions on how to do these manipulations. Fortunately, this is not an issue with the other SPSS appendices. Techniques discussed cover descriptives, t-tests, a range of ANOVA, correlation and regression. This is sufficient for students within a one semester course. However, again it is a pity that no mention is made of techniques beyond these to inform students that analysis in research can be more complex.

Part 4 concludes with a chapter on the communication of research findings. The emphasis is on the written communication of research findings, with explanation of the issues in report preparation and presentation. Little is said about the oral communication of results. This chapter provides the reader with a checklist of what should be contained in a report. As in chapter one, the chapter also touches on some useful information for the user of research by detailing some guidelines for reading and evaluating a research project.

This is a book ideally suited to a one semester, marketing research course, aiming to provide students with an introduction to the basic issues.

Reference

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