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The Relationship between Company Performance and Internal Audit Characteristics

Abdulaziz Alzeban

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Abstract:

This study explores the relationship between company's performance and internal audit characteristics. Data were obtained from two sources, these being: annual reports of Saudi Arabia listed companies, and from questionnaire completed by 108 the chief internal auditors working in these companies. Regression analysis is employed, and it shows vary outcomes. Results indicate that company's performance is positively and significantly associated to internal audit independence, whereas results show no significant relationship between company's performance and internal audit competency. Further, negative associated is reported with internal audit compliance with regulation. Findings of the study contribute to the internal audit and corporate governance literature. It add to the existing literature by providing empirical evidence on the role of internal audit in enhancing company's performance.

The Influence of SMS Marketing on Consumers' Purchase Intention through Consumer Attitude

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Abstract: Rapid increase in the usage of smart phones has forced marketers to incorporate mobile and SMS marketing into their marketing communication programs to influence the buying decisions of buyers. This study aims at exploring the role of SMS advertising in driving purchase intentions of mobile users with the mediating role of consumer attitude in fast food industry. Also, role of brand image has been investigated in influencing the relationship between SMS marketing and consumer attitude. An analysis of a survey conducted from 200 male and female respondents demonstrates that SMS advertising is a key component of marketing communication program in a fast food restaurant. It is quite effective and has a significantly positive relationship with purchase intention. Moreover, consumer attitude is a key link between the relationship of SMS advertising and purchase intentions. Also, the results of the study reveal that image of the brand/advertiser is an important factor that helps in strengthening the relationship between SMS advertising and consumer attitude. The findings of the study provide important insights to researchers and practitioners to capitalize on brand image and driver favorable consumer attitude and behavior through SMS marketing.
Keywords: SMS Advertising, Purchase Intention, Consumer Attitude, Brand Image

Introduction

The increased usage of latest technology devices has prompted changes in buyer habits for quite some time. Use of smartphones and tablets has revamped communication these days and now people prefer to communicate through these devices. The quick increment of mobile phones utilize has presented new conveyance techniques for both advertisers and sponsors through SMS in getting to potential clients. Therefore, SMS began drawing much consideration of worldwide association and is presently delegated an "intense methods for communication", because of its cost efficiency. (Bamba & Barnes, 2006).

Recent developments in communication through different mobile apps and platforms have introduced various challenges and multiple communication channels for advertisers to reach out to their potential audience. In short, communication has become portable these days. This portability of communication gave an idea to marketers to use portable or SMS advertising for their offerings. Through SMS marketing a company or business can communicate with its target audience individually. Marketers are realizing the importance of highly target campaigns and SMS advertising serves this objective.

Trinder et al. (2005) state in their study that cell phones can be very effective and can be utilized as viable learning devices. Use of cell phones in most sectors has increased recently because of expanding usefulness, rapid sharing of content, and portability (Overall Quarterly Cell phone Tracker, 2011).

SMS advertising and brand imaging are major determinants that are impacting the overall marketing communication campaigns of many businesses. Both purchasers and suppliers around the globe are effectively utilizing message facilities. Organizations raise their investment on mobile advertising to catch more customers' consideration keeping in mind the end goal to gain more benefit. The aim of this paper is to investigate the impact of SMS advertising in one the major industries in Pakistan. Most of the previous researches have been conducted in mature and developed markets. Whereas, a little is thought about SMS advertising and its consequences in developing states like Pakistan. The research focuses on the analysis of fast food advertisement through messages in Pakistan. Three of the most famous and much purchased brands KFC, McDonald’s and Nando's are selected for this study. A superior comprehension of how purchaser recognitions and choices in Pakistan as far as SMS advertising can improve the consideration of mobile advertising around the Asia. It is an efficient channel to convey the message to appeal clients.

These days more organizations attempt to make online shops and mobile advertising help to expand awareness of online shop by giving data about products or services through content or text message. Therefore, competitive marketplaces, big and small organizations, including electronic shops, have their own particular devices and procedures for receiving and sending information to their customers. They have their own particular techniques in associating with clients through the contact area (Muniz and O'Guinn, 2001**).** The effect of SMS advertising on regular daily existence is expanding. Customers ranging from young people to retirees have built up the propensity to go online by getting present data about items or services through mobile advertising, bringing about addition in the quantity of clients as expressed previously. Besides, the considerations of customers' performance can influence and changes the ways advertising want to connect with customers. In this manner concentrate, the effect of SMS advertising will enable advertisers to see more on what buyers to need.

This study identifies the element with the use of theories which incorporate informativeness, trustworthiness, and excitement, to investigate consumer attitude toward promoting, and to investigate nationality impacts, study the brand image and mobile marketing relationship for better comprehension of purchasing choices, and investigation of SMS advertising and brand image impact customer buying intention consequent from the client's recognition and attitude toward advertising and brand image of the items or services.

Literature Review

SMS Advertising

In the prior period of Short Message Service (SMS) advertising through a mobile phone, the principle methods for correspondence was by means of instant messages or SMS innovation, and the vast majority of the past research on mobile advertising has been embraced with regards to this innovation. SMS advertising is one of the major determinants of building up a long-term relationship with the target market. In this way, it can expand the customer's reliability as clients see the short message service mobile advertising as an instrument for collaborating more with the specialist cooperative. SMS innovation enables advertisers to send specific content or information directly to their target audience with the help of mobile devices. (Zhang and Mao, 2008) also, can be viewed as a sort of **"**one-to-one" advertising (Xu J., 2006). "Advertising through marketing media that cooperate specifically with customers, for the most part requiring the purchaser to make an immediate reaction" (Kotler et al, 2002)**.**

SMS innovation empowers brands to promote products, administrations, and thoughts through customized messages that are sent specifically to individual customers (Sutan and Gao, 2009). It can be seen as an exceptionally viable branding vehicle and a platform to stimulate a customers' attitude, which ultimately strengthens brand image and drive purchase intention. (Rettie & Deakins, 2005). Promotional messages that are received on phones are highly considered by the receiver and are generally viewed totally (Barwise & Strong, 2002).

In spite of the fact that SMS advertising is vital in driving attitude and building strong ties with customers, its utilization has been constrained because of past researches evidence (Watson and Rawley, 2013). Along these lines, implies that the concern of purchasers on information and trustworthiness are critical parts of mobile advertising. The consumer has diverse perspectives on the buying and utilization of cell phones. For instance, some consumers don't want to share their contact number and are not willing to participate in such marketing activities. However, many buyers are interested in these marketing initiatives and are motivated by the rewards and discounts offered by companies to their subscribers (Almunawar and Susanto, 2015)

Trustworthiness

Trust can be defined as the willingness to make one party defenseless to activities taken by the trusted party built on the feelings of self-confidence or declaration. (Gefen, 2002). In conducting business transactions, trust is one of the most vital components, where one party depends on the other party to satisfy his need and complete the transaction. In relational marketing, trust is reflected as a catalyst that helps in facilitating transactions among the purchasers and sellers.

Trust in any brand ensures the validity of a brand, which enables the purchase to engage in repeat purchasing of the brand. Trust in brand allows the buyer to develop a positive desire towards a brand and helps the buyer to understand the expressed capacity of the brand. (Sahin et al, 2011)

A Greater level of trust and commitment encourage customers to purchase products of the company frequently and in a significant quantity which leads to getting a higher company profitability (Chen, Yan, & Gordon, 2015). Also, Aydin, Ozer, & Arasil (2005) found that trust decreases instability in a domain where purchasers have fewer data about firms and its items. They additionally found that trust drives consumer's loyalty and fulfillment, which are seen as integral elements of any business. Kim, Ferrin, & Rao (2009) presented a review on a trust-based customer's model of decision making in electronic trade and uncovered that customer's trust effects buyer's purchase expectation directly or in an indirect way. The results of the study suggested that customer's trust has a significant influence on buying intentions and it contributes to reducing the perceived risk of buyer.

The rapid improvements in mobile trade innovations, in this manner, have raised high seek after mobile advertising, however, users absence of trust is seen as a significant component (Joubert & Van Belle, 2013).

Shoppers, for example, with a high level of risk will have less trust in an organization's items that are flawed by others consumers in the marketplace. Item risk, specialized risk, and condition risk, thus impact consumer’s trust and protection concerns that influence customers' acceptance behavior of an innovation (Hennig-Thurau et al, 2010). It is an essential part of innovation acceptance and adaptation and should be joined into research which concentrates on innovation variation. (Bahmanziari, Pearson, & Crosby, 2003)

Informativeness

The Data conveyed to consumers through cell phones need to indicate subjective elements like exactness, usefulness, timeliness, and value for the consumers. (Siau, 2003). Aside from this, consumers require fast access to the data they are searching for in their current substance of utilization. There is even a possibility that the data might be conveyed consequently to the customers. (Kaasinen, 2003).

Traditionally, customers are considered passive since they don't have control over the choice regardless of whether to subscribe or not (Ayanwale et al., 2005). Whereas, nowadays, especially in SMS advertising related messages, buyers have a certain control over what advertisements messages to receive. Farley & Barwise (2005) discovered SMS advertising campaigns are dependent upon the achieved profits by such messages. They likewise reasoned that apparent utility was the principle intention behind customers' acknowledgment of mobile advertising.

Doherty (2007) stated that customers prefer SMS advertising when they consider it relevant to their interests and perceived it a quality advertisement. In short, exciting, engaging, relevant, and informational, which provide information about prizes and promotions, SMS advertising impact users obtaining expectation toward the promoted items. (Scharl et al., 2005)

Scholars found that purchasers will probably receive the messages when the content was applicable to them (Carroll et al, 2005). Since SMS advertising can encourage two-way correspondence between individuals, at that point such communication can advance a larger amount of intuitiveness among customers and advertisers. (Lui and Shrum, 2002).

Excitement

The Excitement states to the happiness regarding the message (Xu, 2007). Pleasure in individuals regularly associated with the entertainment since ad changes their attitude and how they act towards it. Research has discovered that feelings of an individual of enjoyment are integral to drive their overall behavior toward advertising. (Shavitt, 1998).

Scholars state that promoting quality and content are the principle considers that impact the receiving of SMS advertisements. (Haghirian and Madlberger, 2005)

Researchers also revealed that planning, excitement, and customized administrations were prized highly between customers. (Anckar and D'Incau, 2002). Similarly, the observe entertainment valuation of message material in mobile advertising will affect buyers' attitude toward SMS marketing messages.

As individuals' feelings of happiness related with ads are imperative in making their choices. These qualities contribute fundamentally in making consumers more aware of the promoted products and also getting them required in a more significant way (Waldt, Rebello & Brown, 2009).

The absence of entertainment is a disadvantage to web-based business (Liebowitz, 2002). Some other research additionally said excitement is the most imperative element to pull in online clients. Look into expressed that excitement is the most critical component towards customer attitude about advertisement (Schlosser's, 1999).

Consumer Attitude toward SMS Advertisement

Attitude toward advertising has been studied broadly in light of the fact that as talked about before, they considerably affect the adequacy of advertising. A review by Mehta detailed negative states of mind toward advertising because of the expanding measure of publicizing and business commercial (Mehta et al, 2000). Attitude toward SMS advertising can be thought of as a sign of effective SMS advertising. As a result, advertising efficiency has exhibited that promotions impact of brand attitude by altering customer convictions with respect to product or items attributes. Particularly, buyers sometimes feel that advertising helps them in making a right and informed purchase decisions. (Schlosser, Shavitt, & Kanfer, 1999) Additionally, it is found that channel of advertising also impacts the attitude of purchasers. Customer attitude towards advertisement on the web are more positive regardless the advertisement in general. This mind-boggling nature of marketing attitudes recommends a need for considerate customer attitudes towards advertisement on the mobile network (Schlosser, Shavitt, & Kanfer, 1999).

Define that there was a solid connection between consumer's attitude towards cell phone advertising and consumers responses to particular commercials (Altuna and Konuk, 2009). For instance, a few promotions were irritated, whereas others were pleasant and entertaining.

Brand Image

In today's focused market, advertisers attempt to build up images for their items by symbolized their brand, so they can be different from their competitors. Keller (2003) explained brand image as association and relatedness of the consumer with a specific brand and when consumer recommends the brand to someone and embrace a positive attitude towards the brand.

Nowadays, organizations have realized the importance of a strong brand and are managing to find different ways to reinforce the brand equity. They know that it is very difficult to compete in a market and establish a positive positioning in customer’s mind without a strong brand name (Nasar et al., 2012).

A brand picture is built up in the buyer's brain by means of numerous kind bases of data with respect to the brand or item. Specifically, different types of communication could either be needy or not, depending on the advertising included, for example, marketing, word of mouth, bundling, and even though the remarks or surveys of individuals who have utilized a specific brand sometime recently. Highlighted that brand image benefits status and acknowledgment of its clients, and furthermore demonstrates an item's capacity (Jahansson, 2003).

A somewhat extraordinary conceptualization proposes that brand image is a general recognition, as demonstrated by informational links store in purchaser memory (Aaker, 1996) (Keller K. , 1993) (Schultz and Barnes, 1999)

Attitude toward Advertised Brand

Scholars expressed that attitude towards brand promoting is characterized as the trend of a people to answer in either a positive or negative way towards a particular brand (Phelps and Hoy, 1996). Enlightening brand affiliations, connection to a brand image in memory, are what buyers consider while portraying a brand's image (Batra et al, 1996) (Keller K.L, 1993)

The customer attitude towards publicized brands would change contingent on three conditions. Initial, changes in data environment; this relies on the availability of positive brand data and time length of promoting introduction. Second, an adjustment in purchaser inspiration, opportunity or capacity. This change may happen by customers settling on choices about a brand. Third, there is an adjustment in the assessment procedure. This change is included when customers are experiencing decision processes (Baker, 2001).

For building a positive brand sign advertisement assumes a vital part since customers would first connect with the commercial, and afterward develop passionate sentiments of positive or negative attitudes towards the publicized brand, it leads to upcoming activities such as purchasing. With intelligent promoting, designs, sound and activity connect readers and make a well-advertised brand. Subsequently, an investigation of (Jung and Beatty, 2002) shows that distinctive nations and promoting types included have a critical effect on the advertising of the brand.

Purchase Intention

Banerjee & Dholakia (2012) explained purchase intention as the likelihood or chance of a buyer buying an item, i.e. the intention to buy an item. Purchase intention show as the likelihood of a customer buying an item (Lin, 2011). Chen and Hsieh thought about that as a customer would show the aim to buy and further settle on buy choice to express the solid purchase intention (Chen and Hsieh, 2012).Brought up the inspiration of buying behavior persuaded by different requests with a specific goal to fulfill such requests. Requests contained physiology, safety and wellbeing, love and companionship, money related asset and assurance, stimulation, social picture, ownership, giving, data, and changes (Okazaki & Mendez, 2012).

Purchase intention demonstrates the customer's arrangement to purchase the item or services (Weisberg, Te'eni, & Arman, 2011). As per Gao, Sultan and Rohm, the expectation to buy reflects interest for the item and therefore will purchase the item or administration (Gao, Sultan, & Rohm, 2010). This demonstrates the consumers buying intention reflects their concern and therefore they plan to purchase or will acknowledge purchasing the items. Researchers recommend that advertisers need to discover effective approaches to appeal to potential customers in order to create positive judgment about their offerings.

Conceptual Framework and Hypothesis Development

The conceptual framework that is examined in this study is represented in Figure 1. It is proposed that SMS advertisement influence consumers’ purchase intention through consumer attitude and brand image moderated the relationship between SMS advertisement and consumer attitude.

Based on the literature and the framework, this study aims at investigating the impact of SMS advertisement on purchase intention via consumer attitude with moderating role of brand image. On the basis of arguments presented in the literature following hypotheses have been established:

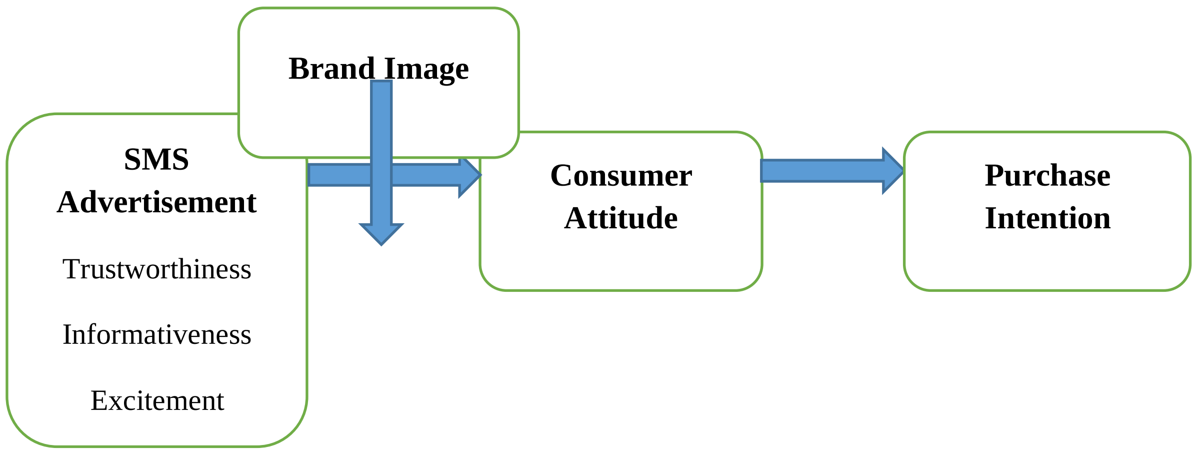

Figure 1 Factors Effecting of SMS Advertising in Food Industry

H1: SMS advertising has a significant impact on consumers' purchase intention.
H2: SMS advertising is positively related with consumer attitude.
H3: Advertised brand image has a positive relationship with consumer attitude.
H4: Brand image moderates the relationship of SMS advertising and consumer attitude.
H5: Consumer attitude act as a mediator between SMS advertising and consumers' Purchase Intentions.

Method

Sample Size

Simple random sampling has been used to conduct the survey and information was gathered, 200 respondents. 131 of the respondents were male and 69 were females. The age of the participants ranged from about 20 years to 50 years. Out of 200 respondents, 38 respondents were 20 years old, 95 were between 21 to 29, 33 respondents were having age between 30 to 39, 29 respondents were 40 to 49 years old and there were only 5 respondents who were more than or equal to 50 years old. Qualification of the respondents ranged from intermediate to master's degree. Income of the respondents ranged from PKR 30,000 or below to PKR 95,000 or above. Majority of the respondents were in PKR 51,000 to PKR 70,000. Following given bar chart represented these frequencies.

Measures

The measurement of SMS advertising was adapted from the studies conducted by Tsang et al. (2004) and it was measured using a 5 point Likert scale, with 5 being "strongly agree" and 1 being "strongly disagree". The scale was modified in order to fit this particular context. Similarly, consumer attitude and purchase intention measurements were adapted from the studies conducted by Taylor & Todd (1995) and Okechuku & Wang (1988) respectively and were measured using 5 points Likert scale. Brand image was measured using a scale developed by Malhotra (1981), which consists of 7 items. Responses to brand image were also taken on 5 points Likert scale. A total number of items used to measure these constructs were 30.

Reliability & Correlation Test

Cronbach's alpha test was used to examine the reliability of the constructs. Churchill (1979) suggests that a Cronbach's alpha value of 0.6 and above is acceptable. The results of the reliability test demonstrate that the reliability scores of the variables are acceptable as their value is above 0.6. Table 1 shows the scores of the reliability test.

Through the collected data, following results are drawn. Table 2 deals with Mean, Standard deviations and Table 3 represent the correlation values. Significant correlation values in data of table 3 are shown with stars on them; all magnitude values under 0.05 of correlation are significant.

	SMS advertising	Brand image	Attitude	Purchase Intention
Valid	200	200	200	200
Missing	0	0	0	0
Mean	2.5064	2.7136	2.5267	2.6183
Median	2.5455	2.7143	2.5000	2.6667
Mode	2.55	2.43	2.67	2.67
Std. Deviation	.48990	.60938	.55326	.58922

Table 2: Descriptive Statistics

		SMS advertising	Brand image	Attitude	Purchase Intention
SMS advertising	Pearson Correlation	1	.499**	.243**	.198**
	Sig. (2-tailed)		.000	.001	.005
	N	200	200	200	200
Brand image	Pearson Correlation	.499**	1	.350**	.070
	Sig. (2-tailed)	.000		.000	.323
	N	200	200	200	200
Attitude	Pearson Correlation	.243**	.350**	1	.403**
	Sig. (2-tailed)	.001	.000		.000
	N	200	200	200	200
Purchase intention	Pearson Correlation	.198**	.070	.403**	1
	Sig. (2-tailed)	.005	.323	.000	
	N	200	200	200	200

Table 3: Correlation Test

Regression Analysis

Regression analysis is the subsequent stage next to the correlation analysis. It is utilized when we need to analyze the value of one variable on the basis of another variable. The variable we need to analyze is known as the dependent variable or outcome variable. The variable we are utilizing to anticipate the other variable value is known as the independent variable or predictor variable.

H1: SMS advertising has a significant impact on purchase intention.

Model	R square	F change	Sig.F change	Durbin Watson
1	0.139	8.043	.005	1.950

The above regression table shows that R square value .139 means around 13.9% of the change in the dependent variable purchase intention created by the independent variable SMS advertising, outstanding change 86.1% due to other variables which are not present in this model. Hypothesis results display the direct relationship among SMS advertising and purchase intention because SMS advertising has a significant impact on purchase intention. The significant value is .005 which is less than the significant value 0.05 so the hypothesis is accepted.

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.023	.214		9.454	.000
	SMS advertising	.238	.084	.198	2.836	.005

H2: SMS advertising has a significant impact on consumer attitude.

Model	R square	F change	Sig.F change	Durbin Watson
1	.159	12.386	.001	1.988

The above-given table shows that R square value .159 means around 15.9% of the change in the dependent variable consumer attitude created by the independent variable SMS advertising, remaining changes 84.1% through other variables which are not present in this model. Hypothesis results display the direct relationship among SMS advertising and consumer attitude because SMS advertising has a significant impact on consumer attitude. The significant value is .001 which is less than the significant value 0.05 so the hypothesis is accepted.

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.840	.199		9.254	.000
	SMS advertising	.274	.078	.243	3.519	.001

H3: Advertised brand image has a significant impact on consumer attitude.

Model	R square	F change	Sig.F change	Durbin Watson
1	.122	27.571	.000	2.021

The given table shows that R square value .122 means around 12.2% of the change in the dependent variable consumer attitude created by independent variable Brand image, remaining changes 87.8% through other variables are not present in this model.

Hypothesis results display the direct relationship among brand image and consumer attitude because the brand image has a significant impact on consumer attitude. The significant value is .000 so the hypothesis is accepted.

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.665	.168		9.907	.000
	Brand image	.317	.060	.350	5.251	.000

Moderation analysis
H4: Brand image moderates the impact of SMS advertising on consumer attitude.

Model	coeff	se	t	p	LLCI	ULCI
Constant	.1922	.6826	.2816	.7786	-1.1541	1.5385
Brand image	.7427	.2388	3.1107	.0021	.2718	1.2135
SMS ads	.6345	.2745	2.3113	.0219	.0931	1.1759
Int_1	-.1829	.0896	-2.0408	.0426	-.3597	-.0062

R-square increase due to interaction:

R2-change	F	Df1	Df2	P
.0181	4.1651	1.0000	196.0000	.0426

According to the conditions of Macros developed by Preacher and Hayes, the upper and lower limits values as shows in brand image row they are with the same signs so that’s why we are going to accept on the basis of Preacher and Hayes moderation condition given in above table.

Mediation analysis
H5: Consumer attitude mediates the relationship between SMS advertising and purchase intention.

Coefficients of the regression calculated by this process are actual measures of the relations. This portion helps to accept and reject the research hypotheses. There are three tables given below in which overall effects direct, and indirect are calculated. The overall effect of consumer attitude .4023 in the first table shows a positive relationship with significant T and P values. T > -1.96 and P value is 0.000 < 0.05. There are two values given to measure the limit of effect. According to the conditions of Macros developed by Preacher and Hayes, the upper and lower limits values as shown in attitude row they are with the same signs so that’s why we are going to accept on the basis of Preacher and Hayes mediation condition given in above table.

Model	coeff	se	t	p	LLCI	ULCI
Constant	1.2825	.2381	5.3860	.0000	.8129	1.7521
Attitude	.4023	.0711	5.6576	.0000	.2621	.5426
SMS ads	.1274	.0803	1.5862	.1143	-.0310	.2858

Direct effect of X on Y

Effect	SE	t	P	LLCI	ULCI
.1274	.0803	1.5862	.1143	-.0310	.2858

Indirect effect of X on Y

	Effect	Boot SE	BootLLCI	BootULCI
Attitude	.1102	.0371	.0478	0.1962

To calculate the mediation:
Total effect = Direct effect + Indirect effect
Total effect = .1274 + .1102
Total effect = 0.2376
Mediation effect = indirect effect/ total effect
Mediation effect = .1102/0.2376
Mediation effect= 0.4638

Discussion & Limitations

The findings of this research show the importance of SMS advertising in driving purchase intentions in a fast food industry in Pakistan. In addition to the direct effects of SMS advertising and consumer attitude on purchase intention, the established framework indicated that consumer attitude act as a mediator between SMS advertising and purchase intention. Furthermore, it was found that brand image plays an important role in supporting the relationship between SMS advertising and consumer attitude. Which means the stronger the brand image the strongly it will shape the consumer attitude.

Various academic implications can be found from these findings. Previous literature has focused on the direct relationship of SMS advertising and purchasing intention. However, this research confirms that brand image and consumer attitude are the key drivers of building positive purchase intention when use with SMS advertising. Moreover, the findings of the study suggested that customers are more likely to purchase from a company if it manages to reduce the perceived risk through effective SMS campaigns. In addition, the results show that there is significant moderating effect of the brand image on the relationship of SMS advertising and consumer attitude. Customers who think that a company is having a strong brand image tend to have a positive attitude toward a company.

This study has several limitations. Firstly, the data was collected from a single city so the results may not be generalized to all the developing nations due to small-scale data collection. Furthermore, the scope of this study is limited to fast food industry. Results of the study may differ if the same model is replicated in a different industry as communication strategies vary from industry to industry. Lastly, basic sampling technique and data collection has been used due to time constraints. So, further research is needed to validate the results of this study using different types of samples.

Future research should use a bigger and different sample size for the better generalizability of the model. Also, it is interesting to examine conceivable moderating impacts of brand equity variables (e.g. brand awareness, brand association, brand loyalty) influences have on the relationships observed in the model.

Conclusion

SMS mobile base advertising requires a message that focuses particularly on consumer needs. This is because a customer routine and requirements impact the utilization of SMS ad. SMS advertising is unlocking doors for advertisers every day as more customers secure mobile phones.

SMS advertising impacts customers for shopping exercises and strengthens association with the organization because of organization great brand image. To improve its acknowledgment and utilization, business organizations should build and increase its trust, informativeness and device-entertainment strategies in SMS based marketing. This is because of changes in customers purchase intention are to a great extent because of innovative development that allows them to check cases of organizations.

The moderation part in this paper is tested to know whether the brand image as the moderator between SMS advertising and consumer attitude. The result shows the positive and significant relationship between SMS advertising and consumer attitude with the moderation of brand image and the hypothesis was accepted and supported in this research work.

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Privatization And Its Impact On Human Resources In Jordan

Applied Study On Manufacturing Firms

Ahmad Almohtasib

Abstract

This study aimed to investigate the impact of privatization on the human resources working in manufacturing firms in Jordan. This study was conducted on industrial firms that have been privatized in Jordan since 2002 and until 2015. A Likert five-point survey was designed to test the hypotheses. The population of the study was 7690 employees. The main results of the study have shown a direct positive impact of privatization on HR effectiveness, recruitment, staffing and training. Meanwhile, a negative impact of privatization on employees' satisfaction and unemployment.

The impact of training in increasing the efficiency of employee's performance

Bilal Al-Shamri

Employees are major component of every organization. The achievements of any industry depends on its employee performance. Therefore, upper management knows the importance of expense in training for the advantage of improving employee performance and also places them to get the challenges of the today's competitive business environment. This research also aims to see the "Impact of Training on Employee Performance in services sectors in jordan ", in which Training consider as independent whereas dependent variable 'Employee Performance' having its Performance areas i.e.; demonstrating team work, communication skill, customer service, interpersonal relationship and reduced absenteeism and its Developments areas i.e.; job-satisfaction, employee motivation, new technologies, efficiencies in process and innovation in strategies as its levers. The paper presents a concise summary of the literature on the value of training in improving the performance of the employees. Tourism sector in Jordan was selected. A survey of 245 employees via self administrated questionnaire with the help of random sampling technique is conducted with the response rate of 88%. Two sets of hypothesis are developed which relate directly to the research questions. SPSS 22 is used to perform reliability, descriptive, correlation and regression analysis. The analysis shows a positive significant relationship between them and the results reveal that the more the employee gets training, the more efficient their level of performance would be. The last section of the paper concludes along with recommendation to give guidelines for future research.

THE VIRTUE OF COMPETITIVE MARKETS; A Contribution To

The Theories Of Convergence To Competitive Equilibria In The Presence Of Asymmetric Information.

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Abstract:

According to received economic theory (neoclassical economic theory), the conditions for markets to achieve competitive equilibrium are very stringent and already proved unrealistic. Experimental Economics produced innumerable evidence that the *Complete Knowledge Hypothesis* is not necessary for markets, inherently characterized by disperse/private information, to converge to competitive equilibrium. However, there are special cases of disperse/ private information, more precisely designated as asymmetric information, that, in competitive conditions, are considered by Economic Theory as leading to market failure. This received wisdom is so strong that these cases have not been extensively addressed by Experimental Economics; it has been only referred that there are ecologically rational response mechanisms that compensate and prevents these apparent market failures provoked by asymmetric information. This article, inspired by a recent contribution to Economic Theory, takes this line of investigation on the dynamics of the market process one step further, addressing the special situation of asymmetric information, demonstrating that, in these cases, there is no need to happen market failure, as it was sustained by the discipline until now; Nonlinear pricing systems, ubiquitous in the practice of firms in competitive environments, emerge as mechanisms that, and without centralization of information, allow for second-best efficiency.
JEL Classification: D41, D82, L10

Keywords: Competitive equilibrium, Asymmetric information, Nonlinear pricing. Price formation

1

Stylized Facts on the Cost of Household Connection to the Electricity Grid in African Countries:[1]

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Abstract
High upfront connection charges are one of the critical barriers to household uptake of electricity connection in African countries, especially in poor and rural communities. This paper documents additional stylized facts about the connections charges, by focusing on the total cost of connection, including transaction cost for 62 recently connected households in ten African countries (Cameroon, Ethiopia, Gabon, Ghana, Ivory Coast, Niger, Nigeria, Rwanda, Togo, and Zimbabwe). To document current practices, this paper outlines and discusses the steps a prospective household must go through from the period they first decide to connect to the time of actual connection, as well as the minimum requirements at each stage of the process. Findings from the paper reveal substantial high cost of electricity connection in these countries. In addition, four key findings emerge from this work, which is essential for guiding policies that aim at tackling this barrier to access: i) the process to get connected to the grid can be long and daunting, spanning from four weeks to as far as 64 weeks. The delays stem not only from utilities but also from the time it takes households to comply with stringent regulatory requirements, ii) while connections charges are often thought of as a fixed charge applicable to all, we document that there is tremendous variation in the charges depending on the housing characteristics, iii) the variations tend to be regressive as poorer households are likely to require house repairs or additional poles before being connected to the grid, and iv) "unofficial" charges are also often mentioned in the literature as additional barriers, but we find that bribes and transaction cost such as transport and other administrative costs are minimal.

Keywords: Africa, Connection charges, Transaction cost,
JEL Classification: O13, O18, Q40

[1] This paper is a part of a series of background papers to the ``Regional Study on Electricity Access in Sub-Saharan Africa" produced by the Office of the Chief Economist of the Africa Region(AFRCE), World Bank under the project code P156903.The findings, interpretations, and conclusions expressed in this paper are entirely those of the authors. They do not necessarily represent the views of the International Bank for Reconstruction and Development / World Bank and its affiliated organizations or those of the Executive Directors of World Bank or the governments they represent.

Are FTAs Beneficial?: Thai People'S Perspectives

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Abstract

International trading activities have always appealed to people all over the world, in developed and less-developed countries, alike. They can directly affect nations and their people, both positively and negatively. Because of their obvious implications, international trade policy implementation, especially the negotiation of Free Trade Agreements (FTAs), draws the interest of the general public and becomes one of contentious policy issues in many countries, including Thailand. The public's strong interest in trade policy relating to FTAs makes them a complicating matter for the government to tackle. Academically, several studies on the determinants of international trade policy have been carried out and they provide the government with information necessary for the trade policy and FTAs management. However, these studies mainly concentrate on the role of macroeconomic factors in determining trade policy. They tend to overlook such micro-effects of individual persons as a factor affecting people's preference for trade policy. Therefore, this paper aims at analyzing individual characteristics affecting people's opinions regarding the benefits of FTAs. It will specifically look into positive issues, such as, the benefit of FTAs for consumers and employment. On the negative front, this paper will examine people's opinions toward the disadvantages brought about by joining FTAs. Various statistics will be applied to capture people's characteristics and perception toward the joining and benefit of FTAs. In further, logit and probit analysis will be employed to address the determinants of people's opinions about FTAs. This should help the government adjust its FTA policy to better serve its citizens.

Keywords: Trade Policy; Trade Policy Preference; Thailand

The Impact Of Using Social Media Websites On Purchasing Intention

Applied Study on AHU University Students

Khalid Alomari

This study aimed to investigate the impact of using the social media on purchasing intention at AL-HUSSEIN BIN TALAL (AHU) University. Facebook, twitter and YouTube were chosen since they are the most used locally. The population of AHU university students is 7535 students. The sampling technique used was stratified sample. A survey was designed and distributed with response rate 82%. The results of the study appealed that there is a direct impact of using social media websites on the purchasing intention. The impact was mostly of Facebook, then Twitter and eventually YouTube.

How Private Benefits Cause Asymmetric Wealth Enhancements among Firms in Joint Venture?

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JAPAN

Joint ventures (JVs) are legally independent entities in which two or more firms (parent firms) combine their resources through equity participation. JVs are employed as a means of collaborative business activities by multiple firms. Previous empirical research on JVs finds two main facts. One is that JV formation can enhance the shareholder wealth of parent firms (Balakrishnan and Koza, 1993; McConnell and Nantell, 1985; Piaskowska et al., 2017; Slovin et al., 2007). To explain this wealth enhancement, many researchers have used such hypotheses as the synergy effect (McConnell and Nantell, 1985), economies of scale (Koh and Venkatraman, 1991), and monopoly rents (Mantecon et al., 2012; Slovin et al., 2007).

Second, these wealth enhancements are asymmetric among parent firms (Kumar, 2007, 2010a, 2010b; Mohanram and Nanda, 1998). In JV formation, only one parent firm enhances its shareholder wealth in JV formation, whereas the partner parent firm does not. One of the reasons is private benefits from JV formation (Kumar, 2007; Zhang and Wen, 2016). The private benefits exploitation of parent firms may cause such asymmetric wealth enhancements. There are two types of private benefits. The first type is a non-rivalrous type of private benefit that can be extracted by a partner parent firm without damaging the value of the partner. On the contrary, the second type is a rivalrous type of private benefit that can be extracted by a partner parent firm by damaging the value of its partner. Previous research insists that these private benefits may cause asymmetric wealth enhancements.

In investigating asymmetric wealth enhancement, rivalrous type of private benefit is more important than non-rivalrous type of private benefits because former makes the difference of parent's wealth enhancements rather than the latter. Although Zhang and Wen (2016) find factors affecting both non-rivalrous and rivalrous type of private benefits, they don't refer to a factor affecting rivalrous type of private benefits only.

This study, by focusing on rivalrous type of private benefits, investigates how JV formation causes asymmetric wealth enhancements among parent firms. Difference of firm performance may affect rivalrous type of private benefits. That is, firm with poor firm performance may have an incentive to exploit the wealth of JV or the wealth of partner parent firm through JV. Conversely, firm with better firm performance may have neither the incentive nor an active incentive to protect private benefit exploitation from partner firms. If parent firms with poor firm performance can exploit rivalrous private benefits through JV, they can improve their firm performance after JV formation. On the other hand, partner parent firms with better firm performance may deteriorate their firm performance after JV formation.

Using a short-term event study approach, this study finds the following three results. First, differences in firm performance cause asymmetric wealth enhancements in JV formation. Firms with poor firm performance can enjoy wealth enhancements in JV formation, whereas firms with better firm performance cannot do so, or decrease their wealth. These results are consistent with the notion that parent firm with poor firm performance exploits rivalrous private benefits from partner firm with better firm performance. Second, the difference of investment methods does not affect asymmetric wealth enhancements among parent firms. Unlike Zhang and Wen (2016) using parent's JV ownership as an indicator of economic importance, this paper uses method of investment as an indicator of economic importance to measure it more directly. There are two methods to invest a JV; real assets and financial assets. If a firm employs real assets which are more valuable than financial assets to form a JV (Houston, 2000), the firm may regard the JV as more valuable than parent firm investing financial assets. In this scenario, difference of investment methods may cause asymmetric wealth enhancements among parent firms. However, the difference of investment methods does not affect asymmetric wealth enhancements. This result indicates that difference of economic importance does not cause asymmetric wealth enhancements among parent firms, which is not consistent with Zhang and Wen (2016). Finally, parent firms with poor firm performance can improve their performance after JV formation whereas parent firm with better firm performance deteriorate their performance. These results are consistent with the notion that parent firm with poor firm performance exploits rivalrous private benefits from partner firm with better firm performance.

This study contributes to literature on JVs in several important ways. First, this paper finds a factor inducing rivalrous private benefits. Although previous research (Kumar, 2010a, 2010b; Zhang and Wen, 2016) focuses on rivalrous and non-rivalrous private benefits which causes asymmetric wealth enhancements, it does not find a factor affecting rivalrous private benefits only. As the rivalrous private benefits accelerate the difference of parent's wealth enhancements rather than non-rivalrous private benefits, it is more important to find the factor. Second, the factor inducing rivalrous private benefits strongly affects firm performance of parent firms after JV formation. It is important in that rivalrous private benefits affect firm performance of parent firms after JV formation as well as wealth enhancements in JV formation, which are not investigated previous research. Finally, using more direct indicator showing economic importance than previous research (Zhang and Wen, 2016), this paper finds that difference of economic importance does not have a relationship with asymmetric wealth enhancements in JV formation. Using investment methods which are hand-collected data as economic importance indicator, this paper can obtain more precise results which are different from previous research.

The Retirement Planning Behavior Of Generation X And Its Effects To The Next Generation

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Abstract

Thailand is going to the aging society for less than decade. The decrease of birth rate is important for the Thai government to develop the infrastructure of aging people including the initiation of paid by yourself public hospital. Thus, the financial planning of going to retire people is necessary for the public policy as the behavior of generation Y and Z people is far more seriously in saving practices. This research aims on the exploration the behavior of generation X, aging from 40 to 60, who is nearly go to retire of the age at 60. The finding is quite impressive as the technology disruption has two different aspects on the sample. The Xers do not have the strong believe to retire at the age of 60 but the technology gadgets make their spending is higher on their easy pay e.g. online shopping or any online services. The long-term period of low interest rate since 2010s pushes generation X to take more risk on their investment with the incentive from Thai government mostly the reduction for tax payment if they have saving more amount. The study also finds that the government employee pay less attention for investment diversification comparing with private sector employees. The results show that health condition and family do have the influence on their retirement planning but not for political and demographic awareness. The information from social media now has significant influence on retirement planning. The employer has to pay attention for the fringe benefit to attract the competent employees. Surprisingly, this study finds the evidence support the low birth rate among the urban people as they do not expect much the support from their children in their lately life.

Keyword: behavior finance, generation X, retirement planning

JEL: G40, G41

Introduction

The retirement planning is necessary for everyone in the current period as it needs long-term period for preparation. Thailand dramatically encounters on the economic slowdown as shown in Figure 1. The GDP of the nation in Baht currency.

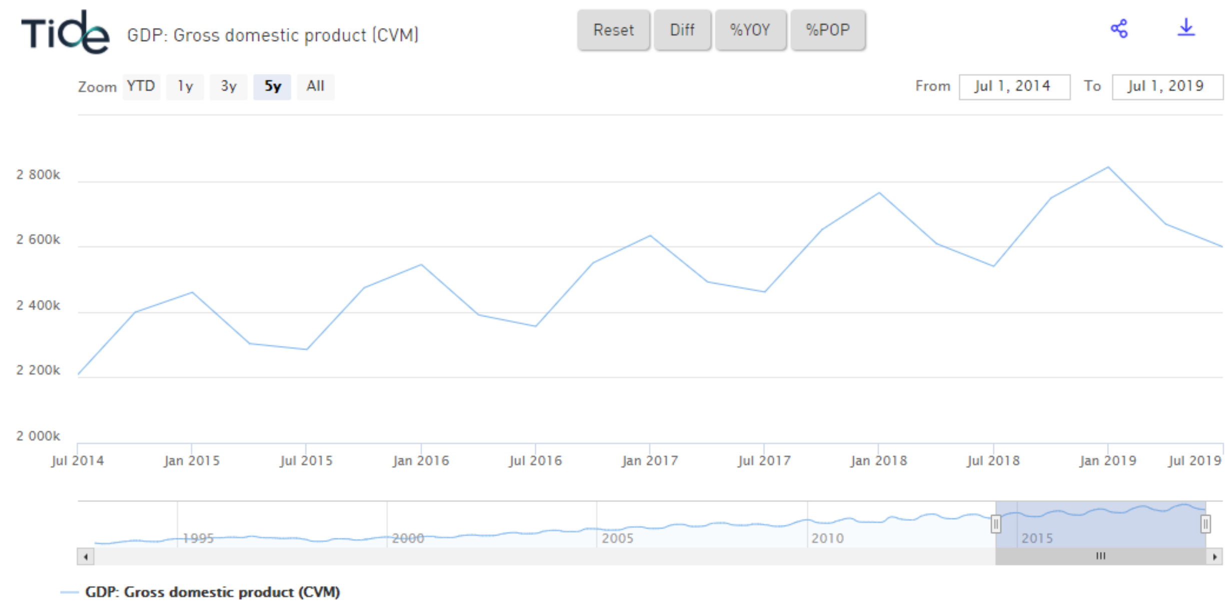

Figure 1 The last decade of Thailand GDP

The demographic in the past three decades of Thailand guides that the country is going on the aging society as shown on Figure 2. The impact of aging society could lead to deteriorating fiscal balance, changes in patterns of savings and investment, and a shortage in labor supply consequently declining productivity and economic growth.

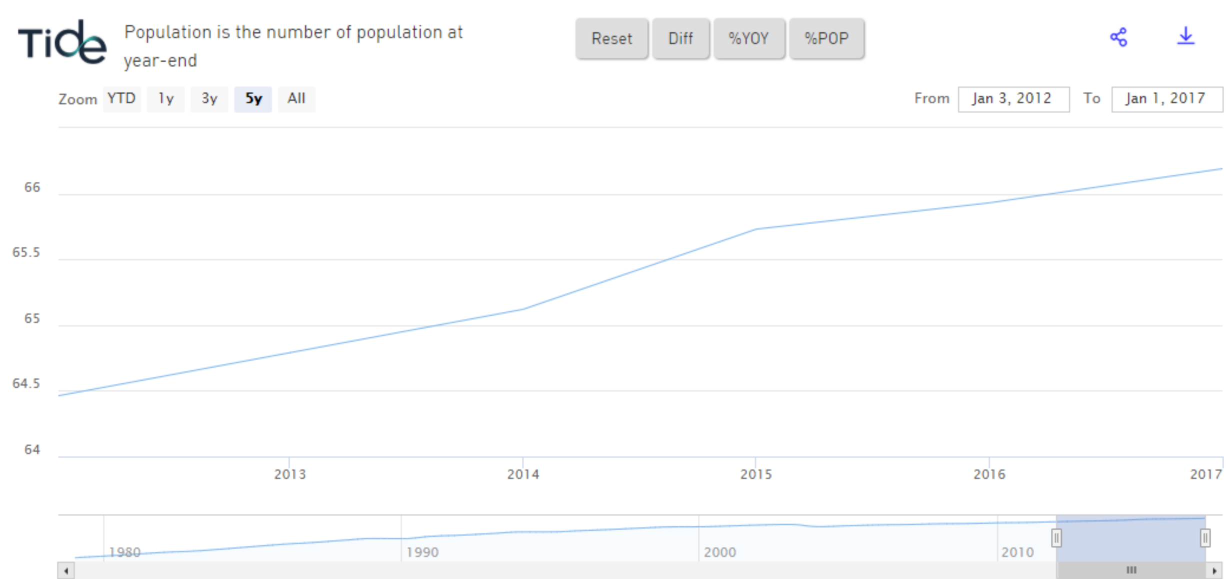

Figure 2 Demographic of Thailand

Thailand GDP per capita is still in the middle level about 6,500 U.S dollar that is far lower from the developed countries with the same demographic. Figure 3 shows the trend of Thailand GDP per capita in the current decade.

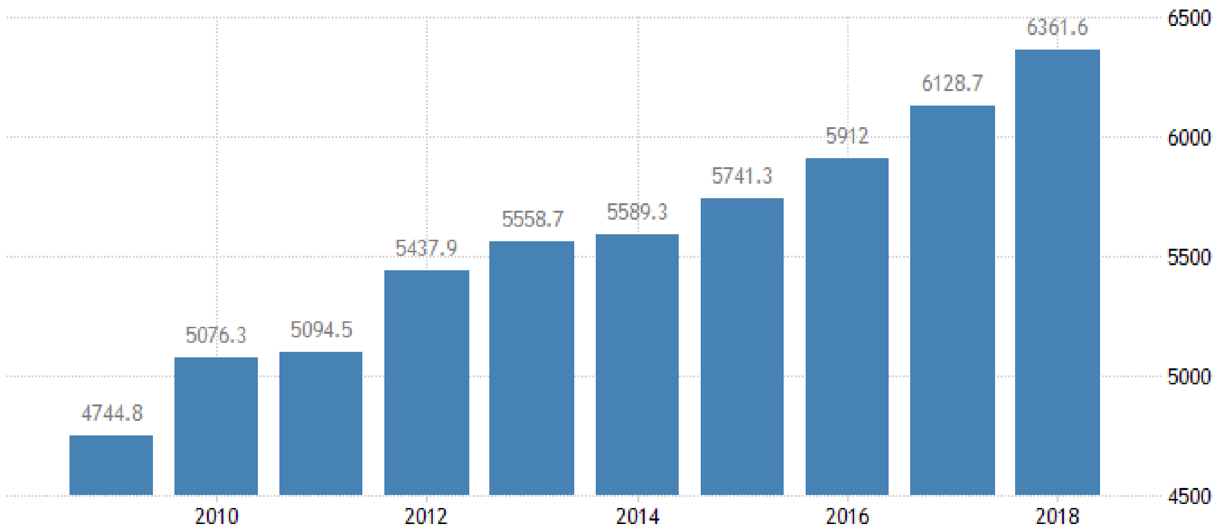

Figure 3 Thailand GDP per capita

The encouragement of saving level and efficient investment, financial planning, is necessary for Thais. Thus, this study aims to explore the behavior of Thais who expect to retire in the next decade. The changing environment especially the technology disruption needs to be analyzed.

Literature Review

Burnside (1988) and Atchley (1994) defines that the retirement is the end of employment. The persons are expected to have lowest level of working efficient and their working ability could be no more development. The retired persons are expected to live on their pension payment, Burnside (1988) and Atchley (1994) also propose that the retirement is the social standard that ignites the people to start their new lifestyle.

The retirement age is diversified by each countries. For example, refer to the laws, Sweden and Denmark set at 70 while United States of America is 65. In Thailand the retirement age is generally at 60 years old.

Brown (1990) guides when the people retires, they would face the deterioration of their body system as mentioned in autoimmunity theory or immune system theory. The aging people normally would go to the mentality change as their love ones pass away e.g. lover or pets.

Atchley (1994) separates the retirement period to be 6 periods. They are; (1) pre-retirement phase consisting of remote phase and near phase which normally people would prepare their mind for leaving ; (2) honeymoon phase that the retired people would enjoy their new lifestyle e.g. travelling; (3) disenchantment phase defining as the boring period as they probably feel that they are useless; (4) reorientation and (5) stabilization phase are the period of retired people make the new adjustment for their new lifestyle; (6) termination phase is the final stage that the retired people expects to leave from the world.

Leedy and Wynbrandt (1987) suggests when the people plan to retire they need to prepare on economic condition, place to stay and mentality. For the economic preparation, the people should have the saving amount for monthly expense. They should also finish their debt or lower in as small as possible. The insurance companies normally charge highly premium for their cover. The aging people could make their planning for economic preparation to evaluate how to close the gap. For example, some people need to prolong their retirement to earn more income if they do not have enough saving. The preparation of place to stay highly relates to the saving amount as they probably need the refurnish of their living environment to suit on their health condition. The psychological condition is the combination of both saving level and personal environment.

Certified Financial Planner Board (2019) defines the financial planning as the personal life goal consisting the personal data piling, financial goal gap analysis, investment plan to finish the gap. The wealth analysis is the major task for financial planner to find out the net between total asset and all liabilities. Thus, the wealth management comprises of the investment planning and liability management including the risk management. The details of works relate to tax management and retirement planning.

Suphakitwanijchakul (2015) summaries the study on sample of Silapakorn University that the personal characteristic significantly effects on saving behavior for their sex, education level, position, saving motivation. However, the sample shows that they do not have the future plan for their spending after they get retirement.

Kajornklum (2017) studies the retirement preparation of sample in the industrial development zone. The author finds that the significant preparation is on the place to stay through housing loan. The personal characteristic is important when consider on sex, age and income level.

Generation X (or Gen X) is the demographic cohort following the baby boomers and preceding the Millennials. Researchers and popular media typically use birth years around 1965 to 1980 to define Generation Xers, although some sources use birth years beginning as early as 1960 and ending somewhere from 1977 to 1984. In this paper, the generation X is defined as the people with age from 40 to 60 years old.

The survey of financial behavior on Generation X is important for Thai government for the preparation of government budget in the years ahead. If the generation X could not make the saving enough for their after retirement age.

The conceptual framework of this research is described as Figure 4. The saving planning of generation X is beyond the accumulation or saving phase. The outcomes of the survey on the pre-retirement phase would be useful to make the preparation for the next generation.

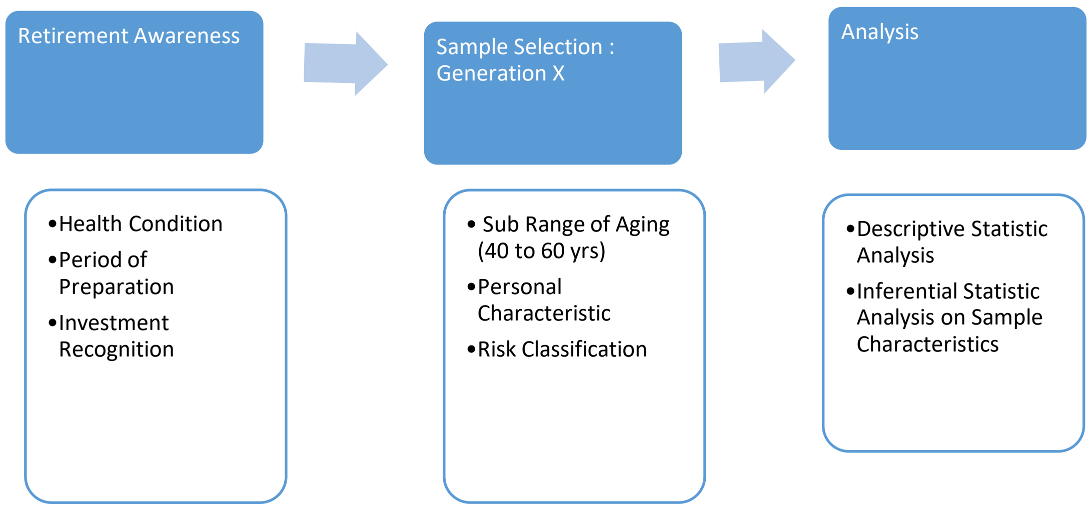

Figure 4 The conceptual Framework

Research methodology.

The population of the study is live on the urban area in Thailand. The Yamane ratio (1973) is applied that is 400 sample to be collected through online survey. The questionnaire development comes from the literature review on documents and previous studies. The pretest analysis shows the Cronbach alpha significantly at 95%. The analysis is classified to be 5 class interval (Srisaad, 2002).

The questionnaire is divided to be 3 parts. The first part collects the personal information of the sample e.g. sex, age, educational level, marriage status, occupation, income, saving level, saving management, investment experience level, risk and return expectation . The second part relates on the attitude and adjustment of the sample on technology effects on their retirement plan. The third part is the survey on the recognition of financial products with open ended answer on some questions. The last part is the exploration on the preparation on retirement.

Research Results.

The descriptive statistics shows that the sample is mainly female (63%). The sample age is classified as Table 1.

Table 1 Age of the sample

Range of Age (Years)	Number	Percentage
40.00-45.00	121	30.25
45.01-50.00	94	23.50
50.01-55.00	118	29.50
55.01-60.00	67	16.75
Total	400	100.00

The sample education level that is lower than Bachelor degree is very small proportion with only 9%. It is surprised that almost 48.28% is single even in the higher range of age. Only 1108% of the sample are entrepreneurs. The average means of the income is about the range of 60,000 Baht per month. The income is quite far different between government sector employee and private sector employee. The average of saving is about 500,000 Baht or about 10 times of their monthly income. Most of the sample still keep their saving in the plain vanilla banking account i.e. saving account. Only 34.68% of the sample get the suggestion of their financial planning through professional service.

On the second part of the survey, the sample shows significant concern from the threat of technology change. They expect to retire averagely on 55 years old in private sector comparing with 60 years old in government sector with promised cash flow from their investment i.e. provident fund. Most of the sample forecast to spend around 20,000 Baht per month after retirement.

On the third part, the survey finds that most of the generation X could bear with moderate risk on their investment. They have invested on common stock through mutual fund as the government has issued the tax deduction for Long-term Investment Fund or LTF since early 2000s. The family has the strong effects on their investment decision. They could be speculator sometimes depending on the stock market condition. On the other hand, the employee of government sector quite be happy with the deposit rate on saving cooperative as there is no withholding tax for their deposit, normally 15%.

The findings from the survey are that (1) factors like health condition and family do have the influence on their retirement planning while the external factors as political and demographic awareness do not have significantly effects; (2) the information from social media encourage the sample for retirement preparation that is more than government propaganda; (3) the sample also give the information for the younger to make the consideration from their job choosing on the fringe benefit after retirement i.e. the payment on provident fund from employer; (4) the survey also finding that the generation X even though they have children, they do not expect to be on financial support from their descendants.

The last session of the research is to make the cross tab analysis. The outcomes are described as follows;

1. Sex of the sample is significantly at 95% confident level for the retirement preparation on health condition issue.

2. Age of the sample of the sample has strongly effect on the retirement preparation on the health condition, period of preparation and family matter but not for economic and political condition at 95% confident level.

3. Education level, marriage status, occupation and monthly income of the sample significantly effects on the retirement preparation on all issues i.e. the health condition, period of preparation and family matter and economic and political condition at 95% confident level.

Conclusion and Discussion.

Thailand is going to be the aging society in less than a decade and generation X would be endanger as the Thai government does not provide sufficient public pension payment for the elder i.e. currently government pay about 20 U.S. dollar for elderly people. This study try to make the summary of the urban people of generation X who ages from 40 to 60. The finding is quite impressive as the technology disruption has two different aspects on the sample. The Xers do not have the strong believe to retire at the age of 60 but the technology gadgets make their spending is higher on their easy pay e.g. online shopping or any online services. The sample expect to spend less than 50% of their previous earning that is very dangerous on the Thai economic as the consumption is expected to be lower.

The long-term period of low interest rate since 2010s pushes generation X to take more risk on their investment with the incentive from Thai government e.g. Long-term Investment Fund. The study also finds that the government employee pay less attention for investment diversification comparing with private sector employees.

This study finds that health condition and family do have the influence on their retirement planning but not for political and demographic awareness. The information from social media now has significant influence on retirement planning. The employer has to pay attention for the fringe benefit to attract the competent employees. Surprisingly, this study finds the evidence support the low birth rate among the urban people as they do not expect much the support from their children in their lately life.

The cross analysis also reveals that female and age sub range has more attention for the retirement preparation on health condition category. The study also finds that education level, marriage status, occupation and monthly income of the sample significantly effects on the retirement preparation on all issues i.e. the health condition, period of preparation and family matter and economic and political condition at 95% confident level.

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Smart Urban Profiling and Management – enhancing innovative and sustainable city development

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Abstract

Rapidly changing framework conditions for city development such as globalization, demographic trends, deindustrialization, technological developments or the increasing urbanization as well as the economic, social and political changes are profound and change our urban life. This leads, that the cities of tomorrow will differ essentially from today´s city principles. Therefore innovative, strategically wise and quick action becomes a criterion for success. Here, more than ever, local conditions and requirements must be taken into account as well as global framework conditions. The responsible parties have to set the course so that the "City" remains competitive and sustainable in the future. Therefore, innovation processes and sustainable strategies for dealing with the diverse and complex agendas of a city in dialogue with those who are responsible for it must be initiated and management systems established so that new things can develop continuously and systematically.

This work illustrates how the boundaries created to manage and market future liveable and sustainable city destinations are the root of the practical and academic problems that trouble city management these days.

This paper aims to develop the new integrated Smart Urban Profiling and Management model, which presents a new integrated approach for city marketing as an instrument of sustainable urban development. In this way, comprehensive research was conducted to evaluate if the holistic city marketing concept that integrates elements of smart city strategies and adaptive management is a more suitable instrument and integrative process than conventional city marketing in order to improve the sustainable urban development. Therefore, in this work, the designed "Smart Urban Profiling and Management model" for city management introduces an alternative and holistic perspective that allows transcending past boundaries and thus getting closer to the real complexities of managing city development in dynamic systems.

The results offer the opportunity to recognize the city and consequently allow to develop successful strategies and implementation measures. This study targets to contribute to this endeavor in order to produce new impulses and incitements in the city management field and shall provide a fresh impetus for a new understanding of city marketing as the initiator of development processes, mobilization and moderator in concerning communication and participation processes. This paper is written from a perspective addressing those responsible for the city- management, city- & urban marketing and development.

Keywords: adaption management, city & urban development, city & urban management, profile-oriented marketing, sustainability.

JEL code: O180, R110, R580 **JEL code: O180, R110, R580**

Introduction

European cities and their surrounding urban areas are taking an active role in moving from concepts and ideas to the implementation of solutions that efficiently help to manage the development of cities and urban areas in the future. Rapidly changing framework conditions for city development and urban area growth resulted in far-reaching transformations. The radical changes are caused by globalization progression, information technology, and the decline of agricultural and industrial work. Globalization also includes culture and amenities that reshape economic principles. In addition, better education of people in general and drastic social-economic transformations have an overwhelming impact on our urban life. Life in cities/urban areas of tomorrow will differ essentially from present circumstances. The city is a global market participant for capital and labor and global democracy. Currently, 55% of the world population lives in cities and surrounding areas. The 2018 Revision of World Urbanization Prospects produced by the Population

Division of UN Department of Economic and Social Affairs (UN DESA 2018) notes that "the urban population of the world has grown rapidly from 751 million in 1950 to 4.2. billion in 2018. Today, the most urbanized regions include Northern America with 82%, Latin America and the Caribbean with 81%, and Europe with 74%" (UN DESA 2018).

Protecting the resources and providing healthy socio-economic and ecological sustainable conditions are necessary to provide social justice. Subsequently, complex multi-dimensional aspects need to be aimed at for cities and surrounding urban areas in the 21st century.

Because of increasing globalization and urbanization, the planning of city systems and management will play an essential role in shaping a sustainable, innovative and livable future in cities and surrounding areas. To navigate the big challenges of the next decades, city systems must be adaptable to changing circumstances and research-based holistic concepts are needed instead of the single measured strategies, frequently applied in the past. Therefore, innovative & sustainable strategies for dealing with the diverse and complex agendas of a city in dialogue with pertinent stakeholders (politics, administration, and companies) are needed. Globalization development increases the demands for resources and smart employees for the city and urban management and shows that the constant growth of cities creates an environment in which cities are competing for resources, industry, and organizations in various walks of life (Egger, 2016). To adapt to these transformational changes, cities and urban areas are facing, can no longer rely on "business as usual." (Barroso, 2013). To react appropriately to the broad range of changes, evidence-based research should be applied to support municipal planners and other stakeholders. Cities and companies facing similar challenges as companies, both should promote sustainable practices in relation to production and labour, as well as demonstrate social responsibility.

In order to achieve and sustain competitive advantage, managers rely on various management and marketing models (Porter, 2013; 2015). Although for example, Porter's framework for strategic management is a reasonable basis of a systematic approach to strategy, it does not guarantee scientific rigor and research.

"Systematic and future-oriented evaluation approaches can meet the challenges of a rapidly changing and increasingly complex society (Nieminen, 2015)." Marketing models and urban development have frequently studied independently of each other. The model developed here will expand the model of profile-oriented marketing by elements of adaption management, thereby focusing on the adaptive capacity of cities which is essential for the sustainability of city development. The shown research data rely on city profiles of Austrian cities, representing the characteristics and peculiarities of midsize and small cities in Austria or other European nations. The evaluated indicators and profiles were comprehensively analyzed in relation to recent developments and positioned to the smart cities market. The presented "Smart Urban Profiling and Management Model" is systematic and strategic and allows more effectively to respond to changing market conditions and to aid policymakers in the administration and management of cities. It constitutes a conceptual framework that can be used by various stakeholders to respond efficiently to changes and innovations in the smart cities market. This work points to the need to understand city and urban marketing as a process, which also requires thinking about its basic meaning and change. Positioned in this special context, city marketing, used correctly, is an efficient tool for city and urban development. The way of looking at the holistic marketing concept avoids the weaknesses of earlier approaches, focusing only on individual aspects and hiding other essential factors. If you took this holistic perspective and look at all disciplines of city marketing, it becomes clear that city marketing is extremely complex and has a great impact on all other areas and the development of the city. Thereore, this research illustrates how the boundaries created to manage and market future liveable and sustainable cities are the root of the practical and academic problems that trouble city management these days.

Concepts and Strategies for Smart Cities

There is still not much consensus on how to define the term smart city. The Smart Cities Council, a for-profit industry-led organization, states that “a smart city harnesses information and communication technology to improve livability, workability and sustainability” (https://eu.smartcitiescouncil.com).

In the presented Smart Urban Profiling and Management (SUPM) model, smart city model profiling requires the assessment of social, economic and sustainability features. To guarantee a high probability of success, appropriate openness to different potentially useful ideas is desirable.

Evaluation of the strengths and weaknesses of various strategies and the preferred state for each of the three features is undertaken in accordance with the principles of adaption (resource) management. Adaptive management procedures can have an active or passive design; active adaptive management involves testing multiple options at once in order to determine the best strategy, while passive adaptive management requires selecting and implementing one option to assess if modifications are needed. Adaptive management allows to reduce uncertainty over time via system monitoring and hence favors robust decision making. In order to determine the best strategy, the SUPM model must allow to select and implement to one option, monitor it, and when needed adjustments are made. The used tri-angular approach for profiling supports trade-off options within a certain decision frame and preserves identity in this process. If some factors of the profile need to be modified with respect to one of the domains, consistency can be achieved via the others. The idea of pursuing several aims in different areas simultaneously is strongly supported by adaption management. Systemic thinking, unlike analytical thinking, requires multiple skill sets to establish a holistic view of a system and explain its behavior.

Adaptive and strategic management principles constitute managerial and administrative tools of organizational change. Such models exist both in the profit sector, an example being the St. Gallen Management Model (Rüegg-Sturm, 2019), and in the non-profit sector, the " Freiburg Management Model (FMM) (Schwarz, 2005), that are also facing economic, ecological and social challenges (Daub, 2014).

Stakeholder integration and sustainable leadership must essentially form the foundation before sustainable management can even begin to succeed. In the " normative orientation processes " (Hoenig, 2015), the stakeholders can effectively voice their opinions and be paid attention to and subsequently a report is recorded of the acknowledged concerns of society in the form of commitments and policies.

The presented model scrutinizes management's basic tasks, and examines the most important concepts of management science, providing measures and indicators for an organization’s health. The management tasks and scientific concepts are presented within a multi-dimensional framework, that reveals interdependencies and interrelatedness.

As the St. Gallen Management model is an integrative part of Kellner’s concept of communal profiling which in turn presents a key concept for developing a new holistic model for city marketing, it is also considered with respect to the implementation of management processes in urban marketing (Kellner, 2007). Finally, parts of the presented management theories will be combined to create the key elements of the management processes of the Smart Urban Profiling and Management model.

Despite the above described existing change- and strategic management models for smart cities markets and urban development, fundamental gaps remain. Specifically, implementation processes in conjunction with monitoring need to be optimized. In contrast to the smart city framework, the smart urban profiling and management model has been expanded by a factor to reflect the holistic/comprehensive view of a city and should cover all possible aspects. The presented study aspires to apply the potential of systems thinking and helps to improve our understanding of urban spaces and to change policy and practice.

Research Methodology

The research methodology for this study report involved the use of extensive secondary sources, primary research including several reputed open source databases to identify and collect information for this study.

Secondary Data: Mainly used to obtain relevant data about market structure, the sustainable city as well as urban development and the groups of key players. The secondary sources consists of the **theoretical framework** to conduct a systematically categorizing literature analysis and fundamental thories to detect gaps in literature and assess the foundation for the model. The analyse of existing studies, datas and statistic´s build the **conceptual framework** to explore the current situation in the research field and to identify the sample and indicator for the expert survey in the course of the preliminary survey. It included press releases, financial statements and annual reports of companies, annual reports, peer-reviewed journal publications, and articles from trade and business associations as well as government publishing sources.

Preliminary survey: serves the **exploration of the research field** by analyzing secondary data and existing studies as well as collecting primary data through **expert interviews**, participation in congresses and conference. The interviews are held personal, semi-structured and conducted with a guideline. The evaluation is performed by transcription, paraphrase, headings, thematic comparison, categorizing and thematic generalization It presents a broad-based search of existing information to define the research gap and to develop the Smart Urban Profiling and Management model. Furthermore, it provided a first rough assessment of the current situation of city marketing and smart city strategies in Austria to identify the practical gap. Based on its results, the experts/specialists for the subsequent survey were identified and the main empirical study was designed and prepared.

Model development: The development of the Smart Urban Profiling and Management model are based on the findings of the literature analysis (secondary data) and preliminary survey.

Primary Data: The aim of this survey was to test whether or not in accordance with the assessment by the stakeholders, the Smart Urban Profiling and Management model has a positive impact on the sustainability of city marketing with respect to economic, social, and environmental aspects. A detailed questionnaire was shared with the respondents containing all the aspects related to the study topic. The primary sources included 240 professionals in the area of city marketing, urban development and relevant management. The experts were surveyed via standardized questionnaires to gather data about applied elements, indicators, values and practice related to a holistic city market ecosystem. The survey gathered data about applied elements of the holistic city marketing concept and perceived urban sustainability. The answer options for the closed questions were analyzed and interpreted from Likert-Type scales. Likert scales are widely used in survey studies for attitude measuring (Göb, 2007). The evaluation was performed with descriptive statistics applying normal distribution tests, scale testing, factor analysis, correlation and regression analysis including group comparison tests to detect distinctive features and gain some more interesting insights. This multi-step methods approach of research has the advantage that each stage is based on the experiences and results of the previous and allows an integrated view with revisions during the research based on the preliminary results.

The sampling of Austrian cities was based on a definition for small and medium-sized cities with a population between 10.000 and 500.000 inhabitants, catchment areas less than 1,5 million. In addition, the cities should have well accessible and relevant databases and therefore be covered by Urban Audit, a Europe-wide database on cities. Austria was used as a representative for European cities, since here small and medium-sized towns are typical of Austrian small-scale structures. Although this is also true worldwide and the vast majority of the world´ds urban population lives in medium-sized cities, they are hardly considered in most surveys, which focus primary on the global metropolises. Sample identification: Total 201 cities, 88 cities with more than 10.000 inhabitants but less than 500.000 were selected for the study.

Integrating Information: As revealed by the analysis of secondary data, many of those responsible for city marketing and sustainable city development in Austria are often defined by their position in the city administration such as city office directors or city councilors. For them, city marketing and sustainable development are areas of responsibility among many others. They have a general overview of the relevant situation but are not experts by their qualification or profession and were interviewed on the situation in certain Austrian cities. In addition to the cities, municipalities, communal associations, private businesses, and academic institutes are important actors in the networks for sustainable city, regional and communal development and city marketing. Chief executive officers, marketing directors, and innovation directors of select were also contacted for the expert interviews. To make coherent decisions and strategies related to the relevant goals and indicators, an integrated approach aspires to evaluate and interpret economic, environmental, and social aspects.

Table 1. Research design Triangulation – mixed methods and their purpose

	Preliminary survey Secondary data	**Preliminary survey Expert interviews**	**Expert survey**
Secondary data analysis & Primary data/ conferences	Field exploration, status quo, overview of data availability,	Identify sample for expert interviews, specify research needs cont. 41 -> n= 31 response rate: 75%	Identify sample for expert survey, specify research needs cont. 240 -> n= 91 response rate: 40% unuseable: 6%
Primary data/ interview		Status quo and Austrian characteristics, role of sustainability in city marketing, need for action, model development	Gain information and feedback for developing the Smart Urban Profiling and Management model
Primary data/ questionnaire			Verification of Smart Urban Profiling model

Research Design: This multistage mixed methods approach of research has the advantage that each stage is based on the experiences and results of the previous and allows an integrated view with revisions during the research based on the preliminary results.

Data Processing: The subsequent data processing was performed with SPSS Statistics applying normal distribution tests, scale testing, factor analysis, and correlation analysis, regression analysis and canonical correlation as tools of descriptive statistics as well as group comparison tests.

Data Triangulation: Figure 1 depicts the sustainable development triangle, i.e., economic, environmental, and social facets of sustainability. It demonstrates in a nutshell, what sustainable development means.

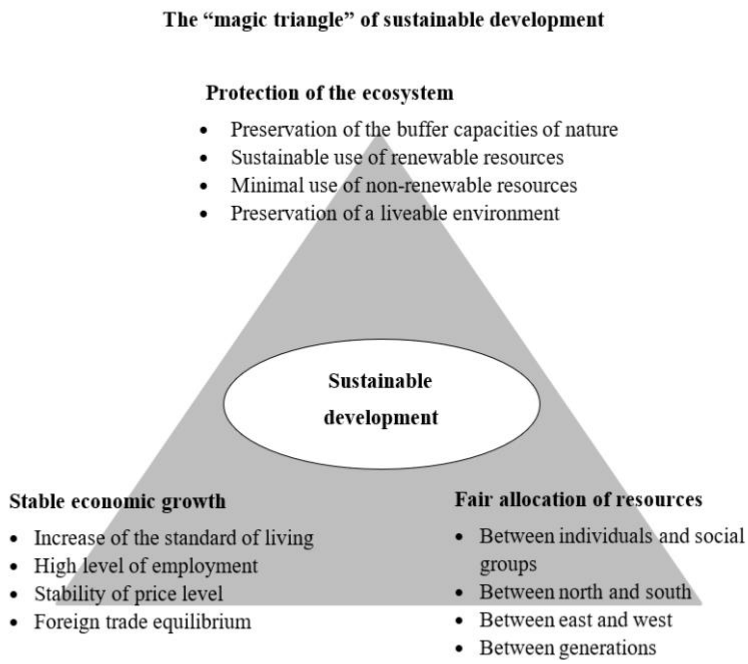

Figure 1. Sustainable development triangle shows key elements and interactions (Source: Adapted from Selle, 1999).

Positive interactions stimulated strategies across the three domains, whereas negative types will be subject to trade-offs. The interactions between sustainable development goals help policymakers to think systematically, beyond simple synergies and trade-offs.

Current situation of city marketing in Austria

A city competes for tax-paying residents, enterprises and skilled works, and lastly tourists. Cities and towns can use sustainability as a brand position. However it appears "to have focused on the environmental aspect of sustainability, while the adoption of other aspects of sustainability, including social and economic, has been limited" (Taecharungroj, 2019). For small to medium-sized cities with a tight budget, the right topics and authentic contents for developing an overall strategy in the sense of a masterplan are the prime concern rather than creating a new slogan word or logo. Initially originating from the field of brand products, slogans should convey a pointed value or reasoning while logos make the brand visible. Having long been the favorite instruments of city marketers their positive impact was often dubious.

The holistic marketing concept incorporates profile-oriented city marketing, smart city strategies, adaptive management principles, and analysis of sustainability. It suggests multi-dimensions should be considered in the brand position and guides strategic actions to sustainably develop places. A brand position within the holistic marketing concept is refined, dynamic, peaceful and green. Regarding the Austrian status quo of the main elements of the holistic city marketing concept, the survey revealed that city marketing is frequently used, in particular in larger cities and smart city strategies are at least implemented in more than one-third of the surveyed cities regardless of their size.

To test the new model of Smart Urban Profiling and Management it is necessary to first develop a research model based on the destilled theory and from the insights of the preceding empirical research. The research model, which is derived as a conceptual model, operationalises the independent and dependent variables. The independent variable is the holistic city marketing concept as the main instrument of the Smart Urban Profiling model comprising the constructing elements: Smart city strategies, Profile-oriented city marketing and adaptive Management. The dependent variable is sustainable urban development consisting of an economic, ecologic and social dimension.

To summarize all constructing elements or indicators to a small number of main variables a factor analysis was applied which aggregates groups of variables to significant and independent factors. The principal component analysis showed that the variables can be aggregated to 5 main variables or factors which is why the final empirical model can be illustrated as follows:

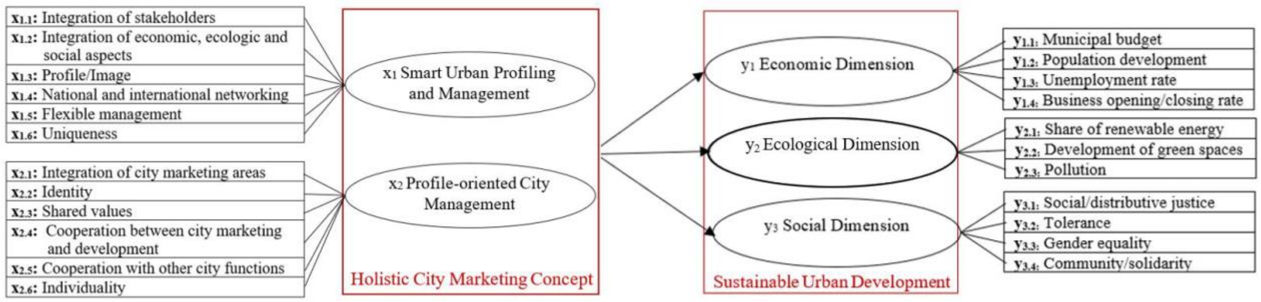

Figure 2. Final Model Based on Empirical Evidence

One essential result of the main empirical study was to combine the most important elements of the holistic city marketing concept and sustainable urban development as derived from the findings of the preceding research steps into a research model for operationalizing the hypothesis. Thereby, concrete strategies for the Smart Urban Profiling and Management model could be identified and their impact on sustainable urban development assumed and tested.

The following elements of the holistic city marketing concept could be distilled from the aggregated answers of the experts, shown in figure 3: involvement of all major stakeholders, joint organization for all city marketing areas, integration of all levels of sustainability, overall strategy, identity, shared values, image, cooperative structures, flexible/adaptive and interdisciplinary management structures and uniqueness.

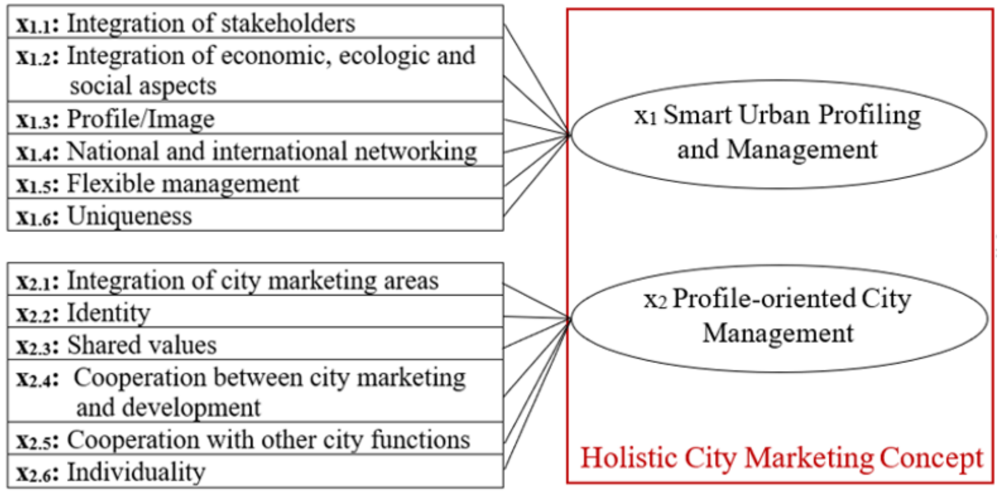

Figure 3. Scenario of the Holistic City Marketing Concept, shown in the final empirical model after factor analysis.

It was a bit surprising that in contrast to the theoretical findings and the preliminary study which were based on the integration of three main components for creating the conceptual model of Smart Urban Profiling and Management (smart city strategies, profile-oriented city marketing and adaptive management) - the empirical interpretation of the expert survey only identified two.

As a result of the theoretical derivation and empirical testing the two factors can be subsumed as Smart Urban Profiling and Management for x1 because it contains elements of all three categories and Profile-oriented City Management for x2 because it only contains elements of profile-oriented city marketing and adaptive management. This may lead to the conclusion that there is an interaction and interdependency of all elements which, in the sense of a successful integration, leads to positive synergy effects.

The correlation analyses suggest that the integration of stakeholders and of economic, ecological and social aspects, the profile/image, national and international networking, flexible management and uniqueness are the most important elements of holistic city marketing in the context of sustainable urban development. They can be tailored to the specific local requirements of small- and medium sized cities in Austria as identified by the research. Therefore, this holistic concept presents a clear contrast to conventional city marketing with its single measures.

Austrian urban sustainability goals

The objective of this study is to create an instrument, like a branding tool, that can help small cities and towns develop a brand position that is credible, drives growth, involves residents and fosters sustainability. This sustainable place branding analysis was adapted from the importance–performance analysis widely used in business and in the tourism industry. For small to medium-sized cities with a tight budget, the right topics and authentic contents for developing an overall strategy in the sense of a masterplan have top priority rather than creating a new slogan or logo. Initially originating from the field of brand products, slogans should pithily convey the positioning or a rational or emotional value while logos make the brand visible. Having long been the favorite instruments of city marketers their positive impact was often dubious. Regarding the Austrian status quo of the main elements of the holistic city marketing concept which are profile-oriented city marketing, smart city strategies and adaptive management, the survey revealed that city marketing is widely-used especially in bigger cities and smart city strategies are at least implemented in more than one-third of the surveyed cities regardless of their size. The study presented here did not evaluate metropolitan cities, however, it is worth to mention, that Vienna in various rankings, demonstrated that it is on the right path with an integrated and balanced approach. It led the Smart City strategy index in 2919, worldwide (www.smartcity.wien.gv.at/site/en/category/news-en).

The results of the principal-component analysis for the variable y, sustainable urban development, show that there is one factor for each of the three dimensions (economic, ecologic and social), shown on the right side of figure 2, as assumed by theoretical and preliminary empirical findings.

Construction and testing of the Model

On the basis of insights of the literature analysis and preliminary survey, the Smart Urban Profiling and Management model was developed. To evaluate the SUPMmodel a gradual approach was adopted to identify the most important elements of the holistic city marketing concept and sustainable urban development. To subsequently customize the Smart Urban Profiling and Management model to the needs of small- and medium-sized Austrian cities and to meet the requirements of practical applicability, the current situation first had to be assessed by the preceding research.

In the Smart Urban Profiling and Management model, the profile of a city/town relies on relevant indicators of the three key dimensions, economic, social, and ecological sustainability. In the past, sustainable development has been hampered by trade-offs in favor of economic growth over social and ecological benefits. Thus, the model simultaneously evaluates indicators of economic, social, and ecological strengths and weaknesses. In accordance with the principles of adaption management, it should always be possible to go back if several attempts to improve a certain weakness fails and select another strategy or weakness to improve. The integration of a triple bottom line into the profile provides it with the necessary support to maintain identity in this process. If some aspects of the profile need to be reformulated in one of the domains, consistency can be achieved via the others. The idea of pursuing different goals in various areas simultaneously is backed by adaption strategies and adaption management, which help to manage risks to an acceptable level for each aspect. In order to evaluate progress towards the goals, an evidence-based practice that relies on scientific substantiation should help the decision-makers.

The SUPM is an instrument and a planable, innovative & flexible method for initiating, managing & controlling sustainable urban development process. It is supposed to design case-specific future-oriented development concepts and transfer them into a systematic realization process. The procedure can be individually applied to any city or destination to recognize and correct its specific problematic. Thereby, the procedure will continuously improve with each application. What makes it special is the profile as core element of the holistic city management the main focus for strategic decisions of the city administration. This model can repeat the process an infinite number of times by continuously monitoring the success of the initially derived measures and re-evaluating the initial analysis in the sense of seasonal city rhythm. The continuous semi-annual monitoring and profiling in the sense of seasonal city rhythm constitutes a substantial improvement in comparison with Kellner´s approach which suggests an annual profiling because it creates the possibility to react more promptly to changes and trends in urban development if necessary, instead of rigidly following the annual targets. This is crucial to guarantee individuality, uniqueness, attractivity and competitiveness.

A noteworthy result of the expert interviews in this respect was that they pointed out that, the adaptions should take place only at the level of measures and not on the strategic level because if the approach is too flexible and implies frequent changes in the positioning or main goals they may probably never be achieved. Therefore, core messages need to remain unchanged and there must also be long-term goals. One suggestion was to specify a corridor for profile development in which to operate that provides sufficient space for adaptions. The corridor itself shall not be changed so the strategic goal stays the same. The continuous monitoring of the Smart Urban Profiling and Management model takes up this consideration and allows for necessary adaptions on measure level within this corridor at any time.

Whether and how often such adaptions are really required in the sense of a sustainable urban development will be in turn different from city to city.

Finally, the the expert survey aims to verify the Smart Urban profiling and Management model. This means a verification of the hypothesis that this holistic concept of city marketing is a superior instrument and integrative process than conventional city marketing in order to improve the sustainable communal development

In a next step, the correlation analysis was performed with the Spearman´s rho who resulted in confirming significant correlations between the variables x1, x2 and y1, y2, y3 which suggests a positive result of hypothesis testing. The figure below shows the results for Spearman´s rho.

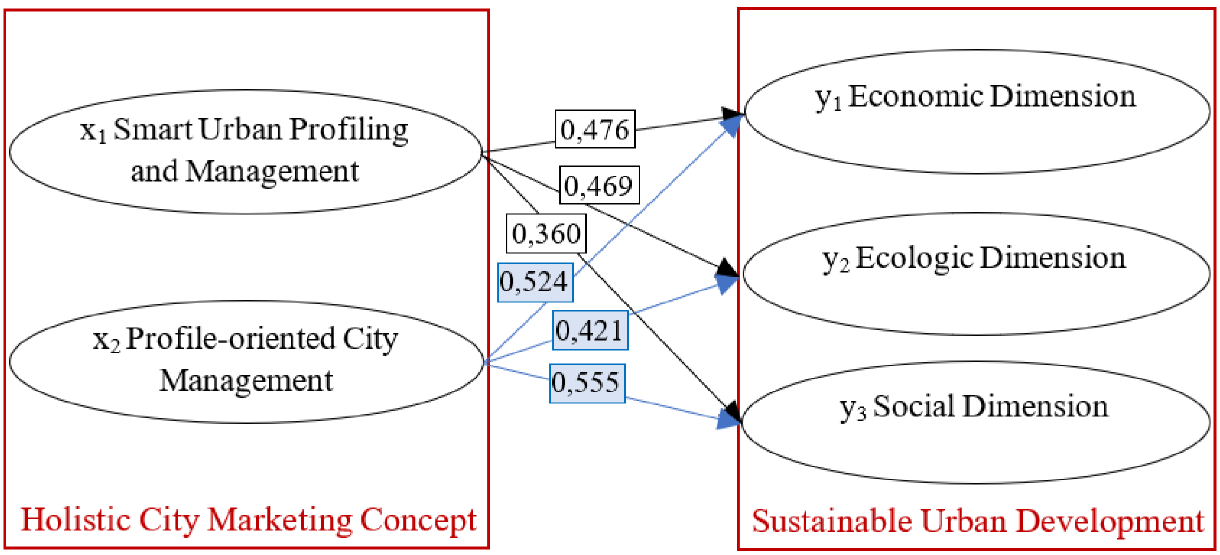

Figure 4. Spearman´s correlation coefficients are testing the influence of the holistic city marketing concept on sustainable urban development. Spearman's correlation can also be used when two variables are not normally distributed. It can take values from +1 to -1.

As figure 4 shows, the Holistic City Market Concept is reasonably correlated with the Sustainable Urban Development plan. The influence of the elements of the holistic city marketing concept on the three dimensions of sustainable urban development as tested by the Spearman's rho correlation test shows the strongest correlation between the elements of x2 on the economic and social dimension which suggests that the integration of stakeholders and of economic, ecological and social aspects, the profile/image, national and international networking, flexible management and uniqueness are the most important elements.

The positive correlation analyses lead to the conclusion that the more elements of the holistic city marketing concept according to the Smart Urban Profiling and Management model are applied in a city, the more sustainable its urban development.

Summarizing the stated key findings, the Smart Urban Profiling and Management model is a superior instrument and integrative process than conventional city marketing can be confirmed due to the result that the sample cities with conventional city marketing which have implemented more elements of the holistic city marketing concept showed better results in all three sustainability dimensions than those with less implemented elements.

Conclusions

The Smart Urban Profiling and Management model presents a new integrated approach for city marketing as an instrument of sustainable urban development. A strong city profile that considers the three dimensions of sustainable urban development strengthens the positive image, the identification of citizens with their commune and the attractiveness of a city in the long term while the flexible and participative approach allows for a balanced prioritization and therefore more holistic solutions. Therefore, the result of a strong city profile and the holistic city marketing concept is a superior sustainable, smart, attractive city. The presented model helps to implement efficient processes. Second, the implementation of the goals and targets attempts to challenge the business-as-usual approach to economic growth. A city cannot be seen as a product or company. In this context, city management differs greatly from the management of a company and identity-finding and positioning is much more complex.

Furthermore, the assessment of the strategic and conceptual approach revealed a lack of professionalism and strategic overall planning. Most cities without professional advice or guidance did not adopt a procedure as suggested by specialist literature or experts. They often have one-sided strategies such as sector-specific branding or partial strategies and only creat a city brand or profile but did not start with a SWOT-analysis as a basis or involved the relevant stakeholders, or they have different slogans for each sub-strategy because of separate scattered marketing organizations. In many cases, no distinction was made between mission, vision, slogan or USP which is apparent from the answers of the expert interviews. This confirms the opinion of an interviewed expert that profile-oriented marketing might be widely used in Austria in the eyes of city marketers but not in the proper sense of the term and is also consistent with the group comparison of the main empirical survey which revealed that the insiders perceive the level of implementation of elements of the holistic city marketing concept more positively than observers outside the group.

Evolution into an environmentally and socially sustainable location for smart businesses demand structural changes. Readjustments in a comprehensive process can be challenging and rapid changes make it necessary to review and adjust processes at short intervals. The continuous semi-annual monitoring and profiling in the sense of seasonal city rhythm constitutes a substantial improvement in comparison with Kellner´s approach, it creates the possibility to react more promptly to changes and trends in urban development if necessary, instead of rigidly following the annual targets. The current fast-moving age requires a shorter reaction time.

The lifestyle concerns of people are increasingly important in defining the overall role of urban social processes. Sustainability-based business management seeks to harmonize economic, ecological, and social aspects within the enterprises. To guarantee healthy economic conditions in the future, sustainable places should promote innovation, foster a dense network of companies and organizations and provide equitable opportunities for local businesses (Egger, 2006; Jenks, 2009).

Presently, Germany is changing its energy policies (*Energiewende*). Although *Energiewende* is not a conventional branding campaign, the impact and the success of its strategies have substantially strengthened Germany's brand (Ball, 2017; Kunzig, 2015). Millions of wealthy consumers have installed subsidized solar panels on their roofs. "This new army of power-producing consumers are a force that the country's established electricity giants simply didn't believe would materialize" (Ball, 2017).

Here, we showed innovative steps for a holistic approach to city-marketing and sustainability. Adequate monitoring is essential and comprehensive in design. Special indicators have been defined for each dimension to assess the status quo. It is important to provide a high degree of transparency and making successes visible.

To enhance the quality of life for residents in cities, evidence-based research and innovative thinking are indispensable. The presented framework strategy helps municipal administration, businesses, science entities, and civil society to create a vital city environment with equal opportunities for all citizens.

Biography

Rebecca Reschreiter is currenlty a doctoral candidate of Management Science at the University of Latvia, at the Faculty of Economics and Management. Her research is concerned with adaption management and profile-oriented marketing and in conjunction with sustainable city development. She teached courses in the field of Marketing and Business Management at University of applied science in Salzburg. In parallel to her academic research, she works in a Head of Marketing & Projectmanagement position at a communication and media agency in Austria.

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THE RISE of PROSUMER: USER GENERATED ADVERTISING

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Abstract

Since the beginning of the twenty first century, with developments in communication technology and the advent of new web tools, a new type of advertising has emerged on the marketing scene. There have been various terms used to define this phenomenon such as “User Generated Content”, “Consumer Generated Content” or “Advertising 2.0” within the evolution of advertising. It is considered as a monumental step that can change the meaning of advertising dramatically as it changes the roles of actors and audiences in the advertising game. User Generated Advertising takes its roots from well established concepts such as Word of Mouth and Web 2.0 with the creation of user generated content. Although there is no exact definition of the term, by combining various definitions user generated advertising can be defined as a type of advertising created by the consumer rather than by paid professionals. User generated advertising simply consists of advertising presented and published by the consumers rather than advertising companies.

Within a decade, the meaning and application of User Generated Content and Advertising through User Generated Content have changed significantly. In the beginning the participation of the consumer in regards to interaction with the companies and brands was rather limited. User Generated Content was limited to review messages on forum sites and text messages. Since it was produced by the consumer, it was considered as a kind of electronic Word of Mouth. The marketers who wished to engage in dialogue used to do limited activities such as holding contests open to the public by such means as “Ad Slogan Contests”. As smartphones, video making and sharing applications of the phones became popular, consumers and consumer behaviors changed in an unprecedented way. In fact, in a short period of time social video applications such as “Vine”, “Instagram”, “Keek” and shooting and sharing videos became an ordinary daily routine for the consumers. During this period, user generated videos started to be seen as a synonym for user generated advertising. For the last couple of years, most of the big companies have started to experiment with user generated advertising via campaigns such as “user generated video ad contests”

While some companies have become successful in interacting with the consumers through co-creation process via ad contests and sponsoring incentivized consumer generated media, others have had to learn the power of users from their bitter experiences. Companies such as the United Airlines and Volkswagen had to endure hard times and loss of revenue after user generated videos broadcasted and shared on social platforms such as Youtube.

Getting to know the new type of consumer called “Consumer 2.0”,“ Generation C” or “Prosumer” who not only interested in consuming but also has a desire to produce and advertise on social media, has become a prerequisite for companies. The questions of what motivates the consumers to generate ads, how companies can join the conversation, what legal actions can be implemented against harmful consumer generated ads and whether the awareness of advertising co-creation help or hurt persuasion have become hot topics investigated by academics from different disciplines. Our aim in this paper is to present user generated advertising and the issue of control in the advertisement production process in user generated ads by illustrating examples from business world.

Keywords: User Generated Advertising, New Consumer, Advertising 2.0

A Tradeoff-Analysis of Students' Perceptions of Teaching Excellence

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Abstract

With larger class sizes, globalization, expanding technology, and increasing pressure to publish, teaching excellence is becoming more challenging to measure and obtain. Using conjoint analysis, traditional-aged college students at a large public institution evaluated the constructs of teaching excellence from the Educational Testing Service's Student Instructional Report (SRI). Teaching excellence is multi-phased, but assignments, exams, and grading are the most important. Faculty-student interaction is the least important.

Navigating the shifting landscapes of HRM – The use of the "HR Compass" as a tool in the teaching of HRM

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Abstract

Human resource management (HRM) includes all the different activities associated with the management of work and people in organizations. Working with human resources (HR) is a comprehensive and complex task that builds upon insights from many different professional fields. In such a confusing landscape, models can be suitable tools to create overview and structure. They can also be used to show the connections between different terms, tasks and processes involved in HRM.

However, during several decades of practical work and teaching in the field of HRM, we have found that such models are missing from most textbooks on the reading lists of introductory courses of HRM in Norway. Even though the professional field of HRM is full of models, the models we found in our textbooks did not give our students the overview they needed to help them gain a holistic understanding of the complexity of HRM.

In this paper we introduce a new model called the "HR Compass", designed to guide students in their efforts to understand this professional field. The main research question is how the model contributes to the students' learning processes in the field of HRM.

The model has been used for educational purposes in the teaching of bachelor students in Business Administration and further education in HRM for adult students. In this paper we present findings from group interviews with these students.

Initially, we present how models can be used as educational tools. Next, we explain the "HR Compass" that we have developed, and its theoretical basis. We go on to elaborate on how the model is used in our teaching, before we will explain our chosen method to answer our research question. Finally, we present and discuss the findings from the conducted interviews.

We found that the students in both groups have coinciding views on the model used in their respective HRM courses. The informants agreed that the model helped them structure the different parts of the curriculum and teaching. They also agreed that the model helped them in their own learning processes and when working on their assignments. In summary, the findings indicate that the "HR Compass" has contributed to increase the students' understanding and holistic comprehension of HRM.

Keywords: Business Education; Human Resource Management (HRM); learning; models; pedagogy; teaching

Introduction

It is perhaps a worn-out cliché that the employees are the most valuable assets of an organization, yet there is more truth to this statement now than in any previous historical era. In the industrial society the workforce was easily replaceable, and machines used to be the more important for production than people. Today, however, the employees and their expertise are the most crucial success factors in large parts of working life (Bolman & Deal, 2017). Educational programs aimed at increasing the understanding of how to succeed in making the most of human resources (HR) in organizations have therefore also increased considerably in scope, including in business education.

Human resource management (HRM) includes all the different activities associated with the management of work and people in organizations. Working with HR in organizations is a comprehensive and complex task that builds upon insights from many different professional fields, such as organizational science, psychology, legal science, social anthropology, political science, sociology and economics. Sometimes working with HR even requires knowledge of medical science and technological issues. In such a confusing landscape, models can create overview and structure. They can also be used to show the connections between different terms, tasks and processes involved in HRM. Hence, models can be important instruments in navigating a professional landscape, for both teachers and students. Good models can therefore contribute to increased quality of teaching and improved learning for students.

However, during several decades of practical work and teaching in the field of HRM, we have found that such models are missing from most textbooks on the reading lists of introductory courses of HRM in Norway. Even though the professional field of HRM is full of models, the models we found in our textbooks did not give our students the overview that they needed in order to gain a holistic understanding of the complexity of HRM.

In this paper we introduce a new model, called the *"HR Compass",* designed to guide students in their efforts to understand this professional field. The main research question is how the model contributes to the students' learning processes in the field of HRM. First, we will introduce models as tools in an educational context, before we introduce the *"HR Compass"* and explain the theoretical foundation of this model, and how it is used in our HRM teaching. Then we will elaborate on research design and methodology, before we present and discuss our findings. Finally, we will conclude and present some thoughts on further development.

Models as educational tools

Hvidsten (2014) describes models as representations of an empirical phenomenon, concept or theory, and distinguishes between three scientific theoretical perspectives on models; realism, instrumentalism and analyticism. This article is based on an analytical perspective on models, where the purpose of models is to construct analytical narratives that contribute to increased understanding of empirical phenomena and their inter-relationships in subjects related to HRM.

According to Hvidsten (2014) models can serve as aids to promote systematic thinking about different phenomena. Models are not a copy of reality, but should offer a conceptual framework in order to form cognitive maps to structure reality. Models can help structure knowledge and create a visual picture of a field of knowledge. A holistic model for HRM subjects can therefore help to create what Bernstein (2000) calls *framing* and Wittek (2008) designates as *structure in new knowledge.*

The purpose of theoretical models is to clarify a message by visualizing key concepts and elements, and to function as a supplement to a text that provides information about what is most important (Hjälmhult & Lomborg, 2010). Models should be able to give *new meaning* that is both immediate and comprehensible, and represents relevant and valid insights. A theoretical model may further provide a new image of *connections*, derived from empirical data.

Anther essential feature of models is that they can easily show correlations, proportions or overview. Hjälmhult and Lomborg (2010) claim that the criteria for good models are that they are precise, simple, have a clear purpose, are immediately understandable and summarize relevant information in an educational way. A good model should be relatively self-explanatory and summarize our inner images. *Simplicity* is the key to understanding, but simple boxes and arrows are not enough to create a good model. It must also be anchored in the academic field it is supposed to explain.

Models may also contribute to communication control, or “the internal logic of the pedagogical practice” (Bernstein, 2000, p. 12). This includes what is put on the teaching agenda, management of the time spent, the order of different issues, and what criteria are emphasized. In other words; which principles govern the communication between teacher and students (Sekkingstad & Fossøy, 2017).

Prior knowledge activation can have good effects on learning and contribute to active learning strategies and the integration of prior and new knowledge (Wetzels, Kester, & Van Merriënboer, 2011). *Mobilization* is a bottom-up strategy most suited for learners with lower levels of prior knowledge, providing them with a relevant context in which new knowledge can be integrated. As prior knowledge increases *perspective taking* is expected to be the most efficient strategy for activating learners’ prior knowledge. Perspective taking is a top-down orientated strategy that results in the activation of a corresponding schema. This schema guides the selection and processing of information relevant to the schema, which can support learners with higher levels of prior knowledge in refining their already elaborated knowledge base. Models can be valuable contributions to activate prior knowledge in both these teaching strategies.

Models can also promote one of the seven learning principles of Pettersen (2005), which he calls *focus on the development of a flexible and functional knowledge base*. The principle involves not only the need for students to develop their knowledge base, but also the need to develop an understanding of the relationships between this knowledge base, its conceptual apparatus, and how the subject taught can be used in specific and relevant contexts (Pettersen, 2005, p. 89).

Mental models and cognitive maps can also promote student learning (Shen, Tan, & Siau, 2019). Mental models are individuals` internal representation of a perceived reality, which help them in sense-making and give meaning to the world around them. Cognitive maps are the externalized portrayals of mental models in some kind of visual layout. Concept mapping helps to show how various concepts are interlinked and the relationships among them. Theoretical models can help students in the process of developing such mental models and cognitive maps.

When models are applied in an educational context, the main purpose is to contribute to student learning. Hence, models within HRM subjects should be able to help promote the students’ understanding of both single elements of the professional field, and how these elements are interrelated. In order to anchor the *“HR Compass”* in its academic field, our efforts to develop this model are inspired by and built upon existing models in HRM literature. In the following, we will explain the main content of the model and its theoretical foundation.

The HR landscape and the “HR Compass”

Previously, *personnel management* in organizations mainly focused on administration and operational tasks, emphasizing the present. It was to a lesser extent oriented towards the organization's strategic and long-term development (Marchington, Wilkinson, Donnelly, & Kynighou, 2016). The field was dominated by the practical personnel work and its operational processes. The strategic importance of HR has gradually become more acknowledged because of general trends in society, such as technological development, the movement from industrial society to knowledge society, and less stable and predictable organizational contexts. The notion that employees are critical factors in the organization is ever more recognized, and the general opinion seems to be that knowledge and competence are the main keys of having a competitive advantage (Bolman & Deal, 2017; Boxall & Purcell, 2016). As a result, it is necessary to anchor and integrate the work on HR in the organization's overall strategy (Marchington et al., 2016; Wilton, 2016). This change is reflected in concepts such as *strategic human resource management (SHRM), strategic human resource development (SHRD),* and so on.

The organization can be defined as a social system created to solve specific tasks (Scott, 1992). The main purpose of HRM is to manage people in such a way that the organization can reach its goals and solve its tasks in an efficient and appropriate way. In this way, HRM will not be a primary function in the organization, but a support function (Porter, 1985). At the same time, all organizations are dependent on their surroundings. This is often illustrated as an input-output process, where the organization is regarded as a production system that is dependent on input from the environment and producing output in return. Thus, an organization can also be understood as an open system (Scott, 1992). Overall, we can present the role of HRM in the organization as in Figure 1.

Textbooks in the field define HRM in many different ways. However, the various definitions have in common that HRM include activities in organizations that focus on human resources and their behavior and interaction with other resources in the organization. Dessler (2016, p 34) defines HRM as "the process of acquiring, training, appraising, and compensating employees, and of attending to their labor relations, health and safety, and fairness concerns". Moreover, the HR literature often refers to different organizational levels. Some activities are described as *operational*, while others are defined as *strategic*. The importance of having a clear link between strategic and operational levels and having an internally consistent HRM is emphasized in the literature (Dessler, 2016). Finally, it is important to take into account that all tasks connected to HRM take place within a context that both limit and make room for action (Gómez-Mejía, Balkin, & Cardy, 2016).

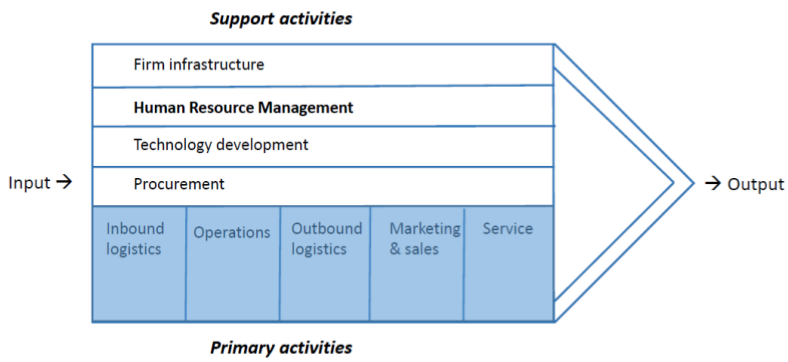

Figure 1 Simplified value chain based on Porter (1985)

Our efforts to develop a new model for HRM in organizations are based on these insights, and inspired by existing models in the extensive literature in this field of knowledge. The *"HR Compass"* is designed to be used for educational purposes. The model clearly separates between the strategic and operational levels of HRM work, but at the same time shows that the two levels are connected. In addition, the model illustrates how HRM takes place within and is influence by its organizational and environmental context. The "*HR Compass"* is presented in Figure 2. In the following, we will elaborate on the main content and purpose of the model.

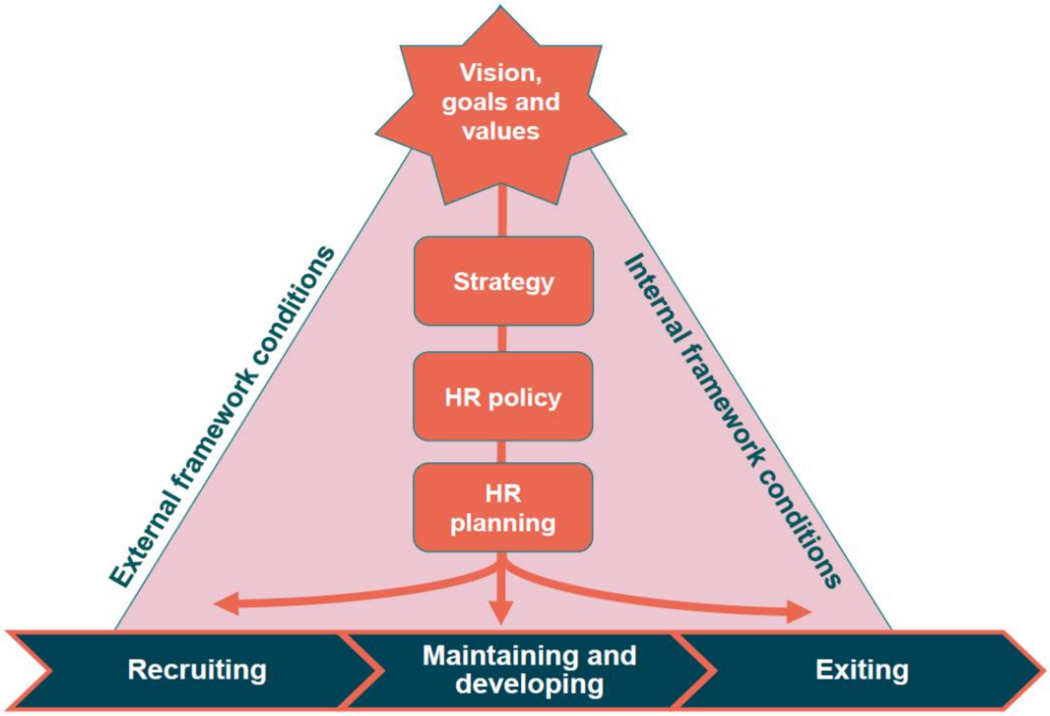

Figure 2 The "HR Compass"

Contextual factors of HRM

All work connected to HRM takes place within a context, and recent research in the field therefore usually has a contextual perspective on HRM (Boxall & Purcell, 2016). According to Gómez-Mejía et al. (2016), the rise of the internet, workforce diversity, and legislation are just some of the external factors that influence HRM in organizations. Hence, both political, cultural, social, environmental, technological and economic conditions will affect how HRM is practiced in organizations. However, which external factors are most prominent will vary over time and between different geographical areas, industries and even between individual organizations.

In addition, there are demands and expectations from various stakeholders, both inside the organization itself and in its environment, which set the premises for how the organization can and should act when it comes to managing their human resources. All aspects of HRM are thus carried out in a larger organizational and societal context which should not be ignored (Boxall & Purcell, 2016). Internal conditions such as the size and age of the organization, core processes, organizational strategy and goals, organizational culture, task technology, degree of unionization, competence and characteristics of the employees are significant factors that influence the room for maneuver in HRM policy and practices (Bolman & Deal, 2017; Boxall & Purcell, 2016; Wilton, 2016).

As previous research clearly points to the importance of such contextual factors for how HRM is organized and implemented in an organization, we can conclude that such factors should be included in a model designed to introduce students to this field of study. In the *"HR Compass"*, the *contextual factors* of HRM are divided into *external* and *internal framework conditions*. The distinction between organization and environment is illustrated in the model by the triangle that serves as a frame for the internal factors. When using the model, the students should take into account and identify which external and internal framework conditions are most prominent in different circumstances and contexts.

Strategic HRM

In most of the early textbooks on HRM, the message was that the core of HRM is to manage human resources in such a way that the organization can reach its goals and solve its tasks in an efficient and appropriate way (Boxall &

Purcell, 2016). Without going into detail discussing the complexity of goals, decision making and conflicts of interest in organizations, the need to link HRM to the overall vision, purpose and values of the organization is still clearly emphasized in the literature. Like other resources, human resources must be integrated into the overall strategy of the organization (Gómez-Mejía et al., 2016). According to the “best-fit school” and Harvard framework of HRM, HR strategies should be internally consistent and vary based on contextual factors (Boxall & Purcell, 2016).

Some of the most important strategic tools in HRM are *HR policy* and *HR planning*. *The HR policy* provides (formal or unformal) guidelines on how the human resources are to be managed and developed in the organization (Dessler, 2016), while *HR planning* (also called *workforce, employment* or *personnel planning*) involve long-term planning and management of the human resources in an organization, and identifying its projected workforce needs in order to achieve its strategic objectives (Dessler, 2016; Marchington et al., 2016; Wilton, 2016). In recent decades, the *strategic* importance of human resources has gradually become more important in both research and in the field of practice (Wilton, 2016). Therefore, it is essential that the strategic element of HRM is represented in an introductory model, in order for it to provide an overview of the field of study.

In the *“HR Compass”,* the strategic element in HRM work is marked in red colour. The arrows illustrate how HR policies and planning should be aligned with and emerge from the company's overall goals, values and strategy. From the task of *HR planning*, the arrows continue towards all operational HR processes. The terminology used to reflect the strategic processes in the model is based upon relatively well-known concepts of organizational theory, which can also (partially) be found in the introductory textbooks of Boxall and Purcell (2016), and Wilton (2016), among others.

Operational HRM

The operational tasks of HRM consist of the practical and concrete tasks related to the different phases in an employment relationship. Operational HRM is often referred to in the literature as *HRM practices*. HRM practices include how to select, develop, assess and reward employees (Marchington & Wilkinson, 2008). The introductory textbook by Gómez-Mejía et al. (2016) also include the tasks of training an developing people, and managing workplace health and safety, employee separations, downsizing and outplacement, to name a few.

The main components of operational HRM is highlighted in blue colour in the *“HR Compass”.* The red frames around the blue boxes show how the operational processes are framed by the strategic ones. The illustration of operational HRM work represents different phases in a working relationship, and the arrows between them signify the transition from one phase to the next, but also that the phases are intertwined. The operative elements in the *“HR Compass”* are partly built upon models and concepts that can be found in Marchington et al. (2016), and Bolman and Deal (2017), among others. All the different phases of the employment relationship should be part of an HRM model that is designed to help provide an overview of the most important HRM practices in an organization.

A core task of HRM is to provide the organization with the right set of skills. Thus, *recruiting* is an essential task within HRM (Dessler, 2016). The recruitment process represents an employee's first meeting with the organization, and a link between the organization and its environment. The supply of employees may stem from the internal labour market within the organization or the external labour market (Gómez-Mejía et al., 2016). This is the reason why the process of *recruitment* is placed partly outside and partly inside the organization in the *“HR Compass”.* The final part of the hiring process is introduction and socialization into the workplace (Gómez-Mejía et al., 2016). This is illustrated in the model as a gradual transition from the *recruiting* process into the processes of *maintaining and developing*.

After recruiting, it is important to make sure that empolyees thrive, master, perform and grow. The organization must ensure that its human resources are not degraded because of unhealthy or unsafe work conditions (Gómez-Mejía et al., 2016), or because of lack of opportunities for learning and growth (Wilton, 2016). Hence, the employer must facilitate both professional and personal development for employees. The terms *maintaining* and *developing* are placed within a common framework in the model, because they are closely interrelated and interdependent. Preserving and improving the health and competence of employees are essential parts of the obligation that an employer has towards his or her employees, and fits well with the notion that motivated and skilled employees are crucial for gaining a competitive advantage (Bolman & Deal, 2017).

Sooner or later, all working relationships end. Regardless of the reason for ending the employment contract, the organization should make sure to finalize the employer-employee relationship in a dignified and professional manner. Implementation of downsizing, the handling of voluntary resignation, and transition to retirement or disability pension are all important tasks in the last phase of the employment relationship (Gómez-Mejía et al., 2016). In the *"HR Compass",* this process is referred to as *exiting*, and ends in terminating the working relationship. As a result, the employee is no longer part of the organization. This is illustrated in the model by an arrow leading the employee away from the organization and into its environment. The cycle of the employment relationship is now complete.

The "HR Compass" as an educational tool

The purpose of the *"HR Compass"* presented above is to contribute to student learning in the field of HRM. The model is an attempt to develop an educational tool that simply illustrates the most important elements of HRM, and that frames and connects these elements into a coherent whole (as suggested by Bernstein, 2000; Hjälmhult & Lomborg, 2010), based on a summary of previous research. Existing models in textbooks lack precisely this ability to provide students with limited prior knowledge an easily accessible, intuitively understandable and at the same time holistic overview of the field of HRM. The aim is that the *"HR Compass"* can help visualize and navigate the HR landscape in a simple, precise and logical way, and become an educational tool that promotes learning and contributes to a coherent understanding of this field of study. In the following, we will explain how the model is used in practice as an educational tool in the teaching of HRM for bachelor students in business administration, and further education students in HRM.

The *"HR Compass"* is used in practice to structure the syllabus, make teaching plans, and as a basic structure for lectures throughout the teaching semester. Our experience as educators is that it is a good tool for teachers to communicate wholeness and connections in the subject, especially when several teachers are involved in teaching different parts of the same subject. It allows the utilization of a bottom-up learning strategy, as well as giving the students a top-down strategy to activate their prior knowledge as it develops during the course, as suggested by Wetzels et al. (2011).

In the bachelor program, students write a term paper which involves choosing an existing organization and mapping which internal and external framework conditions affect HRM in the company. The students must furthermore describe the strategic HRM processes of the chosen organization, and discuss operational HRM processes in light of both strategic HRM and the identified framework conditions. The term paper is the basis for an adjusting oral examination in the subject. Hence, the model becomes a framework for the students' work and learning.

At the further education course in HRM, the teaching takes place at weekend gatherings, as most participants are employed during the week. Here, too, the students write a term paper, but they find their own research questions. Typically, students write a term paper related to their own workplace. The teaching is dialogue-based, with exchange of experiences and reflections on examples from the participants as a bonus compared to the bachelor students. Here, too, the subject concludes with an adjusting oral exam.

We intend to provide both groups of students with tools to contribute to their learning processes, by introducing them to a model that can function as a cognitive map and enable them to develop shared mental models, as suggested by Shen et al. (2019). This might help the students in their efforts to organize the syllabus, and understand the interrelationship between the various elements and main concepts of HRM.

The *"HR Compass"* has become an active educational tool for us as lecturers and sensors, but we need to know more about how it affects student learning. Thus, the research question we pursue in this paper is how the model contributes to the students' learning processes in the field of HRM, and in the following we will explain our methodological approach to answer this question.

Methodology

In order to find answers to the research question, it was desirable to have a methodological approach that allowed for a wide range of different perspectives, interpretations and assessments of the model, as a contribution to understanding how the *"HR Compass"* contributes to student learning in the field of HRM. Thus, we chose a qualitative approach to examine the students' descriptions and assessments of the model, through their own words, concepts and natural language. Furthermore, qualitative methodology facilitates an open knowledge structure, which allows the researcher to discover new perspectives and issues along the way in the process of data collection and analysis (Banister, Burman, Parker, Taylor, & Tindall, 1994; Hill, Thompson, & Williams, 1997).

The data was collected by using focus group interviews as this approach gives access to a variety of perspectives, both in the form of individual reflections and perspectives that arise in the dialogue between informants. The purpose of focus group interviews is to gain understanding of and insights into the studied topic and/or group (Gawlik, 2018), and questions are designed to stimulate discussion among the participants (Morse, 2014). The group effect of doing focus group interviews, as opposed to individual interviews, is particularly interesting in an educational setting because student learning is a social process. In addition, we tend to be more willing to open up and share our opinions and thoughts in groups of people similar to ourselves (Gawlik, 2018).

A total of four focus group interviews were conducted, lasting about one hour each. The focus groups were composed of students from the Norwegian University of Applied Sciences' study programs who have been exposed to the *"HR Compass"* during their education. Two of the focus groups included bachelor students in Business Administration, while two groups included adult students attending a course in HRM as part of further education. All students were invited to participate, and the focus groups are based on students who volunteered. Table 1 shows an overview of the focus groups.

Table 1: Focus groups

Focus groups	Number of participants
Group 1: Bachelor students in Business Administration	5
Group 2: Bachelor students in Business Administration	6
Group 3: Adult students in further education	8
Group 4: Adult students in further education	5

The interviews were conducted as semi-structured interviews for which an interview guide was prepared (Table 2). A potential effect of focus group interviewing is the possible occurrence of group processes gravitating towards conformity or polarization within the group (Gawlik, 2018). By structuring the interview into an introductory structured section, where everyone had their individual say, and an open discussion towards the end, we wanted to facilitate that all informants were able to share his/her honest opinion and assessment of the model without interruption. In this way, all the interviewees had the opportunity to speak in an introductory structured part, and also the chance to gain further understanding by listening to the thoughts of others and participating in the dialogue and exchange of views that arise among the group members.

Table 2: Interview guide

Research question	**Questions in interview guide**
How does the *"HR Compass"* contribute to the student' learning processes?	• What is your understanding of the model? - How do you understand the different elements in the model? - What do you think about the relationship between the different elements in the model? • How do you perceive the layout and visual presentation of the model? - Should something be changed (something missing/unclear/ or something that should be deleted)? • To what extent is the model useful as a learning tool? How?

The interviews were conducted in accordance with the interview guide and agreed framework. The interviews were then transcribed and analysed.

Because the interview setting also represents a manifestation of power (Vähäsantanen & Saarinen, 2012), it was regarded as both unethical and potentially damaging for the data reliability if the teachers who developed the model of the *"HR Compass"* were to conduct the focus groups interviews themselves. Hence, the interviews and initial analysis of the findings were performed by others to ensure that the participants in focus group interviews could speak more freely about how the model influenced their learning process, and to avoid one-sided emphasis on positive and affirmative findings. All data from interviews have been anonymized and treated confidentially.

Findings and discussion

In this part of the paper, we will present and discuss findings from the focus group interviews on how the *"HR Compass"* have contributed to student learning in the field of HRM. The students participating in the interviews have all been exposed to the model through teaching. The adult students have considered the model from two different vantage points, as they are both students and employees at the same time. As there are no significant differences between the two focus groups of bachelor student, or between the two focus groups of adult students, the findings will be presented and discussed together in the following.

Understanding the model and its content

In the focus group interviews the students were asked to share their understanding of the model. Their answers will help discover how they perceive the field of HRM after being exposed to the model, and if the model helps them understand the different elements of HRM and how they are connected. Some typical examples of how they answered are listed in Table 3.

Table 3: Interview statements on the understanding of the model

Bachelor students	**Further education/adult students**
If you had only seen it [the model] once, it wouldn't explain anything.	It [the model] is more clear now than if you had asked me on day one of the course.
It [the model] illustrates in a very clear way.	I don't work with HR, and didn't know what HR was. So for me this model became an overview that was very explanatory.
The model is good at emphasizing that visions, goals and values should always be reflected in HR work.	I work with HR, mostly with maintaining. This model made me see the company more as a whole. (…) It helps me understand the totality – even in our company which is quite large and has many levels. And the mentioning of internal and external framework conditions has given me a bigger picture.
It [the model] is a clear map of what continuous work you have to do to keep the business running.	It [the model] is clear, you gain a total, holistic overview of the HR activities. And I think it is good to include the internal and external framework conditions that frame all the HR processes.
Even if it [the model] goes down from vision to maintaining, you have to go up again as well. You have to change strategy, change HR policy. Now it looks like everything goes like this [the student is pointing downwards].	It [the model] is very clear when it comes to getting away from the silo thinking between the strategic and operational levels to gain a better anchoring.
It's a logical model where the main goal is on the top, like a star. That's where you want to go.	I have spent time to figure out what separates policy from planning. This is not intuitive to me.

As shown earlier, models should be intuitive, summarize our inner images and function as a supplement to a text that provides further explanation of the phenomena it represents (Hjälmhult & Lomborg, 2010). The interview data shows some differences of opinion when it comes to the immediate understanding of the *"HR Compass".* Some believe that the *"HR Compass"* cannot stand alone without further explanation. These students, however, also emphasize that the teaching provided the explanation that they needed. Others stated that the model did provide an intuitive understanding of the field of HRM, and that the model made immediate sense to them. It is also interesting to note that the model seems more intuitive to adult students who have experience from working with HRM, than to student without such experience. Hence, for experienced students it would seem that the *"HR Compass"* match their mental models and inner images of HRM and, thus, contributes to integrate and activate their prior knowledge, as pointed out by Wetzels et al. (2011).

The statements from the interviews emphasize the value of the model when it comes to contributing to understanding the role of HRM in the organization and the bigger picture. Hence, it seems that the *"HR Compass"* aids the students in creating a visual picture of the field of HRM and the context it is part of. This corresponds well with the notion of Hvidsten (2014) that models can promote systematic thinking and the creation of cognitive maps to structure reality. Both bachelor and adult students highlight how the model has created an overview of the field that they find helpful. In the interviews the students often mentioned how the model helped them understand how operational tasks need to be anchored in organizational strategy, and the value of paying attention to both internal and external framework conditions when working with HRM.

Even if the *"HR Compass"* seems to help students gain a holistic understanding of the professional field of HRM and how the different elements are connected, there are still some elements that some students find confusing. The arrows pointing from vision, goals and values towards other strategic elements and to operational HRM tasks, can be deceptive. If interpreted literally it will seem like a straight forward process that goes top-down in the organization. This is of course far from the reality in most companies, and it is also questionable whether it is possible or even desirable. It is therefore important, when using the model in teaching, to emphasize that models are not a copy of reality, as pointed out by Hvidsten (2014). In our experience as teachers we find that even more important when teaching bachelor students, because they have more of a tendency to interpret things literally than adult students with work experience. Thus, it is important to include a user manual for the *"HR Compass"* in teaching in order to avoid such misunderstandings.

Finally, the distinction between the different elements in the model, is not always intuitive to the students. The difference between policy and planning, and why planning is regarded as a strategic and not an operational task, is not always clear to the students. *Human resource planning* is an ambiguous term in the *"HR Compass"*. While we here mean long-term staffing and competence planning, part of the professional literature also includes more short-term considerations and tactical assessments in the concept (Dessler, 2016). This can potentially create unwanted confusion in the interpretation of the model. One possibility that should be considered is to use the term *strategic personnel planning* in the model, so that the longer-term perspective is emphasized. Another possibility is to use this feed-back to develop the teaching of HRM where the *"HR Compass"* is utilized, without changing the model.

Layout and visual presentation

During the focus group interviews the students were also asked to give their feed-back on the layout and visual presentation of the *"HR Compass"*. The answers will help us understand whether the visual expression creates confusion and misunderstandings of the content, and if it looks appealing to them. Some typical examples of how they answered are listed in Table 4.

Table 4: Interview statements on the layout and visual presentation of the model

Bachelor students	**Further education/adult students**
You see the difference between the strategic work in red colour and the operational work in blue.	I like the colours surrounding the boxes that illustrates that the strategy influence the operational.
The frames around the operative elements were the same colour as the strategic elements. This is very positive and shows that strategic decisions influence the operational level.	Much of the HR work concerns maintaining and developing. This should be more clearly highlighted compared to the other processes.
It would perhaps be better if it [the operational processes] was a circle, because you always have to exit and recruit.	Maintaining and developing is a small box – but that is where everything happens.
They could perhaps use the arrows differently. It is supposed to be a process that goes more up and around. I don't know, that would perhaps be more confusing.	The model could perhaps include more keywords.

I was wondering about why it is called the *"HR Compass".* Because a compass is supposed to be round.	Some of the strengths of the model is that it is simple. (…) By adding more arrows, adding more content, you have to be aware that it can make it more complex. We have all emphasized that it is good because it is clear, it shows the whole picture.
I understand that they have been thinking of a compass because it a guide to HRM, but the model doesn't fit visually.	The pyramid in the background is confusing, I don't understand the meaning of it.

The results on the visual presentation support the findings on the understanding of the model as presented earlier. Both bachelor and adult student respond positively to the use of colour to illustrate both the difference and connections between the strategic an operational elements of HRM. The use of the colour symbolizing the strategic elements to frame the operational seems to provide the students with the framing and structuring of new knowledge recommended by Bernstein (2000) and Wittek (2008).

Another feature discussed in the focus groups were how the different elements are portrayed in the *"HR Compass".* According to Hjälmhult and Lomborg (2010) proportions are important in models, and this subject was a concern especially among the adult students. They expressed that the main focus of operational HR work will normally be on maintaining and developing. In the model, however, these elements are visualized as equal in size compared to recruiting and exiting. Hence, some students felt that the visual presentation did not match where the main work effort needs to be in HRM. Although there is some validity to the point that the size of the boxes in the model should reflect the workload, it can be argued that this will change over time and what is most important for an organization will vary according to different circumstances. It could therefore be misleading to increase the size of the element of maintaining and developing. Explaining this is perhaps better left to the teaching.

Some students expressed the view that the model would have had greater utility if it included more information in the form of keywords. More keywords to explain each element will of course make the model more easily understandable without further explanation. However, others argued that adding more content and words in the model would make it more complex, and weaken its simplicity. As simplicity is a desirable feature in models (Hjälmhult & Lomborg, 2010), hitting the right balance between oversimplifying a complex reality and overcomplicating the model, is crucial. The data provided us with no obvious solution to this dilemma.

During the interviews some informants suggested that the arrows in the model should show a greater degree of mutual influence between the elements. One suggestion was to point the arrows both up and down, another was to portray the operational elements as a circular and continuous process instead of a linear one, in order to show that the elements are dynamic and circulating. However, there was no consensus on this issue.

Only the bachelor students, and not the adult students, were somewhat confused by what they perceived as a mismatch between the name of the model and the visual presentation of it. They associated the term *compass* with a round instrument, and expressed the view that a round model would be better suited to match their expectations when being introduced to a *"HR Compass".* The difference between the bachelor students and the adult students on this issue, may be attributed to the tendency of the bachelor student to interpret things more literally, as noted earlier.

Some adult students perceived the purpose of the background triangle as unclear, and discussed whether it referred to the organization itself, or the hierarchical relationship between the boxes. This issue was not raised by any of the bachelor students. This difference between bachelor and adult student can perhaps be explained by the fact that the bachelor students have been exposed to organizational theory earlier in their studies, while the adult students (for the most part) have not. This part of the model therefore seems more intuitive to the bachelor than the adult students. As Wetzels et al. (2011) emphasize, activating prior knowledge has strong positive effects on learning. However, in this case, the bachelor students have more prior knowledge to activate than adult students. Because the adult students miss this prior knowledge of organizational theory, this must be considered when explaining the model when it is used in further education courses.

The model as a learning tool

Finally, the students were asked to assess the *"HR Compass"* as a learning tool. If the students do not regard the model as useful, it will not contribute to their learning processes. Thus, this is crucial for determining whether the *"HR Compass"* contributes to student learning. Some typical examples of how they answered are listed in Table 5.

Both undergraduate and further education students described the model as a helpful tool when it comes to giving an overview of the field of HRM. This made it easier for the students to follow the teaching and know where they were in the syllabus as the semester progressed. One challenge is that there is no correspondence between the syllabus literature used in the courses and the structure of the model. This creates the potential for confusion rather than clarity and structure for the students. However, the data shows that the model actually contributes to clarity rater then confusion, and that the students use the model to make more sense of the curriculum and organize it. Thus, the model seems to contribute to the internal logic of pedagogical practice, as underlined by Bernstein (2000).

In general, there was a consensus that the model visualizes the content of the subject and acts as a good tool for guidance in the syllabus. It was mentioned that using the model was a good way to start the course. In addition, both bachelor and adult students believed that the model made it easier to follow the teaching during the semester. Students reported that they used the model to understand which parts of the syllabus they master, and what they needed to study more closely. In addition, the model helped them to keep focus on how the different elements of HRM are connected. Thus, the model seems to activate the students' learning strategies in order to give them perspective when reading texts about the different parts of the syllabus, and to activate prior knowledge as the course progresses, as recommended by Wetzels et al. (2011). Both bachelor and adult students emphasize that the model has been utilized and communicated clearly during the teaching. The findings indicate that the model contributes to organizing the teaching and the communication between teacher and students, in accordance with the recommendations made by Sekkingstad and Fossøy (2017).

Table 5: Interview statements on the model as a learning tool

Bachelor students	**Further education/adult students**
I remember that every time we went through a new subject, we always started by "now we'll focus on *recruiting"* and marked that element with a circle. (…). You got the feeling of how things were connected and how it [an element] influenced the other boxes.	If I were to compere this model to models in other subjects, then I would say that this one was absolutely perfect. It was easy to follow and we knew what to do.
When you start with the model, and say "now we are here, and this is what we are going to talk about next", then you kind of get a visual picture as well.	As a learning tool I think this model is good because it gives an overview of the elements of HRM. (…) It has helped me to keep track.
The model is very good at giving an overview of the field of HRM.	In the syllabus one misses a model like this. However, we got it in our lectures, and I believe this strengthens the teaching and the subject. (…) It has been used in the lectures in an excellent way by showing it when we address and dive into the different processes.
It is very helpful to give a total picture and overview right before the exam. And that is what they look for, too, that you have an understanding of how everything is connected.	The model has helped me to visualize the curriculum and organize it.
The model made it easier to follow the teaching and knowing what you master and what you should study more closely.	I think it is a wonderful model. I would give it 10 out of 10. It structures the teaching. And for someone like me, who loves boxes, it becomes very visible and clear to me: "Now we've been *here*, and now we're going *there*."
It [the model] was a good tool when writing term papers. It felt safe to have an overall model that showed the complete picture of the curriculum, so it	The model is helpful both before and after reading the course syllabus. Before to get a short introduction (…), and after to remember the key elements and how they are connected.

was easier to structure the paper and know that nothing was forgotten.	
I feel that using a model is a very good tool. Everybody remembers the model, not the name of it, but the model. It is perhaps easier to remember when you have a model to think about.	We felt very confident with that model in my group when we were working on a task, because we knew exactly what to do. So it was a good tool.

Several informants in both groups also stated that the model was a good tool when writing their assignments. It was reassuring to have an overview model that shows an overarching picture of the syllabus, in order to structure the tasks more easily, and to know that nothing is forgotten. The model seems to help the students identify and understand their own weaknesses in knowledge. Hence, it serves as a cognitive map, as suggested by Shen et al. (2019). The model also helped in group discussions when working on their assignments and preparing for their exams. This indicates that the *"HR Compass"* aids the students in sharing mental models due to this cognitive map. This also enables them to learn in a way that gives the students a flexible and robust knowledge base and understanding of the relationships between this knowledge base of HRM and its conceptual apparatus, as suggested by Pettersen (2005).

Conclusions and further work

When investigating how the *"HR Compass"* contributes to the students' learning processes in the field of HRM, we found that both bachelor and adult students agreed that the model helped them in their learning processes. The students especially emphasized how the model contributed to a holistic understanding of HRM, and assisted them in developing shared mental models in this professional field. The model seems to add structure and logic that they miss in the course literature, and helps them connect the dots and understand how different elements of HRM is connected in an overall picture. Both student groups also found the model useful when writing assignments and preparing for their exams.

One major difference between the two main groups of students, though, was what kind and level of prior knowledge they activate when utilizing the model. Adult students activate their prior knowledge from work experience and integrate this knowledge in the schema of new knowledge that the *"HR Compass"* provide. This corresponds well with the assumption that *perspective taking* is beneficial for learning among students with a high level of prior knowledge (Wetzels et al., 2011). Especially the adult students working with HRM were able to recognize their mental maps in the *"HR Compass"*. However, the adult students mostly lack prior knowledge in organizational theory, which made some aspects of the model less intuitive to them. This needs to be considered when deciding which teaching strategy is most suitable for the group of adult students.

The opposite was the case with the bachelor students. They have high levels of prior knowledge in organizational theory, and an intuitive understanding of these aspects of the *"HR Compass"*. On the other hand, they lack work experience and have a tendency to interpret the model more literally than the adult students. Thus, when teaching HRM to bachelor students in business administration, *mobilization* seems a more suitable technique for activating prior knowledge.

Some students suggested that the *"HR Compass"* should include more detailed information. Others disagreed and thought that more information would add more complexity, hence, weakening its simplicity and clarity. Instead of adding more information in the model itself, one possible solution could be to make the model more digital and interactive. This would provide the users with the opportunity to click the different elements in the model to access more detailed information, scroll up and down and zoom in and out as they please.

As teachers, we find the *"HR Compass"* to be useful as a learning tool for the students. Based on the understanding the students show of HRM in their written assignments and oral exams, our experience is that the model has strong facilitating effects on learning. As educators with different specialties within the field of HRM, the model is helpful for collaboration, and the development of a common professional understanding. Thus, the need to find a communication tool between teachers, and between teachers and students (Sekkingstad & Fossøy, 2017), is fulfilled. Additionally, the model provides structure and governs the internal logic of the pedagogic practice, as emphasized by Bernstein (2000).

Even though the findings in this study support that the *"HR Compass"* contributes to the student's learning processes in the field of HRM, there is still room for improvement. First and foremost, the model itself could be improved by digitalizing it in order to add to increased student learning. Second, when using the model in teaching, the kind of and level of prior knowledge among the students should be considered when deciding upon the most suitable teaching strategy. This will add to the value of the *"HR Compass"* as a tool to navigate more easily in the shifting landscapes of HRM.

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Biography

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Explaining Thailand's trade policy preferences

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Abstract

Thailand is one the countries whose economies rely very much on their international trading activities. To facilitate the process of trade policy making, there are a number of studies on factors determining international trade policy. Nevertheless, these works largely focus on the impact of such macroeconomic factors as employment and GDP growth on trade policy formulation. They are inclined to disregard micro-aspects of personal characteristics which could influence people's favor for trade policy direction. The micro analysis should be carried out to fill this gap. It should reveal how the general public is satisfied with the current state of the country's trade policy implementation, especially the negotiation of Free Trade Agreements (FTAs). This line of study should enable policymakers to have a better understanding about people's perception regarding FTAs. Therefore, this paper aims at analyzing individual characteristics influencing people's opinions toward the implementation of FTAs. Special focus will be put on FTAs with such high potential partners as the US, the EU, and China. Descriptive statistics will be used to illustrate the details about people's characteristics and perception toward FTAs. In addition, logit and probit techniques will be employed to study the determinants of people's support for FTAs. The findings of this study should indicate how much Thai people understand the country's FTAs implementation. This should help government agencies involved formulate appropriate policy which could address people's need.

Keywords: Trade Policy; Trade Policy Preference; Thailand

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