

Consumer Behavior and Unresolved Regulatory Issues in Electronic Marketing

Don Lloyd Cook

VIRGINIA POLYTECHNIC INSTITUTE & STATE UNIVERSITY

Eloise Coupey

VIRGINIA POLYTECHNIC INSTITUTE & STATE UNIVERSITY

Interactive media such as the World Wide Web are increasingly popular venues for marketers. These media differ from traditional forms of making information, products, and services available to consumers, thus creating potential regulatory issues. Before regulation can be determined and imposed, knowledge of how consumer behavior will be affected by the new media should be obtained. We discuss several theoretical issues in consumer behavior to illustrate potential effects of interactive media on decision-making, and we relate these effects to the potential issues created for marketers and policy makers. J BUSN RES 1998, 41:231-238 © 1998 Elsevier Science Inc.

Cyberspace, Internet, Information Superhighway, World Wide Web—these terms refer to aspects of an evolving global complex of information that is changing the way we think about marketing. By any name, this evolving structure presents a challenge to marketers as a complex bundle of legal, business, ethical, and regulatory issues. The World Wide Web (WWW) is the network most familiar to electronic marketers, and we will focus primarily on the WWW in this article.

Recently, many commercial services have become available on the WWW, including compact disc sales, book sales, and stock market information. With the commercialization of the WWW has come the question of whether regulations imposed on information presented in traditional media should be extended into cyberspace. For example, tobacco products have been banned from broadcast media since 1970, and producers of distilled spirits have voluntarily agreed to refrain from television advertising since 1952. No such agreement exists regarding the WWW, and although officials at the Federal Trade Commission have expressed some concerns (Warner,

1995), there are as yet no guidelines for marketers. Basic laws and regulations regarding fraudulent and deceptive practices still apply, however, and as noted by the FTC Associated Director for Advertising Practices, C. Lee Peeler, "if it's illegal in the world, it's illegal in cyberspace" (Peeler, 1995).

The anticipated benefits of the WWW for marketers are reflected in the increasing attention to electronic commerce in academic publications (e.g., Hoffman and Novak, 1995; Klein, 1995) and in the popular press (e.g., Cronin, 1994). Less attention has been paid within the marketing literature to the implications of interactive media for consumers and for the policy issues that bridge the perspectives of the consumer and the marketer (see, however, Coupey, in press; Dholakia and Huber, 1995). Thus far, the WWW is relatively unrestricted as to the content of available information. The growing commercialization and acceptance of the medium, however, raises concerns as to whether it should—or even whether it *could*—be regulated.

Determining whether and how to regulate suggests two different concerns: (1) how consumers will use the new interactive media and the effects of the media on consumer behavior, and (2) the extent to which the observed behaviors differ from those typically associated with information use in traditional media, such as print, broadcast, and radio. Both aspects are important because the regulation of information on the WWW can be imposed either by the creation of new regulations designed specifically for the WWW or by the transfer of extant regulations in other media. As FTC Commissioner Christine Varney has observed, "[c]yberspace clearly represents a convergence of several technologies: telephones, broadcast media, and other media. Any advertising on the Internet is subject to current law on deceptive or fraudulent advertising. But whether cyberspace should be considered more analogous to print or broadcast media remains to be seen" (Hall, 1995). Thus, whereas governments can play different roles in the regulation of new systems for providing information to consumers (Azcuena, 1995), research is needed to assess

Address correspondence to Don Lloyd Cook or Eloise Coupey, Virginia Polytechnic Institute & State University, Department of Marketing, Pamplin College of Business, Blacksburg, VA 24061-0236.

how the technology affects consumer behavior before the form of regulation (i.e., newly developed or transferred) is determined. For example, concerns about the adequacy of information available to consumers (e.g., Breyer, 1975) prompted regulation of traditional media. With the greater amounts of information and increased flexibility for manipulating information afforded consumers by interactive media such as the WWW, are those earlier regulations necessary or appropriate?

In the following sections, we consider aspects of consumer behavior in interactive environments that may be interpreted to indicate the need for regulation, given extant regulation of similar situations in other media. To organize the relevant issues and delineate possible behaviors, we present a conceptual framework for describing the impact of interactive media on consumers' information use. We begin with a brief description of the fundamental goals of regulation and their implications for regulating interactive media such as the WWW.

Developing the Regulatory Matrix

Goals of Regulation

Governmental regulation affects the way practitioners do business and frames many issues for academics. Ramsay (1985, p. 353) suggests that three questions are raised with respect to regulating the consumer marketplace: (1) why do consumers need protection, (2) when ought governments intervene, and (3) how ought governments intervene. Reflecting these concerns, most laws and regulations are imposed with the putative public policy goals of eliminating some undesirable behavior, protecting some segment of society from perceived harms, or providing information necessary for making informed decisions (Azcuena, 1995; Gundlach and Wilkie, 1990; Schwartz and Wilde, 1979). The laws and regulations now in place have been developed for marketers within the context of the traditional media of print, radio, and television.

Regulation and the WWW

The WWW is a new medium for consumer decision-making (Hoffman and Novak, 1996), with similarities to and differences from traditional media. The WWW differs from traditional consumer information outlets, such as television, print, and radio, in several fundamental ways. First, the WWW is an environment in which traditional barriers of time and distance are minimized by the marketer's ability to create databases of product information and by the consumer's ability to selectively obtain information (Cronin, 1994). In addition to this characteristic, Coupey (in press) notes that the WWW is distinguished from other media in three ways: increased flexibility in creating information displays for both the marketer and the consumer; greater range and depth of information within interactive technology than with traditional media per unit cost (i.e., consumer's time and effort); and the combination of modalities of television, print, and radio into a single presentation of video, text, and sound.

Given the differences between the new interactive media and traditional media, the regulatory matrix developed for the WWW cannot be based solely on patterns developed for traditional media, which evolved separately based on historical differences (Chong, 1995). For example, universal telephone service was pursued as a regulatory policy in the 1930s with a goal of providing every household with basic telephone service (Cook, 1995). While similarities exist between the provision of telephone service and access to the Internet, there also are differences that suggest caution in the application of a parallel policy. For instance, access to the WWW can be viewed on a continuum with one end representing those with no computer service, or with very limited service, and those with high speed modems and ISDN (Integrated System Digital Network, a very high speed dedicated modem line) lines on the other. This situation is different from that which faced the architects of universal telephone service, where service was an all-or-nothing proposition.

Access to the WWW is not equivalent to full usage of the WWW. As a result, regulators must first consider ability to access the WWW as a basic threshold necessary for obtaining WWW information, and then the ability to use the WWW based upon the availability of sufficient computing capacity—including hardware, software, and connectivity resources (Dholakia and Huber, 1995). That is, even if all consumers have WWW access, thus implying universal service (Gore and Klopfenstein, 1995), consumers will not experience the WWW in the same way, given differences in computing capacity. Dholakia and Huber (1995) compare the abilities to experience benefits of the WWW between individuals with access limited to rudimentary e-mail services or text-only displays and individuals with Pentium computers and high-speed modem links. The former would have limited access to the WWW, whereas the latter would have full access (Dholakia and Huber, 1995). Thus, regulation of the WWW will have to be flexible enough to compensate for differences (Chong, 1995) while still achieving regulatory goals. If the impact of the WWW is different for various groups of consumers, then uncertainties arise for both regulators and for business, potentially increasing the costs of regulation for both (Calfee and Craswell, 1984).

Issues of access and capacity underscore the need for flexible regulation (Dholakia and Dholakia, 1994; Cronin and Herbert, 1994) capable of addressing the concern that portions of society could be left out of the information revolution. These issues also underscore the need for research designed to examine the reactions of consumers to the WWW medium and how they make use of it, given differences in the ability to access available information, which may consist of not just text, but also static images, full-motion video, and audio components. For example, will a person with limited access make the same choices or decisions as a person with full access? The issues of access and usage pertinent to the WWW are important because these characteristics define decision

environments that not only differ from traditional modes of communication between marketers and consumers, but which can also vary widely between individuals using the WWW.

Research on consumer decision processes has revealed the context-dependency of choice processes (e.g., Huber, Payne, and Puto, 1982; Schkade and Kleinmuntz, 1994). Research is needed to assess the robustness of the extant findings in the context created by the new media. Progress is just beginning to be made in this direction. For example, Hoffman and Novak (1995, 1996) utilize flow theory (Csikszentmihalyi, 1990) and a model of communication developed by Steuer (1992) to provide a general framework for how consumer decision-making will take place in an interactive environment such as the WWW. In the Hoffman and Novak (1995) model, the primary communication is not between senders and receivers as in traditional communications models, but rather between either senders or receivers and the computer-mediated environment (CME). When senders and receivers interact with this environment, the mediated environment is "created and experienced" (Steuer, 1992). Underlying this interactive communications model is the concept of flow, or "the process of optimal experience" (Csikszentmihalyi, 1977; Hoffman and Novak, 1995), which focuses the user's attention within the CME. Hoffman and Novak focus on the use of CME's as a process rather than an end, stating that "[f]low activities in the Web, specifically network navigation, facilitate concentration and involvement because they are distinct from the so-called 'paramount reality' of everyday existence" (Hoffman and Novak, 1995, p. 13; citing Csikszentmihalyi, 1977, p. 72).

The concept of flow provides one theoretical orientation for describing consumer behavior in a computer-mediated environment, such as the WWW. Given the importance of considering alternative theoretical models (Cook and Campbell, 1979), we propose an alternative conceptualization of how the use of interactive media might affect consumer behavior. Adopting an information processing perspective (Bettman, 1979), we focus on a subset of issues that involves the acquisition and use of information about goods and services available on WWW. These issues are outlined by presenting potential regulatory issues and illustrating theoretical perspectives that might be used to analyze consumer behavior to frame regulation to achieve a desired effect. The ability of consumers to access the WWW, and the level at which they are able to utilize WWW resources (i.e., capacity) form an underlying continuum that is considered in describing the effect of interactive environments on consumer behavior.

Framework for Research on Information Use

Advertising and selling on the WWW make salient several areas of concern to researchers. The availability of information about a vast number of products—not just those restricted on traditional media—may influence consumers' knowledge

bases for product choices, including their perceptions of an attitudes toward goods and services. In addition, the interactive nature of the new media may serve as a factor that mediates the way consumers represent information when making decisions. Finally, the novelty of the media may influence decision-making by serving itself as a persuasive characteristic of a choice. These concerns are reflected below in our design of a general framework for considering the potential impact of interactive technology on consumer behavior. In the framework in Table 1, each concern is reflected as a level in which the interactive environment interacts with individual-level consumer information processing and behavior. Thus, at level 1, the effect of the environment is least obtrusive, rendering observed behaviors more similar to behaviors predicted/observed with information use in traditional media. At level 3, the interactive medium is highly obtrusive, and behaviors are predicted to differ most from those observed in traditional media.

Consider that each concern reflects a different level of the technology's influence on behavior. Each level of influence may be present in different combinations and amounts in a particular interactive session. At the first level, we conceptualize the impact of the new media as simply affecting the availability of information; nothing is inherently different about how the technology impacts consumer behavior. Thus, sources of information, whether newspaper, television, radio, or WWW, are normatively equivalent. The WWW may affect behaviors and outcomes simply by providing a larger, more readily accessible, source of information.

From a regulatory point of view, media have not been treated as normatively equivalent, either by regulatory agencies or by advertisers. Print and broadcast media, such as radio and television, have been differently regulated. For example, cigarette advertising, while banned on broadcast media, is abundantly present in print media. Until recently, the same has been true of alcoholic beverage advertising.

Should WWW advertising be treated as normatively equivalent by regulators? Twenty years ago the Marlboro Man was removed from television advertising due to policy concerns over the use of tobacco. Whether the same concerns exist will determine whether this form of advertising is regulated on the WWW, but at this writing there are no WWW sites for tobacco companies (Warner, 1995). However, Heller and Cohen, a New York advertising firm, announced last year that it would make the old Marlboro Man television commercials available for downloading from a WWW site (Armstrong, 1995). The first level of our framework characterizes situations in which the medium affects the nature of information processing by influencing the availability and accessibility of information. Research to determine whether and to what extent interactive media affect the amount and type of information acquired and used, relative to other media, would foster the development of informed, appropriate policy.

The second level of the framework reflects situations in

Table 1. A Framework for Research on Information Use

| Extent of Medium's Influence on Information Processing | Description | Key Locus of Effect | Sample Theoretical Issues | Possible Outcomes/Behaviors |
|--|---|---|---|---|
| Level 1 Minimal | Media enables information provision, but does not influence its form or content | On <i>amount</i> of information acquired and used in decision-making | Information overload; decision heuristics for information acquisition and use | Objective decision quality may decrease, even though subjective perceptions of quality increase; frustration; decreased knowledge of key attributes |
| Level 2 Moderate | Media influences construction of form and content of information display | On <i>form</i> of information display used in decision-making | Information display restructuring; information processing (heuristic application) | Ignore information that takes too long to acquire/download; develop incorrect product category knowledge |
| Level 3 Extensive | Media influences information processing as a persuasive attribute independent of form and content | On <i>content</i> of information acquired and used on decision-making | Attitudes and persuasive (e.g., peripheral cues (ELM); subjective norms (TRA)) | Focus on vivid but peripheral cues, with decreased message comprehension; peer pressure leads to decreased or inaccurate product knowledge |

which consumers interact with the technology, thus altering behavior in ways that are unique and that could not occur with other available forms of information. This is the essence of what Steuer (1992) describes as interactivity—the situation in which consumers create and then experience their environment. Within the new interactive media, for example, a consumer can search for information about cars with a particular set of features and then display the obtained information in a desired format (e.g., cheapest to most expensive). Proprietary systems by companies already allow consumers to search (e.g., AutoAdvantage and General Motors) and to shop (e.g., General Motors) in this manner. This type of interactivity enables the consumer to screen out information that is not deemed central to the decision.

The ability to buy potentially harmful products, such as alcohol, via the WWW underscores another aspect of information use in interactive environments; what information is attended to, and how is it reflected in the decision process? A variety of spirits manufacturers including Finlandia Vodka, Jack Daniels' Distilleries, and Glenfiddich Scotch have all established WWW sites to advertise and sell their products. Beer and wine manufacturers also maintain WWW presences, including a California Company called Virtual Vineyards which markets wines from over 25 different wineries. Liquor by Wire promises the availability of "virtually any wine, champagne, spirit, or beer" from its site on CompuServ. The precursor of WWW merchants, Liquor by Wire promotes same day service and an ability to deliver in over 30 countries such items as a \$245 bottle of Dom Perignon Rosé or a \$135 Stolichnaya Crystall Vodka gift set, complete with two glasses, to your door.

With alcoholic beverages and other potentially harmful products, how consumers might use information differently

on the WWW than in traditional shopping environments is of interest to marketers and policy makers. Products where there are safe-use concerns exacerbate this interest, leading to concerns about how consumers will utilize information such as nutritional labeling or product warnings. Although issues of information use have been examined in traditional media (e.g., nutrition labeling (Moorman, 1990); product warnings (Bettman, Payne, and Staelin, 1986)), anticipated differences in information use from traditional to interactive environments necessitates the direct assessment of safe-use information acquisition in the new interactive environments.

Products with which consumers can construct their own displays already exist, such as the screensaver software offered by the PointCast Corporation. Their screensaver allows consumers to obtain a variety of online news, information, and advertising, with the presentations customized to fit individual preferences (Rupley, 1996). Little is yet known, however, about how consumers will react to, and use, this and similar products.

A third level of media impact may be observed when the simple fact of operating in the new, interactive media influences behavior. For example, Armstrong (1995) has noted that the electronic environment may serve as an enticing subculture to children, thus raising concerns about the availability of products and information on the Web. We suggest that interactive media exert influence when they provide a copacetic environment for consumer learning a decision-making; in essence, an interactive medium influences persuasion by acting as a desirable attribute in a decision.

In the following sections, we consider several unresolved issues of information use in interactive environments in terms of pertinent theoretical constructs that could be used to guide research and provide insights into whether regulation is

needed in media such as the WWW. In addition, we consider the influence of access and capacity on anticipated information processing. Where relevant and available, we provide information about extant regulation in traditional media, and we outline the implications of extending such regulation to the WWW.

Level 1: Medium Affects Amount of Available Information

In level 1 of the framework, we suggest that interactive environments exert the least obtrusive effect on information processing. The interactive medium serves as a means of making information available to consumers in a manner that is normatively equivalent to more traditional information sources.

Does the availability of information differentially affect information processing in traditional and interactive media? Hoffman and Novak (1995) suggest that the attitude of the consumer toward using a computer-mediated environment is influenced by the consumer's perceptions of the positive subjective experience that can be obtained through such use. We suggest that positive experiences can comprise a wide spectrum of outcomes, including time or monetary savings, increased knowledge, and enhanced confidence or satisfaction with a choice. In a traditional economics of information framework (Stigler, 1961), the increased availability of information available through the WWW would enable consumers to become more informed about available products because they could acquire information until the marginal cost of doing so exceeded the anticipated marginal return. Thus, increasing the number of available options could result in: (1) more knowledgeable consumers, capable of (2) making better quality decisions, and (3) experiencing more satisfaction with the purchase.

One as-yet unresolved issue in consumer behavior, however, is whether too much information can actually be counterproductive—that consumers can suffer from information overload. Research findings on the impact of information overload are inconsistent, and it is not yet known whether too much information results in choices of inferior quality (Jacoby, Speller, and Kohn, 1974). The new, interactive technologies, and the availability of information through them, decrease the cost of acquiring information and thus potentially increase the amount of information consumers are willing to acquire. As a result, research is needed to ascertain whether more information improves decision-making in interactive settings. Relevant measures to consider include objective and subjective indicators of choice to address the following issues: (1) whether decreased costs to acquire information affect the amount of acquired information, (2) whether the amount of information affects the quality of choices, and (3) whether the amount of information affects perceptions of the choice (e.g., confidence in the choice).

Each of the issues described above can be qualified by considering the tandem issues of access and capacity (i.e.,

quality of computer resources). Most simply, without access to the WWW, issues of overload in the interactive environment are irrelevant. When the threshold requirement of access is met, capacity may moderate the effect of the interactive medium on information processing and on the likelihood of information overload. One possible outcome is the counterintuitive prediction that increased capacity increases the potential for information overload and for suboptimal decision-making; faster, more technologically sophisticated computing resources lead consumers to acquire more information than they can manage.

Level 2: Medium Affects Form of Available Information

One of the main differences of interactive media from traditional media is the ability of consumers to superimpose their idiosyncratic preferences for the display of information on the environment. The consumer determines the amount and organization of information that will be used in making purchase decisions. The second level of the framework reflects the increased effect of interactive media on consumer judgment and choice.

There has been extensive research on information use in decision-making, in psychology (e.g., Payne, Bettman, and Johnson, 1993), in economics (Wilde, 1980), and in marketing (Bettman and Kakkar, 1977; Coupey, 1994). Most of the research on information processing for consumer choice has, however, been conducted in fairly static settings—that is, subjects are presented with a display of information and asked to make a choice.

Coupey (1994) discusses the implications of interactive display use and describes restructuring as the set of operations by which consumers constructively process presented information displays. She notes that consumers are flexible in the way that they construct displays; resultant displays are neither influenced entirely by the initial form of the presented information, nor by the consumer's display-relevant knowledge. One concern with such flexibility is the potential for consumers to construct representations of information for decision-making based upon incomplete information. In self-guided information search through interactive sites, consumers often focus on irrelevant or unimportant attributes, resulting in incorrect product category knowledge and perceptions of product offerings. Without feedback to correct these perceptions (e.g., salesperson interaction), incomplete or incorrect knowledge will result in inferior decisions. Research is needed to determine the strategies consumers use for constructing displays and the factors that tend to evoke particular strategies, as for information acquisition within and across WWW sites. In a proactive, policy sense, consumers are better able to use presented information (e.g., nutrition labels, warning labels), and are more motivated to do so, if the information is readily available in formats that mesh with prior knowledge, expectations, and abilities (Bettman, Payne, and Staelin, 1986; Russo,

1977). Thus, research on information use in interactive settings should be used to guide the type, amount, and format of information required of marketers (such as nutritional labeling), and the amount and types of educational information offered to consumers.

As in level 1, capacity constraints are expected to moderate the type and extent of restructuring consumers undertake when using information in interactive environments. For example, low capacity limits consumers' ability to obtain highly graphical displays of information, such as product warnings, which may require greater bandwidth and larger amounts of computer memory than are possessed by some segments of consumers. The issue of capacity suggests that the content and form of information displays constructed by consumers may be driven by the interaction between internal predispositions (e.g., choice heuristics to minimize effort) and external constraints (e.g., computer network resources).

Level 3: Medium as a Persuasive Attribute

Several theories may prove productive for assessing the impact of the environment created by interactive, electronic media on consumer behavior, independent of the information content. As noted earlier, interactive environments may create the opportunity for what Csikszentmihalyi (1990, p. 72) describes as "flow," or the optimal experience created by the matching of skills and goals to the environment, indicating an interaction between the second and third levels of our framework. In the Hoffman and Novak model (1995), flow linked to the concept of positive subjective experiences encourages people to repeat the actions that lead to the flow experience.

One concern with achieving flow is that it may block consumers from processing critical elements of the information content; in essence, the vividness of the experience may detract from comprehension. A second limitation to the flow experience occurs if flow leads consumers to increase time in the interactive environment when there are costs to such involvement (e.g., money, time) that are not matched by benefits (e.g., better quality decisions, increased knowledge).

In an alternative conceptualization, the interactive environment may influence attitudes and behavior by serving as a peripheral cue, similar to those described in the elaboration likelihood model (ELM) (Petty and Cacioppo, 1984). In the ELM, the persuasibility of a communication is mediated by the consumer's involvement with the information. If involvement, or perceived personal relevance, is high, the consumer processes the message through a central route. If involvement is low, persuasion typically occurs via the peripheral route. Peripheral route processing differs from central route processing in that the consumer focuses less on message-related (i.e., central) cues, and more on contextual (i.e., peripheral) cues, such as the spokesperson, music, or graphics. Whereas the peripheral route can affect the consumer's behavior, it is

less likely to exert a long-term influence on the consumer's attitudes and beliefs than is central route processing.

With the combined effects of video, text, and sound, interactive environments provide a richer context for decision-making than traditional media. This context may contain a wider variety of peripheral cues that have the potential to shift information processing from the central route to the peripheral route when involvement is moderate. The impact of the context on processing—and hence on beliefs, attitudes, and behaviors—will be affected by access and capacity, such that consumers with superior computer resources will be more likely to be influenced by the array of peripheral, computer-mediated cues than consumers with lower capacity computing resources.

Conclusions

The world of cyberspace presents interesting issues for policy makers. Very simply, although most laws and regulations apply in cyberspace, many are meaningless in the context of a network of networks, such as the WWW.

Attempts to develop appropriate regulation must take into consideration the fundamentally different structure of the WWW (Post, 1995), reflected in access and capacity issues. Access issues underscore the need to consider which segments of consumers will be exposed to interactive information, whereas capacity issues necessitate research on how the medium dictates the form of the information received by consumers. Because capacity affects the computer-mediated environment in which consumers will obtain and process information—particularly for sites that rely heavily on graphics to communicate with consumers—the effects of different types of information environments on knowledge and decision behavior must be assessed prior to introducing regulatory policy.

The challenge faced by policy makers is to determine whether regulation is necessary for a particular type of information environment, and what types of regulation are most likely to be effective if regulation is indicated. With our framework, we proposed that interactive media influence decision processes on three different levels. These levels of influence result in the construction of different information environments, which suggest different types of regulation. The framework organizes unresolved issues for policy makers, and integrates the issues with theoretical perspectives that can be used to systematically assess the impact of interactive media on consumer decision making. Such assessments can be made by examining decision behaviors in contexts reflective of each level of the framework, and by examining multiple theoretical issues within levels of the framework.

The Telecommunications Act of 1996 did not address, with the exception of the Exon amendment, which is currently in litigation, any of the concerns delimited in this paper. These concerns are of significant importance to academics and prac-

tioners. The image of the Marlboro Man may be novel to a generation that grew up without Marlboro ads on television, but the policy concerns that sparked their banishment from television have not changed. The concern now is whether, and how, to extend the restrictions into a new and largely unregulated medium. We contend that appropriate and effective regulation can only be effected by building upon a strong foundation of knowledge about consumer behavior and how it is moderated by access and capacity in interactive, electronic environments.

The order of authorship is alphabetical. The authors thank Ruby Dholakia, David Brinberg, and two anonymous reviewers for their constructive comments.

References

- Armstrong, David: Internet Gin Joints: No IDs Required. *Boston Globe Metro*, pg 1, (June 18, 1995).
- Azcuenaga, Mary L.: FTC Commissioner, Advertising Regulation and the Free Market, Remarks before the International Congress of Advertising and Free Market, *Freedom: XXI Century; The Century of the Consumer*, Lima, Peru (May 11, 1995). (<http://www.ftc.gov/speeches/azcuenaga/lima.html>)
- Bettman, James R.: *An Information Processing Theory of Consumer Choice*, Addison-Wesley, Reading, MA. 1979.
- Bettman, James R., and Kakkar, Pradeep: Effects of Information Presentation Format on Consumer Information Acquisition Strategies. *Journal of Consumer Research* 3 (March 1977): 233-240.
- Bettman, James R., Payne, John W., and Staelin, Richard: Cognitive Considerations in Designing Effective Labels for Presenting Risk Information. *Journal of Public Policy and Marketing* 5 (1986): 1-28.
- Breyer, Stephen: Analyzing Regulatory Failure: Mismatches, Less Restrictive Alternatives, and Reform. *Harvard Law Review* 92 (January 1975): 549-609.
- Calfee, John E., and Craswell, Richard: Some Effects of Uncertainty on Compliance with Legal Standards. *Virginia Law Review* 70 (June 1984): 965-1003.
- Chong, Rachelle B: Trends in Communication and Other Musings on Our Future. *Federal Communications Law Journal: Special Issue on the Sixtieth Anniversary of the Communications Act of 1934* 47 (December 1995): 213-219.
- Cook, Don L: The Beginnings of Regulation: Issues of Accessibility, Privacy, and Security on the Information Superhighway, in *Proceedings of the Marketing and Public Policy Conference*, Ellen Kaufman, ed., Georgia State University, Atlanta, GA. 1995.
- Cook, T. D., and Campbell, D. T.: *Quasi-Experimentation: Design and Analysis Issues for Field Settings*, Rand McNally, Inc. Chicago, IL. 1979.
- Coupey, Eloise: Restructuring: Constructive Processing of Information Displays in Consumer Choice. *Journal of Consumer Research* 21 (June 1994): 83-99.
- Coupey, Eloise: Advertising in an Interactive Environment: A Research Agenda, in *Advertising and the Internet*, David Schumann and Esther Thorson, eds., Erlbaum & Associates, Princeton, NJ. In press.
- Cronin, Mary J.: *Doing Business on the Internet: How the Electronic Highway Is Transforming American Companies*, Van Nostrand Reinhold, New York. 1994.
- Cronin, Francis J., and Herbert, Paul L.: Inequities in the Benefits and Costs of Telecommunications across Stakeholder Groups. *Telecommunications Policy* 18 (4) (May/June 1994): 306-320.
- Csikszentmihalyi, Mihalyi: *Beyond Boredom and Anxiety*, Jossey-Bass, San Francisco, CA. 1977.
- Csikszentmihalyi, Mihalyi: *Flow*, HarperCollins Publishers, New York. 1990.
- Dholakia, Nikhilesh, and Huber, Brian: Meet the Webs and the Web-Nots: Factors Affecting the World Wide Web Browsing Experience, in *COTIM-95 Conference on Telecommunications and Information Marketing*, Ruby Roy Dholakia and David Fortin, eds., University of Rhode Island, Kingston, RI. (1995): 183-192.
- Dholakia, Ruby Roy, and Dholakia, Nikhilesh: Deregulating Markets and Fast-Changing Technology: Public Policy towards Telecommunications in a Turbulent Setting. *Telecommunications Policy* 18 (January/February 1994): 21-31.
- Gore, Sandra L., and Klopfenstein, Bruce C.: Universal Telephone Service: Household Differences, in *COTIM-95 Conference on Telecommunications and Information Marketing*, Ruby Roy Dholakia and David Fortin, eds., University of Rhode Island, Kingston, RI. (1995): 50-57.
- Gundlach, Gregory T., and Wilkie, William L: The Marketing Literature in Public Policy, in *Marketing and Advertising Regulation*, Patrick E. Murphy and William L. Wilkie, eds. University of Notre Dame Press, Notre Dame, IN. (1994): 329-344.
- Hall, Jane: Cyberspace for Sale: From Madison Avenue to Silicon Valley, Companies Are Rushing to Market Products over the Internet. *Los Angeles Times*, Business Section, pg. 1 (May 21, 1995).
- Hoffman, Donna, and Novak, Thomas P.: Marketing in Hypermedia Computer-Mediated Environments: Conceptual Foundations. Working paper, Owen Graduate School of Management, Vanderbilt University, Nashville, TN. 1995. (<http://www2000.ogsm.vanderbilt.edu>)
- Hoffman, Donna, and Novak, Thomas P.: A New Marketing Paradigm for Electronic Commerce. Working paper, Owen Graduate School of Management, Vanderbilt University, Nashville, TN. 1996. (<http://www2000.ogsm.vanderbilt.edu>)
- Huber, Joel, Payne, John W., and Puto, Christopher P.: Adding Asymmetrically Dominated Alternatives: Violations of Regularity and the Similarity Hypothesis. *Journal of Consumer Research* 9 (June 1982): 90-98.
- Jacoby, Jacob, Speller, Donald, and Kohn, Carol: Brand Choice Behavior as a Function of Information Load: Replication and Extension. *Journal of Consumer Research* 1, (June 1974): 33-42.
- Klein, Lisa: Evaluating the Potential of Interactive Media through a New Lens: Search versus Experience Goods, in *COTIM-95 Conference on Telecommunications and Information Marketing*, Ruby Roy Dholakia and David Fortin, eds., University of Rhode Island, Kingston, RI. (1995): pp. 194-204.
- Moorman, Christine: The Effects of Stimulus and Consumer Characteristics on the Utilization of Nutrition Information. *Journal of Consumer Research* 17 (December 1990): 362-374.
- Payne, John W., Bettman, James R., and Johnson, Eric J.: *The Adaptive Decision Maker*, Cambridge University Press, Cambridge, UK. 1993.
- Peeler, C. Lee: Remarks of C. Lee Peeler, Associate Director for Advertising Practices, Bureau of Consumer Protection, FTC. 1995. (<http://www.webcom/lewrose/home.html>)
- Petty, R. E., and Cacioppo, J. T.: The Effects of Involvement on

- Response to Argument Quantity and Quality: Central and Peripheral Routes to Persuasion. *Journal of Personality and Social Psychology* 46 (January 1984): 69-81.
- Post, David: New Rules for the Net? *The American Lawyer* (July 1995): 112.
- Ramsay, Iain: Framework for Regulation of the Consumer Marketplace. *Journal of Consumer Policy* 8 (December 1985): 353-372.
- Rupley, Sebastian: The Internet Meets the Screensaver: PointCast Serves Up Online Information Like a Ticker Tape. *PC Magazine Online* (1996).
- Russo, J. Edward: The Value of Unit Price Information. *Journal of Marketing Research* 14 (May 1977): 193-201.
- Schkade, David A., and Kleinmuntz, Don N.: Information Displays and Choice Processes: Differential Effects of Organization, Form, and Sequence. *Organizational Behavior and Human Decision Processes* 57 (March 1994): 319-337.
- Schwartz, Alan, and Wilde, Louis L.: Intervening in Markets on the Basis of Imperfect Information: A Legal and Economic Analysis. *University of Pennsylvania Law Review* 127 (January 1979): 630-682.
- Steuer, Jonathan: Defining Virtual Reality: Dimensions Determining Telepresence. *Journal of Communication* 42 (Autumn 1992): 73-93.
- Stigler, George J.: The Economics of Information. *Journal of Political Economy* 69 (June 1961): 213-225.
- Warner, Fara: Cheers, It's Happy Hour in Cyberspace. *Wall Street Journal*. Section B, Page 1, 6, (March 15, 1995).
- Wilde, Louis L.: The Economics of Consumer Information Acquisition. *Journal of Business* 53 (April 1980): s143-s165.

Author Index

- Arnold SJ, 105
- Babin BJ, 127
- Barkema HG, 161
- Barker RT, 71
- Barone MJ, 137
- Beckett-Camarata EJ, 71
- Bohman H, 57
- Booth ME, 29
- Butler B, 215
- Camarata MR, 71
- Cook DL, 231
- Coupey E, 231
- Crouch A, 3
- Dholakia RR, 175
- Eighmey J, 187
- Fortin DR, 205
- Frambach RT, 161
- Ganzach Y, 95
- Greenlee TB, 205
- Grewel R, 179
- Griffin M, 127
- Jarvenpaa SL, 15
- Joshi AW, 105
- Kellaris J, 179
- Klein LR, 195
- Krabuanrat K, 83
- Lindfors M-BJ, 57
- Manning KC, 137
- Marsden JR, 145
- Mazursky D, 95
- McCord L, 187
- Miniard PW, 137
- Morrison PD, 223
- Nath D, 41
- Newell SE, 41
- Notteboom B, 161
- ogilvie dt, 49
- Phelps B, 1
- Phelps R, 83
- Philip G, 29
- Renn RW, 115
- Roberts JH, 223
- Rose RL, 137
- Sarkar M, 215
- Sivadas E, 179
- Steinfeld C, 215
- Stoddard DB, 15
- Sundaram DS, 153
- Tung YA, 145
- Webster C, 153
- Wedel M, 161

Subject Index

- ADOPTER-SIDE VARIABLES
Adoption of a Service Innovation in the Business Market: An Empirical Test of Supply-Side Variables, 161
- BANKING SERVICES
Matching Electronic Distribution Channels to Product Characteristics: The Role of Congruence in Consideration Set Formation, 223
- BIASES, TIME-DEPENDENT
Does Involvement Moderate Time-Dependent Biases in Consumer Multiattribute Judgment?, 95
- BUSINESS PROCESS REDESIGN
Business Process Redesign: Radical and Evolutionary Change, 15
- CHANGE, RADICAL AND EVOLUTIONARY
Business Process Redesign: Radical and Evolutionary Change, 15
- COMMERCIAL WEBSITES
Adding Value in the Information Age: Uses and Gratifications of Sites on the World Wide Web, 187
- COMPARATIVE ADVERTISING
Tracking the Effects of Comparative and Noncomparative Advertising with Relative and Nonrelative Measures: A Further Examination of the Framing Correspondence Hypothesis, 137
- COMPETENCY-DRIVEN COMPETITIVENESS
Technology, Competencies, and Competitiveness: The Case for Reconfigurable and Flexible Strategies, 29
- COMPETITIVENESS
Introduction: Special Issue on the Dynamics of Strategy, 1
Organizational Responses to a Hypercompetitive Environment: A Case Study of Pepsi Canada, 41
Reframing the Strategic Problem: An Accommodation of Harmony and Belligerence in Strategic Management, 3
Technology, Competencies, and Competitiveness: The Case for Reconfigurable and Flexible Strategies, 29
- COMPLIANCE
How Relational Norms Affect Compliance in Industrial Buying, 105
- CONSUMER BEHAVIOR
Adding Value in the Information Age: Uses and Gratifications of Sites on the World Wide Web, 187
Consumer Behavior and Unresolved Regulatory Issues in Electronic Marketing, 231
- Does Involvement Moderate Time-Dependent Biases in Consumer Multiattribute Judgment?, 95
Evaluating the Potential of Interactive Media Through a New Lens: Search versus Experience Goods, 195
Matching Electronic Distribution Channels to Product Characteristics: The Role of Congruence in Consideration Set Formation, 223
The Nature of Satisfaction: An Updated Examination and Analysis, 127
Service Consumption Criticality in Failure Recovery, 153
Using a Product/Service Evaluation Frame: An Experiment on the Economic Equivalence of Product versus Service Alternatives for Message Retrieval Systems, 205
- COTIM95
Introduction: Special Issue on Conducting Business in the New Electronics Environment: Prospects and Problems, 175
- CREATIVE ACTION
Creative Action as a Dynamic Strategy: Using Imagination to Improve Strategic Solutions in Unstable Environments, 49
Introduction: Special Issue on the Dynamics of Strategy, 1
- CUSTOMER RELATIONSHIP MANAGEMENT
Integrating Internal and External Customer Relationships through Relationship Management: A Strategic Response to a Changing Global Environment, 71
- CYBERMEDIARIES
Cybermediaries in Electronic Marketspace: Toward Theory Building, 215
- DATA COMMUNICATIONS
Matching Electronic Distribution Channels to Product Characteristics: The Role of Congruence in Consideration Set Formation, 223
- DECISION MAKING
Heuristics and Rationality in Strategic Decision Making: An Exploratory Study, 83
Introduction: Special Issue on the Dynamics of Strategy, 1
- DEPENDENCE
How Relational Norms Affect Compliance in Industrial Buying, 105
- DEPRESSIONS
Introduction: Special Issue on the Dynamics of Strategy, 1
Management for Change: On Strategic Change during Recession, 57
- DISTRIBUTION METHODS
Matching Electronic Distribution Channels to Product

- Characteristics: The Role of Congruence in Consideration Set Formation, 223
- DYNAMICS OF STRATEGY
- Introduction: Special Issue on the Dynamics of Strategy, 1
- EFFICIENT MARKET HYPOTHESES
- Test of Market Efficiencies Using Experimental Electronic Markets, 145
- ELECTRONIC SHOPPING METHODS
- Matching Electronic Distribution Channels to Product Characteristics: The Role of Congruence in Consideration Set Formation, 223
- EXPERIMENTAL ELECTRONIC MARKETS
- Test of Market Efficiencies Using Experimental Electronic Markets, 145
- FAILURE RECOVERY
- Service Consumption Criticality in Failure Recovery, 153
- FIRST INTERNATIONAL CONFERENCE ON THE DYNAMICS OF STRATEGY
- Introduction: Special Issue on the Dynamics of Strategy, 1
- FRAMING CORRESPONDENCE HYPOTHESIS
- Tracking the Effects of Comparative and Noncomparative Advertising with Relative and Nonrelative Measures: A Further Examination of the Framing Correspondence Hypothesis, 137
- GOAL ACCEPTANCE
- Participation's Effect on Task Performance: Mediating Roles of Goal Acceptance and Procedural Justice, 115
- HEURISTICS
- Heuristics and Rationality in Strategic Decision Making: An Exploratory Study, 83
- HYPERCOMPETITIVENESS
- Organizational Responses to a Hypercompetitive Environment: A Case Study of Pepsi Canada, 41
- IMAGINATION
- Creative Action as a Dynamic Strategy: Using Imagination to Improve Strategic Solutions in Unstable Environments, 49
- INNOVATION ADOPTION
- Adoption of a Service Innovation in the Business Market: An Empirical Test of Supply-Side Variables, 161
- INTERACTIVE MEDIA
- Adding Value in the Information Age: Uses and Gratifications of Sites on the World Wide Web, 187
- Consumer Behavior and Unresolved Regulatory Issues in Electronic Marketing, 231
- Evaluating the Potential of Interactive Media Through a New Lens: Search versus Experience Goods, 195
- The Internet as a Micro Marketing Tool. Targeting Consumers through Preferences Revealed in Music Newsgroup Usage, 179
- Introduction: Special Issue on Conducting Business in the New Electronics Environment: Prospects and Problems, 175
- Matching Electronic Distribution Channels to Product Characteristics: The Role of Congruence in Consideration Set Formation, 223
- INTERMEDIATION
- Cybermediaries in Electronic Marketplace: Toward Theory Building, 215
- INTERNET COMMERCE
- Consumer Behavior and Unresolved Regulatory Issues in Electronic Marketing, 231
- Cybermediaries in Electronic Marketplace: Toward Theory Building, 215
- Evaluating the Potential of Interactive Media Through a New Lens: Search versus Experience Goods, 195
- The Internet as a Micro Marketing Tool. Targeting Consumers through Preferences Revealed in Music Newsgroup Usage, 179
- Introduction: Special Issue on Conducting Business in the New Electronics Environment: Prospects and Problems, 175
- Matching Electronic Distribution Channels to Product Characteristics: The Role of Congruence in Consideration Set Formation, 223
- INVOLVEMENT
- Does Involvement Moderate Time-Dependent Biases in Consumer Multiattribute Judgment?, 95
- MANAGERIAL CREATIVITY
- Creative Action as a Dynamic Strategy: Using Imagination to Improve Strategic Solutions in Unstable Environments, 49
- Introduction: Special Issue on the Dynamics of Strategy, 1
- MARKET EFFICIENCIES
- Test of Market Efficiencies Using Experimental Electronic Markets, 145
- MEASUREMENT THEORY
- The Nature of Satisfaction: An Updated Examination and Analysis, 127
- Tracking the Effects of Comparative and Noncomparative Advertising with Relative and Nonrelative Measures: A Further Examination of the Framing Correspondence Hypothesis, 137
- MESSAGE RETRIEVAL SYSTEMS
- Using a Product/Service Evaluation Frame: An Experiment on the Economic Equivalence of Product versus Service Alternatives for Message Retrieval Systems, 205
- MICRO MARKETING
- The Internet as a Micro Marketing Tool. Targeting Consumers through Preferences Revealed in Music Newsgroup Usage, 179
- NEWSGROUPS
- The Internet as a Micro Marketing Tool. Targeting Consumers through Preferences Revealed in Music Newsgroup Usage, 179
- NONRELATIVE MEASURES
- Tracking the Effects of Comparative and Noncomparative Advertising with Relative and Nonrelative Measures: A Further Examination of the Framing Correspondence Hypothesis, 137
- ORGANIZATIONAL THEORY AND BEHAVIOR
- Business Process Redesign: Radical and Evolutionary Change, 15
- Integrating Internal and External Customer Relationships through Relationship Management: A Strategic Response to a Changing Global Environment, 71

Introduction: Special Issue on the Dynamics of Strategy, 1
Organizational Responses to a Hypercompetitive
Environment: A Case Study of Pepsi Canada, 41
Reframing the Strategic Problem: An Accommodation of
Harmony and Belligerence in Strategic Management,
3

PARTICIPATION

Participation's Effect on Task Performance: Mediating Roles
of Goal Acceptance and Procedural Justice, 115

POSTPURCHASE REACTIONS

The Nature of Satisfaction: An Updated Examination and
Analysis, 127

PROCEDURAL JUSTICE

Participation's Effect on Task Performance: Mediating Roles
of Goal Acceptance and Procedural Justice, 115

PRODUCT/SERVICE EVALUATION FRAME

Using a Product/Service Evaluation Frame: An Experiment on
the Economic Equivalence of Product versus Service
Alternatives for Message Retrieval Systems, 205

RECESSIONS

Management for Change: On Strategic Change during
Recession, 57

REENGINEERING

Business Process Redesign: Radical and Evolutionary Change,
15

REGULATORY ISSUES

Consumer Behavior and Unresolved Regulatory Issues in
Electronic Marketing, 231

RELATIONAL NORMS

How Relational Norms Affect Compliance in Industrial
Buying, 105

RELATIONSHIP MANAGEMENT

Integrating Internal and External Customer Relationships
through Relationship Management: A Strategic
Response to a Changing Global Environment, 71

Introduction: Special Issue on the Dynamics of Strategy, 1

RELATIVE MEASURES

Tracking the Effects of Comparative and Noncomparative
Advertising with Relative and Nonrelative Measures:
A Further Examination of the Framing Correspondence
Hypothesis, 137

RIVALRY

Reframing the Strategic Problem: An Accommodation of
Harmony and Belligerence in Strategic Management,
3

SATISFACTION

The Nature of Satisfaction: An Updated Examination and
Analysis, 127

SERVICE CONSUMPTION

Service Consumption Criticality in Failure Recovery, 153

SERVICE CRITICALITY

Service Consumption Criticality in Failure Recovery, 153

SERVICE FAILURE RECOVERY EFFORTS

Service Consumption Criticality in Failure Recovery, 153
STRATEGIC CHANGE

Management for Change: On Strategic Change during
Recession, 57

STRATEGY

Business Process Redesign: Radical and Evolutionary Change,
15

Creative Action as a Dynamic Strategy: Using Imagination to
Improve Strategic Solutions in Unstable
Environments, 49

Heuristics and Rationality in Strategic Decision Making: An
Exploratory Study, 83

Introduction: Special Issue on the Dynamics of Strategy, 1
Management for Change: On Strategic Change during
Recession, 57

Reframing the Strategic Problem: An Accommodation of
Harmony and Belligerence in Strategic Management,
3

Technology, Competencies, and Competitiveness: The Case
for Reconfigurable and Flexible Strategies, 29

SUPPLY-SIDE VARIABLES

Adoption of a Service Innovation in the Business Market: An
Empirical Test of Supply-Side Variables, 161

TASK PERFORMANCE

Participation's Effect on Task Performance: Mediating Roles
of Goal Acceptance and Procedural Justice, 115

TECHNOLOGY-DRIVEN COMPETITIVENESS

Technology, Competencies, and Competitiveness: The Case
for Reconfigurable and Flexible Strategies, 29

TEMPORAL PRICE FRAMES

Using a Product/Service Evaluation Frame: An Experiment on
the Economic Equivalence of Product versus Service
Alternatives for Message Retrieval Systems, 205

TIME-DEPENDENT BIASES

Does Involvement Moderate Time-Dependent Biases in
Consumer Multiattribute Judgment?, 95

VIRTUAL CHANNEL SYSTEMS

Cybermediaries in Electronic Marketplace: Toward Theory
Building, 215

WEBSITES

Adding Value in the Information Age: Uses and Gratifications
of Sites on the World Wide Web, 187

WORLD WIDE WEB COMMERCE

Adding Value in the Information Age: Uses and Gratifications
of Sites on the World Wide Web, 187

Consumer Behavior and Unresolved Regulatory Issues in
Electronic Marketing, 231

Cybermediaries in Electronic Marketplace: Toward Theory
Building, 215

Evaluating the Potential of Interactive Media Through a New
Lens: Search versus Experience Goods, 195

Introduction: Special Issue on Conducting Business in the
New Electronics Environment: Prospects and
Problems, 175



JOURNAL OF BUSINESS RESEARCH

VOLUME 41

Contents

- 1 Introduction: Special Issue on the Dynamics of Strategy
Bob Phelps
- 3 Reframing the Strategic Problem: An Accommodation
of Harmony and Belligerence in Strategic Management
Andrew Crouch
- 29 Technology, Competencies, and Competitiveness:
The Case for Reconfigurable and Flexible Strategies
Marilyn E. Booth and George Philip
- 41 Organizational Responses to a
Hypercompetitive Environment: A Case Study of Pepsi Canada
Deepika Nath and Stephanie E. Newell
- 49 Creative Action as a Dynamic Strategy: Using
Imagination to Improve Strategic Solutions in Unstable Environments
dt ogilvie
- 57 Management for Change: On Strategic Change during Recession
Håkan Bohman and Maj-Britt Johansson Lindfors
- 71 Integrating Internal and External Customer Relationships through
Relationship Management: A Strategic Response to a Changing Global Environment
Elizabeth Jane Beckett-Camarata, Martin R. Camarata, and Randolph T. Barker
- 83 Heuristics and Rationality in Strategic Decision Making: An Exploratory Study
K. Krabuanrat and R. Phelps
- 95 Does Involvement Moderate Time-Dependent
Biases in Consumer Multiattribute Judgment?
David Mazursky and Yoav Ganzach
- 105 How Relational Norms Affect Compliance in Industrial Buying
Ashwin W. Joshi and Stephen J. Arnold
- 115 Participation's Effect on Task Performance:
Mediating Roles of Goal Acceptance and Procedural Justice
Robert W. Renn

(continued)

- 127 The Nature of Satisfaction: An Updated Examination and Analysis
Barry J. Babin and Mitch Griffin
- 137 Tracking the Effects of Comparative and Noncomparative
Advertising with Relative and Nonrelative Measures:
A Further Examination of the Framing Correspondence Hypothesis
Paul W. Miniard, Randall L. Rose, Kenneth C. Manning, and Michael J. Barone
- 145 Test of Market Efficiencies Using Experimental Electronic Markets
Y. Alex Tung and James R. Marsden
- 153 Service Consumption Criticality in Failure Recovery
Cynthia Webster and D. S. Sundaram
- 161 Adoption of a Service Innovation in the Business Market:
An Empirical Test of Supply-Side Variables
Ruud T. Frambach, Harry G. Barkema, Bart Nootboom, Michel Wedel

**SPECIAL ISSUE: CONDUCTING BUSINESS IN THE NEW ELECTRONICS
ENVIRONMENT: PROSPECTS AND PROBLEMS**

- 175 Introduction: Special Issue on Conducting Business in
the New Electronics Environment: Prospects and Problems
Ruby Roy Dholakia
- 179 The Internet as a Micro Marketing Tool: Targeting
Consumers through
Preferences Revealed in Music Newsgroup Usage
Eugene Sivadas, Rajdeep Grewel, and James Kellaris
- 187 Adding Value in the Information Age:
Uses and Gratifications of Sites on the World Wide Web
John Eighmey and Lola McCord
- 195 Evaluating the Potential of Interactive Media
through a New Lens: Search versus Experience Goods
Lisa R. Klein
- 205 Using a Product/Service Evaluation Frame:
An Experiment on the Economic Equivalence of Product
versus Service Alternatives for Message Retrieval Systems
David R. Fortin and Timothy B. Greenlee
- 215 Cybermediaries in Electronic Marketplace: Toward Theory Building
Mitrabarun Sarkar, Brian Butler, and Charles Steinfield
- 223 Matching Electronic Distribution Channels to Product
Characteristics: The Role of Congruence in Consideration Set Formation
Pamela D. Morrison and John H. Roberts
- 231 Consumer Behavior and Unresolved Regulatory Issues in Electronic Marketing
Don Lloyd Cook and Eloise Coupey
- 239 Author Index
- 241 Subject Index
- Volume Contents

Creating Value
Through
Acquisitions,
Demergers,
Buyouts and
Alliances

Editor: Bruce Lloyd

Pergamon

Benefit from lessons learned in the international arena of mergers and acquisitions, buyouts and alliances

Editor: **Bruce Lloyd**,

Principal Lecturer in Strategy, South Bank University, London, UK

It's a fast-paced world where companies buy and sell other companies and subsidiaries in order to grow and prosper locally and internationally. There are definite answers for successful growth and for avoiding pitfalls and these answers can be found in **Creating Value Through Acquisitions, Demergers, Buyouts and Alliances**.

This subject area has been extensively covered by *Long Range Planning* over the past 30 years - this volume brings together a substantial selection of the key papers published by the journal. Coverage includes:

- ◆ research, case studies and practical experience of leading authorities involved in these transactions
- ◆ definite management techniques for successfully selecting a course of action, controlling risks, and integrating the new company after the merger or acquisition
- ◆ what to do after the transaction, how to defend against a takeover
- ◆ alternative approaches and other strategies including alliances and joint ventures

Creating Value Through Acquisitions, Demergers, Buyouts and Alliances should be read by all academic researchers, students, corporate managers and business consultants who have an active interest in creating value in this highly competitive market environment.

A sample of the Contents:

Mergers and Acquisitions:

- Do raiders create value? (R. Koch)
- Defensive strategies against takeovers: creating shareholder value (C. J. Clarke, K. Brennan)
- Eight lessons for merger success (A. F. De Noble *et al.*)

Demergers, Buyouts and Divestments:

- The ICI demerger: unlocking shareholder value (C. Kennedy)
- The investor-led buy-out: a new strategic option (M. Wright, K. Robbie)

Strategic Alliances and Joint Ventures:

- Offensive and defensive uses of alliances (D. Lei)
- Building successful strategic alliances (P. Lorange *et al.*)

Creating Value Through Acquisitions, Demergers, Buyouts and Alliances



PERGAMON
An imprint of
Elsevier Science

1997, Hardbound, 440 pages
ISBN: 0-08-043055-4

ORDER FORM

YES! Please send me _____ copy(ies) of
**Creating Value Through
Acquisitions, Demergers, Buyouts and Alliances**
(ISBN 0-08-043055-4) at only NLG120.00 / US\$74.00 plus
VAT or equivalent.

Name (please print) _____

Position _____

Organisation _____

Department _____

Address _____

Region/State _____

Post/Zip code _____

Country _____

E-mail/Internet No. _____

NLG (Dutch Guilder) prices apply to customers in Europe and Japan.
US\$ prices apply to customers in all other countries.

PAYMENT DETAILS

- Please send a pro forma invoice.
- Cheque/money order/UNESCO COUPON enclosed made payable to Elsevier Science.
- I wish to pay by credit card (accepted from individuals only). Your credit card will be debited including VAT when applicable.

VISA American Express MasterCard

Card no. _____

Exp. Date _____

Signature _____

Date _____

SEND YOUR ORDER TO:

Elsevier Science
P.O. Box 882
New York, NY 10159-0882
Tel: (+1) 212-633-3730 • Fax: (+1) 212-633-3680
Toll-free for customers in the USA and Canada:
1-888-437-4636
E-mail: usinfo-f@elsevier.com

Elsevier Science
Direct Marketing Department
P.O. Box 880
1000 AW Amsterdam
The Netherlands
Tel: (+31) 20-485-3757 • Fax: (+31) 20-485-3432
E-mail: nlinfo-f@elsevier.nl

AM713X

Elsevier Satisfaction Guarantee

We will refund your payment without question if you return any unwanted book to us in a resaleable condition within 30 days.

Globalism and Localism in Telecommunications

Edited by E.M. Noam and A.J. Wolfson

The telecommunications industry is being transformed by contradictory forces: on the one hand, the trend toward global expansion by carriers, and on the other hand, fragmentation and entry in local communications. These transformations represent two sides of the same issue: a blurring of market boundaries created through technical innovation, policy liberalization, user initiatives and entrepreneurialism. The result is a complex web of overlapping network definitions, product and service markets, carrier types, technical standards, government policies, financial arrangements, and cooperative ventures. This volume discusses the complexities of these bi-polar forces and maps out the policy issues which need to be addressed today and in the future.

Contents: Introduction: The End of Territoriality in Communications (E.M. Noam, A.J. Wolfson).

Dynamics of the New Local Communications

Markets. Competition and "local" communications:

Innovation, entry and integration (G.L. Rosston, D.J. Teece). Changing corporate culture in the local competitive environment (J.E. Katz). Turning the cables: Economic and strategic analysis of cable entry into telecommunications (G.A. Woroch). A study of long-distance rates: Divestiture revisited (A.M. Noll). Can local telecommunications be self-policing? A proposed discovery procedure (J. Haring).

Universal Service: Creating Effective Policies for the

Future. Universal service: Realities and reforms (M.A. Einhorn). Reforming universal service: A prerequisite to competition and interconnection (E.M. Noam). Universal service: Policy options for the future (S.G. Hadden). Universal service: The rural challenge changing requirements and policy options (H.E. Hudson). Funding the public telecommunications infrastructure (B. Egan, S. Wildman). Trends in telephone penetration in the United States 1984-1994 (J.R. Schement, A. Belinfante, L. Povich). Universal service in Japan (K. Hayashi).

Communications Beyond Frontiers: Expansion of National Carriers Across Borders. Telegeography and the explosion of place: Why the network that is bringing the world together is pulling it apart

(G.C. Staple). Megamedia: The growth of international media conglomerates (W.R. Neuman). The evolution of global networks: The precarious balance between governments and markets (J.D. Aronson).

Investment Drivers for Global Telecommunications.

Investment and structural trends in multinational services (R. Kramer, A. NiShuilleabháin). Technological change and multinational growth in international telecommunications services (C. Antonelli). Buying and banking on prospective returns in telecommunications (M.A. Salinger).

Policy Issues for the New Global Communications

Environment. New global network developments: Regulatory and trade challenges (K.E. Bernard). Standards competition in wireless: Regionalism vs. globalism. The case of the third generation mobile communications systems (L. Sung). After privatization: Neocolonialism? (J.-P. Chamoux). Toward an international competition policy in global telecommunications (K.W. Grewlich). The globalism of public telecommunications operators - toward a new framework of telecommunications policy (Y. Kurisaki). Reforming the international settlement system (A. Halprin). **Index.**

©1997 approx. 400 pages Hardbound

Price: NLG 225.00 (US\$140.75)

ISBN 0-444-82382-4

To order please write to:

Elsevier Science, Customer Support Department, Regional Sales Office
P.O. Box 211, 1000 AE Amsterdam, The Netherlands
Tel.: (+31) 20 485 3757; Fax: (+31) 20 485 3432; E-mail: nlinfo@elsevier.nl

The currencies as stated with this information are definitive. *Dutch Guilder (NLG)* prices apply to customers *within Europe and Japan* only. US Dollar (US\$) prices apply to all customers residing *outside Europe and Japan*. Prices are subject to change without prior notice. If you are a resident of the European Union you should either state your Value Added Tax (VAT) number or add the relevant VAT percentage applicable in your country to the total amount.



For full information on all Elsevier Science books please see our catalogue on the Internet:
<http://www.elsevier.nl> or <http://www.elsevier.com>

7HF11A01

SCN