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Editorial

This is the Special Issue of the International Journal of Sales, Retailing and Marketing dedicated for publication of the best papers that have been presented on the 9th CIRCLE Conference that took place between 11th and 13th of April, 2012 in Santa Eulalia, Ibiza.

Due to the large amount of high quality papers in the field of publication the issues 2, 3 and 4 will present only papers from the Conference.

We are also inviting you to join 10th CIRCLE Conference that will be held in Porto next year. Top academic researchers, practitioners and a lot of good time are guaranteed.

Seven papers published in this issue cover wide viraety of topics and represent academics from Hungary, United Kingdom, and Spain.

The articles cover the core theories, empirical researches, essential research tools expanding the existing knowledge base about topics in retailing and marketing and we hope that they will be read and cited in the future investigations and relieves dealing with this area.

Until then we are working diligently to have the journal indexed in the respected data bases.

We wish you an enjoyable reading!

Editors

ANALYSIS OF FOOD CONSUMING ATTITUDES IN THE CONTEXT OF FUNCTIONAL FOOD PRODUCTS AND FOOD SUPPLEMENTS

Orsolya Fehér, Péter Boros & Szilárd Podruzsik

Abstract
There are several possible ways ahead of the development of European food industry. One of these options is producing functional products. The basic goal of our study is to explore the possibilities of food industrial innovations by getting to know food consumer attitudes since manufacturers heavily rely on the opinion of the market, especially of consumers during their product innovation decisions.

By our examinations we intended to find out how consumers judge the carrier form of certain nutritionally and biologically important components which can be accessed through functional food products or in the shape of food supplement tablets. According to certain literature, functional food products are the future from the aspect of biologically essential components (such as vitamins and minerals). Others say that instead of food products, the spread of food supplements can be predicted because they offer faster and more effective results.

In order to explore this issue, we examined different ways of vitamin-C intake (in relation to 4 product alternatives and price) based on a large number of (N=1200) consumer interrogation. Conjoint analysis was used to evaluate the answers and to see how respondents judge absolute and relative significance of product features. By the help of examining socio-demographic factors we could compare the decision making characteristics of different consumer classes. The analysis results confirm that consumers prefer products which are enriched with vitamin-C in a natural form not through artificial ways.

Keywords: *consumer attitude, food products, conjoint analysis*

Introduction

Over the course of our study we analysed the demand side of food market by the help of direct consumer interrogation. Basically, we aimed to find out how those consumers who have seen an ever growing food product and information supply in the recent 20 years can realize the significance and importance of all that information and what effects that information has on customers' buying behaviour. Firstly, we were interested in how these pieces of information, which have been conveyed throughout many years, are reflected in the consumers' thinking, food related decisions and choices. With our study we wanted to find answers to questions such as, how the often mentioned argument system of healthy eating appears in consumer decisions, to what extent those forecasts prove which say that the majority of product innovations tends to point in the direction of healthy nourishment related products.

Innovation can be induced equally by both research and market demands (HAJDU-LAKNER, 2011). The changes in consumer needs, the technological development and last but not least the market competition compel companies to continuously launch new

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products or feature-improved products to the market. Innovation might involve risks as well, since it requires vast resources. Based on the research of MARTIN & QUINN (1995) seven or eight products out of every ten are doomed to failure. According to KOTLER (1998) 80% of the newly launched, packaged everyday products are unsuccessful.

Every year 20.000 new FMCG (Fast Moving Consumer Goods) bar-codes are registered by the Nielsen market research company (ACNIELSEN, 2011) in Western-Europe, however the rate of truly new goods is relatively low, e.g. in France and Germany it is 4%, in Italy and the United Kingdom it is around 2%.

The most important factor of product innovation is what kind of new product or product feature the manufacturer should develop. In case of product development, the customer expectations, the possibilities of the manufacturer and the marketing communication must be all taken into account.

The questionnaire survey was based on a large number consumer interrogation. Due to this, we had a wide choice to compare decision making characteristics of different consumer classes and we could explore the differences between them too. We believe that if we can get to know the habits and needs of certain classes, then product innovation can be planned by positioning.

Literature review

Over the course of functional food related studies O'DONELL (2003) asked manufacturers, sales and marketing managers about the relationship of product development and functional foods. According to the questioned experts the market of functional food holds really promising innovation possibilities. In the following 2 years after their study, 57% of the respondents forecasted 31% market growth. To make use of the market upswing, 52,2% of the companies would launch a new branded product, 25,4% of the companies believe in the improvement of old products, 22,4% would extend their existing product range with new products. The majority of companies see functional, innovative products as the future which can give them competitive advantage.

It is said by some people that functional foods do not possess a commonly accepted definition. According to LUGASI (2007) functional food is a legally non-existent, so called virtual food product category. As a consequence of this, various definitions of functional food can be found both in the international and in the national literature, for example:

McCONNON (2002): such food is functional which have special effects on the individual, due to important bioactive components.

WATANABE (2007) divided functional foods into two groups: products with nutriment-composition related statements and products which aim at specific health goals.

BIRÓ (2004) defines functional foods on the basis of their effects: so these are such modified food products which have health benefits compared to non-modified products.

HAWKES (2004) has a similar opinion saying that: „a food product can be considered functional if it is firmly proved that it has beneficial effects on one or more functions of the body far beyond satisfactory dietary effects or more significant than just a better health condition or even reducing disease risks."

As defined by the INTERNATIONAL LIFE SCIENCE INSTITUTE (1999) „functional food products due to their physiologically active components provide health benefits over usual nourishment."

The definition made by HEALTH CANADA (2004) is based on the same concept: functional food products look similar to traditional food products which are part of our everyday diet but they possess proven physiological effects and beyond basic nourishment functions they reduce the risk of chronic illnesses.

A description by AMERICAN DIETETIC ASSOCIATION (2004) is parallel to the above: „one or more components are manipulated or modified in order to promote healthy eating". As LUGASI (2007) summarised below the requirements these functional food products should meet: the food must improve diet and health, the recommendations must rely on firm scientific facts, the food must be safe, the functional component should not reduce nutritive value and should be consumable for the human body. Beside functional features we examined attitudes towards food supplement products. On the basis of their definition, these products are such food products which complete traditional diet, contain high concentration of nutriments or other nourishment related or physiologically beneficial substances separately or in a combined way, portioned out or in portionable form. (37/2004.(IV.26) EszCsM regulation). Due to legal and regulatory provisions, the possibilities of content and communication are very limited. However, manufacturers have a little freedom which allows them to choose from permitted health claims, also to decide in what forms to communicate and on which food products to put on (BRADBURY 1996, CASWELL 2003, PARKER 2003).

Materials and methods

During our study our main goal was to examine and analyse the food consuming habits, food consuming behaviour and preferences of the Hungarian middle class in a wider sense. Accordingly, throughout our work we did not strive to reach representativeness in a statistical sense, meaning that we did not find it a realistic objective to try to give an overall picture of the whole Hungarian population from the aspect of food consumption.
With the questionnaire survey in our study, we considered it highly important to get to know relatively young consumers' opinion. This was important for two reasons. First, this consumer class will be the one whose consumer behaviour pattern will help us predict the thinking and behaviour of the future Hungarian consumer in the following decades. Second, obviously this consumer class will become the biggest buyer group of the newest and the most innovative type of products. The international literature widely discusses the fact that this consumer group will become the basic buyer of the most innovative and the most exceptional products.

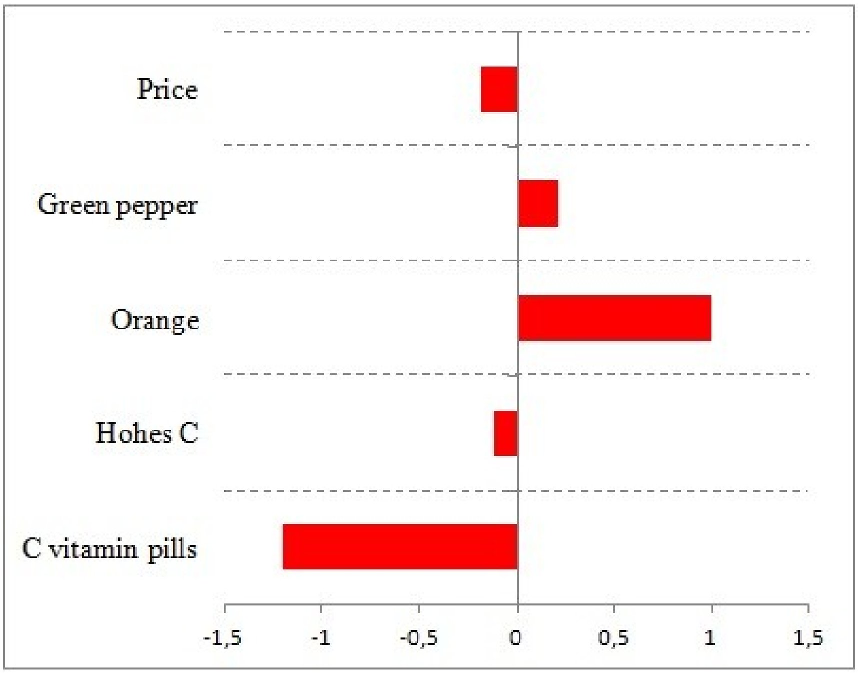
The gender composition of the sample is dominated by females, their proportion is approximately 61,6% in the whole sample. The proportion of males is 38,4%. This partly represents that within the Hungarian population the ratio of women is higher than that of men. On the other hand, this difference between the gender proportions is not a problem because in the households mainly women are in charge of food supply. They handle most of the shopping so female over-representation in our case should not be worrying after all.
From the aspect of age, we can see that half of the respondents come from the 18-35 year old generation group. Customers above 65 were heavily under-represented. Nevertheless, with our study we basically intended to examine and explore the social diffusion of modern food consumption patterns, so in our opinion everything fits into this objective. In this work, the relatively highly educated consumers played a major role, as 56,9% of the respondents had university/college qualification or were in the middle of the education process. Further 30,5% of respondents had secondary education while 12,5% had elementary education. On the basis of the above, it can be seen that respondents with higher education outnumbered the rest. This confirms that our survey gained opinion information from the Hungarian better educated consumers. It is worth emphasizing because numerous studies, for example the *"people choice"* research (LAZERFELD, 1944) which first analysed this topic, found local opinion leaders' role significant and underlined the fact how important factor these highly educated people have in shaping the behaviour and value setting of local communities. Consequently, we felt that if we could reach this medium to get real information about how these better qualified people live their lives, how they think then we would have a chance to get a more detailed picture about the future, namely what the behaviour, attitude and thinking of the whole population will be like later in relation to food product consumption.

Results

In our investigation we wanted to examine what opinion the customers had concerning the origin of certain physiologically-nutritionally useful components whether it comes in the form of food product or pharmaceutical product (food supplement). The opinion of professionals differs very much. Many of them believe that functional food is the future from the aspect of biologically important components (e.g. vitamins and minerals intake) while there are others who think that consumers do not really mind if they have to take these nutritionally vital components in the form of pharmaceutical products.

Therefore, a conjoint analysis was carried out to see the absolute and relative significance of each product feature in buyer decisions. In our work the possible forms of vitamin-C intake were examined. The results of the conjoint analysis confirm that consumers prefer those types of products which contain vitamin-C in a natural form rather than in an artificial form (Fig.1).

Fig.1. Average and dispersion values of utility for each factor



It is worth noting that on the average, the respondents had the least favourable opinion about the tablet form carriers of vitamin-C and had the highest opinion of orange (Table 1).

Interestingly enough, their opinion about orange juice, (industrially processed form of vitamin-C) was in between the tablets and the orange, but their judgement of green paprika was not more favourable either. Thus, we can conclude that in the case of vitamin-C intake, the enjoyment value of the product was of great importance as well. Probably, that may lie behind the popularity of the orange.

The green paprika is worth mentioning because it is closely related to the Hungarian nutrition culture, however it received a low position on the above assessment scale. This underlines the limits of marketing activities connected to horticultural product development.

The judgement of different product-alternatives showed great difference only in the case of the paprika. The male respondents considered it less acceptable than female respondents. From the aspect of price, men were significantly more sensitive to price than women respondents. One probable reason for this is that mainly women do the shopping and they have a more realistic view of price changes in the food market. It was striking that with regard to age, mostly older and middle-aged respondents refused pharmaceutical products while the orange as a product-alternative received relatively low acceptance by them. However this generation showed the highest value of acceptance towards the green paprika as a product-alternative which might be an important factor to the marketing strategy of horticultural manufacturers.

Table 1. Utility function of respondents based on their socio-demographic status

		Vitamin - C Tablet	Hoches C	Orange	Green pepper	Price
Gender	Female	-1,16	-0,01	1,04	0,13	-0,267
	Male	-1,14	-0,11	1,02	0,23	-0,158
Education	Primary school	-0,8	-0,18	0,76	0,23	-0,468
	Secondary school	-1,33	-0,11	1,1	0,33	-0,09
	University College	-1,12	-0,03	1,05	0,11	-0,203
Residence	Budapest	-0,79	-0,21	0,94	0,05	-0,384
	County seat	-1,37	0,01	1,11	0,25	-0,324
	Other town	-1,3	-0,08	1,15	0,23	-0,115
	Village	-1,06	0	0,86	0,21	-0,058
Age	18-25	-0,95	-0,04	1,01	-0,02	-0,025
	26-30	-1,32	-0,09	1,23	0,18	-0,219
	31-50	-1,35	-0,12	1	0,47	-0,377
	Over 50	-1,35	-0,11	0,98	0,48	-0,494
Income - estimate	Modest	-1,2	-0,31	1,1	0,41	-0,453
	Average	-1,1	0	0,99	0,12	-0,152
	Above average	-1,31	0,08	1,09	0,14	0,102

Furthermore, the older generation showed high values of price sensitivity. Another major relationship was found between education and natural vitamin-C meaning that those who had higher qualifications insisted on vitamin-C of natural origin more considerably than respondents with less education. My personal experiences can support this finding too. I made interviews with doctors and the conclusion confirmed that in many cases less educated people have the greatest, almost magical respect for pills and medicine.

As regards the place of residence, respondents who live in the capital city accepted vitamin-C of pharmaceutical origin and Hohes C with the highest values. Sensitivity to price can be seen in this group to the largest extent. From the aspect of income level there were no substantial differences in the acceptance of pharmaceutical products, although respondents with income below the average level refused Hohes C as a source of vitamin-C to the highest degree.

On the whole we can conclude that consumers particularly insist on such functional substance intake which is of natural origin therefore they attach great importance to consuming products that provide valuable component intake and enjoyment at the same time.

Summary

Our study mainly focused on examining consumers' opinion. The results of our work confirm the idea that consumers can be divided into distinctive groups from the aspect of their attitude towards different food products, and these groups exhibit significant differences from the aspect of consumer behaviour.

If we wish to forecast major trends of product innovation then on the basis of our analyses it might be supposed that characters of the Hungarian food market will turn to healthy type of products increasingly. Concerning consumer behaviour, the age of customers is a dividing line: younger generations are more open to health conscious eating than their parents. The results of our work stress that consumers' attitude and mentality is greatly specializing, and as a consequence of this, different consumer groups must be addressed by different methods and this fact should be taken into account by product developers. There is a need for innovations that keep tradition in view, but innovations based on up-to-date nutrition science are also needed.

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ARE HUNGARIAN CUSTOMERS QUALITY CONSCIOUS?

Istvanne Hajdu & Marta Notari

Abstract
Hungary plays more and more important part in Europe's grocery market due to her favourable geographical and other characteristics. Costumers are more and more conscious about quality than quantity while shopping. In our project we aim to do a market research by standard questionnaire while examining the shopping behaviour we get to know the costumers behaviour, their goal and the cause behind them. Costumers' future reactions can be foreseen by these researches. In the costumers' decisions we have examined the effect of the origin, price flexibility, the attitude to overpaying and the place of shopping. The results are evaluated by mathematical and statistical programmes.
Some of our conclusions:
The origin of the product is given priority only in case of special products (e.g. traditional, unique). Hungarian customers are price sensitive although, they are willing to pay more for products with Hungarian trademark. While choosing the place of shopping hyper- and supermarkets are on the lead, but at the weekends more and more customers go to local markets. Nowadays at the oversupplied markets producers can only hold on by producing excellent quality products and offering them with proper marketing tools.

Keywords: *consumer behaviour, food quality, marketing research*

Introduction

Nowadays globalisation of commerce created an ever increasing competition on both local and international markets. Consumers may find goods in their local shops basically from any country. One of the oldest problems for actors on the international market is how customers perceive the fact that a product is of 'foreign' origin.
Researches showed that there is an existing partiality towards a country's locally produced products. Stereotypes about foreigners may have impact on the actual judgement of a product or in other words on the consumer ethnocentrism. Ethnocentric consumers opt not to buy foreign products due to their possible social and economic implications. We might say that cultural differences may never fully disappear as the presence of local preferences can never be ruled out in the international commerce. Perception of local and foreign products greatly depends on the customers' feelings towards their own country. Part of this emotional experience is how one loves his or her home country or if he or she feels the country superior to others. Therefore, it is important to assess customer habits not only on local but on international markets too.
Due to the globalisation of commerce it is more and more necessary to measure customer habits and preferences.
The ever growing competition requires manufacturers to lay great emphasis on quality. They need to ensure steady and reliable quality and it shall be communicated towards customers as well.
Image of the country of origin is an important influence on how customers perceive goods from other countries. Researches show that customers evaluated similar and fully corresponding products differently because of their country of origin.
Consumer ethnocentrism is not only interesting because it is a global tendency but also because political influences on customer behaviour are

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particularly evident. Although, political attitude is one of the most important social criteria, contrary to other similar factors such as age, sex, education and social status its influence on customer decisions - other than patriotic purchase - is hardly detectable. We might say that it is such a determinant that buyers are not aware of when they make the customer decisions.
This topic bears special interest as beside its evident economic influences it also has social, psychological and political implications. How it forms a complex and how some of these factors become prominent as a result of various influences have significant actuality in our days. In a world where social issues like sustainable development or fair trade have major impact on forming public attitudes thus economic behaviour of people. Moreover, it characteristically became a political grouping criterion not only globally but also here – or especially here - in Hungary where views on buying local products are often confronting.

Customer behaviour

When launching a new product manufacturers develop a marketing strategy aiming to ensure the long term success of the goods. According to *Vágási* (2007) this strategy includes the following marketing functions:
analysing customer behaviour and market
determining the range of products and services to be produced and marketed
informing potential buyers about the products and services
organising sales
influencing customers to buy the goods
promoting customer relations

Each factor plays important part in the success of products. Probably the most important factor, however, is analysing customer behaviour and market. Profound knowledge on customer behaviour is essential to create good long term relations with them.
Hofmeister-Tóth (2003) define customer behaviour as range of activities performed during acquiring and utilisation of products aiming to enhance customer satisfaction.
Table 1. includes the factors influencing customer behaviour.

Table 1: **Factors influencing customer behaviour**

Cultural	Social	Personal	Psychological
Characteristics			
- Culture - Subculture - Social class	- Reference groups - Status and roles	- Age, sex, family lifecycle - Occupation - Income - Lifestyle	- Motivation - Attitude - Personality and self-image - Perception, learning

Source: Author's editing based on Vágási (2007)

The notion of „customer ethnocentrism" was introduced by Shimp et al. Based on their observations they found that several customers think that French wines are of better quality than local ones, although, it was seldom chosen due to economic reasons.
In connection with *Balabanis*'s (2004) researches we can say that the bigger a country's economic competitiveness the weaker the customers' resistance against its products. It was also found that the more similar two countries' cultures are the bigger the customer's acceptance towards the products made in that country.

In US research *Shimp* et al (1987) asked 800 customers the following question: "Is it right if Americans buy foreign made products?" In another survey they sent emails to 850 households and 1000 questionnaires to Denver and Los Angeles studying CETSCALE's efficiency and validity.
They came to the conclusion that further researches are needed to gather more information about how demographic, geographic, regional economic factors influence customer ethnocentric values and what roles these factors play in adulthood.
It also needs to be further researched how intimidation affects customer's attitude

towards foreign products. Most intimidated manufacturers are those operating on economically less developed areas and in regions where presence of foreign competitors are more evident.

Roth (2006) definition of national identity is the following: all ideas that distinguish a given country from other cultures. National identity relates to customer ethnocentrism, therefore, it possibly has the same effects. Hence, stronger national identity may have negative effect towards foreign countries' image, thus negative impact on purchase intentions.

Country Image

According to *Roth* (2006) country image is the entirety of an individual's presumable descriptive and informative knowledge about a given country. It not only refers to the country's industrial, technological and political perception but also to emotions towards the country and pride.

Malota (2004) summarised this as follows: "Country image is all the descriptive, concluded and informational belief that we create about a country. It is the entirety of different beliefs, ideas, impressions that people hold about a given country."

Country image is a picture in our consciousness about a country. Country image indirectly includes the products as well; based on the country image we have preconceptions about the products too. The following factors may influence our attitude positively or negatively:

Geographic and natural conditions: Having excellent natural conditions agriculture is a dominant sector in Hungary. Owing to natural factors the country is rich in unique regional products such as ground paprika from Szeged or Kalocsa

Historic factors: historic relations between countries are determinative factor which may influence the formation of customer ethnocentrism. Nowadays this factor became important as well.

Social factors, including demographics. Age distribution is a significant factor in connection with shaping country the image as younger generation is not able to create ideal image about the country.

Economic – commercial factors: in this case not only the hard, measurable data such as a country's GDP or unemployment rate shall be considered but also non-measurable factors such as hungaricum type goods that plays also important role in creating the country image.

Country of origin image

Country of origin image shall be taken into consideration when examining country image. The two concepts are in close connection, there is no distinct boundary between them.

According to *Malota* (2004) country of origin image is part of the overall image of a product and it is formed based on the country of origin. Accordingly, country of origin image arises from stereotypes associated with the product merely because it was made in a given country.

Country of origin image already comprises the images about products originated from that country. Let's think about our purchasing habits when we make decisions based on land of origin of the product. Germans are known for the exceptional meticulousness, their products are reliable, therefore, we happily buy German products.

Locally produced agricultural products and foodstuffs are especially sensitive to country of origin image, as product quality is influenced by several factors such as habitat, natural and human factors. Hungarian agricultural goods, particularly some products (e.g. Szegedi ground paprika, Makó onion, Egri Bikavér (red wine), Gyulai sausage) obtained fame and good reputation. This enables Hungarians living abroad to buy products made in their home country.

In order to comprehensively satisfy customer needs regional products shall comply with various qualifications and regulations. Marking ensures customers that they buy superior quality goods and due to regular controls they get the same quality on long term too.

Material and method

We made primary examinations in 2010. The sample is almost representative, 862 questionnaires in total. The questionnaires reached all parts of Hungary, and made sure the distribution age, qualification, occupation and residence.

The questionnaire is the most important device of the primary market research methods. During our quantitative research we used standardised questionnaires, which suited to give numerical data. The standard characteristic of the questionnaire makes it possible that the answers of different consumers are comparable.
We have used SPSS 14.0 program for analysing the data obtained with questionnaire. From the various calculation options of the program we used the followings: descriptive and diagnostic data analysis, cross table analysis, cluster analysis, factor analysis.
When creating descriptive statistics the goal is to characterise the observations. We may evaluate results numerically or by using diagrams. Program helps analysing variables of different scales.
We can group the available mass data by cluster analysis. The point is to adequately differentiate the different groups and also to form such groups that bear common characteristics within the set. Grouping may be performed by various methods. I chose hierarchic method at the processing.

Results

Where do you shop?
Results show that 247 respondents prefer smaller shops or discount shops; their group represents 29% of the total population (Figure 1).

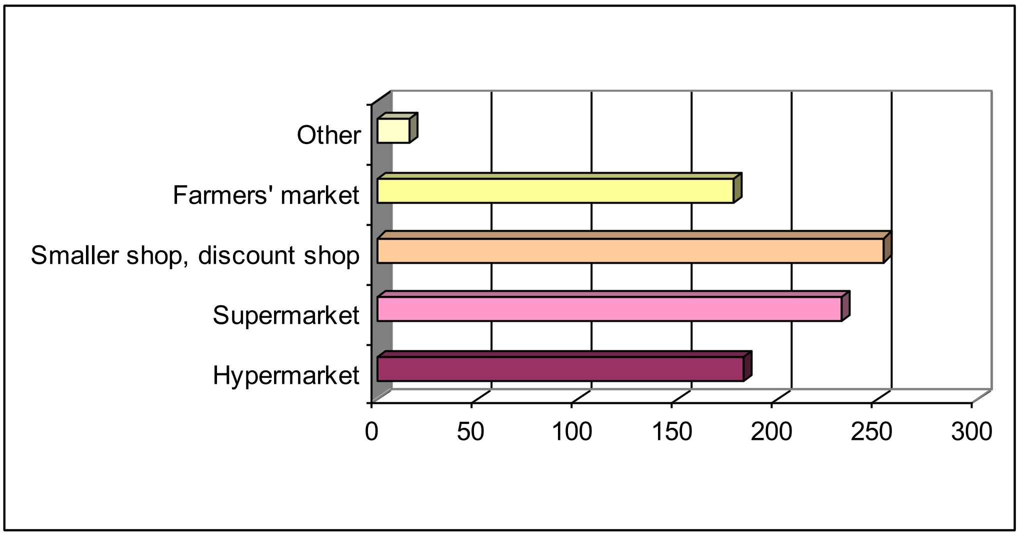

Figure 1. **Where do you shop?**

For us the most astonishing finding was to learn that almost the same amount of people goes shopping to hyper- and supermarkets (21%) and to farmers' markets (20%) mainly on weekends. On farmer's markets buyers are most probably find Hungarian products.

What are the characteristics of official Hungarian product (according to respondents)?
Respondents could chose more than one answer. Figure 2 shows that 45 people (28%) chose "Made from Hungarian materials", "Made in Hungary" and "Made by Hungarian manufacturer", which - we think - characterises the definition of official Hungarian product the best. According to 43% of the respondents the most important characteristic is "Made from Hungarian materials"; this shows that people considers relevant if a product is made from local materials. In this way they support their home country's economy. Other factors" received, however, the most answers. This made us think that more researches shall be made in order to learn which other factors are important for customers. Unfortunately, the structure of our questionnaire did not allow respondents to express their opinion in a more detailed manner.

Analysing product groups

Our next question referred to product groups ranging from foodstuffs through clothes to toys.

We highlighted those product groups that are - deriving from their nature - regularly purchased by customers, in other words flow products.
As a result of the performed cluster analysis 5 bigger groups could be formed. The first includes: frozen products; sweets, chocolates; muesli, corn flakes; tea, coffee; cosmetics; chinaware, glassware; toys; clothes; and other categories. Next group includes: spices, seasonings; pastas; alcoholic beverages. Fruit juices, soft drinks, mineral waters form a separate group. Fourth group includes milk, dairy products; egg, meat and sausages while bakery products, vegetables and fruit form the fifth group. The cluster including the most product groups contains “luxury products”, whereas the last two the basic foodstuffs.

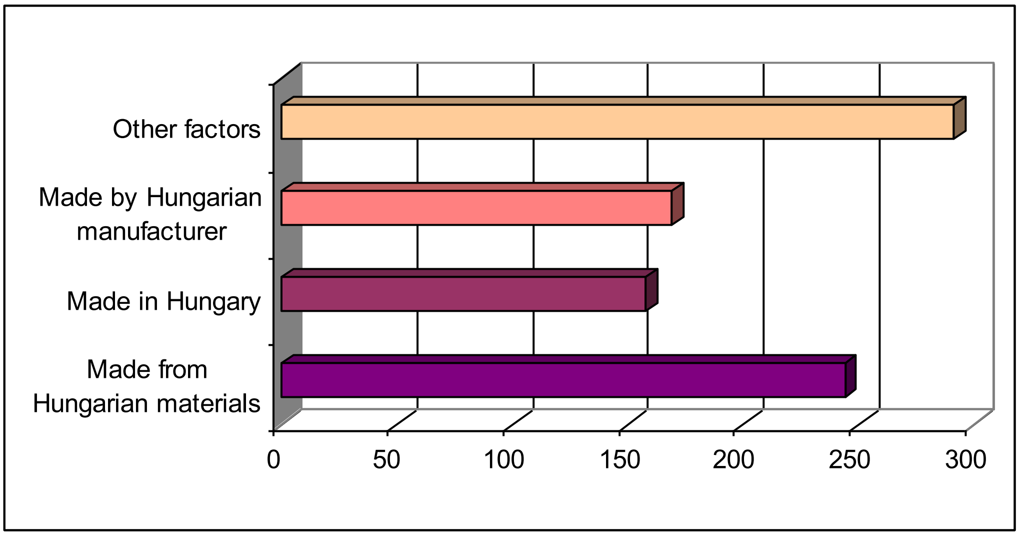

Figure 2. **What are the characteristics of official Hungarian product (according to respondents)?**

Analysis of shopping habits

When analysing customer habits (Figure 3) respondents were asked to describe themselves on a scale 1 to 8 where 1 meant “not important at all” and 8 meant “very important”. Based on the answers received we can break up the questions into 4 groups by using factor analysis; these groups are: “Well informed, conscious customer”, “Characteristics of Hungarian products”, “External factors, opinions” and “Design, product image, brand”. In the first factor the second question is the most significant (with 0.858 co-efficient), in the second factor packaging gets the biggest emphasis. Among “External factors, opinion” family members’ opinion proved to be the most important whereas in the last group the brand name of the given product is the most influential factor.
Respondents needed to evaluate factors on a scale 1 to 5 where 1: “not influenced by that at all” and 5: “very much influenced by that”. Figure 4 was prepared by averaging.

According to Figure 4 customers make insinificant distinction between traditional Hungarian foods and other foodstuffs. The largest difference was found in product prices. Trademarks are more often required for traditional products because such labelling represents excellent quality. However, their availability is not as good as their competitors.

Cluster analysis for protected geographical indication

By using cluster analysis we may sort Hungarian foods with protected geographical indication in 5 groups. First group includes hajdúsági horseradish, gönci apricot brandy a apricot, the second békési plum brandy, szatmári plum brandy and szabolcsi apple brandy, the third: makó onion, szegedi winter salami, szegedi and kalocsai ground paprika, csabai and gyulai sausages. Budapesti winter salami and kecskeméti apricot brandy both form a group on their own.

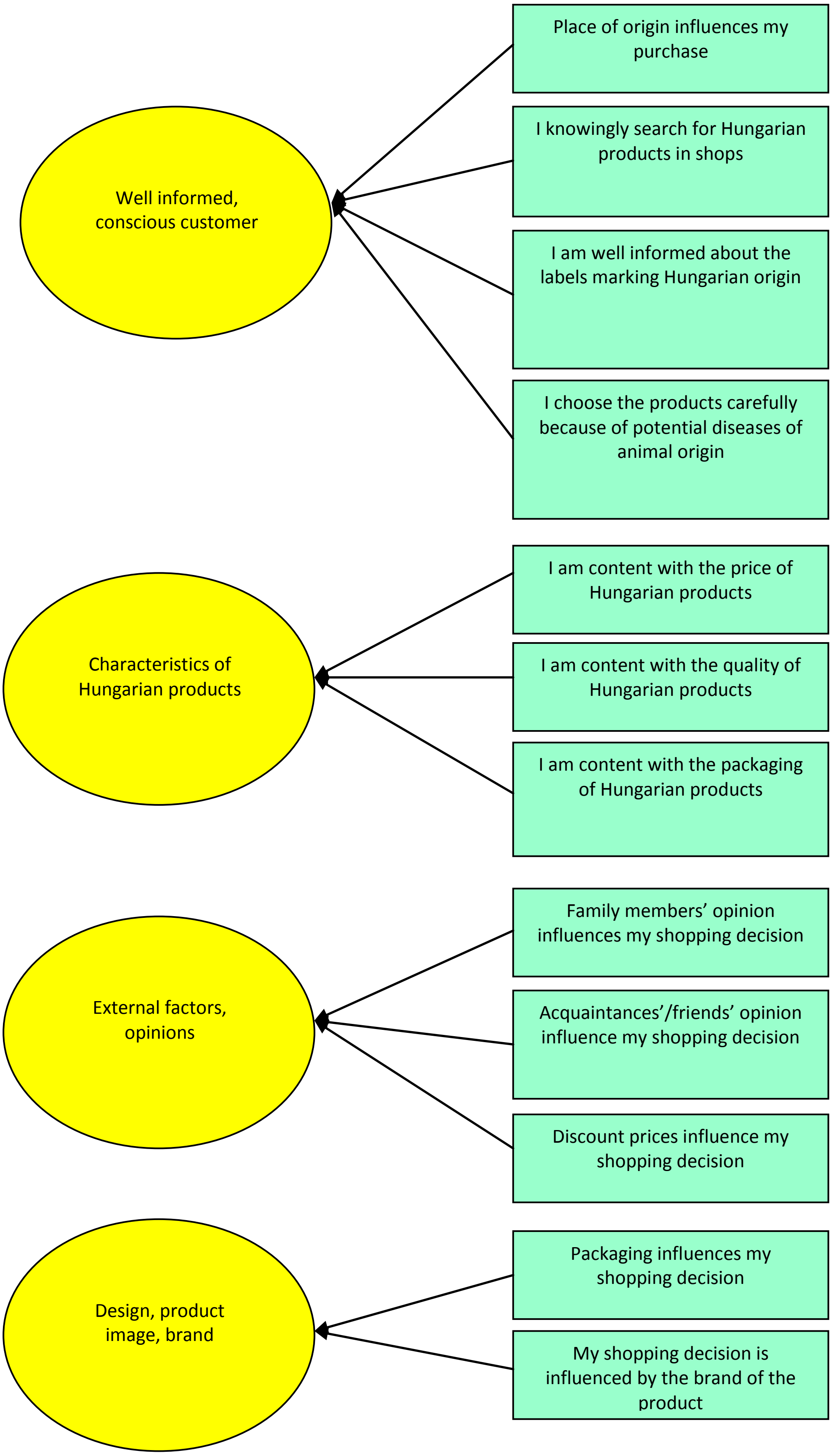

Figure 3. **Customer habits observed during factor analysis**

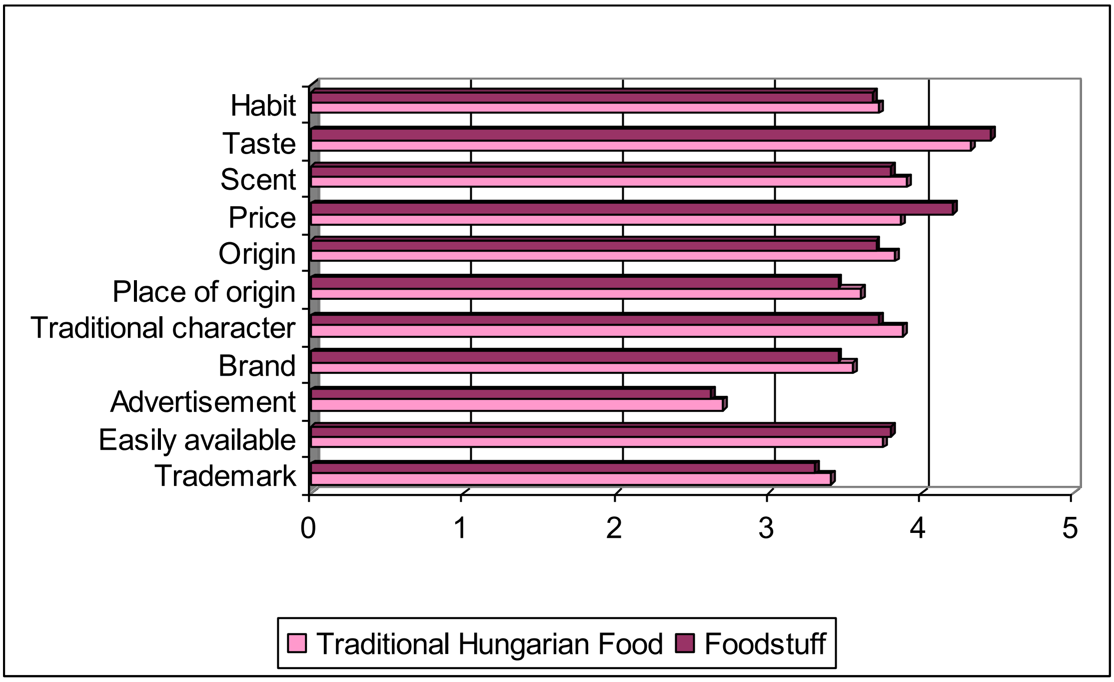

Figure 4. **Comparison of traditional food and other foodstuff based on shopping decision**

Conclusions, recommendation

The origin of the product is getting more and more important for the Hungarian consumers as well.

Hungarian customers are price sensitive although, they are willing to pay more for products with Hungarian trademark. Price of traditional Hungarian products could be decreased if vendors were left out of market chain since if we were able to buy directly from the producer we did not need to pay the traders' profit. Therefore, we think Shop of Hungarian Products network is an excellent initiation, here excellent quality products are available directly from the producer.

Traditional Hungarian products need effective communication network. Improvement of information flow would be the most important objective. The research showed that 22% of respondents searched Hungarian spices on the shop shelves. If communication of traditional Hungarian products was more effective demand for e.g. szegedi ground paprika would be bigger.

Communication of labels protecting Hungarian foodstuffs should be more efficient as the aforementioned trademarks are not widely known. Media publicity could be more appropriate as customers use media outlets such as newspapers, radio and television on daily basis. Not only the reputation of locally acknowledged trademarks should be improved but also those used in the European Union, as reputation of protected geographical indication was very low.

Overall, respondents consider Hungarian products average or good. Customers' ethnocentric behaviour needs to be reinforced; if a customer is satisfied with a Hungarian product he or she will chose locally produced goods.

For us it was a positive outcome that 82% of respondents replied to be proud of Hungary and the Hungarian products. After mentioning the country's successes they reflected positively to the achievements of this small country.

72% of respondents expressed that they would not want to live in other country. The younger generation, however, thinks that their professional knowledge worth more abroad than in Hungary. Therefore, career-starters should be assisted with various grants.

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ENVIRONMENTAL REPUTATION OF FOOD PRODUCTION INDUSTRY AND ITS FINANCIAL CONNOTATIONS

Zsuzsanna Deák & Istvánné Hajdu

Abstract
According to recent studies published, both by the EU and the UN, the food industry is one of the biggest contributors of greenhouse gas emissions and other related environmental pollution. As sustainable development and global warming have in recent years gained increased importance, expectation would be that the various stakeholders force companies to improve their environmental performance. With the parallel advancement of the Information Age consumers and investors can now easily and almost instantaneously access company records. The media, including the Internet, which have become one of the main champions of environmental issues not only plays an important part in forming a firm's reputation, but also in influencing their stock price. In this context information takes on a new role, and can create incentives for companies to adopt a more environment-friendly behaviour. This paper sets out to examine coverage of the industries' environmental reputation in the international media contrasting it with its financial performance. How did attitudes change in recent years, and how should companies change with them to benefit from this increased attention?

Keywords: *environment, reputation, media, food industry*

Introduction

The food industry is facing a rapidly changing and ever more challenging environment. There are major transformations happening in population, urbanization, resource utilization and climate that together with the shifting consumer and government attitudes, are continuously rewriting the environment in which companies have to operate. Additionally, the communications revolution of the last decades brought us greater interconnectivity resulting in an increasingly transparent society. Socially Responsible Investors (SRI) combining forces with the media and Non-Governmental Organizations (NGOs) have emerged as a major force compelling firms through the capital markets toward a more environment friendly behaviour. The global food industry is especially susceptible to climate change and shifting consumer attitudes and thus has to increasingly respond to external stakeholders in order to remain competitive. How did attitudes and perceptions change in recent years toward the industries environmental performance and how did this influence their financial results? Our research investigates forty-six global food industry companies.

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Environmental Effects of Food Production and Consumption

According to a recent study commissioned by the European Commission, the biggest contributors to environmental pressures are food production and consumption, transportation and housing (Fig. 1).

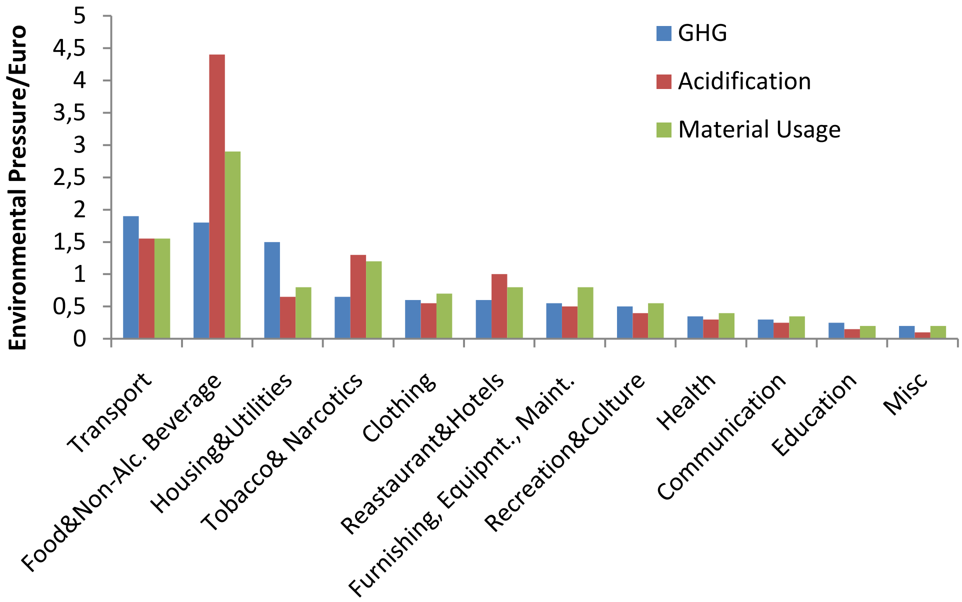

Figure 1. Environmental Pressures per Euro of Spending of Household Consumption Categories
Source: ETC/SCP Working Paper, 2011
GHG: Green House Gases

Specifically, the food and drink sector contributes to some 23% of global resource use, 18% of greenhouse gas emissions and 31% of acidifying emissions (ETC/SCP, 2009) The numbers include all resource use and pollution emitted during the production of food from the farm through to the supermarket shelf, including the production and application of fertilizers, fuels in agricultural machinery, electricity consumed in food processing plants etc. The United Nation reports similar figures. Of global emissions in 2005, agriculture accounted for an estimated 10-12% of carbon-dioxide, 60% of nitrous oxide and about 50% of methane (excluding emissions from electricity and fuel use). Globally, agricultural CH_4 and N_2O emissions have increased by nearly 17% from 1990 to 2005 (IPPC, 2007). Packaging waste in the EU-15 amounts to more than 160 kg per person per year. More than two thirds of packaging waste is related to the consumption of food (INCPEN, 2001).

Global Trends in the Food Industry

The food industry is facing several challenges all of which not only affect its profitability but also its reputation and long term viability (Table 1). According to a study done by the European Commission, the use of GMO, chemicals in our everyday products, agricultural pollution, depletion of natural resources and consumption habits were all in the top fifteen most important environmental concerns named by European citizens (Eurobarometer, 2005).

Health and Nutrition

Consumers and governments are increasingly focused on health and the role that food companies play in influencing consumption patterns. According to the European Union obesity currently accounts for up to 7% of health care costs and is expected to increase (EC, 2006). The increased presence of processed, ready to eat food in our diets has also led to alarmingly high cancer and heart disease rates. Consumers now list limited processed food intake among the most important components of healthy eating, right behind eating vegetables and fruits (Mintel, 2009). The industry's irresponsible marketing practices have recently also come under fire ('super sizing', targeting children, subliminal advertising, product placement etc.). Several governments have started to institute health programs for schools or to introduce taxes on unhealthy foods, such as chips and sodas. There are also proposed new restrictions on advertising to children. Based on these trends food manufacturers are now increasingly focusing on the production and promotion of healthier foods in order to keep and expand their client base. Although, the new natural and organic product lines do stimulate sales and bring extra profit they also open up food companies to the probability of being sued in case of false health claims.

Table 1. Global Trends in the Food Industry

	Symptoms	**Underlying Issues**	**Possible Solutions**
Health and Nutrition	obesity	Supersizing	natural& organic products
	cancer	processed, ready to eat foods	government regulation (taxes etc.)
	heart disease	advertising to children	healthier school programs
	food allergies	salt, sugar and fat content	restrictions on advertising
	diabetes	Additives	food labeling
			health foods
Safety of Food Products	food poisoning outbreaks	Pesticides	food labeling
		Fertilizers	food traceability
	birth defects	packaging (BPA etc.)	supplier partnerships
	cancer	GMO foods	new bio-materials
		contamination	
Sustainability	water shortage	climate change	eco-labeling
	land shortage	unsustainable agricultural practices	more efficient growing and production techniques
	food shortage	bio-fuel production	local produce
	rising prices	population explosion	Fair trade
	waste		renewable energy

GMO: Genetically Modified Organisms
BPA: bisphenol-A

Safety and Quality

Food, by its nature, requires that it should be safe and of good quality. As consumers can easily switch between food products, brand loyalty is extremely important in keeping market share. The production and distribution of contaminated food that in extreme cases can even lead to countless of the deaths is particularly costly to companies (directly through to loss of sales and incurred legal expenses and indirectly through the loss of reputation). Fears related to food production have been heightened by recent food safety shocks (in 2011 the German E. coli and the U.S. listeriosis, in 2008 the Chinese milk scandal and United States salmonellosis outbreak, in 2003 Avian influenza outbreak, cattle infected with Bovine Spongiform Encephalopathy (BSE) in the 1980’s etc.). A continued globalisation of our food supply can lead to the emergence of new food-safety risks or the re-introduction of previously eliminated risks. Contaminated food or food borne diseases could be spread across greater geographical distances and would be harder to track and contain.
Additionally, researcher are now more and more often linking the use of various pesticides, fertilizers and packaging (such as Bisphenol-A, BPA) or cooking materials (teflon) to adverse human health effects. As a result in 2010, 39% of consumers, cited chemicals in foods as the most important food safety issue today (up by

9% in just one year), second behind concerns about bacteria named by 44% (IFIC, 2010).
Even though genetically modified foods seem to offer a solution to the scarcity of resources, most European consumers do not support the use of Genetically Modified Organisms (GMO) as their effects on health and the environment are as of yet no fully understood.

Resource and Waste

The industry is critically dependent on the availability of natural resources, especially that of fertile soil and reliable water supplies. However, due to the past unsustainable agricultural practices, the ongoing urbanization, and the increasing effects of climate change the availability of these resources is becoming increasingly scarce. At the same time the population boom in the emerging markets (China, India and Brazil, the BIC countries), and the increasingly affluent nature of these consumers places additional burdens on the demand side of the equation.
The global energy need created a rising demand for bio-fuels. This diverted land away from food crop farming to energy crops instead. Additionally, there is an increased demand in meat consumption which again puts constraints on the availability of land to grow crops. As a result, there has been a drastic worldwide increase in food cost which impacts the world's poorest people particularly hard.
About 70% of the world's fresh water is consumed by agriculture activities. As populations grow and the effects of climate change are increasingly become apparent this ratio will only worsen. The demand for meat is already placing extreme pressures on water supplies, as the production of one kilogram of beef requires around 15,000 litres of water vs. 1kg of wheat only requires 1,500 litres (ICID, International Commission on Irrigation and Drainage).
Climate change is a relatively new concept that companies have to contend with. It can result in increased temperatures, drastic changes in precipitation patterns and an escalation of extreme weather, all of which would have severe effects on the food sector. It might seem ironic that the green house gases blamed for global warming have to a great extent been created by the exact same companies that in the end will have to cope with their effects.
The food industry contributes to another big problem of today and that is the question of waste. A large portion of packaging, in many cases serving a purely marketing or transportation purpose, ends up in landfills never to be utilized again. Packaging however can have an additional role. Front-of-product consumer labelling can create a more transparent, better understandable communication toward consumers and could simultaneously address several concerns including health, nutrition, safety and the environment.

Whether we focus on climate change, the global obesity epidemic, initiatives to remove salt and trans-fatty acids, improve front-of-product consumer labelling, or revise policies on marketing to children, global food and beverage companies must increasingly respond to external stakeholders.

The Role of Media

Media plays an essential part in today's society often displacing other traditional institutions of education, religion and government. It not only entertains, but it informs and helps people to form opinions. In today's transparent society when environmental and social disasters are highly-publicized, well-known companies can incur enormous costs and liabilities with long lasting effects. In April 2010, the Deepwater Horizon oil spill had yet again reminded investors of the importance of incorporating environmental issues into stock evaluation. This oil spill had serious financial implications for millions of pensioners all over the world.
The sustainability topic backed by new grassroots movements is receiving increased attention by the general public, mainly in developed countries but also globally. The print media has seen a jump in articles discussing environmental concerns and several special interest magazines catering to sustainability issues have also appeared (Fig. 2).

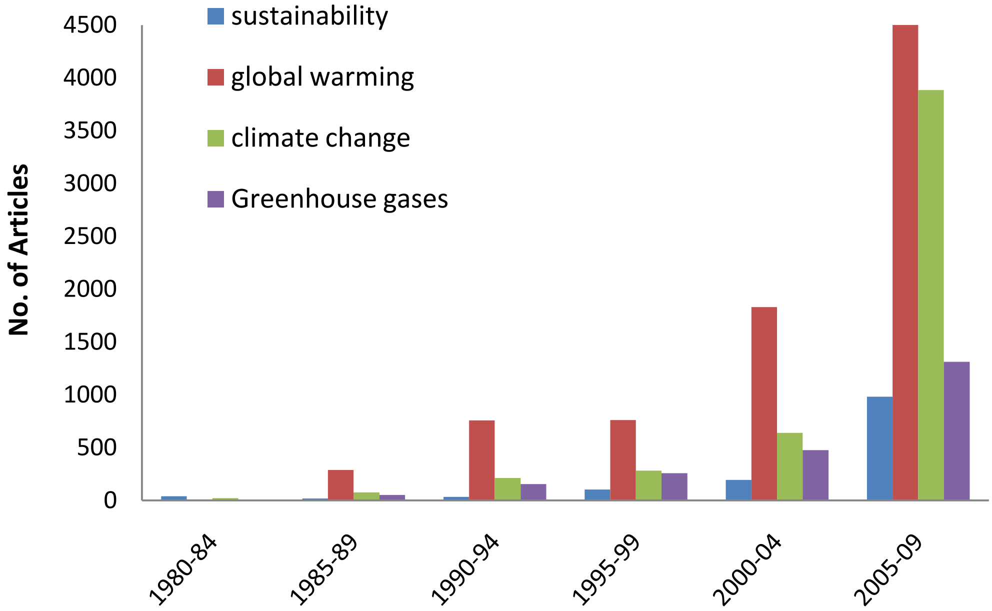

Figure 2. News Articles by Topic in The New York Times

An important development of the last decade was the proliferation of mobile phones and the internet to such a degree where any private person can reach millions with their eye-witness reports. Activists are trying to reach the younger generation through social media which is very trendy among young voters.

Consumers usually acquire their environmental knowledge through the media, and the media often times relies on NGOs to receive their information. In the earlier mentioned Eurobarometer survey people ranked NGOs as the number one trusted source for environmental information and the media (television, newspapers and radio) came in a close second. The companies themselves came in dead last (only 3% of respondents ranked companies as trustworthy when reporting environmental information).

In recent years, the number of publications where research institutes and investment groups release various rankings about firm's environmental or social performance have increased exponentially. These studies rank companies from various standpoints, examining their corporate social responsibility to the smallest detail. The rankings then appear in the columns of major newspapers, such as the Newsweek, or on TV channels, like CNN, that reach millions of viewers.

Environmental Reputation of Food Companies

Sample and Methodology

The food production industry is highly concentrated with the top four players (Nestlé, Unilever, Kraft and Danone) constituting more than 50% of the global market capitalization of the top thirty food companies. Thus, our research is primarily focused on large multinational companies. Our research sample comprises of forty-six unique firms from nineteen primary Standard Industrial Classification (SIC) codes that are traded on the New York Stock Exchange (NYSE) and NasdaQ. The study excludes all alcoholic and tobacco related products as they would skew the results due to reputational preconceptions.

Table 2. provides descriptive statistics of the sample in regards to size and financial performance. The average size of the companies in terms of market capitalization is over $13 million USD, while the mean profitability expressed in the P/E (Price/Earnings) ratio is around 20, which is in line with other industries.

Table 2. Descriptive Statistics of Sample Firms

	Market Capitalization ($M)	Total Assets ($M)	Sales ($M)	Debt/Equity Ratio (LEV)	Beta	P/E Ratio	ROE
Mean	13 486	9 632	10 587	0.88	0.81	19.81	20.77
Median	3 710	4,080	3 960	0.68	0.61	16.29	13.88
Std. Error	28 188	14 812	15 200	0.82	0.62	14.73	17.99
Minimum	337	484	499	0.00	0.10	-0.06	2.86
Maximum	145 170	66 710	61 682	3.97	3.08	85.47	83.95

Measure of Risk- Beta: volatility, or systematic risk, of a security in comparison to the market as a whole
Measures of Profitability- ROE: Return on Equity, P/E: Price/Earnings Ratio
Measure of Indebtedness- LEV: Long term Debt/Equity Ratio

We have examined the companies' stock performance, media coverage and green reputation for the five year period between 2006 and 2010. For company media coverage we looked at the number of environmental related articles published in the printed media. For environmental reputation we have computed an average environmental score based on rankings publish in the media (Newsweek Greenscore, CRO Magazin etc.), investment fund analyst companies (Maplecroft, KLD) and by NGOs (CERES, CDP). We have then ranked the companies into five categories with one being the highest and five being the lowest score (Fig. 3)

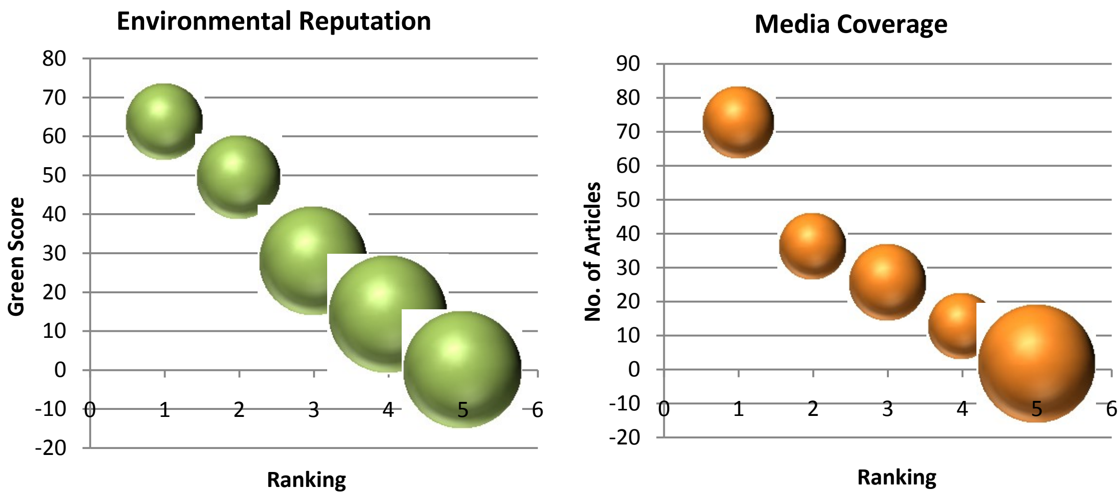

Figure 3. Company Media Coverage and Environmental Reputation

Results and Discussion

Environmental coverage of food industry has been steadily growing in the last five years and the industry's green indicators have also improved (Fig. 4). Although only seven of the forty-six companies have been consistently included in the rankings more and more of the food manufacturers manage to make it on the lists.

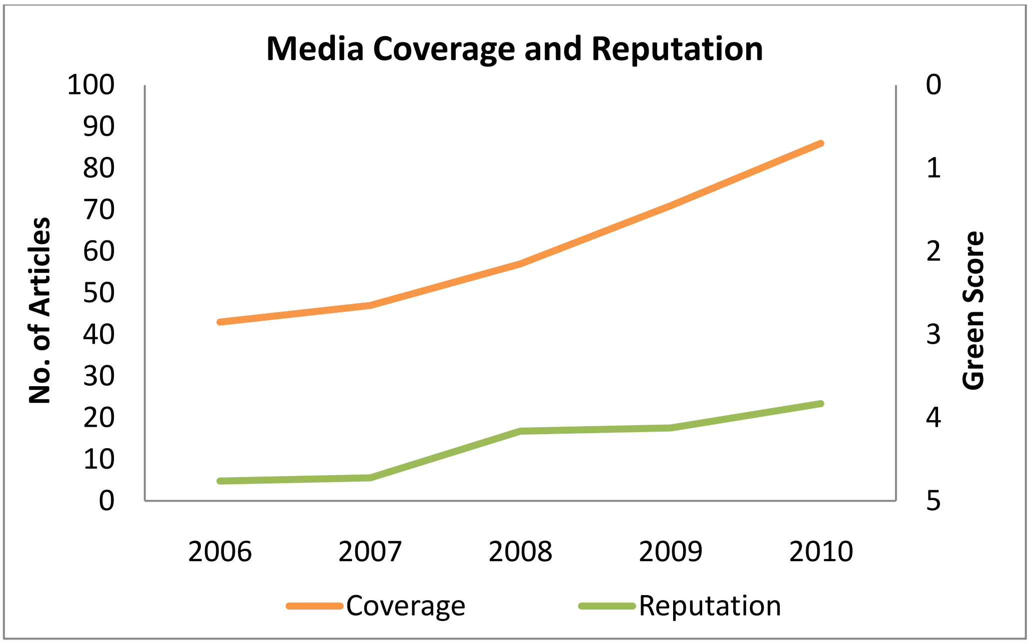

Figure 4. Development of Media Coverage and Environmental Reputation

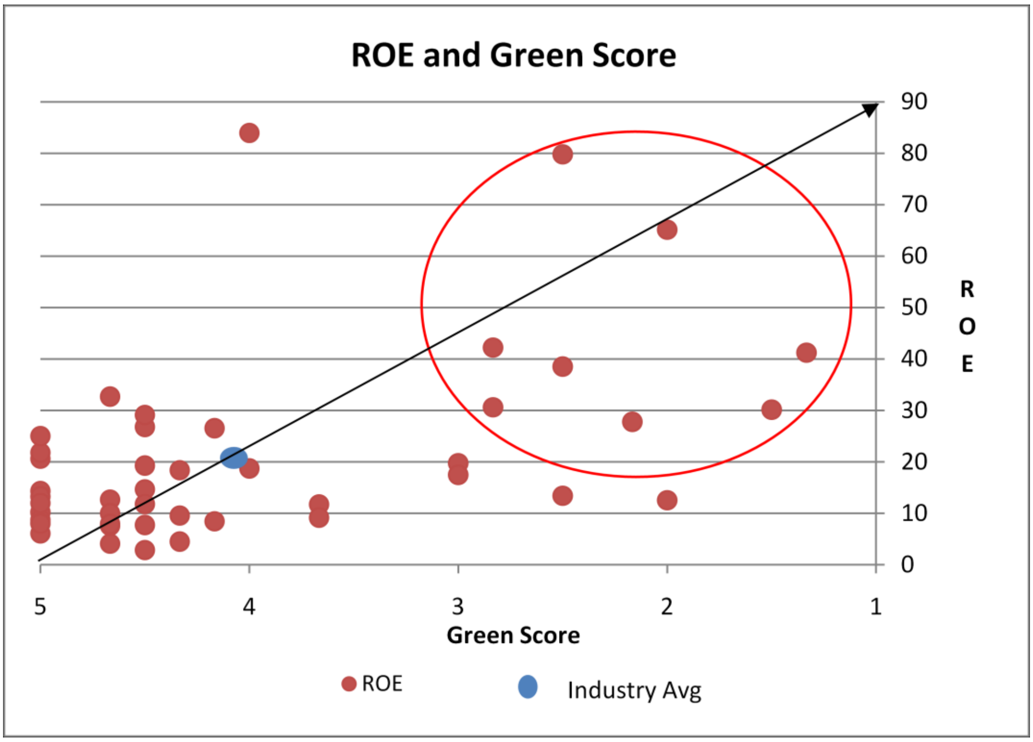

Figure 5. Reputational Score and Return on Equity

When comparing the firms' environmental reputation and their ROE it can be clearly seen, that with the exception of one outlier, companies that score lower on the reputational scale also have a lower Return on Equity (ROE), and companies that have a higher than industry average reputation tend to have better or close to the industry average ROE (Fig. 5). When we add the P/E (Price/Earnings) ratio in the mix we can infer that even though firms with better environmental image do have higher ROE the relationship is not directly proportional. A decrease in reputation does not result in an equally large drop in return on equity and conversely it requires a greater increase in image before it pays off financially (Fig. 6). An additional interesting finding is that the price earnings ratio does not move parallel to the

ROE, that is the best and worst performers seem to have similar P/Es. Since the P/E ratio, simply stated, expresses how much the investors are willing to pay for each dollar of revenue the company makes, from two companies with similarly low P/E ratios the one with the higher ROE, everything else being equal, is the better investment. Therefore, the finding seems to indicate that the market undervalues companies with better and overvalues them with worse environmental reputation.

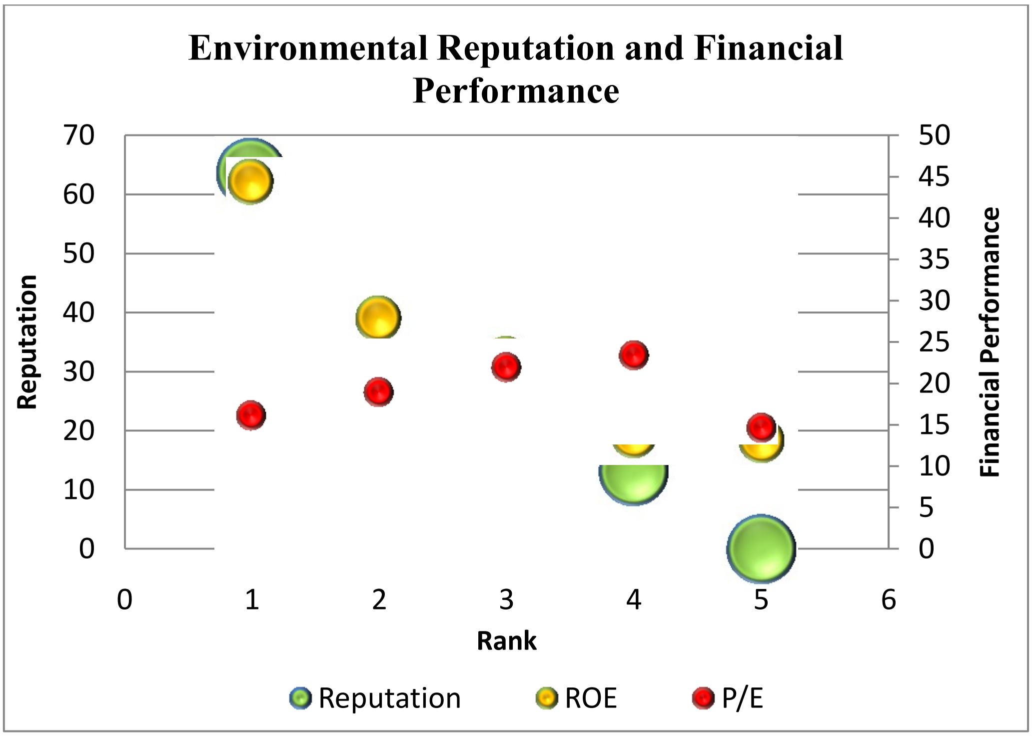

Figure 6. The Relationship between P/E, ROE and Reputation

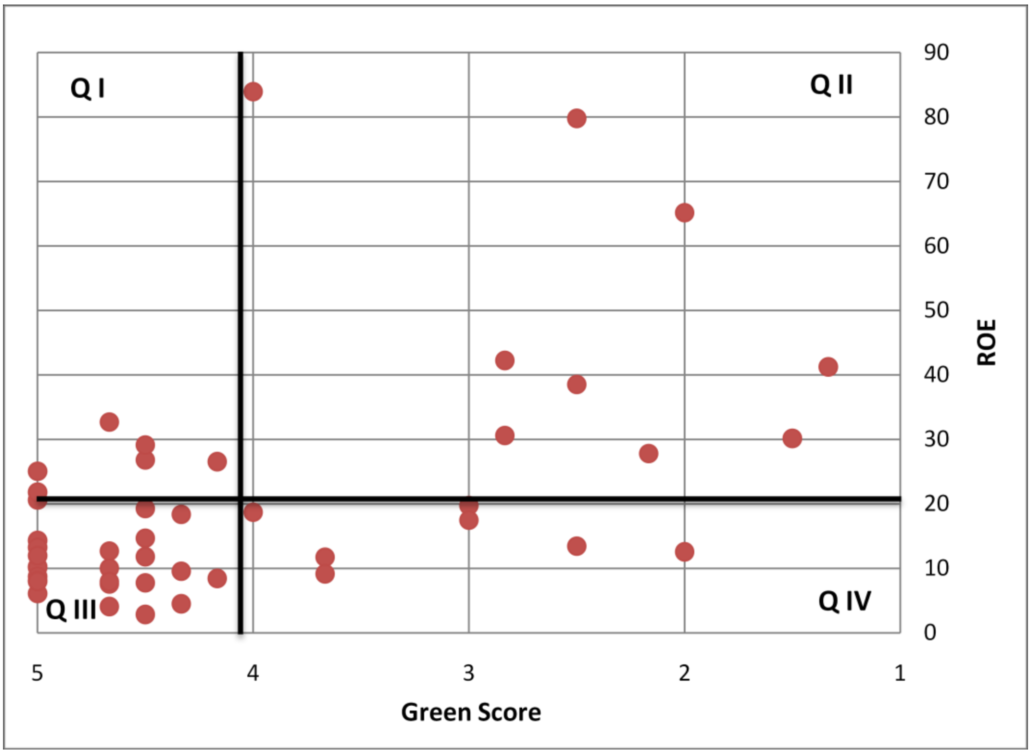

Figure 7. BCG Matrix of The Food Industry

Utilizing a modified framework of the Boston Consulting Group (BCG) Matrix the companies can be divided into four groups based on their financial and environmental score in relation to the industry average (Fig. 7). In Quartile I are the ‘lucky’ ones, these are companies that enjoy better results despite their reputation. This result may reflect the fact that they are simply getting bad press, recovering from some earlier incident, or that they are not managing their media image effectively. In Quartile II the ‘leaders’ and in Quartile III the ‘laggards’ are the companies whose results reflect their reputations. It might seem like in Quartile IV firms are not getting deserved credit. However, it could also be that their reputation is perceived to be better than their actual environmental performance that is they are doing a good job of ‘green’ advertising. This would support the resource-based view of strategic management (see Barney 1986; Wernerfelt 1984) based on which a firm’s superior ability to manage their resources, in this case environmental performance and reputation, compared to others in their industry could lead to higher returns.

Conclusion

In recent decades advancements in information technology, the way people access facts about companies to aid them in their shopping and investment decisions coincided with shifting attitudes in society towards our planet and the environment. Companies have been playing a catch up game trying to integrate sustainability topics into their management decisions and marketing schemes. At the same time, monitoring systems have been becoming increasingly sophisticated, government requirements more stringent and consumers more savvy. What was enough to appease environmentally conscious stakeholders just a few years ago proves to be preciously little today. Socially Responsible Investing has become big business (according to EUROSIF €7.6 trillion in 2010) as a consequence management decisions have an ever more significant financial impact and can result in reputational penalties that can take years to recover from. Food companies usually have substantial brand name equity hence they are more susceptible to public attacks. Food products are often also easily interchangeable. Bad reputation can lead to considerable loss of market share.

As our findings indicate, it is not enough that companies employ environmentally sound production techniques, it is equally important that they pay special attention to their green marketing techniques. It is true that there is a direct relationship between more efficient use of resources and better financial results, but there is also an indirect benefit from publicising said efficiency and there is no reason why companies should not take advantage of this.

Since the food and beverage production industry has recently also found itself in the forefront of attention due to their role in resource consumption and their effect on people’s consumption behaviour, it can safely be expected that their environmental stewardship will also be increasingly scrutinized. The reputation they will subsequently gain *or* lose will play an important role in their economic well being.

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THE USE OF 'SOCIAL MEDIA' AS A TOOL FOR CONSUMER BRANDS TO LEVERAGE SPONSORSHIP OF SPORTING EVENTS: A QUALITATIVE ANALYSIS

Anne Millan & Mairead Ball

Abstract
The paper is an exploratory study of the benefits and limitations for consumer brands using 'Social Media' as a tool to leverage their sponsorship of sporting events. Since the emergence of Web 2.0 technologies in 2006 (Sheehan, 2010), the growth of 'social media', such as social networks ('Facebook') and blogs ('Twitter'), has been dramatic. Social media is being increasingly used in sports sponsorship leveraging strategies, one example 'FIFA World Cup 2010', and the trend has continued to develop particularly with the growth of smart mobile phones. Despite the growing importance of 'social media', there was little academic literature about its use as a tool for sports sponsorship leveraging, which contrasts with the extensive literature available on sporting event sponsorship leverage in general. The research utilised qualitative telephone interviews with senior industry practitioners. These interviews consisted of practitioners from consumer brands, their agencies already using 'social media' and 'social media experts', who were selected to provide insights, into the degree to which brands were exploiting existing technology and to identify future technology trends. The study identified a wide range of benefits and limitations, including four key management challenges. One of the most beneficial aspects to sponsors was interactive capabilities of 'social media', allowing for two way communication with individuals in the target audience providing opportunities to build a deeper relationship. The key limitation of using social media was that brands could lose control of much of the content to the target audience and could present risks to their reputation. The main challenges identified were the need for brands to set clear objectives and to integrate social media within a wider marketing strategy. Brands need to invest appropriately and utilise the budget on social media as well as traditional methods. Creativity was identified as a critical capability if brands were to be successful in their use of 'social media'. Finally, some respondents suggested that what makes social media successful is the 'social' element rather than the technology itself and that brands which use 'social media' to leverage sponsorship must accept this or risk alienating the target audience. The study concludes that the potential benefits of 'social media' as a tool for leveraging sporting event sponsorship outweigh the potential limitations and challenges faced. The study also analyses future trends and has identified that 'social media' is not a short term fad but is likely to continue to grow strongly. This is a result of the benefits it offers and the enhanced access offered by innovation in 'smart' phones, which is making 'social media' available to more people, particularly in the emerging economies where more people access the Internet via a mobile phone than through landline connections.

Keywords: *Social Media, Sporting Events, Sponsorship*

Introduction

The paper analyses the use of social media as a tool for consumer brands to leverage their sponsorship of sporting events. The academic literature has highlighted the crucial contribution of commercial sponsorship to the creation and sustainability of major events (Lee et al 1997; Kover 2001; Masterman, 2009; Fullerton 2010; Bowdin et al 2011. Sporting events attract 51% of all UK sponsorship

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investment (Arts and Business, 2008) and 'Consumer brands' dominate the majority of sports sponsorship deals. Masterman, (2009)

Sponsorship leverage is also a critical contribution to a successful sponsorship programme (Fullerton, 2010). Since the emergence of Web 2.0 technologies in 2006 (Sheehan, 2010), the growth of 'social media', such as social networks ('Facebook') and blogs ('Twitter'), has been dramatic. Industry reports indicate that 'social media' is being increasingly used in sports sponsorship leveraging strategies – for example during the 'FIFA World Cup 2010' - and that continued technological developments, particularly the growth of 'smart' mobile phones, were likely to accelerate this trend. However there is a gap in the literature on the current and future significance of 'social media' as a leveraging tool and in particular the use of mobile technology. This contrasts with the extensive literature available on sporting event sponsorship leverage in general.

The objective of the research was to identify the benefits and limitations for consumer brands using 'social media' as a tool for leveraging their sponsorship of sporting events, as well as broadening the knowledge of future developments.

Literature Review

Sponsorship has been defined as an exchange of cash, and/or in-kind fee, for access to objects or activities with commercial potential (Meenaghan, 1991; Dolphin, 1999; Amis and Cornwall, 2005; IEG, 2008; Bowdin et al., 2011). Dolphin (1999) proposes that the exchange was traditionally seen as one based on financial support. However, more recent literature argues that sponsors provide a range of resources (Cornwell et al., 2005; Masterman, 2007).

Meenaghan, (1998) suggests that commercial sponsorship took off during the 20th century; this has since progressed from a largely philanthropic exercise (Dolphin, 2003) to a highly market-orientated activity (Daellenbach et al., 2006). Kover (2001) claims it is now so widespread that public events are rarely seen without some form of sponsorship.

Event sponsorship expenditure is difficult to estimate due the different criteria used in many sources. A study by Arts and Business in 2008 estimated that worldwide event sponsorship expenditure was valued at £43.5 billion - a seven-fold increase since 1987 (Arts and Business, 2008). However, IEG's 2010(a.) report on sponsorship spending estimated global sponsorship spend at US$46.3 billion. This shows a growth trend, although one which slowed during the recent global economic recession.

In the UK, sponsorship spend is estimated to have leapt from £4 million in 1970 to £400 million by 1993 (Meenaghan, 1998); and was valued at £934 million by 2008 (Arts and business, 2008).

Although sources differ in their precise estimates, there is consistent evidence that sponsorship has grown massively over the last 50 years, as it has evolved from a largely philanthropic to a largely commercial activity (Dolphin, 2003). According to IEG's 2010 (a.) survey, sponsorship accounts, on average, for 25.4% of marketing budgets.

When discussing the factors behind the growth of event sponsorship, factors frequently cited include: restrictions on advertising (particularly relating to tobacco (Bowdin et al., 2011), higher advertising costs, and increased media coverage of events (Lee et al., 1997; Quester and Thompson, 2001). Growth is attributed to tighter control of promotional budgets, with sponsorship viewed as a cost effective alternative to traditional advertising (Lacey et al., 2009) and traditional media has become more cluttered and fragmented, producing less effective results (Lee et al., 1997; Erdogan and Kitchen, 1998; Fahy et al., 2004). For this reason, Gronroos (1994) regards event sponsorship as a more appealing communications tool, allowing the sponsor to directly interact with a specific target market.

Sports event sponsorship

Okter (1988) and Gilbert (1988, cited by Farrelly et al., 1997) both supported the idea that organisations were not using sponsorship to its full potential, pursuing only a limited range of objectives that were often inappropriate or deficient. Recent literature suggests that sports sponsorship has become more sophisticated

(IEG, 2010b.; Bowdin et al., 2011), with more quantified commercial objectives (Dolphin 2003; Lacey et al 2009). For some brands the sponsorship of global sporting events is now so important that it lies at the heart of their marketing strategy (Choi et al., 2006; Roberts 2010). Erdogan and Kitchen, (1998) suggest that the driving force behind sports sponsorship is increased media coverage which enables major events to achieve significant exposure and reach international markets (Fullerton, 2010) as well as assisting global branding and awareness building. However, sponsorship can also have a negative effect on sports events Farrelly and Quester (2005). Lee et al. (1997) suggests that the amount of sponsorship now associated with the Olympic Games affects its image and spirit. Effective sponsorship relies on a strategic fit between sponsor and event. Furthermore, sponsors need to demonstrate their brand creatively to have more impact in the market. (Cornwell et al 2005)

The most commonly cited objectives for investing in sports sponsorship include: enhancing the corporate image (Abratt and Grobler, 1989); adding value to organisational communications; increasing goodwill among opinion formers (Witcher et al., 1991); promoting brand awareness (Masterman, 2007); and reaching specific target markets whose consumption behaviours can be linked with the event (Ashill et al., 2001). The 2010 IEG research survey (2010b.) identifies that the three highest ranking objectives were: to increase brand loyalty; to create awareness or visibility and to change or reinforce image.

Many academics believe that achieving these objectives requires a sponsorship leveraging strategy (Meenaghan, 1998; Erdogan and Kitchen, 1998; Chadwick and Thwaites, 2005; Masterman 2007).

Leveraging of sporting event sponsorship rights

The terms 'leveraging', 'activation' and 'exploitation' are all used by researchers to describe the additional investment which sponsors make, over and above property rights fees, to maximise the value from their sponsorship (Cornwell and Maignan, 1998; Erdogan and Kitchen, 1998; Chadwick and Thwaites, 2005; Masterman 2007; Cornwell et al., 2008; Bowdin et al., 2011).

Recent literature refers to leveraging as essential to achieving a sponsorship programme's objectives (Fullerton, 2010) - including brand differentiation (Crimmins and Horn, 1996), brand added value (Cornwell et al., 2001), and the combating of ambush marketing (Farrelly et al., 2005; Fullerton, 2010). However, Masterman (2007) argues that many sponsors do not wholly understand leveraging and underestimate the investment of money and time required to leverage value from a sponsorship. The IEG 2010 survey reported the average ratio of leveraging spend to sponsorship rights fees had dropped in recent years, coinciding with the economic downturn. In 2007 the ratio was 1.9:1 but fell to 1.4:1 in 2009 and was sustained at this level in 2010 (IEG, 2010b.).

Leveraging methods

The most commonly cited methods of leveraging have been advertising at the event; advertising during the TV or radio broadcasting of an event; branded promotions and competitions at the event (or in the media), point of sale merchandising, cross promotions with co-sponsors, sampling; hospitality and micro events (Zwick and Dieterle, 2005; Choi et al. 2006; Masterman, 2007). It is only recent literature which adds Internet tie-ins and social media activities to this list (Zwick and Dieterle, 2005; Roberts, 2010; Fullerton, 2010). Zwick and Dieterle (2005) assert that the choice of methods depends on the sponsors' target market, their budget and their creativity. 74% of sponsors reported using online promotions in IEG survey (2010b.) and this has increased from 51% in 2007 (Cornwell et al. 2008) This shift is consistent with general global advertising trends, which saw traditional advertising decline sharply in 2009, whilst digital advertising grew strongly - with Internet advertising up by 9.2 percent (Xplane et al., 2009). Ukman (2010a.) argues that digital media enables sponsors to reach new audiences, whilst distributing content creatively. Masterman (2007) concurs, arguing that those sponsors who have been effective at achieving competitive advantage are those that have been creative in their exploitation of leverage programmes.

Using the Internet to leverage sponsorship rights

Many companies did not initially grasp its potential for sponsorship leverage through internet activity. (Hurst, 1998; Lagae, 2003; Chaffey et al., 2006; Fill, 2009; Sheehan, 2010). Zwick and Dieterle observed in 2005, that the global brand, Siemens Mobile, which was heavily involved with sport sponsorship, only had a basic internet leveraging programme. This is consistent with other authors' suggestions that online marketing only started to be significant in 2006 (Brusse and Hekman, 2009; Ahlqvist et al. 2010). Cornwell gave the example of two FIFA World Cup 2006 sponsors who displayed no prominent links to their sponsorship of the event on their websites (Cornwell et al., 2008). However, Sniderman (2010) argues that companies such as Adidas, Nike and Puma were early adopters of social media around the 2006 World Cup, integrating it within campaigns that included print adverts, television spots and online sites.

The FIFA World Cup 2010 offered sample evidence of online leveraging when Sony Ericsson shunned traditional TV and billboard advertising in favour of social networking (Ukman, 2010a.). A 'Coca Cola' campaign during the World Cup encouraged fans to upload goal celebrations to 'YouTube' (Roberts 2010).

The most significant development has been the emergence of interactivity capability and that marketers are now developing integrated marketing communication strategies using both online and offline marketing communication approaches. Sheehan (2010). Kaplan and Haelein (2010) propose that the popularity of social media amongst sponsors was driven by the emergence of Web 2.0 technologies which enabled increased interactivity between users.

Social media

Definitions of social media in the literature are expressed in different ways but are broadly consistent. They explain that social media's defining characteristic is its interactivity (Mintel, 2010; Sheehan, 2010; Marketing Week, 2010; Ahlqvist et al. 2010; Kaplan and Haenlein, 2010). Ahlqvist et al. (2010) defined social media using three key elements: content, communities, and Web 2.0.

'Social media' has rapidly expanded. Academics agree one of the earliest forms was the 'blog' (Sheehan, 2010; Kaplan and Haenlein, 2010); and another was the 'wiki' – a website that allows people to collaborate in building its content or projects, (Sheehan, 2010). Kaplan and Haelein (2010) suggest 'social media' also includes 'content communities', for example 'Flickr' and 'YouTube', which share pictures, music and other content. Sheehan (2010) acknowledges that one of the fastest growing phenomena in 'social media' is the 'social network', such as 'Facebook' and 'MySpace'. Sheehan (2010 p.108) states that social networking sites create a challenge for traditional marketers because they change the way that consumers, *"hear about and learn about and decide about which products they want to buy."* The most recent additions to 'social media' reported by academics are 'virtual networking' such as 'Second Life' and 'Massively Multiplayer' online role-playing games (MMORPGs) (Sheehan, 2010; Kaplan and Haenlein, 2010).

The benefits of 'social media', such as 'Facebook' let sponsors target location, age, activities (Ukman, 2010) and that marketers are using it to build closer customer relations (Kotler and Armstrong 2010) 'YouTube' allows extended and readily available viewing of TV advertising long after its original showing Fullerton (2010).

Mangold and Faulds (2009) explains that 'social media' has transformed the traditional idea of 'word-of-mouth' marketing, by enabling consumers to tell hundreds or even thousands of people about a brand. However, scholars argue, that as consumers now have a lot more control over content, this 'word-of-mouth' potential can also result in negative attitudes towards a brand spreading virally (Kotler and Armstrong, 2010; Sheehan, 2010). Literature previously highlighted leveraging as a valuable tool for combating 'ambush marketing'. However, a survey by 'The Nielsen Company' (2010) provided evidence that social media may be making it easier for brands to carry out such ambush activity. It cites the example of 'Nike' whose association with the 'FIFA' 2010 World

Cup was stronger than any of the official sponsors, through its 'write the future' viral campaign. However, the majority of official sponsors did achieve higher associations with the tournament than non-officials. Marketers see tremendous potential in the idea of 'viral marketing', particularly given the expansion in smart phone ownership and innovation (Sheehan 2010). The explosion in mobile phone ownership rates and the availability of the internet via mobile phones have opened up opportunities for sports sponsorship leverage (Steinbock, 2005; Mintel, 2010; Simmons, 2009). According to 'Twitter's' chief executive (Wakefield, 2011) 'Twitter' can see an increase of 3,000 tweets a second during major events, such as the 'FIFA' World Cup.

'Social media' is increasingly being integrated into marketing programmes, the approach taken by a manager when entering into 'social media' is crucial according to Mangolds and Faulds (2009), asserting that managers need to learn to interact with their customer rather than talking at them, proposing the best approach for sponsors to take is to interact through mutual topics of interest (Kotler and Armstrong 2010). In addition, Kaplan and Haenlein (2010) assert that the platform of leverage chosen will depend on the target audience and message the brand wants to communicate; furthermore, brands can leverage audience interests by creating communities of like-minded individuals (Mangolds and Faulds, 2010). It has been identified that there is a lack of guidance within literature and industry practice, for managers looking to incorporate social media into their marketing strategies (Mangolds and Faulds 2009). This is therefore an important gap for the research to address.

Methodology

The chosen methodology for the research was qualitative telephone interviews with senior industry practitioners from two categories. The first category was consumer brands and their agencies already using 'social media' in this context. They were selected to explore current use, benefits and limitations. The second category was social media experts, who were selected to provide insights into the degree to which brands were exploiting existing technology and to identify future technology trends. This methodology was chosen over other approaches because 'social media' is developing so rapidly that much of the knowledge is likely to lie predominantly with senior industry practitioners involved in social media and sports sponsorship leveraging.

Eleven telephone interviews were conducted and interview respondents were coded by their primary expertise - either sports sponsorship or social media - followed by the interview order and the company. This information was obtained at the beginning of the interview. These profiles are provided in table 1 in the appendices.

Discussion

Analysis of the data was structured around four themes: definition; interaction; access; and management challenges. This thematic approach was adopted because similar issues emerged across all respondents and across multiple questions.

Defining Social Media

The research looked to ascertain a definition of 'social media' due to the fact it is such a new concept and therefore potentially open to different interpretations. For the purpose of the study, the definition of 'social media' presented by Kaplan and Haenlein (2010, p.61) was chosen because both authors have published extensively in this topic area. *"Social Media is a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content."*

The respondents' own definitions of 'social media' were broadly consistent with each other and with the literature definition. Sports sponsorship experts used very similar definitions to the social media experts, indicating that social media is well understood within the sports sponsorship arena. However, respondents used different terminology to the literature definition - repeatedly using terms such as 'interaction', 'digital platforms', 'engagement' and 'sharing of content'.

Definitions derived from literature typically used generic terms to describe types of social media e.g. blogs, social networks. However, respondents defined social media by referring to the leading global brands within the medium, including – 'Facebook,' 'Twitter', 'YouTube', 'LinkedIn', and 'Flickr'. This suggests that these social media brands have become colloquially synonymous with generic terms, reflecting their global dominance. The respondents definitions also referred to mobile or internet devices. This may be because developments in mobile technology have been so rapid in recent years that literature is lagging the trend.

Interaction between the sponsor and the target audience

Past literature proposed that event sponsorship offered the chance for brands to directly interact with a specific target market (Gronroos, 1994). The way in which the emergence of 'social media' has enhanced such interaction was a recurrent theme in all interviews, although not always directly referenced. One respondent stated that interaction is "*… the predominant factor that everybody is looking for,"* and another explained "*as an actual sports event we use Twitter a lot to interact with our fans…*"; furthermore, other respondents identified that it allows their brand to "*connect directly with the consumer*."

The interview data points to a strong correlation between the development of interaction capability and technological progress. This was acknowledged by one respondent stating, "*there has been a shift towards Twitter and Facebook because technology lets us do it."* Literature supports the concept that the development of Web 2.0 and the emergence of interaction between users, offer marketers and businesses the opportunity to get closer to their customers (Hurst, 1998; Lagae, 2003; Chaffey et al., 2006; Fill, 2009; Sheehan 2010). However, the research stressed that it is the 'social' use of this media, which is the critical success factor in whether a particular 'social media' application succeeds or fails, not the technology. For consumer brands sponsoring sporting events, it is critical that they grasp the social nature of the medium, not just the technology; this challenge seemed to be of great concern to many of the respondents

The interviews provided evidence beyond the current literature, that 'social media' offers a significantly increased capability to develop relationships between the brand and its target audience, compared with traditional media. Several respondents talked about the limitations of traditional advertising in relation to interactivity, with one respondent describing it as *"a one way street".* In contrast, they perceived 'social media' as an opportunity to offer the fan the chance to communicate and engage with the brand. One respondent spoke about 'social media' giving brands the chance to talk "*one on one to the fan"* and having the ability to connect directly with the consumer is one of the biggest benefits for 'Nike UK', allowing them to bring the consumer "*…into the world of Nike, into the world of football, into the world of Wayne Rooney."* Respondents also commented on the advantages of 'social media' over traditional methods in building relationships with the target audience, and that social media adds more value to the interaction between sponsor and target audience than traditional media, which correlates with literature, suggesting that marketers are using social media to build closer customer relationships (Kotler and Armstrong, 2010).

All respondents agreed that 'social media' allows a brand to create an interactive channel for a two-way communication. This is a valuable tool for consumer brands that want to develop relationships and connect to their target market on a more personal level. It also provides knowledge of the target market to assist brands in designing sponsorship programmes relevant to individual fans and groups.

The limitations of interacting through 'social media' were also identified; first is that the sheer scale of social media which overwhelm companies and brands; secondly, the research confirms and expands on findings from the literature that consumers now have a lot more control over content. This can lead to negative attitudes towards a brand spreading virally (Kotler and Armstrong, 2010; Sheehan, 2010) in contrast with traditional media (such as newspapers) where brands have more control. One observation is that fans can upload videos of accidents or alter existing content which in turn could become detrimental to the sport. However, an open approach to sharing content can be positive for the sport, although acknowledging that most major sporting rights owners (using 'Wimbledon' as an example) might not take this view. Knowing where to draw the line between allowing uncontrolled user-generated content and protecting the brand is likely to be a major preoccupation for consumer brand sponsors in the future.

The third potential limitation commented on, was 'social media's' smaller audience reach, compared with mass-market traditional media. However, this is far more targeted and is now a natural point of contact for certain demographics and that social media's strength lies not in volume, but in value.

A key finding from the research not addressed in the literature was the future of interactivity via 'social media' and whether global brands should interact via 'social media' at a global or a local level, The respondent believed that a global 'Facebook' site in English may be less effective at creating intimate interaction and believes interaction is most effective at a local level; that implies local language sites, which can result in higher costs, fragmentation and poorer quality if not approached strategically.

Sponsors' access to their target audience

This theme identifies how 'social media' expands access to the target audience and that many of the respondents observed that 'social media' gave sponsors the opportunity to significantly extend their sponsorship programmes before, during and after the event. One example sited was the 2010 'Vancouver Winter Olympics', as the point when the Olympic movement became 24/7 and all year round, rather than just 17 days every four years. The research asserts that a sponsor no longer has to wait for the official broadcast of the sport event. This reinforces literature which states that a sponsorship leveraging programme starts some time before an event and continues after the event (Masterman, 2007). The shift to continuous coverage offered via 'social media' is therefore a major benefit to sponsors.

Much of the content relating to sporting events, in contrast to the arts, is highly time sensitive and must be communicated quickly or loses its value. The research shows that a key benefit of 'social media' to leverage sporting events is the ability to create immediacy of information, update and comment instantaneously to end consumers. This capability is particularly valuable for sponsors of sporting events because it enables them to connect with fans during a game when fans are at their most passionate. Brands that help provide 'in-game' content through 'social media' can gain value by association. It was stated by more than one respondent that audiences have a desire to be kept as up-to-date as possible about the sports personalities themselves, the run-up to the event, the latest scores etc; so any brand that can facilitate this thirst for information and who, importantly, does it in a relevant way, will be readily accepted by consumers.

The 'Tour de France' is seen as a good example of 'social media' providing sponsors with timely access to fans because 'Twitter' allowed sponsored cyclists to communicate with fans during breaks. The association of the brand with the cyclist thereby enabled brand awareness building without needing to push overt marketing messages. Recent literature highlighted the fact that 'Twitter' is an ideal communications medium for live sporting events enabling sponsors to keep fans constantly updated, whilst adding real value to their relationship – with an increase of 3000 'tweets' a second during major events, such as the football World Cup (Wakefield, 2011).

For brands that are on the periphery of the audience interest, they engage the audience through the passion that they have for the event, this can be seen by 'Castrol' and 'MOTEL' which promote products such as car engine oil through engaging 'passion senses' and the creation of team pages to share an experience with others. The respondents justify arguments within literature which proposed the best approach for sponsors to take is interacting through mutual topics of interest (Kotler and Armstrong, 2010) Furthermore, literature asserts that brands can leverage the audience's interests by creating communities of like-minded individuals (Mangolds and Faulds, 2010).

The research compares the access that is obtained from 'social media' with other traditional methods of leveraging and word of mouth objectives are key in both areas. The data suggests that digital technology has opened up new opportunities for influencing word of mouth communication and accelerated its impact (both positively and negatively). 'Social media' provides brands with the opportunity to access millions of people within minutes, as opposed to traditional methods such as print media. This is supported by literature, Mangold and Faulds (2009) which assert that 'social media' has the ability to reach wider audience through mass distribution of word-of-mouth.

The data suggests that 'social media' has taken the concept of word of mouth to new levels. One of the 'social media' expert respondents, talks about the concept of people who have 'social credits', a term defined as "*the status with the people around you, the connections you have and the amount of these you have*". It appears that brands may soon 'buy into ' people with lots of contacts, who write stimulating 'Tweets' or 'Facebook' pages and attract many followers who are seen to have "social credits" This also can lead to the opportunity for friend referrals to trusted sites or brands which enable consumers to tell hundreds or even thousands of people. One example of this is through high profile football matches where 'tweets' were getting re-'tweeted' 40-50 times prior to the game.

The respondents and literature have both identified that the growth of social media as a marketing tool has was partly down to its ability to measure return on investment more easily than other leveraging tools (Sheehan, 2010).

Though there are clear benefits of access in 'social media' limitations have also been identified the literature argues that 'social media' may have increased the risk of ambushing. However, this issue was only reported by one respondent. Digital media gave 'NIKE' the chance to ambush the 'FIFA World Cup' with a viral campaign which resulted in it achieving higher association with the tournament than any of the official sponsors. (The Nielsen Company 2010),

The future of access via social media

The growth of 'social media' is being driven by its accessibility through the mobile phone and its developing technology, phones are inherently 'social devices' and the research identifies that people are using their mobile phones as their main point of contact and envisions that mobiles will be come the dominate way that people interact with 'social media' in the future. The literature supports this research estimating that by 2020 mobile will be the primary internet connection (Pew Research Center, 2010, cited by Kaplan and Haenlein, 2010). Some respondents also predict the future will involve "*interactive campaigns… 3D technology is likely to the next big development*." However, there is an argument that more engagement through mobile phones will restrict *"some of the advertising value they can gain."*

Respondents confirm opinions within the literature which proposed that the explosive growth of mobile phone ownership and the availability of the internet via mobile phones, had opened up access opportunities for sports sponsorship leverage (Steinbock, 2005; Simmons, 2009; Mintel, 2008).

One area considered within literature but further expanded on during data collection, is the opportunity that mobiles offer to sponsors to increase their access to target audiences within the developing world. Literature stated that many developing communities connect to the Internet predominantly through mobile phones rather than landline. (Kaplan and Haenlein, 2010; Sheehan, 2010). Two respondents commented on cricket, with its huge fan base in India. However, 'Castrol', sponsors of the World Cup cricket in India, does not yet have a mobile marketing strategy to access this fan base, most of whom are accessing 'social media' via a mobile:

It is evident that the rapid rate at which mobile technology is developing is challenging for brands to keep pace with. Competitive advantage in the future is likely to lie with those brands that have the capacity to monitor and respond quickly and creatively to technological developments.

The management challenges

The final theme identified in the research is the challenge that 'social media' poses to sponsors. Four management issues came through strongly: clarity of objectives and integration within the wider marketing strategy, determining an appropriate level of investment, deploying creativity, and recognising the 'social' element of the media.

Clarity of objectives was seen as a clear issue for management as the respondents believed that many companies are using social media without being clear about their objectives and are often failing to follow through on their initial activity. *"many companies know they need it, however they don't really know why..."* and goes on to suggest: *"social media may become a fad for certain companies as they don't engage with the communities they initially strived and essentially created."*

Clarity of objectives is vital if brands are to overcome the limitations of 'social media' mentioned earlier: These views are supported within the literature which suggests integration is a key factor and that choosing the right medium will depend on a sponsor's target market and message the brand wants to communicate, fulfilling their objectives (Kaplan and Haenlein, 2010, Sheehan 2010).

The rapid emergence of 'social media' and the phenomenal consumer take up is partly responsible for this lack of clarity as sponsors and agencies have felt pressured into adopting it quickly.

One respondent suggests a reason for the lack of clarity of objectives, not cited within literature: "*chiefs of these big brands will be of an older generation and I don't think they necessarily understand how to use it effectively and it is actually much more complicated...*" As a result social media is often delegated to junior members of the team, whilst senior people retained responsibility for traditional media.

As 'social media' becomes more established and understood, these tactical approaches may be replaced by more strategic and integrated thinking. One proposal from the research is that social media strategies will continue to evolve and mature as new platforms are developed or integrated with more traditional activities.

An appropriate level of investment

There was an understandable reluctance to reveal exact details of investment due to commercial confidentiality. However, respondents consistently suggested that brands are moving their budget away from traditional methods of leveraging sponsorship towards digital, including social media. In reference to digital media generally, estimates varied widely and some respondents believed it would depend on the brand.

One respondent from 'Castrol' suggested that traditional media still has a vital role to play in maximising the potential of 'social media'. When discussing the brand, they explained that no one is looking for 'Castrol' on 'Facebook' and so to achieve a following they still need to invest in traditional media.

Creativity

The importance of creativity within a sponsor's 'social media' activity was evident throughout the research and is linked to the challenge of recognising the importance of the 'social' element in social media. 'NIKE' brand campaigns which are designed to "*create excitement in the market place rather than revealing exactly what we are doing."* Sporting event managers have a part to play in this creativity by making event content available, such as video footage, to the sponsors' creative teams. This is supportive of the literature which stated that those sponsors who have been effective at achieving competitive advantage from leveraging, are those that have been creative in their exploitation (Masterman, 2007).

Recognition of the social element

Respondents suggested that what makes 'social media' successful is the 'social' element rather than the technology itself. The data suggests that brands which use social media to leverage sponsorship must understand the implications of this or they risk alienating the target audience.

This 'social' element demands very different skills and mindsets within marketing departments: "*brands embracing a social media strategy need to stop thinking campaigns and start thinking conversations."* The primary data correlated with the literature on this point which highlighted the crucial role managers play when creating a 'social media' strategy (Mangolds and Faulds, 2009), asserting that managers need to learn to interact with their customers as opposed to talking directly at them. One example given showed 'FIFA's' failure to understand this in its 2010 World Cup social media activity they were proud of their conversation with fans on 'Twitter' of 1.3 million followers but actually only followed 9.

The tone of brands' 'social media' activity is also important as conversation demands *"audience-speak, not brand-speak"* other respondents identified that *"you need to not only push a message but take feedback otherwise people can use social media against you*.**"** Furthermore, brands can not overly influence or control the conversations that are taking place, and that conversations should be consistent with the brand vision.

This balance between joining a conversation rather than controlling it, versus ensuring their contribution is 'on brand' may be a difficult one to strike for brands new to 'social media' and may demand high levels of creativity.

Conclusions

The research has identified four key areas that effect brands that wish to use 'social media' to leverage sponsorship; these are definition, interaction, access, and management challenges. Brands have shown that access and interaction are key reasons why they are looking to engage with 'social media' this enables a far more targeted approach than traditional methods. However brands need to grasp the social nature of the medium, not just the technology. This challenge seemed to be of great concern to many of the respondents. 'Social media' also provides knowledge of the target market to assist brands in designing sponsorship programmes relevant to individual fans and groups. One of the key limitations of the 'social media' is the scale of the interaction which could overwhelm companies and brands

The data suggests that digital technology has opened up new opportunities for influencing word of mouth communication and accelerated its impact (both positively and negatively). One of the main aspects is that competitive advantage in the future is likely to lie with those brands that have the capacity to monitor and respond quickly and creatively to technological developments. This has been seen particularly with the development of mobile technology.

The management challenges identified by the research imply that managing 'social media' is complex, brands and their agencies, need a strategic response to these challenges. They cannot simply rely on the junior member of the team to deliver social media campaigns but should be looking at building the capacity of the whole marketing department. Much of the challenge for sponsors was best articulated by 'social media specialists', rather than sports sponsorship specialists, suggesting that brands are not fully aware of the challenges of 'social media'.

Recommendations for industry that the research highlighted was mixed between the different types of industry practitioners for companies that already using 'social media' leveraging and ones that are using it the following recommendations would apply;

Organisations need to ensure senior staff are engaged in the planning for 'social media'. They need to not automatically delegate 'social media' to junior staff as this approach risks leading to tactical programmes which are not integrated within the wider strategy.

It is vital to consider the distinctive skills required to implement and sustain effective 'social media' leveraging programmes (strategic, creative, technical and social) and carry out a skills audit at every level to determine gaps. Produce a skills development plan to close the gaps identified. This recommendation will help ensure that the organisations have the capacity to maximize the use of social media in the future.

Stakeholder groups should find ways of systematically identifying future trends in 'social media' (particularly in the area of 'smart' mobile phones) to help gain competitive advantage by early adoption of new innovations. Organisations need to adopt a strategic approach to planning social media and integrate it with wider sponsorship leveraging strategies, rather than treating it as a stand-alone tool. Planning should include setting clear objectives for the medium.

Sponsors and their agencies should consider designing 'social media' programmes specifically for mobile phone users as the smart mobile phone can significantly increase access to the target audience, particularly in the developing world and emerging economies. For brands not using 'social media' leveraging already they also need to work with the sport event organisers and consider what content they have which might support sponsors' leveraging programmes (e.g. unedited video coverage) and have an internal system for ensuring this is appropriately shared with the sponsor to help enhance their 'social media' leveraging.

All sponsors need to carry out a market audit to consider the pros and cons of adopting this media as social media is set to become an established marketing medium in the long term.

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Appendices

Respondent Profile

Company	Type of organization
Benchmark Sports	Sports events organizer
NIKE UK	Consumer brand sponsor
North One Sports	Sports event rights owner
Media On Demand	Media streaming and webcasting
Castrol	Consumer brand sponsor
South East England Development Agency & LOCOG	Sporting event organiser
Wired Sussex	Digital media industry body
Mediastation	Digital marketing agency
COGAPP	Digital media agency
TBWA Toronto	Global creative marketing agency
Unthinkable Consulting	Digital media consultancy company

HAS HOSTING A VARIETY OF EVENTS AFFECTED THE DESTINATION PERCEPTION OF MANCHESTER, UK, AS AN EVENTS DESTINATION WITH INTERNATIONAL AND EUROPEAN ASSOCIATION CONGRESS PLANNERS?

Sehar Graham

Abstract
This paper offers academic discourse analysis around how Manchester, UK, has succeeded in hosting such a variety of events and how this may have changed perceptions of the city as a destination. Research questions include: Does hosting events simply lead to more events being held in the destination? Has the perception of Manchester changed to become one of „the‟ event destinations in the UK?
In recent times, Manchester has established itself as a principle events destination. The Manchester Commonwealth Games of 2002 is often seen as the impetus in propelling this destination into the limelight (NWDA, 2004). Thus, with the Commonwealth games having been a catalyst for change and development the city is also now able to offer locations for component parts of the 2012 Olympics in the UK (London 2012, no date). In addition, Manchester has also developed itself as a MICE destination, with the likes of both major political parties holding their annual party conferences in central hotel venues. In noting these developments it is now evident that MICE events alone have an economic impact of over £500 million (Marketing Manchester, no date). Counter to this in leisure events, and the recent Manchester International Festival, a biennial arts and cultural festival, has been estimated at £38 million (Manchester International Festival, 2011).
Manchester‟s recognition of its‟ event destination status has also been confirmed internationally, with Manchester being nominated by the Sports Business Group – Ultimate Sports City – having been shortlisted in the top ten out of 150 cities (Sports Business, no date). The destination has also been ranked number one „small city‟ in the world by international sports body SportAccord for sporting facilities, transport and public support (Manchester City Council, 2010). On top of these recent awards, Manchester has consistently remained the top 100 cities for the number of International and European Meetings held, having been ranked by The International Congress and Convention Association (ICCA) for the last 8 years (ICCA, 2011). The focus of this paper will be to specifically explore the International and European Association Congress meetings, and to look at their reasons as to why Manchester is selected as an events destination.

Keywords: *Destination, Events, Event destination, Destination perception, MICE events, International events*

Introduction

This paper offers academic discourse analysis around how Manchester, UK, has succeeded in hosting such a variety of events and how this may have changed perceptions of the city as a destination.

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In recent times, Manchester has established itself as a principle events destination. The Manchester Commonwealth Games of 2002 is often seen as the impetus in propelling this destination into the limelight (NWDA, 2004). Thus, with the Commonwealth games having been a catalyst for change and development the city is also now able to offer locations for component parts of the 2012 Olympics in the

UK (London 2012, no date). In addition, Manchester has also developed itself as a MICE destination, with the likes of both major political parties holding their annual party conferences in central hotel venues. In noting these developments it is now evident that MICE events alone have an economic impact of over £500 million (Marketing Manchester, no date). Counter to this in leisure events, and the recent Manchester International Festival, a biennial arts and cultural festival, has been estimated at £38 million (Manchester International Festival, 2011).

Literature Review

Manchester

The city of Manchester is located in the heart of Northwest England, around 200 miles from the capital city of London. According to the Office of National Statistics, Manchester as a population of 498,800 residents (Manchester City Council, 2012), in an area that occupies just 11,565 hectares.

According to the Inward Investment body, Midas, Manchester, generates over £56 billion of GVA (Gross Value Added), the Manchester City regions produces 52% of the Northwest total economic outputs, which represents 5% of the UK‟s total outputs (Midas, no date: online). A significant number of FTSE 100 companies have a Manchester presence with 40% of northwest top 500 companies are based in the destination. Manchester is home to over 2,000 companies that are foreigned owned such as Adidas, AIG and Google (Midas, no date). The city‟s airport, Manchester International, handles 18 million passengers from 200 destinations, employing around 19,000 people (Manchester Airport Group, 2012).

Whilst the city of Birmingham has historically thought of as the second city, Manchester is often perceived as the second city. In a poll 48% of UK residents thought that Manchester was the second city to London (BBC News, 2007). Whilst the second city title of often considered unofficial, it is thought of as a useful indication of a destinations‟ economic, tourist and infrastructure outputs. (BBC News, 2007). Business leaders and even Government Ministers have reported to consider Manchester to have second city status (The Independent, 2011). Manchester has always had a strong culture of music & sport, with the 1980‟s and 1990‟s decades being greatly associated with bands such as The Smith‟s, Oasis, Happy Mondays and the Stone Roses to name a few. The Manchester Football Derby between Manchester City and Manchester United divided the city‟s population, as it still does to this day. The rise of Indie music during this era was taking place in a different Manchester to the one seen down; a city that was known for its‟ high gun, drug related crimes and high unemployment rates (Manchester Evening News, 2007). The Manchester IRA bombing of the city in June 1996, damaged most of the original city centres. The year prior to this the city had successfully bid and won the right to host the 2002 Commonwealth Games. This in turn led Manchester through an intense phase regeneration and redevelopment. For some this regeneration due to the bombings, were what saved the city (Mahmood, 2010).

Manchester: an events destination

In 2002, Manchester hosted the 2002 Commonwealth Games, awarded to the city in 1996 after 2 unsuccessful bids for the Olympics. New infrastructure was constructed, including the Aquatics Centre, regional hockey centre at Belle Vue, plus improvements to other existing facilities. Of course, most notably the regeneration of East Manchester, leading to the creation of Sports City – now home to football‟s Manchester City (NWDA, 2004). In addition, a culture of volunteering was created leading on from the 15,000 volunteers that managed the games themselves. To this date, Manchester Event Volunteers (MEV) is still active and supporting Manchester‟s events through its volunteer programme (Manchester Event Volunteers, no date). The games were also the catalysts for improvements to the city‟s transport infrastructure, with major investments and improvements to the city‟s tram network Metrolink, park and ride services, new rail station at Manchester airport, plus refurbishments of the city‟s worn out train stations and roads (NWDA, 2004: 5).

At the same time the destinations‟ event and hospitality services were being developed. In 1986 the city‟s Convention Centre, had been developed out of the old the Manchester Central Station, which until that point had been derelict. In 2007, the convention centre was now re-branded to Manchester Central and Convention Centre (Manchester Central, no date) and a further £30 million was injected into the complex as part of an expansion programme. The growth of luxury hotels, starting with the Radisson Edwardian on the site of the Free Trade Hall, resulting in the city offering 8,000 bed spaces within the City Centre alone and 24,000 within 15km of the City Centre (Visit Manchester, no date; Manchester City Council, 2009) – includes a range of accommodation from 5 star to budget and everything else in between.

The value of Business events in Manchester has been valued at £573 million during 2009. It found that corporate business events account for 55% of the industry, followed by government / public sector events (32%), national association conferences (11%) and International & European association conferences (2%) (Marketing Manchester, no date: online). Greater Manchester‟s tourism industry generates £5.8bn for the local economy and supports 77,000 full time equivalent jobs across the region research has shown**.** The figure represents a rise of 7.8% in terms of economic impact and an additional 1,697 jobs on last year. Greater Manchester now attracts 8.8 million overnight visitors a year and 91.4m day trippers (Marketing Manchester, 2011:online).

Marketing Manchester

Following on from the success of the 2002 Commonwealth Games, the decision was taken to create Marketing Manchester, which remains the city‟s Destination Management Organisation (DMO). Formed officially in 2004, Marketing Manchester, arose from its‟ predecessor, the Northwest Tourist Board. Marketing Manchester‟s main remit is to promote the city on a national and international basis (Marketing Manchester, no date), no different to the core remits of DMO‟s, which is to enhance the long term competitiveness of the destination (Pike, 2004). Out of the 5 core objectives Marketing Manchester has, one is clearly stated as *"increase the interest in, and visitors to the city, through the creation of a world class events programme that builds on and strengthens the Manchester brand"* (Marketing Manchester, no date: online).

In addition, Manchester City Council 2009 – 2012 City Strategic Plan states as one of the objectives *as "marketing the city centre as a shopping, leisure break and conference destination"* (Manchester City Council, 2009: 5). This is mirrored by the Greater Manchester Destination Management Plan (2010), which further highlights that Manchester will carry on to develop its‟ conferencing offer – with a particular focus on national and international associations (Manchester City Council, 2010). The plan cites that International cities attracting significant investment in both marketing and facilities to capture these mobile conferences.

In 2004, Marketing Manchester created the "Northwest Conference Bidding Unit", which was a unique project aimed specifically to attract International and European Association Congresses to Manchester and the wider Northwest Region. This project was managed by a targeted approach of research, identifying and competitive bidding for International and European Association Congresses that could be held in Manchester (Davidson and Rogers, 2006). This further mirrors the Manchester‟s destination management plan – to create a leading conference and business destination – by increasing the number of International and European associations event held (Manchester City Council, 2010).

International Meetings

From the previous literature it is clear that the events sector that Manchester is pursing with some vigour is the MICE – Meetings, Incentives, Conferences and Exhibitions sector. The MICE sector accounts for 28% of all inbound visitors to the UK (Bowdin et al, 2011) and in the UK represents around £18.8 billion out of the £36 billion that the UK events industry is worth (Business Visits and Events Partnership, 2011). The term Business Tourism is also widely used within the conference industry; with business tourism being a *"sub sector of the overall* *tourism industry which comprises both leisure and business tourism"* (Rogers, 2008: 23). The term business tourism is extensively used by destination management organisations to include conferences, exhibitions, trade fairs, corporate events and incentives. Business tourism is also highly lucrative – research by VisitBritain, has shown that the MICE sector generates high delegate spend, as shown in the table below:

Event type	*Delegate spend per day £*
Corporate Day	£120
Corporate multi day	£459
Domestic Day association	£170
Domestic Multi Day association	£461
International Associations	£364
Other	£305

Table: 1 delegate spends per category, (source: VisitBritain, 2006: 4)

Aside from the obvious financial incentives for targeting the International Association market, this section is also generally considered to be recession proof (Global Travel Industry News, 2011; Davidson and Rogers, 2006), which in the current economic downturn is a considerable attraction to DMO‟s. In addition, from the city‟s perceptive hosting these types of events, which will often have links with the destination‟s academic communities and universities, are considered to raise the profile of the destination itself, particularly as *"knowledge capitals"* of those destinations (England Tourism Framework, 2010:online). Extension of these to attract events are classed as "Ambassador Programmes", which are extensively used by DMO – the use of a local host, mainly academic, to lead a Congress bid (Davidson and Rogers, 2006).

Associations

The largest and longest conferences held throughout the world are Association events (Davidson and Rogers, 2006:6). Associations tend to be non – profit groups where membership is based upon a commonality. This may be trade, a profession, a specific interest or cause. Examples would include for instance, "The International Associations of Dermatologists", and the "European Coil Coating Association", to name a few. Associations tend to host regular congresses and exhibitions – and members may be drawn locally, regionally, national or internationally (Davidson and Rogers, 2006:6). It is estimated that there are around 19,000 different association meetings that are organised on a regular basis (ICCA, 2011: online). These types of meeting tend to rotate destinations, meet on a regular basis, have long lead in times and will be subject to a competitive bidding process.

International Congress and Convention Association

The International Congress and Convention Association (ICCA) is Global association within the meetings industry and one of the most prominent organisations in the world of international events (ICCA, 2011), having been established in 1963. ICCA main role is to collate information on associations hosting international and European meetings. Information on these meetings is used by DMO to identify, target and bid to host these meetings. One of the main remits of ICCA is to list or rank cities (and afterward rank countries) by the number of International and European meetings held in each city. Each year a top 100 list of cities are ranked by ICCA – this is seen as a valuable tool used by the DMO for publicity and promotion; and by meeting planners to see which cities are successfully hosting many meetings. ICCA has membership available for Destination Marketing (DMO), Meeting Management (PCO), Meeting Support, Transport and Venues (ICCA, 2011). The association itself having been established for just under 50 years and with 900 members in 86 countries (ICCA, 2011), is well respected as the industry authority on International and European congress meetings.

In order to quality as an International or European Association Meeting, ICCA, have established a strict criteria to define what "International", and "European" association meetings. The criteria is as follows:
- Meetings must rotate between at least 3 different countries
- Meetings must have at least 50 delegates attending
- Meetings must be held on a regular basis

(Source: ICCA, 2009)
In general, partly due to the criteria that defines these International and European congress meetings, these events are often subject to fierce competitive bidding between destinations in order to attract them to a potential host city. ICCA membership also includes access to an Association database, via which members can access information, including that relating to the bidding process, for each and every single association meeting (currently in the region of 9,120 meetings held in 2010; 19,000 in total) (ICCA, 2011).
The competitive bidding process of this type of meeting is usually typified by firstly researching the suitability of the event and the destination‟s capacity to host the event: event feasibility (Bowdin et al, 2011). Once this has been established, the process is follows through by developing the bid, submitting the bid, presenting the bid and finally depending upon the outcome of this – either winning or losing the bid (Tassiopoulos, 2006; Van der Wagen, 2006). This very competitive bidding process means that these International and European congress meetings will often have several destinations bidding to host their event. These events do not simply decide to select a city in which, to be hosted. The competitive bidding process outcome will be decided by the Association itself, usually by Association‟s board and most definitely influenced by the Association‟s President (ICCA, no date). However, factors that influence the bidding process; logistical, financial, internal association objectives and emotional factors – play a big part in this process (ICCA, no date). Looking at the city rankings produced by ICCA for 2010, the top 3 cities were as follows:

City position	Number of ICCA ranked meetings held
1st: Vienna	154 meetings
2nd Barcelona	148 meetings
3rd Paris	147 meetings

Table 2: Top 3 cities for International and European Meetings, 2010

Within the top 100 cities, the following UK Cities were ranked as: (ICCA, 2010).

City position	Number of ICCA ranked meetings held
14th: London	97 meetings
29th: Edinburgh	66 meetings
64th: Glasgow	29 meetings
86th: Manchester	21 meetings

Table 3: UK cities for International and European Meetings, 2010

Marketing Manchester main objective, as set by Manchester City Council, is to achieve a top 50 ICCA position by 2015. The Culture Strategy report produced by Manchester City Council (2011), cited, "*Conference and Business Tourism continues to be of vital importance to the Manchester economy. The business visitor is worth 3 times more than the leisure visitor, in terms of economic benefit to the city. Such high profile events also generate significant national and international media coverage, and furthermore promote Manchester on the world's stage as one of the best places in the UK to do business"* (Manchester City Council, 2011: 10). This alone has been the main driving force behind Marketing Manchester proactive perusing of the International and European Association Congress market. Sehar Graham, Manchester Metropolitan University Page 16

Table 4, as shown below, highlights the number of ICCA ranked meetings that Manchester has hosted and the subsequent ranking. The destination has constantly remained within the top 100 cities since 2003, however, the number of meetings has not exceeded 24, and the rankings themselves have not been higher than 49.

Year	Number of qualifying meetings	Ranking by ICCA
2001	8	Outside 100
2002	19	Outside 100
2003	11	Outside 100
2004	17	60th
2005	24	49th
2006	17	86th
2007	18	83rd
2008	24	69th
2009	22	79th
2010	21	86th

Table 4: Manchester's ICCA's position during 2001 – 2010, number of qualifying meetings

Destination perceptions

The Greater Manchester Destination Management Plan 2010-13, states as one of its" main objectives, *"to change perception of Manchester around the world, through targeted press coverage and marketing campaigns"* (Manchester City Council, 2010).The city is aware that a perception that still exists of Manchester, is that of a grey industrial city – which is a reference to Manchester"s textile heritage. However, this dated image of the city comes across as a negative perception of the city. Destination image has literature wise in the industry, from a tourism perceptive has been well documented (Baloglu, et al 2005). The elements of destination perception include 3 components, these are: cognitive (attribute-based), affective (feelings) and overall global impressions (Baloglu, et al 2005: 744). Oppermann (1996a) concluded that destination perception is influenced by direct experience with a destination. Research carried out by Oppermann (1996a), demonstrated that the perception of meeting planners towards a convention city, was more positive as a result of previous experience of the city, as opposed to those without this experience. Since the perception process consists of selection, organisation and interpretation of data (Bokeno, 2011); then this would fit in with Oppermann (1996a) findings. Much research has also been published that has demonstrated the use of sporting events to form or alter a destination"s image (Lee et al, 2005; Gray and Holdnak 2002; Hede 2005; Ritchie et al, 2007). However, does the same apply when meeting planners see certain event types being held in a particular destination – in this case are International and European Association meeting planners influenced by Manchester hosting similar events and hence their decision to host their congress in the city? This is crucial to the research question posed in this study.

Rationale for study

There is little or no academic analysis on Manchester and its" rise as an events destination; in relation to International and European congress, conferences and conventions. Whilst there is obviously data that has been produced by both ICCA and Marketing Manchester, there has been no previous study that has specifically looked the rise of Manchester as a MICE destination; and asking the question if this has changed the perception of the destination by event planners and organisers; and what is important to these meeting planners when they decide to select a particular destination. This study will aim to answer this research question and it is hoped that this information could provide the opportunity for further research and analysis in the future.

Data collection

In order to answer the research questions, an exploratory questionnaire was prepared and distributed online to International and

European meeting planners / organisers. These meeting planners have either recently held a meeting in Manchester, since 2006 or will be holding a meeting by 2013. Hence, all meetings would have been held in Manchester from between 2006 and future meetings to 2013.

The questionnaire was distributed online via using the survey instrument Snap Surveys. The use of Snap Survey provided ease of distribution of the questionnaire as well as allowing for basic statistical analysis of the data, resulting from the collation of the data, to allow for further interpretation to explore trends and themes of this research.

In total 98 contacts were identified to whom the questionnaire was distributed. In all instances client confidence was maintained (and often asked for) and all data recorded is anonymous. **Discussion around data analysis**

The questionnaire‟s main objective was to establish the following:

 What factor(s) are important for International and European Association meeting planners when deciding which location to host their congress in a particular destination?

 Do events attract other events to be held in the same destination?

 Is the perception of Manchester, that of an events destination and does this change before and after hosting an event?

The questionnaire consisted of closed questions; responses were measured via the Likert Scale – with a range of 1 to 5. Here 1 represents strongly agrees with the statement and, 5 represents strongly disagreeing with the statement.

Important decision making factors for International and European Association meetings

The questionnaire asked respondents to rate the factors that influenced their decision to host their meeting in Manchester. Practical factors, mostly focusing on logistical factors influenced the responses heavily. 70% of respondents strongly agreed or agreed that airports and routes offered were a deciding factor in decision making.

The main points are summarised in table below:

Association decision to host their congress in Manchester, influenced by:	**Percentage that either strongly agreed or agreed**
Destinations airport and routes offered	70%
Transport links in the destination	55%
Range of hotels in the destination	65%
Congress / Conference Centre	75%
Range of facilities offered by the destination, attractions, restaurants, et al	55%

Table 5: Associations decision to host their congress in Manchester – deciding factors

These findings mirror research by Oppermann (1996a), which highlighted meeting planners for convention cities, have an underlying preference for cost, service, facilities and location as the main underlying factors in the planners‟ decision making process. This was based upon examining 30 North American Convention cities; however the respondents for this study have highlighted the same elements; even though 75% of respondents were based in Europe. For Marketing Manchester it is worth noting that city infrastructure developments are the main influencing deciding factors used by International and European Association congress planners.

The perception of Manchester, as an events destination; does this alter before and after hosting an event in the city?

Respondents were asked the same set of questions, but to answer them firstly how they felt about these statements *prior* to hosting their event in Manchester; and then secondly the same questions but *after* hosting their event.

The results are shown in table 6 below:

Before hosting your congress in Manchester, please indicate how you feel about the following statements?	Percentage that either strongly agreed or agreed
Manchester has a good destination image	55%
Manchester is seen as a destination to host meetings and events	45%
Manchester is a destination with a good reputation	40%

Table 6: Respondents – responses to statements prior to hosting event in Manchester

The respondents were asked the same questions again, but this time after hosting their events. The responses can be seen in table 7 below:

After hosting your congress in Manchester, please indicate how you feel about the following statements?	Percentage that either strongly agreed or agreed
Manchester has a good destination image	75%
Manchester is seen as a destination to host meetings and events	65%
Manchester is a destination with a good reputation	70%

Table 6: Respondents – responses to statements after hosting event in Manchester

There is a significant increase in all 3 questions response rates from strongly agree and agree. With each statement the perception and destination image of Manchester increased significantly. This is in line with research by Oppermann (1996b), demonstrating that the perception of meeting planners towards a convention city, was more positive as a result of previous experience of the city, as opposed to those without this experience.

The initial responses to the three statements has, i.e. before the event, has been relatively negative towards Manchester; however the increase or change in perception in Manchester as an events destination post event. For Marketing Manchester this highlights that in the bidding stages for an Association congress, the most influential strategy would be for the decision maker(s) to attend a familiarisation event. Whilst this is an expense, it may lead to possibly more conversions for bidding, simply due to the change of perception of the city.

Do events attract other events to be held in the same destination?

The series of questions that related to testing this research question was fundamental to this study. Are other International and European Associations influenced by seeing other Associations hosting their events in particular cities; leading on if the higher the ICCA cities ranking then this must be influencing the decision to host meetings. Manchester City Council (2011), make reference to the fact in their Cultural Strategy document, that the staging of International and European Association events will *generate "significant and important media coverage and furthermore promote Manchester as one of the best places to do business in the UK"* (Manchester City Council, 2011:10). By this token, does this infer that seeing high profile events taking place in the city, that other events will want to be held there? The replies from the respondents can be seen in table 7 below:

Regarding your decision to book your congress / convention in Manchester, was the decision to book your meeting in Manchester influenced …..	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
By other associations having booked their meetings in the city previously?	0%	25%	20%	30%	25%
By subvention / civic funding being offered by the city?	10%	15%	15%	40%	20%
By the additional services being offered by the city‟ convention bureau?	0%	20%	20%	45%	15%
Because your association wanted to increase its‟ membership in Manchester?	15%	0%	20%	45%	20%
Because your association board members have a Manchester connection?	50%	10%	5%	20%	15%
Because of the academic research connections in the destination?	25%	25%	10%	20%	20%

The implication that Subvention or Civic funding was a deciding factor was meant with some strong and clear messages, with 60% of International and European Associations either strongly disagreeing or disagreeing that this influenced their decision to host their event in Manchester. Subvention is a topic that Associations are unwilling to discuss (from the author‟s experience in industry; Britain for Events, 2011b:online), despite the fact that the practice is wide spread in Europe and to a lesser scale in the UK (Britain for Events, 2011b). It is suspected that subvention does play a role in influencing an Associations‟ decision to host an event in a destination, but the willingness to admit this has a factor is not forthcoming. This would mirror research that indicates that the UK faces a competitive disadvantages due to it‟s‟ lack of subvention offer in comparison to other European and International destinations (Britain for Events, 2011b); plus considering the UK‟s overall ICCA country and cities‟ rankings.

Results that were significant were that 60% of respondents either strongly agreed or agreed that their decision to host their event in Manchester was due to their being a "Manchester connection". This may have been a Board Member, an active member within the associations, Presidency or some other relationship with the City. This is also mirrored by the 50% of respondents, who decision to host an event in Manchester was due to the academic connections of the destination. Both of these factors indicate towards the use of "Ambassador Programmes" to act as a link to attract Association events to a destination – in other destinations referred to as "Local Hero Programs", (Davidson and Rogers, 2006; Rogers, 2008). The use of working with willing volunteers, or Ambassadors who are in a position to influence directly or indirectly the conference destination decision of the Professional institution to which they belong, seems to be a viable one (Davidson and Rogers, 2006). Whilst the majority of Ambassadors tends to be from academia, with Manchester and Greater Manchester region home to 4 Universities and over 75,000 students, science parks and research centres, puts Manchester in a fruitful position.

Limitations of the study

The main limitations of this particular study were restrictions on time, mainly due to the authors other commitments, and the short time duration between completion and submission of the paper.

In addition, the restricted sample size meant that it was not possible to carry out any detailed statistical analysis, other than analysis of frequencies. However, the sample size was also unique to this study. Since this study was focusing specifically on International and European Association Congresses *that had held, or were holding* the in future a meeting in Manchester; meant that the sample size was limited because of the meetings that were included in this category.

Due to the time restriction and the author conducted the research via questionnaires, rather than in-depth interviews. This was because of the access of questionnaire (submitted electronically), and also because of the location of meeting planners (all over the World) and the author (based in Manchester). This meant that face to face interviews, owing to time and geography, were on this occasion, not feasible.

Due to the nature of the Governance of International and European Associations, the decision maker - usually Presidency of the Association would have been key to deciding upon the location of future meetings. The author noted that the incumbent President of many Associations were unable to complete the questionnaire, because they had not been the decision maker at the time of deciding to select Manchester as host city. The lead in time from successfully bidding, announcing host city and actually hosting the event would be minimum 2-3 years, by which time Presidency may have changed.

Conclusion

In view of the original research questions, the course of this research has shown that International and European Association Congress meetings are influenced by a variety of factors. This research mirrors Oppermann (1996a) study – International and European Association meeting planners are influenced by a destinations‟ location, service and facilities. Destination perception, again, Oppermann (1996b), has shown that Associations changed their perceptions towards Manchester as an events destination, after having hosted their event. For Marketing Manchester this means reviewing their competitive bidding strategy in order to achieve a higher conversion rate from bidding. It was also clear that Associations events do not simply attract other events.

Recommendation for further research

In view of this research, the author would suggest the following recommendations for further research. This would include:

- In depth interviews with meeting planners who have hosted or plan to host a meeting in Manchester
- Interviewing those individuals who were the key decision makers at the time; and influenced the decision to select Manchester as host City
- Comparisons of other cities that attract International and European Association Congresses, that have also seen their destinations grow and establish as event cities.
- To broaden the criteria of event; hence to include all typologies of events and not restricted to International and European Associations Congresses. Therefore, looking at the range of events held in Manchester.

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INVESTIGATING THE INFLUENCES OF MARKETING MIX FACTORS ON CONSUMER BUYING BEHAVIOUR IN BOOKING A BUDGET HOTEL

Tahir Rashid, Grazyna Rembielak-Vitchev & Pitchanun Chatasawapreeda

Abstract
The main aim of this paper is to determine which factors of the marketing mix (4P's) are influential on consumer buying behaviour in booking a budget hotel. The research investigates the relationship between the six demographic variables (gender, age, marital status, nationality, occupation and monthly income) of respondents and marketing mix factors. Furthermore, the research also examines which marketing mix factor is considered to be the most important by consumers when selecting a budget hotel.
The literature review provided three main subject areas to focus upon including budget hotel, consumer buying behaviour and hospitality marketing mix. Positivism approach was adopted as the basis of this research and 175 completed questionnaires were analysed using SPSS. Statistical analysis techniques were applied to investigate the relationships between the marketing mix and the six demographic factors of the respondents.
From the research findings, it was found that there were significant relationships between price, place, promotion and some of the consumer's demographic factors, whereas the product variable had no relationships with the six demographic factors. From carrying out the Pearson Correlation, it was concluded that promotion was the most influential factor on consumer buying behaviour in terms of booking a budget hotel in the UK.

Keywords: *Demographic factors, marketing mix, consumer buying behaviour, budget hotels*

Introduction
The budget hotel sector is becoming a key player and has gained high market share within the UK hotel market. The increasing number of low cost airlines and expansions of motorway in the UK are some of the key factors pushing the budget hotel sector growth (Mintel, 2007). These are the main reasons why the UK budget hotel sector has rapidly grown from 2002 to 2006 by 38 percent (CNN, 2008) and is worth over £ 1 billion today. Moreover, Mintel (2007) forecasts that the UK budget hotel industry will expand rapidly until 2012, a potential reason being the Olympic Games, which will be held in UK in 2012. With high competition in marketplace, undoubtedly, the central heart of making business successful is consumers. If the marketers lack the knowledge of the consumer's wants and needs, it will be very difficult to satisfy and respond to them (Reid and Bojanic, 2006).

Thus, understanding the consumers buying behaviour is very important for every commercial business, because in order to satisfy and retain their customers they have to understand the consumer's needs and expectations first. There is a lot of research in the area of consumer behaviour, in particular on selection of accommodations in general terms but there are fewer specific studies on consumer behaviour when booking a budget hotel. The main aim of this paper is to investigate the most influential factors of marketing mix (due to the specific context of

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this research the authors decided to concentrate on 4 P's for the purpose of this paper,) on consumer buying behaviour in booking a budget hotel. The research examines the relationship between six demographic variables (gender, age, marital status, nationality, occupation and monthly income) of respondents and marketing mix factors. Moreover, the objectives of the research are also to examine which marketing mix factor is the most important for consumers when selecting a budget hotel.

Literature Review

Budget hotels are sometimes known as *lodges* (Imrie and Fyall, 2001), *economy lodgings* (Brotherton, 2004), or *limited service hotels* (Power and Barrow, 2006), or currently used terminology *select-service lodgings* (Bardi, 2011),: this kind of lodging was first established in the United States of America.Generally, the budget hotels provide just guest rooms with low-price and few-frill (less) of other amenities, but both mid-price and upscale budget hotels sometimes offer coffee service and continental breakfast to customers (Ninemeier and Perdue, 2005).

Notwithstanding, Brotherton (2004) states that it is difficult to establish a universally accepted definition of a budget hotel as budget segment has widely operated and considerably developed in the UK over the past decades. Accordingly, it is difficult to justify the terms of limited service or budget hotels because they are widely used in the specific hospitality parlance and common as stated by the previous author. He concludes the nature of budget hotels in the UK; centralized reservation system, strongly branded hotel, accessibility, standardized guest-room amenities and layout, fixed room rates with low price offer and limited service.

Blackwell et al. (2006, p.4), define *consumer behaviour* as: "activities people undertaken when obtaining, consuming, and disposing of products and services". In the context of tourism "the process encompasses the stages of searching for, purchasing, using, evaluation and disposing of products and services" (Moutinho et.al., 2011: p.83). Referring to consumer behaviour, Kotler et al. (2006) state that it seems difficult for marketers to understand and define the behaviour and characteristic of each consumer regarding the reason why they decide to select and buy those things sometimes with or without reasons. Since there are many marketing factors that can influence consumer behaviour the marketers need to consider all activities that are undertaken by the target consumers.

There are many internal and external elements that influence consumer buying behaviour; including socio-cultural and individual (or demographic) factors (Bowie and Buttle, 2004; Blackwell et al., 2006; Kotler et al., 2006, Schiffman and Kanuk, 2010; Solomon, 2011). This paper examines the internal influence, such as individual or demographic factors including: age, gender, occupation, income and marital status, and external influences such as culture on the purchase decision.

Culture can be referred to "the complex of values, ideas, attitudes, and other meaningful symbols" that "are transmitted from one generation to another, and individuals learn value and culture through socialization" (Blackwell et al., 2006, p475). Solomon (2011: p568) claims that culture is "a society's personality, which includes both abstract ideas, such as values and ethics, and material objects and services". According to Mooij (2011: p.33) culture is "what defines a human community, its individuals and social organisations". It can be argued that consumers from different nationalities can have varied consumption patterns and they may have different expectations from products. It is necessary for marketers to study consumer's buying preference based on the pattern of each culture.

Dibb et al. (2006) indicate that *buying behaviour* comprises the decision process of buying and actions of using products of people. For *consumer buying behaviour* can be referred as the purchasing behaviour of final consumers who buy products for specific purposes such as for household or individual usage, not for business usage.

According to the earlier studies (Powers, 1997; McCarthy and Perreault, 2002; Swarbooke and Homer, 2005; Kotler and Keller, 2012), the authors define the marketing mix as a tool or set of variables that is used by organisations to respond and satisfy the requirement of customers in the face of competition. Swarbrooke and Horner (2005) also state that marketing mix variables must be designed to reflect the needs and wants of target consumers in order to attract buyers and make purchasing more easily.

The marketing mix consists of traditional four P's: price, product, place and promotion, to 7Ps in the case of services marketing – including additionally: processes, people, and physical evidence; these variables can be controlled by managers (McCarthy and Perreault, 2002; Reid and Bojanic, 2006; Kotler and Keller, 2012). The P's are manipulated to formulate marketing strategies for product and service by firms.

Kotler et al. (2006, p447) simply define *price* as: "the amount of money changed for good or service". Several authors suggest that setting appropriate *price* is a one of the most critical factors which influences customer buying behaviour (Swarbrooke and Horner, 2005; Hoyer and Maclnnis, 2010) and it is also "one of the key issues in hospitality industry" (Elsayed, 2006). The other important role of price is used to play in terms of competition (Evans et al., 1997), especially within the budget hotel sectors. It is clear that budget hotel firms, typically focus on the price strategy with offering low room rates to the customers. They provide few frills of amenities or limited range of services to the customers, accordingly price becomes major critical success factor for budget hotels in competition within the marketplace (Brotherton, 2004).

Blackwell et al. (2006) define *product* as the bundle of benefits that are acquired by consumers in process of exchange. In terms of the hospitality industry products are including guest rooms, restaurant meals, conference rooms, airline seats, cruise-line cabins, pubs or bars (Walker, 2009). *Place* can be referred in two meaning: firstly it can be referred to the physical location of the hotel and secondly to the distribution system used to make the product accessible to intermediary organization" (Morrison, 2002, p52). Since, the hotel site is fixed, it is the location of a hotel which is concerned with place. Major classes of hotel locations include capital city, business city, gateway location, highway location and rural location.

Promotion can be referred to "marketing communication" (Horner and Swarbrooke, 2005) or "communication mix" (Bowie and Buttle, 2004) or "promotion mix" (Kotler et al., 2006) which all these consist of variety promotion techniques such as advertising, sales promotion, brochures, loyalty cards, sponsorship, point of sale materials, websites direct, marketing and words of mouth. Furthermore, Bowie and Butter (2004) suggest that the hospitality firms can use promotion tools such as brand identity, personal selling, direct mail and website to communicate with their customers and stakeholders in order to generate hotel sale and increase the number of customers.

The Relationship between Consumer Buying Behaviour and Marketing Mix Relating Booking a Budget Hotel

There have been a number of studies on the influence of various factors on consumers (Dolnicar and Otter, 2003; Lockyer 2002, Lockyer, 2005, Hsieh et al., 2008) in reference to booking a hotel, however only a small part of research was focusing on the context of a small size hotel, such as a budget hotel sector (Brotherton, 2004).

Pricing becomes an essential strategic tool of gaining competitive advantage among hotel businesses especially budget hotels. There is an increasing competition within the UK hotel market as a number of budget hotel brands have been expanding within the region over recent years (Mintel, 2008). The UK budget hotel sector has grown by 43% to over 85,000 rooms since 2001 (Mintel, 2008). There are wide ranges of choices for budget hotels, consequently customers always compare the quality between each hotel based mainly on reasonable pricing. The customers decide to choose a particular hotel offer if it completely meets their expectations. Several authors argue that most of customers determine the purchase of a product and service when they get satisfied at reasonable prices and acceptable value for money of products (Bowie and Butter, 2004; Swarbrooke and Horner, 2005; Walker, 2009). According to the study of Colbu and Scutariu (2008) the price becomes the most importance issue for customers when booking a budget hotel.

In terms of product, consumers will determine positioning of different hotel brands based on the characteristics of budget hotels such as good value for money, hotels prompt availability when they travel, and offering a basic standard of accommodations. Different customers seek different attributes of budget hotels depending on individual usage requirements, for instance, some people may want just a basic need (i.e. room just for sleep), while some people may need or require some functional attributes from a particular hotel (i.e. room/hotel design, pool, breakfast included or service standard).

Another factor, which plays a very important role in influencing consumers is *place* (Colbu and Scutariu, 2008). Place can be referred to two meanings: distribution channel and location (Morrison, 2002). In terms of distribution channel, the buyers will purchase the product when they are able to access it conveniently, whereas of course no sale will result if customers cannot access it. So intermediaries in the distribution chain are an essential marketing tool which has a powerful affect on consumers when booking a hotel. In terms of location, the findings from the empirical study of Wilensky and Buttle (1998) found that convenience of hotel location achieved the highest rating by customers, which was also confirmed by earlier studies (Lewis & Chambers, 1989; McCleary et al., 1993; Taninecz, 1990; Chu and Choi, 1990). Moreover, Bull (1994) argues that location influences consumers when selecting a hotel. On the other hand if there is a huge competition, meaning that there are plenty of available hotels in a certain location, this factor will be less influential on customers when making the decision but they will compare other factors instead such as product, price and promotion of those hotels within that area.

The promotion tool is created for attracting both regular and new consumers to purchase the products. Imrie and Fyall (2001) concentrate their research on loyalty cards. According to their study customers are not loyal to hotel's products or services but they are often loyal to the rewards. The use of loyalty card can be effective for building the relationship between hotels and customers. They also found that over 50 percent of customers do not consider loyalty cards, whereas the presence of recognised brand name has positive influence on the majority of customers (66.5 percent) when selecting a budget hotel. In addition, these authors found that the presence of loyalty card has more influence on consumers in the less affluent age groups. Furthermore, returning guests and business customers are less influenced than leisure customers by regular contact from hotel.

During the purchase choice stage, not only advertising from internet but also past experience of individual and word of mouth from family members or friends, who have previous experience with budget hotels, significantly influence customers when choosing a hotel (Colbu and Scutariu, 2008). This means that customers usually rely on internet searches, prior knowledge and word of mouth when searching a place to stay.

In conclusion, the consumer buying behaviour and marketing mix literature were demonstrated in order to generate knowledge on the influential factors on consumers when making purchasing decision. Moreover, the authors investigated some evidences from other researches in order to examine what happened in the earlier studies and to support the literature review to be more comprehensive. This study attempts to answer the following two questions:

Q1. Which marketing mix factors influence consumer's buying behaviour when selecting a budget hotel?

Q2. Which is the most influential marketing mix factor on consumers when selecting a budget hotel?

Hypothesis

Hypothesis 1: There are relationships between the six demographic factors and level of influence the price has on consumers when booking a budget hotel

Hypothesis 2: There are relationships between the six demographic factors and level of influence the product has on consumers when booking a budget hotel

Hypothesis 3: There are relationships between the six demographic factors and level of influence the place has on consumers when booking a budget hotel

Hypothesis 4: There are relationships between the six demographic factors and level of influence the promotional mix has on consumers when booking a budget hotel

Hypothesis 5: Price is the most influential factor on consumer buying behaviour when choosing a budget hotel

Methodology

Positivism approach was adopted by using *quantitative statistical techniques* to test the above hypotheses concerning the relationship between the marketing mix (four P's factors) and consumer buying behaviour. The researchers used face-to-face *survey questionnaires and online questionnaires* to collect the relevant information from the respondents who had experience in booking a budget hotel. (Brotherton, 2008).

Closed and open ended ranking questions and attitude scale were employed in the questionnaire design. Likert scale is based on five categorical scales (*1=no, 2=less, 3=moderate, 4=very and 5=most influence*) on each item/statement. The Likert scale is utilised in the last section of the questionnaire. This scale allows the respondents to rate their reflecting attitude toward each issue relating to marketing mix element.

Customers in Leeds were the target population of this research. The target respondents were local people, British or international leisure and business travellers, British and overseas students. The authors chose Leeds as place for collecting data because Leeds is one of the fastest growing cities and the financial capital of North UK. Moreover, Leeds has a population of over 750,000 people, which makes it the second-largest metropolitan city and third-largest manufacturing centre in the UK (Yorkshire Forward), with many British/international tourists, students and businessmen. Convenience sampling, the sub-technique of non-probability sampling were utilised to overcome the constraint of time of this research as this technique helps the researcher to collect data within short period.

Leeds population is approximately 755,300 inhabitants (Leeds City Region, 2010). The researchers aim was to estimate the data with 95 percent confidence (or Z-value = 1.96). This means, the sampling error permitted is not greater than 5 percentage (e = 0.05). Regarding the above outcome, which means that 384 respondents were a number of samples for gathering data for this research, the results from all respondents could be represented as whole population in Leeds (Zikmund, 2003). However, as the researchers obtained data from *175 respondents* the response rate in percentage of this research is *45.57%* .

The collected quantitative data from questionnaires has been analysed and interpreted by using *Statistical Package for Social Science (SPSS) software*. All the set hypotheses in this research tested the significance with *Pearson Correlation analysis* in order to investigate the influential factors of marketing mix on consumer buying behaviour in booking a budget hotel. This study aimed at proving reliability of collected data with statistical testing by *5% significant level* or *95% confident level.* After analysing, if the value of significant was less than 0.05, it would mean that the set hypothesis would be accepted. On contrary, the hypothesis would be rejected if the value of significant was greater than 0.05 (Saunders et al., 2009).

Results Analysis

The validity value was 0.822 which means that the collected questionnaires were suitable to conduct in this study. Besides, the alpha value of reliability of the survey was 0.9197.

Correlation

		Gender	Age	Marital Status	Nationality	Occupation	Monthly Income
Price Influence	Pearson Correlation	.153*	-.157*	-.171*	-.098	.030	-.230**
	Sig. (2-tailed)	.043	.038	.024	.198	.694	.002
	N	175	175	175	175	175	175
Product Influence	Pearson Correlation	.043	-.041	.009	.002	.021	-.053
	Sig. (2-tailed)	.576	.587	.901	.979	.779	.489
	N	175	175	175	175	175	175
Place & Distribution Channels Influence	Pearson Correlation	.158*	-.190*	-.109	-.120	.094	-.191*
	Sig. (2-tailed)	.037	.012	.150	.112	.214	.012
	N	175	175	175	175	175	175
Promotion Influence	Pearson Correlation	.195**	-.250**	-.194*	-.084	.034	-.290**
	Sig. (2-tailed)	.010	.001	.010	.267	.659	.000
	N	175	175	175	175	175	175

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Table 1.0: the Correlation between 4P's and the Six Demographic Factors

Hypothesis 1: There are relationships between the six demographic factors and level of influences the price have on consumers when booking a budget hotel

It can be seen from Table 1.0 that there are positive relationships between price and gender (0.153), and negative relationships between price and age (-0.157), marital status (-0.171) and income per month (-0.230) of the respondents. Thus, hypothesis 1 can be accepted only relationships between price variable and four demographic factors which are statistically significant at 0.043 (gender), 0.038 (age), 0.024 (marital status) and 0.02 (monthly income) respectively. And this hypothesis is rejected on the relationships between price and both nationality and occupation variable.

Hypothesis 2: There are relationships between the six demographic factors and level of influences the product have on consumers when booking a budget hotel.

Referring to Table 1.0, it is clear that there are no significant relationships between product variables and six demographic factors of respondents. All the significance values are greater than 0.05. Thus, the hypothesis 2 is rejected. It means products of budget hotels have no influences on consumers when booking a budget hotel.

Hypothesis 3: There are relationships between the six demographic factors and level of influences the place have on consumers when booking a budget hotel

There are relationships between place variable and three demographic factors including gender (positive relationship, 0.158), age (negative relationship, -0.190) and monthly income (negative relationship, -0.191) of the respondents which are statistically significant at 0.037, 0.012 and 0.012 respectively. Thus, hypothesis 3 can be accepted only the relationships between place and three demographic factors as indicated previously.

Hypothesis 4: There are relationships between the six demographic factors and level of influences the promotion mix have on consumers when booking a budget hotel.

Table 1.0 shows that gender, age, marital status and monthly income of the respondents have significant relationships with promotion mix at 0.010, 0.001, 0.010 and 0.000 respectively. Promotion mix has positive relationships only with gender (0.195), and has negative relationships with age (-0.250), marital status (-0.194) and monthly income (-0.290). On contrary, there are no relationships between promotion influence and nationality as well as occupation variables in terms of booking a budget hotel because their significance values are greater than 0.05. Therefore, hypothesis 4 can be accepted only if there are relationships between promotion mix and gender, age, marital status and monthly income.

Hypothesis 5: Price is the most influential factor on consumers buying behaviour when choosing a budget hotel.

Comparing the values of Pearson Correlation among four P's variables versus six demographic factors the results show that promotion mix factor has the highest values of Pearson Correlation when compared with others. Promotion mix has a positive relationship with gender variable at 19.5%, while it has a negative relationship with age at 25%, marital status at 19.4% and monthly income at 29% (See Table 1.0). It can be concluded that promotion mix is the most influential factor on consumers buying behaviour when choosing a budget hotel. Thus, the hypothesis 5 is rejected.

Discussion & Conclusion

According to the theory of Blackwell et al. (2006) and Kotler et al. (2006), these authors indicate that consumer buying behaviour is influenced by internal (i.e. age, gender, occupation, income and marital status) and external factors (i.e. marketing mix). The findings from the examination of the relationships between the demographic factors and marketing mix (Price, Product, Place and Promotion mix) were found that price, place and promotion mix of budget hotels had influence on consumer buying behaviour when making a hotel choice decision. However, the researchers did not find the evidence on the relationships between products of economy lodgings and the six demographic factors (age, gender, marital status, nationality, occupation and income). Overall, price, place and promotion factors had significant influences on these variables: gender, age, marital status and monthly income of the respondents. During the purchasing decision process of leisure travellers, price came up as the first rating that strongly influences especially the youth market, closely followed by the location of hotel. The elements such as service standards, brands and cleanliness were less considered by travellers when selecting a budget hotel. In this survey, the respondents chose a budget hotel for overnight stay or short break only. Overall, it can be indicated that not only price and convenience location have significance affect on travellers but the promotion mix, such as word of mouth marketing, hotel advertising on the internet, free complimentary, and discounting room rates, also have most influences on consumer buying behaviour when making a budget hotel choice decision. With the high competition within the UK budget sector today, promotion mix seems as a key of successful for the properties where can create and present a good technique to attract customers.

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CONSUMER BEHAVIOUR ERASMUS NETWORK - (COBEREN)

Carmen Rodríguez Santos

ABSTRACT

The main aim of COBEREN is provided to the academic and entrepreneurial worlds with a wide base of knowledge about culture and consumer behaviour as well as an updated data base on culture. Applying the same methodology in 31 European countries, we obtain comparable data in order to analyze similarities and differences among these countries.

Culture is the "prism" through which people view products and try to make sense of their own and other people's consumer behaviour" (Solomon et al., 2006: 498). But culture is a crucial variable not only for economic studies but also for social studies. Thus, "without cultural patterns - organized systems of significant symbols - people would have difficulty living together" (De Mooij, 2004). Culture defines a human community, being individuals the "result" of their culture.

Due to the importance of culture, this project will provide: updated and rigorous teaching material (useful not only in the marketing field but also in the areas of anthropology, sociology, social psychology and psychology), a key pool of knowledge and methodology in the research field, an updated data base about culture and consumer behaviour accessible and useful not only for the academic and business world but also for the social strategic and tactical decisions to be taken by the competent organisms.

Keywords: *Culture, Consumer Behaviour, Europe, Network*

1. COnsumer BEhaviouR Erasmus Network (COBEREN)

This proposal is established within the economic field, more specifically in the culture and consumer behaviour area. Culture is the "prism" through which people view products and try to make sense of their own and other people's consumer behaviour" (Solomon *et al.*, 2006: 498). But culture is a crucial variable not only for economic studies but also for social studies. Thus, "without cultural patterns - organized systems of significant symbols - people would have difficulty living together" (De Mooij, 2004). Culture defines a human community, being individuals the "result" of their culture. Despite the importance of culture and also considering that culture is not static, there is not:

1. A tool to accurate measure culture,
2. A pool of updated knowledge of culture descriptors, and
3. A knowledge of the culture profile of the European countries.

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Given this situation, the specific aims of the network are the development of:

An accurate measure and updated data related to culture, comparing 31 countries. A base of knowledge about culture and consumer behaviour, through applying the same methodology in the diverse countries, making thus the data comparable in order to analyze similarities and differences among the countries. Thus, consumer behaviour is a very new and interdisciplinary field (Solomon *et al.*, 2006). With COBEREN we try to make possible this interdisciplinarity.

With this project Coberen will provide: updated and rigorous teaching material (useful not only in the marketing field but also in the areas of anthropology, sociology, social psychology and psychology), a key pool of knowledge and methodology in the research field, an updated data base about culture and consumer behaviour accessible and useful not only for the academic and business world but also for the social strategic and tactical decisions to be taken by the competent organisms.

The intended study has not yet been carried out in Europe, in spite of its importance, having to refer always in teaching and researching to the studies made in USA, not transferables to the context of Europe and not applicable to provide the students with the appropriate knowledge and professional competences in the future, neither to support several lines of research interesting in diverse fields. This knowledge on culture in Europe is crucial for the teaching and research in different fields: marketing, consumer behaviour, sociology, psychology, anthropology and socio psychology. Moreover in this project we will materialize the analyses of culture analyzing complementarily the different consumer behaviors in European countries and the linkage among those concepts. This knowledge it is not only useful in teaching and researching, but it is priceless also for the Commercial National Institutions in each country, crucial in their strategic decisions and actions in the different countries. The fact that the envisaged results do not exist shows that this type of activity can only be undertaken by an academic network like COBEREN given the expert framework underlying the project, and counting on the numerous research groups and their collaborating staff and business partners. If we compare the benefits and the durability of them with the costs, the later are to be considered significantly small.

The benefits are divided in:
A. Teaching and research
Material in teaching and research will be updated. A new tool to measure culture will be developed, to be applied periodically, providing updated date on culture. A data base will be provided on culture descriptors in European countries (mainting this data base updated).

B. Economy
Consumer behaviour will be analyzed in the different European countries, linking this behaviour with culture. Apart from the areas of marketing and socio psychology, this knowledge is crucial in professional formation, making possible the linkage of the higher education institutions with the business world. Moreover this knowledge is essential for the organisms in each country responsible for taking strategic and tactical decisions in the commercial section.

C. Society
There are a lot of programs inside Lifelong Learning area trying to encourage interculturality but in all these programs it would be crucial, as a knowledge base, to have an objective and solid knowledge about culture (culture descriptors) in the different countries. It is not possible to be sensitive, to be tolerant, to be respectful, to behave appropriate if we do not know culture in the different countries. So this knowledge it is not only crucial for the customer analysis and for the managerial intercultural relations, but from the social point of view, and this perspective is crucial and applicable in every discipline.

1.1. Impact
Through the consecution of the aims proposed by COBEREN:

It will be provided to the academic and entrepreneurial field with an updated data base about culture. This is crucial not only from a social perspective but also from an economic perspective allowing the take of commercial decisions (both strategically and tactically) with a enough base of information. More over this data will be based on the application of the same accurate methodology, doing possible the comparability among countries in Europe.
The teaching will be improved thanks to the information about the European countries, improving the teaching and implementation of subjects, mainly: consumer behaviour, market research, commercial management and advertising. The research will be improved through the development and empirical prove of a tool to measure culture. Not only this, but this project will improve, through the experience, the knowledge about cross-cultural research methodology. The pool of knowledge will contribute through consultancy activities to

public organism and firms to take the appropriate actions. This project will provide the opportunity for new collaborations (in teaching, researching, innovation in enterprises…) in Europe. The meeting among partners will provide with a data of contacts also for other cooperations, all looking for an educational and research system of quality in Europe.

1.2. Quality of the Valorization Plan (Dissemination and Exploitation of Results)

The network will make the results and outcomes available to a vast educational and industry community that shall be interested, through various means:

The Project results will be published at the CORDIS: Project Information & Dissemination Service of the EU (http://cordis.europa.eu). Also, the associated partners which are mostly international networks of universities will serve as platform at surveys as well as for final distribution of results. Final results, the database, book, CD and general outcomes will be made available to all interested persons in the academic world through the communication channels of these groups (websites, newsletters, message boards, international offices, etc.). Specific presence sessions plus poster sessions will be organized and displayed at EAIE annual meeting to the widespread of the opportunities arising from the work of COBEREN. More specifically directed to dissemination at the business world, representatives of COBEREN will attend the following Marketing international events: AMS, EMAC, ESOMAR and EMARK.

1.3. For networks only: Please demonstrate the extent to which the activities proposed are networking activities

No individual institution could assume this big project without the support of such as the network developed, although it has been demonstrated and expressed the need of the outcomes that this project will provide. It is needed to update the teaching material, where, when dealing with culture and consumer behaviour topics, references are made to studies not updated or not from Europe. Moreover, this knowledge will open new lines of research, impossible now to be undertaken given this gap of knowledge. In spite of the relevance of the outputs Coberen will provide and the need of them being recognized in the academic system, nobody has been able to establish a solid network and a work project as COBEREN to undertake such a project.

2. QUALITY OF THE WORK PROGRAMME

The programme has been rigorously developed, having organized the work in the following task sections, configurated through groups of work, having the assignments of responsibilities and the chronogram of action.

I. MANAGERIAL ACTIVITIES

II. FRAMEWORK OF DISSEMINATION
II.1. Website

III. SECONDARY DATA
III.1. Preliminary literature update
III.2. Secondary data on country indicators and consumer behaviour

IV. QUALITY EVALUATION
IV.1. Quality evaluation of desk task

V. ACADEMIC/PRACTITIONER CONTRIBUTION
V.1. Report on descriptors
IV.2. Quality evaluation of report

VI. DEVELOPMENT OF TOOL
VI.1. Development of the tool to measure culture
VI.2. Quality evaluation of measure
VI.3. Manual describing the tool

VII. PRIMARY DATA
VII.1. Preparation field work
VII.2. Evaluation field work definition
VII.3. Field work
VII.4. Control field work
VII.5. Edition and depuration data
VII.6. Quality evaluation edition process
VII.7. Analysis of data
VII.8. Evaluation analysis of data

VII. 9. Interpretation of data
VII.10. Evaluation interpretation of data
VII.11. Manual on Culture & Consumer Behaviour
VII.12. Quality evaluation of dissemination manual

VIII. DEVELOPMENT DATA BASE
VIII.1. Development of data base
VIII.2. Evaluation data base
VIII.3. Dissemination of data base: CD and access though internet
VIII.4. Evaluation dissemination data base

IX. PRACTICAL DISSEMINATION
IX.1. Academic conference
IX.2. Evaluation conference
IX.3. Students seminar
IX.4. Evaluation seminar
IX.5. Workshop with enterprises
IX.6. Evaluation workshop

X. WEBSITE UPDATE AND EFFICIENCY

XI. GLOBAL EVALUATION

With the configuration of this plan of action we can assure the outputs expected with COBEREN and the efficiency, utility and dissemination of these results. The results will make a relevant contribution in the teaching, research and social fields, expecting a usability of the results for 15 years.

2.1. Innovative character
We have made a deep review of the material used in the areas of consumer behaviour, marketing, anthropology, psychology and socio psychology. In all this material (having checked material used for teaching but also material used for research), when analyzing the "culture" concept, reference is made to studies and data bases from USA, given the lack of such a knowledge from Europe. Experts know that these data can not be transferred to Europe but there is not other way to solve this gap of knowledge than making reference to the only data available, that is the analysis of culture from the United States of America. Experts are aware of the innovation that will represent to have such a knowledge about culture in European countries, but it is difficult to have this knowledge from the different countries, applying the same methodology, and moreover, using a rigorous methodology. Some studies and attempts have been made, and reference is made in those manuals also. The main attempt was made by Hofstede, being mentioned this work in all the books reviewed. But this study was carried out between 1967 and 1973, using a tool developed for the analysis of employee values and was applied to IBM workers (not a representative sample). It was a very good attempt and apart for the critics it has received, it is the only study made, and so, it is the only reference we can use for the study of culture in Europe.

Given this context:
COBEREN will provide with a tool to analyze culture, which will be periodically applied to have updated data on Europe,
through this network of experts:
data and knowledge on culture will be developed, making this available for the different fields implied and materializating this knowledge in updated teaching and research material, as well as a data base on culture;
an analysis of the consumer behaviour in the different countries will be carried out, providing knowledge on the linkage between consumer behaviour and culture.

2.2. Quality of the consortium
To set up the present network, one year has been needed to select the partners (2007), having looked for the professors expert in the topic, most of them Directors of the Marketing Departments of their institutions or leading important groups of researchers. It took us one year to make the selection to assure a solid network on which to base this project and one year more to develop a solid project, with the task planning, responsibilities division and chronogram to assure the relevance of the results, and the success to get these outputs as well as to fulfill the quality evaluation we will made on them.

PARTNERS
P1: **CARMEN RODRÍGUEZ SANTOS**, University of León, Spain

P2: **Joaquín Aldás Manzano**, University of Valencia, Spain
P3: **Stéphane Ganassali**, University of Savoy, France
P4: **Francesco Casarin**, Ca'Foscari University of Venice, Italy
P5: **Daniele Dalli**, University of Pisa, Italy
P6: **Antonella Zucchella**, University of Pavia, Italy
P7: **Klaus-Peter Wiedmann**, University of Hannover, Germany
P8: **Yvonne Siebert**, Georg-August-Universität Göttingen, Germany
P9: **Pirjo Kaija Laaksonen**, University of Vaasa, Finland
P10: **Hans Rüdiger Kaufmann**, University of Nicosia, Cyprus
P11: **Luc Lefebvre**, University College West Flanders, Belgium
P12: **Michael Walrave**, Universiteit Antwerpen, Belgium
P13: **Milanka Slavova**, American University in Bulgaria
P14: **Jana Stàvková**, Mendel University of Agriculture and Forestry, Brno, Czech Republic
P15: **Klaus G. Grunert**, University of Aarhus, Denmark
P16: **George Avlonitis**, Athens University of Economics & Business, Greece
P17: **Andreas Andronikidis**, University of Macedonia, Greece
P18: **Darach Turley**, Dublin City University, Ireland
P19: **Aija Eglite**, Latvia Agricultural University, Latvia
P20: **Regina Karveliene**, Siauliai University, Lithuania
P21: **Agnes Neulinger**, Corvinus University of Budapest, Hungary
P22: **Noellie Brockdorff**, University of Malta, Malta
P23: **Annemien van der Veen-van der Ploeg**, Utrecht Business School, Netherlands
P24: **Renate Buber**, Vienna University of Economics and Business, Austria
P25: **Iga Rudawska**, University of Szczecin, Poland
P26: **José Luis Mendes Loureiro Abrantes**, The Polytechnic Institute of Viseu, Portugal
P27: **Alexandru Nedelea**, Ştefan cel Mare University of Suceava, Romania
P28: **Maja Makovec Brenčič**, University of Ljubljana, Slovenia
P29: **Janka Petrovičová**, Matej Bel University, Slovakia
P30: **Agneta Marell**, Umeå University, Sweden
P31: **Jonathan Schroeder**, University of Exeter, United Kingdom
P32: **Claudio Vignali**, Leeds Metropolitan University, United Kingdom
P33: **Temi Abimbola**, The University of Warwick, United Kingdom
P34: **Özlem Sandikci**, Bilkent University, Turkey
P35: **Jutta Emes**, Hochschule Liechtenstein, Liechtenstein
P36: **Auður Hermannsdóttir**, University of Iceland, Iceland
P37: **Kjell Grønhaug**, Norwegian School of Economics and Business Administration, Norway
P38: **René Arvola**, Tallinn University of Technology, Estonia

2.3. Why COBEREN?

The knowledge of consumer behavior is of great relevance from the economic and civic point of view. There must be a pool of knowledge in consumer behavior that allows the firms and other associations and public organisms to take appropriate decisions regarding the market. Currently this knowledge is neither organized nor clearly disseminated. When dealing with cross-cultural consumer behavior the issue is even more complicated, as there is not a general framework for consumer behavior analysis, which prevents the comparison of local studies because of different methodologies. Thus, when some data about consumer behavior is needed, there are contradictions and a lack of a general pool of knowledge that allows us to have a general view of the market – something which is vital for economic decisions. Moreover a key point in this discipline is the analyses of the CULTURAL BASE of such similarities and differences of consumer behavior in the different countries. Thus, there are not currently studies related to culture which:

involve a representative sample, come up to as many countries as 31, and are regularly updated. The reasons for this network are:
The development of a measure (as a reference in the discipline) to analyze culture, given the critics the measures applied have received.
Moreover this measure will be applied in 31 countries, generating a pool of updated data on culture which is priceless for the academic and business worlds.
Furthermore this cultural description will be analyzed with reference to the different consumer behaviors showed in each country, a complete framework esential to update teaching material, improve research and to take and implement economic and social decisions in the business and civic world. In this project the efforts of two smaller networks are summarized: International Network on Consumer Behavior Studies and CIRCLE. Regarding the impact, in the field of consumer behaviour, culture, and the linkage among both, it is necessary: a deep REVISION of the state of the situation, the development of an UPDATED, HOMOGENEOUS AND RIGOROUS MEASURE (considering the new context of Europe and cross-cultural analysis) to be implemented periodically to provide updated data, and AN UPDATED KNOWLEDGE on consumer behaviour and culture for teaching, research and taking strategic and tactical decisions.
This analysis is a key point for:
The academic field: there are very limited studies on cross-cultural consumer behavior. Moreover, when dealing with culture, there are few studies, none of them updated, and limited.
The educational field: teaching in subjects related to this field will be enriched with this knowledge. The firms: this information is crucial for taking decisions and trying to expand or surviving in local markets. The country economy: at this level it is essential to have a perspective of the situation of each country. It is the purpose of this network to finish developing an INSTITUTE OF CONSUMER BEHAVIOUR STUDY where all this knowledge can be gathered and disseminated.

3. WHAT ARE GOING TO BE THE OUTPUTS OF COBEREN?

The products will be:
A data base where the data collected will be made accessible to all higher education and public organisms through a password sent once an online form has been completed.
A CD providing a profile of culture in the different countries.
A book summarizing the results of the European Consumer Behavior Analysis.
A particular conference organized by COBEREN.
Seminars with students where to disseminate such knowledge also organized by COBEREN.
A workshop with business owners where to disseminate and try to develop specific future actions.
A website to disseminate this knowledge and as a way to contact the network for possible help or requests.

4. STEP BY STEP OF THE WORK OF COBEREN

WORK PACKAGE 1
Management and Coordination

This work package includes the following functions:
Management
Administration
Financial control
Coordination
Monitoring

A standardised framework will be developed for carrying out research, dissemination of results and monitoring development, quality and implementation of the outputs.

The task included in this work package include:

Establishing the network rules.
Agreeing on the COBEREN chart.
Signing the partners' agreements.
Attending meetings and writing and communicating the minutes of the meetings.
Controlling the quality of the work packages, assignments and final evaluations.

This work package is the responsibility of the Managerial Committee, which is formed by the following partners:

P1: University of León, Spain
P3: University of Savoy, France
P4: Ca'Foscari University of Venice, Italy
P9: University of Vaasa, Finland
P10: University of Nicosia, Cyprus

Deliverable number	Description	Delivery date	Responsible partner	Partners contribution
1.1	**First meeting** The first meeting will be held in León (Spain) and the most relevant points of the agenda will include: COBEREN Rules COBEREN Chart Partners' agreements Discussion and resolution of doubts to ensure correct implementation of the project and strict adherence to the timescale	19th–20th Nov. 2009	**P1**, P3, P4, P9, P10	Discussion of the rules and chart of COBEREN. Agreement on work packages, assignments and budget. Participation and contribution in the meetings.
1.2	**COBEREN Organisational Chart** In order to establish responsibilities, the COBEREN Chart will be designed, discussed and agreed on among partners. This chart will be published on the COBEREN website.	19th–20th Nov. 2009	**P1**, P3, P4, P9, P10	
1.3	**COBEREN Rules** It is absolutely essential to agree on the Network rules in order to ensure correct functioning and to achieve the aims and future direction of COBEREN. These rules will be established on the basis of our experience of other networks and associations. They will be discussed during a meeting with all the partners, which will include the participation and input of a University of León academic specialising in Law	19th–20th Nov. 2009	**P1**, P3, P4, P9, P10	
1.4	**Administrative issues: partners' agreements** The partners' agreements will define the rights and obligations of the partners, and they will be established on the basis of the contract signed with the Commission of the European Communities	19th–20th Nov. 2009	**P1**, P3, P4, P9, P10	
1.5	**Minutes, agenda and conclusions** From the very first meeting onwards, minutes will be taken and communicated among partners.	21st Dec. 2009	**P1**, P3, P4, P9, P10	
1.6	**Second meeting** The second meeting will be held in Annecy (France), and will focus on two major issues: - Discussion of the final stage of the secondary information search. - Receiving feedback on work towards tool development	3rd-4th Jun. 2010	P1, **P3**, P4, P9, P10	
1.7	**Minutes, agenda and conclusions** After the second meeting, minutes will be distributed among partners.	21st Jun. 2010	P1, **P3**, P4, P9, P10	
1.8	**Third meeting** The third meeting will be held in Venice (Italy), and will discuss data analysis, to be implemented over the coming 11 months	3rd Mar. 2011	P1, P3, **P4**, P9, P10	
1.9	**Minutes, agenda and conclusions** After the third meeting, minutes will be distributed among partners	11th Mar. 2011	P1, P3, **P4**, P9, P10	
1.10	**Fourth meeting** The fourth meeting will be held at the University of Nicosia and will discuss previous results of the research and materialisation in outputs. The main point on the agenda will be the Conference.	7th Jun. 2012	P1, P3, P4, P9, **P10**	
1.11	**Minutes with the agenda and conclusions** After the fourth meeting, minutes will be distributed	15th Jun. 2012	P1, P3, P4, P9, **P10**	

	among partners.			
1.12	**Final meeting** The fifth meeting will be held in León (Spain), to evaluate the project and the future of the network (Institute of European Consumer Behaviour).	19th Sep. 2012	**P1,** P3, P4, P9, P10	
1.13	**Minutes with the agenda and conclusions** After the fifth meeting, minutes will be distributed among partners.	21st Sep. 2012	**P1,** P3, P4, P9, P10	
1.14	**Annual summary: year one** Each year, a summary of the main results and news from the network will be drawn up and published on the COBEREN website.	30th Sep. 2010	**P1,** P3, P4, P9, P10	
1.15	**Annual summary: year two** Each year, a summary of the main results and news from the network will be drawn up and published on the COBEREN website.	30th Sep. 2011	P1, **P3, P4,** P9, P10	
1.16	**Annual summary: year three** Each year, a summary of the main results and news from the network will be drawn up and published on the COBEREN website	28th Sep. 2012	P1, P3, P4, **P9, P10**	

WORK PACKAGE 2
Secondary data

As companies expand globally, international marketing research becomes ever more crucial. Nevertheless, consumer behaviour in international markets is still not well understood, despite the importance of consumers and the knowledge acquired about them. As Meglena Kuneva, EU Consumer Commissioner pointed out "There are now more than 490 million consumers in Europe and their expenditure represents over half of the EU's gross domestic product (GDP). Consumers are essential to economic growth and job creation. Yet there is an EU-wide lack of consumer confidence when it comes to cross-border shopping. I believe that consumers should be as confident about making purchases in other countries as they are at home".

The aim of this network is to provide the knowledge necessary to better understand this scenario. Moreover, the information this network aims to collect would significantly contribute to the ten major priorities for the future development of consumer policy which have been defined by the European Commission (European Commission, www.cec.org.uk).

To fulfil this objective, the goal of this work package and of work package 3 is:

A. To review, interpret, and summarise the knowledge, tools and measures developed for analysis of "culture" with a view to generating understanding and organised knowledge in this field.

B. To obtain secondary data to develop indicators for European countries on consumption patterns, family structure, income, social class and age subcultures.

Deliverable number	Description	Delivery date	Responsible partner	Partners contribution
2.1	**Virtual interaction-homogenisation** Virtual interaction is essential for coherent, coordinated work and fulfilment of the proposed aims and outputs.	12th Feb. 2010	**P1**, P3, P4, P9, P10	Review literature in national publications. Summarize the information and conclusions. Search the secondary information (indicators and
2.2	**Send the country descriptors**	29th Jul. 2010	**P1**, P3, P4, P9, P10	
2.3	**Secondary data on indicators & consumer behaviour** Specifically, the indicators to identify include: - Consumption pattern - Family structure - Income - Social class	15th Oct. 2010	**P1**, P3, P4, P9, P10	

	- Age subcultures - Culture - Concept of self - Personality, values and motivations - Lifestyles - Determinants in purchase decisions - External influence: family, social groups and opinion leadership The second meeting will include a general presentation of the indicators identified for each country. Subsequently, a report describing the descriptors for the 30 countries will be prepared.			
2.4	**Website to publish first cross-cultural report** A website will be developed for publication of the first network report, which will focus on the descriptors for the 30 countries	8th Apr. 2010	P1, **P3**, P4, P9, P10	

WORK PACKAGE 3
Literature review

The principle aims of the network are the development of:

An accurate measure and an updated data related to culture, comparing 30 countries.
Development of a knowledge base on consumer behaviour, applying the same methodology in the various countries in order to produce comparable data and facilitate analysis of similarities and differences between the countries.

A. Currently, there does not exist:
An accurate tool to measure culture.
A pool of updated knowledge on culture descriptors.
Information on the cultural profile of European countries.
At present, only two models exist which provide country scores that can be used for the analysis of consumption data (De Mooij, 2004): the models by Hofstede and Schwartz.

Geert Hofstede's model presents some limitations:
The data base was compiled using information collected at IBM; consequently, the sample is not very representative.
Information was collected using the company's employee attitude survey.
The survey was undertaken between 1967 and 1973, and the data has not been updated.
More dimensions could be considered nowadays, and in depth country analyses conducted.

Through the current project we aim:
A.1.To develop an accurate tool to measure culture.
A.2.To provide an updated data base on culture descriptors for 30 European countries.
A.3.To develop a model for profiling different European cultures. Shalom Schwartz's values are based on all cultures. For this reason, the goal of the present project is to:
A.4.Update Shwartz's scale in order to provide current information on values in European countries.

B. Consumer Behaviour is an interdisciplinary field. The COBEREN analysis will relate this discipline to culture.
In this work package, a homogeneous and accurate tool will be developed to measure culture, which can be implemented every 5 years in order to compile a homogeneous, longitudinal and updated data base on this topic. Such information has become crucial, both in academic and practical terms.

Deliverable number	Description	Delivery date	Responsible partner	Partners contribution
3.1	**Literature review** A methodology will be developed to measure culture. This will become a benchmark in academic literature and a tool to be applied systematically every 5 years	29th Jul. 2010	P1, P2, P3, P9, P18, **P7**	in the tool development Pretest of the tool in the

	in order to maintain an updated homogeneous data base on culture in Europe. The literature review will be sent to the partners by the 29th of July, to be discussed and improved at the meeting in Hannover			
3.2	**Discussion and Communication** The literature review will be discussed and improved at the meeting in Hannover.	17th-18th Aug. 2010	P1, P2, P3, P9, P18, **P7**	

WORK PACKAGE 4
Market research preparation

Market research preparation implies:

Design of the questionnaire (translation into different languages)

Design of the sample

Selection of a sampling method

Development of a data base

Deliverable number	Description	Delivery date	Responsible partner	Partners contribution
4.1	**Send the questionnaire**	5th Oct. 2010	**P3**, P7, P10, P11, P24, P29, P32	Feedback of the questionnaire Sample information of the country Coordination of sampling method implementation
4.2	**Discussion & Communication** Discussion and communication is fundamental at all stages, but in this case it is even more crucial in order to produce comparable data for the following stage.	8th Oct. 2010	**P3**, P7, P10, P11, P24, P29, P32	
4.3	**Research design: sample, sampling method** Technical specifications will be developed, considering the population characteristics of each country, as well as facilitating sample comparison between countries.	15th Oct. 2010	**P3**, P7, P10, P11, P24, P29, P32	
4.4	**Final questionnaire design** The first version of the questionnaire will be sent to all partners by the 7th of June, making the necessary adjustments on the basis of feedback, in order to produce the final version by the 30th of June. This final version will also be submitted to all partners for further discussion and final input.	15th Oct. 2010	**P3**, P7, P10, P11, P24, P29, P32	
4.5	**Translation of questionnaire** The questionnaire will be translated in order to be implemented in each country	29th Oct. 2010	**P3**, P7,P10, P11, P24, P29, P32	
4.6	**Design data base**	29th Oct. 2010	**P3**, P7, P10, P11, P24, P29, P32	

WORK PACKAGE 5
Market research implementation

Market research will be coordinated and monitored to avoid bias.

Deliverable number	Description	Delivery date	Responsible partner	Partners contribution
5.1	**Field work** Field work will be conducted (Nov. 2010).	30th Nov. 2010	**P4, P2**	Selection and training of interviewers Update and control of data collection Communicate the data collection
5.2	**Data collection: monitoring / control of bias** Concurrent with data collection, monitoring will be conducted in order to control and correct possible deviation (15th of November).	Nov. 2010	**P4, P2**	

5.3	**Data base editing** After collecting the data, each country will be required to edit this information in order to ensure validity and accuracy of the information which will constitute the data base	15th Dec. 2010	**P4, P2**	

WORK PACKAGE 6
Reorganizing knowledge and academic theory in the discipline

This work package will include:

Analysis and interpretation of the data collected

Homogenisation and explanation of the interpretations

Production of results

Deliverable number	Description	Delivery date	Responsible partner	Partners contribution
6.1	**Edition and depuration of global data base** Once each country has edited the corresponding data, all data will be combined and edited, to form the global data base.	3rd Feb. 2011	**P6**	Contribute to the edition Contribute in analysis and interpret the data
6.2	**Analysis of data** The analysis will be systematically published on the COBEREN website, with access limited to the partners. The goal is to keep partners informed and receive their feedback, providing a complete and in-depth analysis of the data.	9th Jun. 2011	P1, P3, **P6**, P9, P10, P14, P15, P18, P21, P28, P34	
6.3	**Interpretation of data** Information obtained from the data analysis will be interpreted and explained by the experts comprising the network. This interpretation and explanation will be conducted, communicated and updated through the website.	7th Jul. 2011	P1, P3, **P6**, P9, P10, P14, P15, P18, P21, P28, P34	
6.4	**Discussion and Communication** There will be regular communication between partners.	6th Oct. 2011	P1, P3, **P6**, P9, P10, P14, P15, P18, P21, P28, P34	
6.5	**Homogenization of final interpretation** Agreement on the final content and structure of the book will be reached, based on the information and data previously collected and interpreted.	29th Nov. 2011	P1, P3, **P6**, P9, P10, P14, P15, P18, P21, P28, P34	
6.6	**Updating the data base on culture**	1st Mar. 2012	P1, **P3, P4**, P9, P10	
6.7	**Updating knowledge on cross-culture issues** A book will be published on culture and consumer behaviour in European countries, and will include sections on similarities and differences and how to implement the appropriate commercial This will constitute the second part, the first being the report on descriptors for European countries (delivered in work package 2). A second report will be prepared on "Cross-cultural market research", describing practice and presenting advice	4th Jul. 2012	P1, P3, P4, **P9**, P10	

WORK PACKAGE 7
Promoting improvements in teaching and research

The primary motives for building this network include:

The need for a data base on culture, compiled using the same rigorous methodology in order to provide knowledge on culture for more than 30 countries.

The need to provide an academic tool to measure culture, in order to maintain an updated data base of country descriptors.

The relevance of reorienting consumer behaviour research.

The need of reorganise teaching and research on culture and consumer behaviour.
The managerial implications of the information/consultancy contributions of this network.
The relevance of the networks associated through this proposed network in terms of research, dissemination and linking the research-education and academic-professional areas. The development of a cooperative network. The possibilities and importance of a future institution focused on updating and disseminating of knowledge about consumer behaviour and culture in Europe.

The tasks included in this work package are:
To provide Higher Education Institutions with the future book, all reports and access to the data base on culture.
To organise an academic conference, and to publish the conference proceedings.
To organise a student seminar and to provide grants for some students to attend the event.

Deliverable number	Description	Delivery date	Responsible partner	Partners contribution
7.1	**Updating the material used for research & teaching** Updating the material used for research and teaching in the diverse disciplines for which this knowledge is relevant.	4th Jul. 2012	P1, P9, P14, P23, P24, P32	Participate in the conference
7.2	**Academic conference** An academic conference will be held, organised by partner 10 (Cyprus), the proceedings of which will subsequently be published on the network website	6th Jun. 2012	P10	
7.3	**Student seminar** During the academic conference, parallel seminars will be held on different tracks and issues, with the aim of contributing to the development of student research, by using both the results of the project and the knowledge of the experts.	7th Jun. 2012	P10	

WORK PACKAGE 8
Promoting improvements in the business world

Promoting improvements in commercial strategies through cooperation with companies and public organisations. More specifically, we aim to analyse consumer behaviour issues which are both economically and socially important. These include:

Perception, learning & memory, motivation, involvement, values and self-concept, attitude, individual decision-making, shopping/purchase, post-purchase, group influence and opinion leadership, family, income, social class, gender roles, age subcultures, lifestyles.

Deliverable number	Description	Delivery date	Responsible partner	Partners contribution
8.1	**Create access to knowledge** Access to the data base will be facilitated subject to certain requirements.	1st Mar. 2012	P1, P3, P4, P9, P10	Participate and look for companies which can be interested in the data base
8.2	**Enterprise Workshops** The first "Entrepreneurial congress on cross-culture in Europe" will be organised. The deliverable 8.3 will be developed on the basis of these workshops.	8th Jun. 2012	P1, P3, P4, P9, P10	
8.3	**Cooperation and consultancy projects** From the first congress, a network goal will be to provide this service in the future (ensuring 8th Jun. 2012 continuity through the development of a European Institute of experts on Consumer Behaviour).	8th Jun. 2012	P1, P3, P4, P9, P10	

WORK PACKAGE 9

Control and quality evaluation

The purpose of this work package is to ensure quality fulfilment of the aims, after having achieved the individual aims proposed for the target groups:

Academic: The study of marketing in European Higher Education will benefit from a data base on culture throughout European countries, a pool of knowledge about consumer behaviour, and how this is influenced by culture. The study of economics will also benefit from this knowledge, together with other disciplines such as anthropology, psychology and statistics (this latter by providing indicators for the different European countries, thus contributing to the development of statistical and econometric models). Furthermore, scientific theory will benefit from the tool developed and the methodology implemented, facilitating accurate measures of culture. This will improve not only research but also teaching, providing the Higher Education system with the material necessary to complement and update current knowledge. Finally, the increased knowledge obtained from cross-cultural market research will benefit theory and practice in the fields of market research and methodology.

Students: Doctoral students can participate in this project, by attending or actively participating in the seminars to be held. This will provide them not only with better knowledge but also with the tools to improve their practice and the experience needed to complement their academic training. Undergraduate and Master's degree students will benefit from the better knowledge provided by this research on consumer behavior, culture and methodology, as well as from the different materials to be produced (report, book and data base).

Companies and public organizations: Given the issues of globalization and segmentation, appropriate knowledge about the market it is essential in order to make strategic and tactical decisions. Through the material generated by this project, as well as the workshops that will be organized, this network aims to provide the knowledge and consultancy advice required for reaching appropriate economic decisions, even more crucial nowadays given the economic crisis situation we are facing

Deliverable number	Description	Delivery date	Responsible partner	Partners contribution
9.1	**Web evaluation and control** The web will be evaluated addressing the following aspects: organisation, usability, access, information, update, members' site, aesthetic quality, overall impression. The web will be kept updated, and will be used as a vehicle for publication of network reports and outputs as well as relevant information from different areas	11th Feb. 2010	P5, P15	
9.2	**Evaluation quality secondary information** Evaluation of secondary information will include monitoring the methodology applied for data collection, as well as comparing the different sources. This evaluation will continue until the secondary information is published.	15th Apr. 2010	P 5, P15	
9.3	**Evaluation: descriptors report quality** Before editing and publication (hard copy and electronic copy) of the report, an evaluation of the content, structure and aesthetics will be conducted by 5 experts in the subject and by 2 experts in editing.	30th Sept. 2010	P33	
9.4	**Evaluation: research design** An evaluation of the research design will be conducted by 3 experts in cross-cultural research prior to implementation of field work.	15th Oct. 2010	P7, P8	
9.5	**Evaluation: data collection** The field work will be monitored in order to resolve possible bias and readjust the samples before collecting all the data.	16th Nov. 2010	P7, P8	
9.6	**Evaluation: analysis**	9th Jun.	P7	

	The analysis will be periodically evaluated by 4 experts in statistics and 2 experts in marketing	2011		
9.7	**Evaluation: book** Before editing and publication (hard copy and electronic copy) of the book, an evaluation of the content, structure and aesthetics will be conducted by 5 experts in the subject and by 2 experts in editing.	22nd Jun. 2012	**P31, P33**	
9.8	**Evaluation: data base** Before the editing and publication (hard copy and electronic copy) of the data base, an evaluation of the content, structure and aesthetics will be conducted by 5 experts in the subject and 3 computer experts	1st Feb. 2012	**P2**	
9.9	**Evaluation: conference and proceedings** The quality of the conference will be evaluated by requesting the participants to complete a questionnaire evaluating organisation, participants, interactivity, inter-connexion, knowledge, information update, new ideas, relevance of the information and results for the future.	15 th Jun. 2012	**P20, P21**	
9.10	**Evaluation seminars and proceedings** The quality of the seminar will be evaluated by requesting participants to complete a questionnaire evaluating organisation, participants, interactivity, inter-connexion, knowledge, information update, new ideas, relevance of the information and results for the future.	15th Jun. 2012	**P2**	
9.11	**Evaluation: workshop and minutes** The quality of the workshop will be evaluated by requesting participants to complete a questionnaire evaluating organisation, participants, interactivity, inter-connexion, knowledge, information update, new ideas, relevance of the information and results for the future	15th Jun. 2012	**P21**	
9.12	**Evaluation: website efficiency** Website usability, access and communication efficiency will be evaluated by two external experts. A monitoring system will be also included in the web, in order to receive suggestions and gather information on access.	12th Jul. 2012	**P2**	
9.13	**Global evaluation** The global evaluation will be conducted by: -10 COBEREN partners -3 experts on the topic from 3 different institutions within COBEREN -2 administrative experts from 2 different institutions within COBEREN -6 experts external to COBEREN: 2 from the educational context, 2 from the entrepreneurial context, and 2 from the administrative context.	24th Sept. 2012	**P1, P3, P9, P16, P17, P29**	

WORK PACKAGE 10
Dissemination of project results. Within the work packages 2-9

The dissemination of results is extremely important. Through such dissemination, the COBEREN network aims to:

Provide the academic and entrepreneurial worlds with an updated data base on culture. This is crucial, not only from a social perspective but also from an economic perspective as it will facilitate more informed commercial decision-making (both strategically and tactically). Furthermore, this data will be collected using the same rigorous methodology, making comparison between different European countries possible. Enhance teaching, through the provision of information on European countries, contributing to improving teaching and implementation of academic subjects, primarily in the fields of consumer behaviour, market research, commercial management and advertising. Facilitate current research on these topics through the development and empirical testing of a tool to measure culture. In addition, the experience of this project should contribute to improving knowledge about cross-cultural research methodology. Increase the pool of knowledge through the provision of consultancy services for public organisations and companies, helping them to take the appropriate actions and make the right decisions. Establish networks and open the door for further collaboration (in teaching, research and enterprise innovation, etc.) throughout Europe.

Establish links between partners, through the creation of a database of contacts which will undoubtedly foster further co-operation, research projects, and academic initiatives in the future, all striving towards quality in European education and research

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