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Harrie Vredenburg

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IMPROVING INDUSTRIAL SALES PRODUCTIVITY:
A FIELD EXPERIMENTAL STUDY OF A TELEMARKETING AND DEMONSTRATION
CENTRE APPLICATION OF BEHAVIOURAL INFLUENCE STRATEGY

by
Harrie Vredenburg

School of Business Administration

Submitted in partial fulfilment
of the requirements for the degree of
Doctor of Philosophy

Faculty of Graduate Studies
The University of Western Ontario
London, Ontario
July 1986

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ABSTRACT

Advertising, personal selling, and sales promotion have been the primary communication approaches used in marketing. However, these tested and proved methods of reaching customers have recently been coming under increasing cost pressures. Of foremost importance to industrial marketers, rising fuel costs and salary costs have increased substantially the cost of the personal sales call. Canada's expansive geography contributes significantly to the travel cost component of an industrial sales call, further exacerbating the cost problem for Canadian managers.

Managers are increasingly turning to new approaches such as telemarketing and demonstration centres as adjuncts to the more traditional communications approaches in order to keep control of costs. There is little experience in industrial marketing practice that managers can draw upon when designing communication programs incorporating the new adjunct approaches. There is also little in the marketing literature to guide managers in this task. This study investigates the effective use of telemarketing and demonstration centres, in tandem with field sales and direct mail advertising for the purpose of new account development.

The theoretical communications approach taken in this study is a behavioural influence one as opposed to a traditional persuasion approach. Two experiments in an actual industrial

marketing field setting were carried out to determine the relative effectiveness of alternative telemarketing program communication strategies. The organization in which the study was carried out markets telecommunications products and the study sample exposed to the communications strategies consisted of potential customers - general managers and marketing managers representing industrial firms in the wholesale trade sector.

The study found that the behavioural influence strategy known as the Foot-in-the-Door (FITD) strategy did obtain a higher rate of compliance with a subsequent critical request when the critical request was for attendance at a sales seminar and the FITD treatment consisted of a telephoned request to accept sales literature in the mail. The control group did not receive the telephoned request to receive sales literature but were simply sent the literature. The FITD effect was found at the behavioural intentions level (enrollment), as well as at the actual behavioural level (attendance). Mixed evidence was found with regard to the sustainability of the effect into other dependent measures of interest to managers, namely commitment to a sales order (not statistically significant), size of the sales order (statistically significant), long run commitment to a sales order (not statistically significant) and size of the long run sales order (not statistically significant).

The FITD effect was not found in the seminar enrollment and attendance data when the FITD treatment was a request to answer three short market research questions over the telephone. The effect was also not found when the initial and critical requests were operationalized in other alternative ways in the study setting.

In addition to testing strategies based on the behavioural influence paradigm, the experiments compared outbound and inbound telemarketing strategies for new account development, and made an approximate comparison between a telemarketing campaign and a field salesforce cold calling campaign. The findings from these comparisons were mixed.

The thesis is concluded with a discussion of the implications of the findings for both behavioural influence-based marketing research and for industrial marketing managers. Limitations of the research are discussed and directions for future research are suggested.

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CHAPTER 1

INTRODUCTION

1.1 THE MANAGEMENT PROBLEM

Advertising, personal selling, and sales promotion have been the primary communication approaches used in marketing. However, these tested and proved methods of reaching customers have recently been coming under increasing cost and other pressures. Costs of communication have climbed dramatically in the last decade (Shapiro and Wyman 1981). Media costs have soared while such innovations as cable television and pay television as well as the proliferation of print media have contributed to increasing media fragmentation (Hardy 1983; Shapiro and Wyman 1981).

Rising fuel costs and salary costs have increased the cost of the personal sales call. It is estimated that the cost of an industrial sales call rose from \$49 in 1969 to \$137 in 1979 (Shapiro and Wyman 1981), and rose further to \$205 in 1984 (Maynard 1986). These are U.S. estimates compiled by McGraw-Hill Research. Canada's expansive geography contributes significantly to the travel cost component of an industrial sales call, further exacerbating the cost problem for Canadian managers.

At the same time, the business environment facing many companies is becoming increasingly competitive (Bellizzi and Murdoch 1981). Many industrial companies which previously relied on traditional field salesforces primarily to service existing account bases are now looking for new ways to improve their new account development activities as well as looking for ways to economically service marginal accounts (Smith 1982; Udall 1983; Wouters 1982). Other organizations, such as the major banks, which until recently did not consider themselves to be industrial marketers, are now addressing the increasing competitiveness of their industry through instituting aggressive sales programs for corporate loans officers aimed at improving new account development (Dunkig 1982; Nord 1983).

In response to these pressures on the traditional communications approaches, new communications approaches have evolved. These evolving approaches include telemarketing, demonstration centres, industrial stores, national account management, and new forms of catalogue selling (Coppett and Voorhees 1983; Maynard 1986; Shapiro and Wyman 1981; Voorhees and Coppett 1983; Wingis 1981). Managers are increasingly turning to these approaches as adjuncts to more traditional communications approaches in order to respond to top management demands for efficient and effective communication.

A number of telemarketing firms, or service bureaus, have been started in Canada to serve large corporate customers. In addition, over the past two years, about 8,000 companies have launched in-house telemarketing centres ranging from one-person operations to entire departments (Maynard 1986). According to the Canadian Direct Marketing Association, telemarketing generates yearly sales of \$200 million in Canada (Maynard 1986).

Although much of the current telemarketing sales are derived from consumer markets, the trend is toward increased use of telemarketing in industrial or business markets. One Toronto telemarketing service firm reported an increase of industrial market sales of 30% over the past three years (Maynard 1986). As business markets are targeted, the importance of an effective telemarketing communication strategy increases because of the higher costs of accessing that market. The cost of a consumer market telemarketing call might be as low as \$2.50, while the cost of a business market telemarketing call might be as much as \$10 (Maynard 1986).

Extensive interviews were held with management at Telecom Canada, the umbrella group managing and coordinating long distance business for the Canadian telephone companies as well as with a number of their client companies. The interviews revealed that while many companies are attempting to integrate new approaches such as telemarketing and demonstration centres into

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their marketing programs, there is very little available knowledge on which they can base their decisions on communication program design (Telecom Canada Ottawa 1982; Telecom Canada Toronto 1983). This study investigates the effective use of telemarketing and demonstration centres in tandem with field sales and direct mail advertising for the purpose of new account development. First, an overview of telemarketing and industrial demonstration centres is in order.

1.2 OVERVIEW OF TELEMARKETING AND DEMONSTRATION CENTRES

Telemarketing

Telephone marketing is an important emerging trend that companies can exploit in several ways -(Coppett and Voorhees 1983; Maynard 1986; Shapiro and Wyman 1981; Voorhees and Coppett 1983; Wingis 1981). The first of these is as a less costly substitute for personal selling. Telephone selling has traditionally provided a highly customized means of two-way communication. Greater sophistication in telecommunications equipment and services, new marketing approaches, and broader applications have turned telephone selling into telemarketing. It still does not provide the quality of a personal visit but is much cheaper. While a commercial or industrial salesperson might average perhaps 5 or 6 fast personal sales calls per day, he or she can

average perhaps 30 long telephone calls. The costs are much lower because of the lack of travel. The cost advantage makes telemarketing a good substitute for visits to small accounts.

Some selling situations require periodic sales visits. Often the cost of the required call frequency is greater than the sales volume justifies and, in these cases, telephone calls can supplement personal visits. The visits might be made two to four times per year and the telephone calls eight to ten times per year for a total frequency of one per month, but at a cost substantially lower than twelve visits. Personal visits would be used for the opening presentation of, say, a new line of tires or furniture, or the sale of equipment, while telephone calls would be used for fill-in orders or supply sales. Firestone Canada uses this type of telemarketing program (Smith 1982).

Some insurance, credit card and magazine marketers who want to keep in touch with their customers have switched from using direct mail to the telephone, which gives greater impact albeit at a higher cost. For the economics to work well, the person called must be either an existing customer or a good prospect, not just a random name from the telephone book. Telemarketing has been successful in selling subscription renewals and other such products which entail periodic renewal sales. American Express Canada and The Business Quarterly are both currently

trying variations of this telemarketing application (Gunton 1982; Sanders 1982).

Telemarketing can add to as well as replace direct mail and media advertising. Many companies have effectively used inbound and outbound telephone in conjunction with direct mail, television, and print media advertising. Such programs have three advantages over mail replies: (1) the prospect can make an immediate commitment to purchase while the idea is fresh and the desire for action the greatest and the customer can get an immediate reply, (2) it is easier for most people to respond by telephone than to fill in a coupon and mail it, (3) the selling company can become actively involved in supplying information to aid customer decision making and can monitor customer response. Both Telecom Canada and many of their client companies are using variations of this application to improve their salesforce productivity in new account development (Christensen 1982).

The telephone can be used as part of a communications program to tie companies to their constituencies. The responsiveness and convenience of the telephone, combined with its two-way message content, make it particularly appropriate for this use. A dissatisfied customer, for example, can get a quick response to a problem. Canadian Banklock Services Ltd. is using this type of customer service application (Christensen 1982).

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The telephone's particular mix of benefits and growing cost effectiveness versus other media make it an increasingly important part of the communications mix.

Demonstration Centres

Specially designed showrooms, or demonstration centres, allow customers to observe and often to try out complex industrial equipment. The approach supplements personal selling and works best when the equipment being demonstrated is complex and not portable. Demonstration centres have been used in many industries including telecommunications, data processing, electronic test gear, and machine tools. A variant of the approach is a travelling demonstration centre in which the equipment (or process) for sale is mounted in a trailer, truck or bus. Another variant is a sales "seminar" organized by the marketer to present his products/services through an audio-visual show complemented by interactive discussions with potential customers about how the firm's products might address a client's particular problems. This is a common approach used in the dental supply field and the holiday tour wholesale field. A hotel function room is the usual setting for this type seminar, although some firms also have centres set up at their headquarters.

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The demonstration centre also supplements trade shows, with three major differences between them:

- 1) The demonstration centre is permanent and thus can more easily be fitted in a company's marketing and sales schedule. Trade shows, on the other hand, are temporary and are not scheduled for the convenience of any single company.
- 2) The company can determine the location of the demonstration centre, unlike trade shows.
- 3) Demonstration centres are designed to provide a competition-free environment for the selling process. Trade shows, of course are filled with competitors.

Demonstration centres in many situations replace months of regular field selling because the seller is able to make a product demonstration to a high level executive who would almost certainly be unavailable for a standard sales call (Shapiro and Wyman 1981).

1.3 THE CONCEPTUAL APPROACH

Having discussed the importance of improving our understanding of the increasingly popular evolving communications approaches of telemarketing and industrial demonstration centres,

we are faced with the issue of developing a framework within which to view these approaches.

Most of the marketing communications literature deals with aspects of the persuasion process. Persuasion strategies involve an attempt to modify behaviour by influencing its cognitive antecedents (e.g., attitudes) (Reingen and Kernan 1979; Scott 1976; Tybout 1978). The information processing literature dealing with how consumers aggregate disparate pieces of information (e.g., Bettman, Capon, and Lutz 1975a; Bettman, Capon and Lutz 1975b; Cohen, Fishbein, and Ahbola 1972; Day 1973; Sheth and Talarzyk 1972; Wilkie and Pessemier 1973) are all based on this assumption. Most of the traditional studies of personal selling communication strategies also implicitly assume the persuasion model (e.g., Capon 1975; Capon and Swasy 1977; Farley and Swinth 1967; Jolson, 1975; Levitt 1965, 1967; Read 1976). Within the limitations of the mass communications media, persuasive strategies are probably the most appropriate for marketing communications. When we are dealing with media other than the mass communication media, persuasive strategies may not be the most appropriate.

In investigating combinations of telemarketing, industrial demonstration centres, direct mail advertising, and personal selling, we are dealing with communications approaches that are not strictly one-way. There is a certain degree of interaction

possible between seller and buyer. As a result, a behavioural influence strategy approach is possible and may be appropriate.

Behavioural influence strategy, unlike persuasion strategy, does not attempt to directly influence the cognitive antecedents of behaviour. It may do it indirectly by modifying the behaviour, which then may change the antecedents. Instead of attempting to directly influence cognitive antecedents of behaviour, behavioural influence strategy focuses on the direct modification of behaviour (Cialdini 1984; Reingen and Kernan 1979; Scott 1976; Tybout 1978). It assumes that after behaviour has been modified, subsequent behaviour will be consistent with it. The theoretical interpretation of this effect is in dispute and is discussed in depth in Chapter 3. The behavioural influence approach is guided by the assumption that psychological involvement with a product, service, or organization, whether it be through experience or acknowledged disposition favouring it, constitutes an important basis for subsequent purchase action. Cialdini (1984) refers to behavioural influence-induced behaviour as mechanical or automatic behaviour to emphasize its non-cognitive nature.

Marketing practitioners frequently act on this premise. Free product trials and reduced price product introductions are used in the hope that compliance with this request to use a

product will lead to compliance with subsequent larger purchase solicitations. In the personal selling field, the insurance salesperson who attempts to sell small policies initially and then graduates the customer to larger, more comprehensive coverage is using a behavioural influence strategy. The industrial marketer who "low-balls" on a price quotation in order to get to the negotiated stage is using a behavioural influence strategy. The business school dean who invites major corporation executives to sit on the school's advisory committee (with the possible long run result being corporate donations to the school) is using a behavioural influence strategy.

Although the marketing literature is filled with studies related to the operation and effects of persuasion strategies in marketing, there have been virtually no studies reported investigating systematic applications of behavioural influence strategy in actual industrial marketing settings. This neglect has occurred despite the fact that interactive marketing communications approaches have been increasing in popularity and the fact that the extensive psychological literature on behavioural influence provides a fruitful base from which to develop marketing applications.

1.4 THE CONTRIBUTION OF THE RESEARCH

This research makes a contribution in two distinct ways. First, from an industrial marketing manager's perspective, the research provides insights into the effective use of telemarketing and industrial demonstration centres in tandem with field sales and direct mail advertising for the purpose of new account development. Secondly, the research tests the behavioural influence strategy of obtaining compliance with small requests in order to obtain subsequent compliance with a large request (the foot-in-the-door technique) in an actual industrial marketing field setting. The second contribution of the research is that it provides a major link between previous theoretical and laboratory work on behavioural influence and actual industrial marketing applications.

1.5 ORGANIZATION OF THE DISSERTATION

Chapter 2 and Chapter 3 review the literature deemed relevant to the topic under investigation. Chapter 2 commences with a review of traditional research streams in personal selling and communications. Chapter 3 then develops more fully the concept of behavioural influence and why it may be a more appropriate approach. Various theoretical interpretations of the effect which have been offered are next discussed. An exhaustive

review of the empirical literature on behavioural influence strategies follows, with particular emphasis on the foot-in-the-door phenomenon. This review of the empirical literature leads into a discussion of the question of external validity in marketing research studies, and draws the conclusion that the present study is the necessary "next step" in the behavioural influence research stream.

Chapter 4 builds on the literature review chapters by developing a set of empirical research questions and related research hypotheses. The research site selected is described and the experimental procedure is detailed. The remainder of the chapter deals with the operationalization of variables and with the issues of experimental blocking factors and sample size selection.

Chapter 5 reports the results of the first experiment carried out and contains the statistical analyses of the data related to each of the research questions. Chapter 6 reports the analyses and findings of the second experiment.

Chapter 7 draws conclusions and implications from the research. It first returns to the original research questions and discusses what the field research provided in the way of answers. The remainder of this final chapter is concerned with a

discussion of implications for industrial marketing managers,
implications for marketing researchers interested in behavioural
influence as it applies to marketing, limitations of the study
and directions for future research.

CHAPTER 2

REVIEW OF THE PERSONAL SELLING AND COMMUNICATION LITERATURE

2.1 EVOLUTION OF THE FIELD

As discussed in the previous chapter, it was decided that due to the interactive nature of the communication problem on which this research focuses, a non-mass communications approach was most appropriate. Thus, it is deemed appropriate to review the research literature on personal selling and communication.

Traditionally, personal selling has been viewed as an interpersonal interaction process. Most of the voluminous literature on selling, however, has been written in an intuitive "how to" vein and has little, if any, scientific foundation. Much of the work done with a scientific perspective has focused on identification of personality, socioeconomic, and physical factors that would be helpful in predicting performance of sales personnel.

In recent years there has been a significant increase in the number of marketing scholars interested in and doing work in the field of personal selling. With this increase in scholarly interest in the field has come a change in focus. One aspect of this change, naturally, is the shift from popular, intuitive

approaches to those that are empirically, scientifically, and sometimes theoretically based. The second aspect of the change is a shift from attempts to identify characteristics of successful salespeople to attempts to develop comprehensive models of selling as an interpersonal interaction process.

The purpose of this chapter is to review the research on personal selling and communication with a view to evaluation for relevance in addressing the issue of telemarketing and demonstration centre communication program design. As such, although each of the major research areas in personal selling will be discussed, those areas reasoned to be more relevant in addressing the research problem will be discussed in more detail.

2.2 STUDIES OF SALESPERSON CHARACTERISTICS

Studies measuring selected characteristics of the salesperson and then correlating them with measures of sales performance have the longest tradition in the personal selling literature. These studies have found that the predictive power of the measured variables is weak and inconsistent. In some cases this may be due at least in part to methodological considerations such as the wide variety of methods used to measure the independent and dependent variables (Deutscher and Sawyer 1978). However, several studies used the same methodology

in different settings and reported inconsistent results (Weitz 1981). As was concluded by Davis and Silk (1972), "...the value of this work remains highly controversial and it has contributed very little to our understanding of why or how a salesman becomes effective".

The Davis and Silk (1972) evaluation of this research stream was upheld by more recent review papers (Reeves and Barksdale 1984; Weitz 1981) and by a recent meta-analysis of studies in this literature (Churchill, Ford, Hartley, and Walker 1985). The latter paper analyzed the results of 116 published and unpublished studies (20 of them published or completed since 1976). It was found that none of the predictors by themselves accounted for a great amount of the variation in performance - less than 10% on average - though it could be much higher in any single study. It was also found that the strength of the relationship was contingent upon the type of products sold or the marketing setting.

Although more recent papers in this area (Bagozzi 1973; Churchill, Ford, Hartley and Walker 1985; Reeves and Barksdale 1984; Weitz 1981) suggest fruitful areas for further research, the focus of this suggested research is probably more useful in addressing salesforce selection questions than in designing a telemarketing and industrial demonstration centre communication program. Selection of telemarketing representatives may be an

important aspect of the telemarketing implementation problem, but according to the managerial sources discussed in the previous chapter it is clearly of secondary concern. Communication program design is of primary concern.

2.3 SALESPERSON-CUSTOMER DYADIC RESEARCH

Another stream of personal selling research that has seen a considerable amount of activity is salesperson-customer dyadic research. Like the salesperson characteristics research, these studies focus on static characteristics rather than on the personal selling process. What differentiates these studies from the salesperson characteristics studies is the fact that characteristics of the customer as well as those of the salesperson are considered.

The dyadic research stream got its start with a paper by Franklin B. Evans (1963). He observed that all the research and writing on personal selling dealt only with the salesman's point of view. He argued that in order to advance our knowledge of personal selling effectiveness, the unit of analyses in personal selling research should not be the salesperson alone but rather the interaction dyad, including both the seller and the buyer.

Buyer-seller similarity has been an approach to personal

selling effectiveness research which has seen a considerable amount of empirical work. The dyadic notion is one which makes some intuitive sense. Both correlational studies (Churchill, Collins and Strang 1975; Evans 1964; Gadel 1964; Riordan, Oliver and Donnelly 1977; Tosi 1966) and experimental studies (Brock 1965; Busch and Wilson 1976; Woodside and Davenport 1974) have provided some empirical evidence for the relationship. Most of this research was done in either retail sales settings or in life insurance sales settings.

Recent review articles (Reeves and Barksdale 1984; Weitz 1981) have dismissed dyadic research as an unfruitful approach to investigating personal selling effectiveness. Their conclusion is based primarily on two issues. One is the fact that the correlational studies failed to control for the alternative explanation that similarity resulted from the successful sales interaction rather than the other way around. This is a legitimate criticism of the individual correlational studies. However, when taken together with the experimental studies' similar findings of an effect due to similarity, the concern with this issue need not be as great.

The second issue on which recent critics have focused is the fact that several of the experimental studies which examined both similarity and expertise found similarity to have a weaker effect than expertise. The implication of this criticism is that

researchers should no longer focus on dyadic similarity, but rather should focus on the more important expertise dimension. Researchers appear to have heeded this advice since no articles have been published in the major marketing journals on this topic since the late 1970's.

This dismissal of dyadic similarity research may have been premature. In each of the studies the operationalization or manipulation of the similarity condition could be criticized. Taking as an example one of the experimental studies which reported a weaker effect of dyadic similarity than expertise (Woodside and Davenport 1974), it appears quite plausible that the expertise manipulation was a stronger manipulation than the similarity manipulation and that this accounted for the difference, rather than a weaker relationship between the constructs. In brief sales encounters, such as those in the retail and laboratory simulated life insurance sales settings, it is much more difficult to effect a relevant similarity manipulation than it is to effect a relevant expertise manipulation. Expertise is very product and situation specific while relevant similarity may well transgress situation specific attributes.

Woodside and Davenport's (1974) manipulation of expertise appears to be effective. For the purchase of a taperecorder head

cleaner, the saleswoman who claims to own one and can give specific technical instructions on how to operate one is probably seen by most people as an expert on that product. On the other hand, a saleswoman who claims to own the same tape as one is purchasing, and claims to be a fan of that type of music, may not as universally be seen by customers as being similar. The tape may be a gift for someone else; the tape may represent one type of music in a customer's eclectic tape collection; music that one listens to may not be a very substantial aspect of one's self image on which similarity is based. The same arguments can be made about other studies' measures of similarity.

It is plausible that in a setting where a customer has an opportunity, over a longer period of time, to get to know the salesperson and determine his/her similarity, that dyadic similarity will be found to have as strong an effect as expertise. Settings which fit this description are the traditional industrial sales settings where "relationships" are important. Of course, it is much more difficult to test dyadic similarity in a controlled field experiment in this kind of a setting. It seems, thus, that in simple laboratory or retail sales experiments it is easier to construct an effective expertise manipulation than an effective dyadic similarity manipulation. As a result, expertise has been concluded to be more important and dyadic similarity has been essentially abandoned.

Although the foregoing review of the buyer-seller dyad research concludes that dyadic research was abandoned prematurely and that it is possibly a useful approach for understanding personal selling effectiveness, it is not an appropriate approach to the research problem addressed in this dissertation. The telemarketing setting with which this research is concerned consists of even briefer sales encounters than the life insurance sales and retail settings in which most of the dyadic research was done. There is virtually no opportunity to establish dyadic similarity in a brief telephone conversation, even if it is preceded or followed up with some sort of direct mail communication. Any attempt to establish similarity through a simple mechanism along the lines of Woodside and Davenport (1974) is unlikely to be effective because of its obviously contrived nature. Dyadic interaction research fails to provide us with a useful approach to the problem of designing effective telemarketing communications strategies.

2.4 SALES COMMUNICATION STRATEGIES RESEARCH

Studies on sales communications strategies can be classified on the basis of the research methodological approach used. These studies use a transactional analysis approach, an experimental approach, or a correlational approach. The transactional

analysis approach (Olshavsky 1973; Pennington 1968; Taylor 1977; Taylor and Woodside 1980; Taylor and Woodside 1981; Woodside et al. 1977; Woodside and Taylor 1978)), which is primarily descriptive in nature, has not generated much research and has failed to provide much new knowledge about the effectiveness of different sales communications strategies.

These studies are useful only inasmuch as they are rich case study-like descriptions of buyer-seller interactions. There are two major shortcomings in these studies. The first is that there is virtually no theory driving this research approach. The second shortcoming is that virtually no attempts have been made to go beyond description to investigate the effectiveness of various behaviours in attaining marketing objectives. Due to these shortcomings, the transactional analysis literature will not be reviewed. The remainder of this section will concentrate on the experimental studies, and the correlational studies.

Experimental Studies

Levitt (1965, 1967) investigated sales communications strategy by experimentally studying the effect of the role of company reputation in industrial selling. His rationale for taking this approach was that industrial marketers have long argued for the value of spending on trade and consumer media advertising in order to "prime" prospects for the personal sales

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call by providing the salesperson with a favourable corporate image. Levitt couched the problem in terms of the influence of source credibility on communications effectiveness. A sales message from a salesperson representing a better known firm presumably would possess greater source credibility.

In addition to source credibility, Levitt examined the quality of a salesperson's presentation. He was interested in the question of whether a high quality sales presentation made by a salesperson from a lesser known firm could be as effective as a lesser quality sales presentation made by a salesman from a better known firm. Finally, Levitt was interested in the effect of the message on the type of audience the salesperson is dealing with, whether it is a purchasing agent or a technical end user.

Levitt carried out a laboratory experiment to test his hypotheses. Four versions of a filmed ten minute sales presentation were prepared. The product was a fictional new paint ingredient product. In one version the salesman gave a careful, professional ("good") presentation while in the other the same salesman delivered a less polished ("poor") presentation. Company reputation was manipulated by varying the name of the firm which the salesman was identified as representing. Although the study was a laboratory experiment, practicing managers were used as subjects. A group of 113

purchasing agents and 130 engineers participated in the experiment.

Immediately after viewing the film and again five weeks later, subjects filled out a questionnaire which asked, among other things, whether they would recommend that the product be given further consideration by others in their organization, and if would they favour adoption of the product if such a decision were theirs to make. Levitt included both dependent measures because he reasoned that the second question involved a decision which implied more risk than the first.

The expected effects of company reputation and quality of the sales presentation were observed with regard to the willingness of both the purchasing agents and the technical personnel to recommend the product to others. However, for the riskier choice of whether or not to adopt the product, the pattern of results was more complex. Company reputation influenced the propensity of technical personnel to adopt the product, but not that of purchasing agents.

Levitt concludes that company reputation is a powerful factor in the industrial purchasing process, but that its importance varies with the technical competence and sophistication of the customer. The quality of the sales message and the way it is presented, he argues, are capable of moderating

the influence of this source effect, but again it varies by the audience.

The two problems with the Levitt study are related. One of the problems with the study is similar to the problem identified with the dyadic research discussed in the previous section of this chapter. It is quite possible, given Levitt's research design, that the effects he found were due to construct operationalization rather than to differences between the constructs of interest. Especially troublesome in this regard is the operationalization of the construct "quality". This is a construct which might be difficult to operationalize without introducing demand characteristics (Sawyer 1975). Using filmed sales message presentations in a study carried out under the auspices of the Harvard Business School does not make the avoidance of this problem any easier.

The second problem with the study is related to the usefulness of the findings for designing sales communication strategy, whether for personal selling or for telemarketing program design. Levitt does not identify what actually is a quality sales message/presentation. His interest was in identifying whether companies should spend more on advertising to enhance corporate image or in sales training and selection. From our perspective, all that can be learned is that favourable

corporate image is helpful and that a "good" presentation is better than a "poor" presentation.

Farley and Swinth (1967) attempted to determine what kind of sales presentation is more effective, one which focuses on the product or one which focuses on the customer and attempts to appeal to his/her self-esteem. An experiment was carried out, using a roll-up yardstick as the product. One sales message emphasized a description and demonstration of the product's features. The other sales message featured a favourable personal discussion of the customer's role and stressed how the product was compatible with it. Subjects consisted of 32 undergraduate female students and 55 housewives. After hearing one of the presentations, subjects chose between the product and an equivalent sum of money and then rated the product and the salesperson on a number of scales.

The percentage choosing the yardstick over the money was slightly greater for the group hearing the person-oriented rather than the product-oriented presentation. This difference was not statistically significant. On the other hand, subjects exposed to the product-oriented presentation evaluated both the product and the salesperson more positively than those receiving the person-oriented presentation. Little can be learned regarding effective sales communications strategies from these equivocal findings.

Jolson (1975) investigated the effectiveness of a highly structured "canned" sales presentation versus a flexible customer-specific presentation. The product used was a newly produced encyclopedia. Data were obtained from 180 undergraduate students. Eighty-six students were exposed to a standard, company-designed presentation and 94 students witnessed the "ad lib" mode. Both presentations were administered by the same experienced professional salesperson.

Jolson found that of the 85 subjects who were exposed to the canned presentation, 42.3% expressed definite buying intentions and 24.7% invited a salesman's personal visit by filling in their names and addresses as requested. Less than 19% of this group indicated that they would never purchase. Of the 92 who were exposed to the customer-specific presentation, only 25% expressed definite buying intentions and 12% invited a salesman's visit; 27.2% said they would never purchase the product. Jolson uses these data to argue for the usefulness of the canned sales presentation in personal selling.

Reed (1976) pointed out the primary shortcoming of Jolson's research. The study, rather than being a typical one-on-one interaction between seller and buyer, was a presentation to a group. In a one-on-one sales interaction a customer-specific

presentation can be just that, customer-specific. The content and style of the presentation can be altered as the salesperson receives feedback from the prospect. In a group sales presentation such as in the Jolson study, the salesperson can only adjust the presentation to the group as a whole or to individual questioners, but the presentation cannot be customer-specific to every customer. This could, thus, lead to the "customer-specific" treatment not being very successful.

A canned presentation, on the other hand, which would in a one-on-one interaction perhaps be considered impersonal, could in a group presentation look more professional and polished. A polished and professional presentation would then have the additional benefit, if certain prospects react favourably, of creating a group contagion effect (Patty, Haring and Vredenburg 1973; Varela 1971). Thus, in conclusion, generalizing from the Jolson study to a typical one-on-one sales interaction is probably inappropriate.

Capon's (1975) study used Bales's (1950) Interaction Process Analysis as the underlying theoretical framework. The product was a subscription to a weekly magazine and the subscription was to be sold by telephone. Four MBA students were used as salesmen and 126 Columbia University students successfully contacted by telephone from a registrar's list served as subjects.

The following six experimental treatments were used: (1) Cognitive-noninteractive--The salesperson makes a series of nonevaluative statements about the object of the persuasion attempt (e.g., "There is a weekly section of theatre reviews."), (2) Cognitive-interactive--The salesperson seeks information from the subject about object attributes (e.g., "Do you read theatre reviews?"), (3) Affective-noninteractive--The salesperson makes a series of evaluative statements about the object of the persuasion attempt (e.g., "The weekly theatre reviews are really great."), (4) Affective-interactive--The salesperson seeks evaluative statements from the subject about object attributes (e.g., "Do you like reading theatre reviews?"), (5) Conative-noninteractive--The salesperson makes a series of suggestions to the subject indicating how object attributes might benefit him/her (e.g., "You'll find the weekly theatre reviews really helpful in planning your social life."), (6) Socioemotional--The salesperson attempts to strike up a friendly relationship with the subject (e.g., "I saw a great play last week, Bill, did you see ...?").

Capon used a number of attitudinal, behavioural intention and behavioural dependent measures, but found no main treatment effects. He did find, however, salesperson/treatment interaction effects. Certain of the salespersons had more success with particular treatments than did the others. Capon used these

findings to argue for the importance of using several salespeople in personal selling research rather than the one salesperson experiments reported by Farley and Swinth (1967) and Woodside and Davenport (1974). Jolson (1975) could, of course, be added to this list.

Theoretically and from a situationally-specific perspective, this study is very interesting from the point of view of designing a telemarketing communications program. The study was also well executed without serious methodological flaws. Unfortunately, Capon's results were rather disappointing. In a telemarketing setting such as the ones on which this research focuses, a more robust generalizable communication strategy is sought.

Correlational Studies

In addition to the experimental studies of personal sales communications strategies, there have been, over the past several years, several studies utilizing various correlational methodologies. Capon and Swasy (1977) conducted a study in which they had 62 MBA students rate, on a seven-point semantic differential scale, the perceived effectiveness of 23 compliance-gaining techniques in several different selling scenarios.

The techniques investigated, in descending order of the study's perceived effectiveness rating, were: Company experience (supplier has a good reputation), competitive comparison (superior to competitive product), product information (data supplied), expertise-positive (customer will be rewarded as result of compliance), liking (salesperson helpful and friendly), personal experience (salesperson alludes to his experience with product), expertise-negative (customer will be punished as result of noncompliance), altercasting-positive (a smart buyer would buy), personal similarity (seller alludes to buyer-seller similarity), esteem-positive (peers will think highly of you if you buy), self-feeling-positive (you'll feel better about yourself if you buy), promise (if you comply I'll reward you).

Additional techniques in descending order of their rated effectiveness were: Social standing (friends will be impressed if you buy), moral appeal (your family ought to have this product), market standing (it's a hot seller), pre-giving (seller gives buyer free gift prior to purchase), esteem-negative (people you value will think worse of you if you don't buy), altercasting-negative (you'll feel bad if you don't buy), aversive stimulation (seller "wears down" customer with persistence), altruism (seller says he really needs the sale), debt (seller spends lots of time with buyer and makes buyer feel indebted), threat (if you don't buy seller will use buyer as example of foolish customer). Capon and Swasy conclude that the more rational sales communications

appeals, as intuitively could be expected, are the most effective.

The value of these findings is highly questionable. All that can be learned from the study is what kind of sales communication strategies MBA students think will be effective. The student respondents appear to have no sales experience on which they might base useful assessments of the various techniques. As well, subjects will be likely to rate rational appeals highly, since they don't want to appear to be influenced by irrational appeals. Finally, they are probably unaware of some of the research findings in the field of social psychology which would suggest that the "irrational" appeals may well be effective. Many of the findings discussed in the next chapter on behavioural influence strategies, originally surprised the researchers investigating them, precisely because intuition would suggest that "irrational" appeals would not be effective.

Spiro and Perreault (1979) did not investigate specific influence strategies, but rather influence strategy mixes used by salespeople in different sales situations. Questionnaire data were collected from 444 salespeople who represented 220 different members of an industrial distributor association. Each salesman was directed to think of a recent sales call and then to respond to the questionnaire statements indicating his level of agreement

on a five-point scale. Another series of statements was used for scales which characterized the various aspects of the sales situation.

Based on field interviews and the influence literature, data were collected on salespersons' use of five different influence strategies: Legitimate, expert, referent, ingratiation and impression management. This data was then cluster analyzed in order to identify influence strategy mixes used by salespeople. These mixes were then related to situational determinants through multiple discriminant function analysis.

The statistical procedures produced six different influence mixes and selling situations to which they are related. Mix I, the "non-influencers", was related to a sales situation which involved a relatively undifferentiated product, a customer who was not actively seeking information, and little precall planning on the part of the salesperson. The "direct influencers" (Mix II) have available a distinct product and are dealing with a customer who is interested in that product and doing relatively little comparison with competing vendors. The "business-focused influencers" (Mix III) seem to be in the average selling situation. "Combination influencers" (Mix IV) are found in similar situations as "non-influencers", but tend to rely more on referent influence. "Open influencers" (Mix V) concentrate on referent, legitimate, and expert influence. The customer in this

selling situation is seeking information about and is very interested in the product. "Closed influencers" (Mix VI) are in a relatively distinct selling situation. This selling situation is characterized by a customer who is an important, regular rebuy customer who is only moderately interested in the product.

Although the Spiro and Perreault study is correlational and cannot therefore ascertain causality, it does provide considerable insight into situational contingencies impinging on the use of various sales influence strategies. Unlike in the Capon and Swasy (1977) study, the questionnaire respondents were knowledgeable sales practitioners who presumably have, through field experience, discovered effective influence strategy-situational contingencies.

The research is useful from the perspective of designing effective telemarketing communications strategy, in that it is possible to approximate the typical telemarketing sales situation to the situations described in this study. The profile of the typical new account development telemarketing customer, as discussed in Chapter 1, appears to be closest to the important, regular rebuy customer who is only moderately interested. It would seem, thus, that "closed influence" strategies may be worth exploring further for the purposes of designing effective telemarketing communications strategy.

A different approach to the problem of identifying effective sales communications strategies was adopted by Saxe and Weitz (1982). This study focused on the relationship between self-reported behaviours of salespersons during sales transactions and sales performance. Saxe and Weitz describe the development and validation of the Selling Orientation-Customer Orientation (SOCO) Scale, which measures the customer orientation of salespeople. Customer-oriented selling is defined as the practice of the marketing concept by the individual salesperson. After demonstrating the necessary psychometric properties of the scale, the use of customer-oriented selling was related to characteristics of the sales situation and salesperson performance.

A sample of 95 salespersons representing several different companies and types of products completed the SOCO scale and another questionnaire assessing their perceptions of typical sales situations encountered. Correlations between SOCO scores and scores from the sales situations questionnaire generally supported the predictions of the authors. Salespersons who had high SOCO scores tended to perceive themselves as having a product line matching customer needs, the time to investigate and satisfy customer needs, and the support of their company. High scoring salespeople also tended to perceive customers as using them as an information source, cooperating with them in

identifying needs, and trusting them.

Responses to the sales situation questionnaire were also factor analyzed. Two factors emerged which accounted for 31 percent of the variation in perceptions of sales situations. The "relations" factor indicated the degree to which the customer-salesperson relationship was long term and cooperative, while the "ability to help" factor indicated the ability of salespersons to help satisfy customer needs. These factors were used to assess the relationship between SOCO scores and sales performance across sales situations. Sales performance was defined objectively, in terms of such measures as total sales volume or the quantity of products sold, depending on the particular salesforce.

The sample of salespersons was divided into four groups, based on their median scores on the two factors of the sales situation questionnaire. Next, salespersons' SOCO scores and performance measures were correlated for each group. As predicted, the correlation between customer orientation and performance was highest and positive ($r = .40$, $p < .05$, one-tail) in the high "ability to help", high "relations" group. Correlations in the other three groups were either not significant or negative.

The Saxe and Weitz (1982) study is a well conceptualized and

well executed study which emphasizes the importance of having a customer orientation in personal sales communication strategy. Conceptually this study builds on Weitz's (1978) study which showed that salespeople whose perceptions of customers' brand attribute perceptions were most accurate (closest match to customers' measured perceptions) had the best sales performance.

The situational contingencies correlated in the Saxe and Weitz (1982) study with high SOCO scores were things such as time to investigate and satisfy customer needs, customers using representatives as an information source, cooperating with them in identifying needs, and trusting them. The marketing situations described in Chapter 1 which are using or contemplating using telemarketing applications may over time develop into settings such as those described for high SOCO scorers. However, at the stage at which they are using telemarketing programs for generating prospects, they are much more impersonal and simplistic selling situations. As such, this stream of sales communication research does not appear to offer much for the design of telemarketing communication strategy.

Since 1982 there do not appear to have been any more empirical studies published on effective sales communication strategies in the major marketing-related journals. The literature of conceptual and normative articles on personal selling continues to grow (Bonoma and Johnston 1978; Coppett and

Staples 1980; Funkhouser 1984; Plank and Dempsey 1980; Reeves and Barksdale 1984; Spirc, Perreault and Reynolds 1976; Weitz 1981). Most of this literature has not generated any empirical work and it is of limited usefulness for the purposes of addressing the research problem of this dissertation.

Much of the research reviewed here on sales communications strategies, which was not found to suffer from serious methodological flaws, has been found to be situationally constrained. Certain communication strategies appear to be effective in certain selling settings and not in others.

Weitz (1981) observed this phenomenon and called for a contingency approach to studying sales interactions. He argues that effectiveness in sales interactions is a function of two sets of variables. One set is related to the salesperson and the other set to characteristics of the selling microenvironment. The salesperson variables are the ones which have been studied extensively, namely salesperson resources or characteristics and sales strategy or behaviour. These, he argues, ought to be investigated within the microenvironment characteristics--the customer buying task and customer-salesperson relationship.

One of the most useful ways that individual researchers can utilize Weitz's contingency conceptualization and contribute to

the building of a taxonomy of contingencies over the long run is to recognize and explicate the situational specifics of their setting of interest. The crucial characteristic of the telemarketing setting under investigation in this dissertation is the customer-salesperson relationship. Telemarketing, as it is investigated here, is a substitute for "cold calling" on potential new prospects for a fairly important industrial rebuy task product. There is, for all intents and purposes, no relationship between customer and salesperson.

The research reviewed in this section suggests, thus, that sales communications of a "closed influence" nature may be the most appropriate for the following reasons: (1) Little is known about the customer; (2) the telephone precludes obtaining a great deal of sophisticated customer feedback during the interaction; and (3) the customer has not expressed any prior interest in dealing with the seller, nor has any reason to rely on or trust the seller. It, thus, appears to be useful to review the literature on "closed influence" or behavioural influence strategies.

2.5 CONCLUSIONS

This final section of the chapter summarizes the foregoing discussion of the main streams of research in personal selling and communication and their usefulness in addressing the research

problem in this dissertation. The first stream of research discussed was that dealing with salesperson characteristics. It was concluded that most of this research contributed very little to our understanding of sales effectiveness. The few studies which did make a contribution were useful in addressing salesforce selection questions, rather than questions of telemarketing and demonstration centre communication program design.

The conclusion drawn from the review of the salesperson-customer dyad research was that dyadic similarity appears to be a useful paradigm for studying buyer-seller interactions, but that the situational contingencies necessary for maximum effect call for complex, long term buyer-seller relationships. In simple retail selling situations, "one-shot" life insurance selling situations, and the telemarketing new account development situation being investigated in this research, it is of only marginal usefulness because of the difficulty in effecting a credible basis of similarity between buyer and seller in such brief transactions.

Of the sales communications studies, the transactional analysis studies were dismissed as not useful because of their focus on description rather than on assessment of effectiveness. The conclusion drawn from the review of experimental sales

communications studies was that this research had not led to any useful insights into designing effective sales communications strategies. The results of some of the studies were equivocal while those of others had internal validity problems due to experimental design deficiencies or were not useful due to the nature of treatments tested.

There were two conclusions drawn from the review of correlational studies of sales communications strategies. The first was that the effectiveness of a sales communication strategy appears to be situationally constrained. The second was that given the situational contingencies of the new account telemarketing setting under investigation in this research, sales communication strategies dubbed "closed influence" strategies may provide the research paradigm being sought.

CHAPTER 3

REVIEW OF THE BEHAVIOURAL INFLUENCE STRATEGIES LITERATURE

3.1 BEHAVIOURAL INFLUENCE AS A FORM OF PERSUASION

A number of authors have discussed and advocated the use of behavioural influence strategies in personal selling and marketing, as opposed to, or in addition to, the more traditional persuasion approach (Davis and Silk 1972; Scott 1976, 1977; Spiro and Perreault 1979; Swinyard and Ray 1977; Yalch 1979). As this appears to be a fruitful approach to addressing the research problem under consideration in this dissertation, this literature is reviewed in detail. The review commences with a discussion of what, exactly, behavioural influence is, as the term is used in the literature, and how it contrasts with the more traditional persuasion approach. The dominant theoretical interpretation of the effect is then discussed before individual empirical studies are reviewed.

There are two approaches available to salespersons in inducing buyers to purchase their products: Persuasion and behavioural influence techniques. Persuasion strategies are based on the assumption that behaviour can be modified by influencing cognitive antecedents of behaviour such as attitudes

(Reingen and Kernan 1979; Scott 1976; Tybout 1978). Most of the research published on marketing communications is based on this assumption. Research on how consumers acquire dispositions through information processing (Dyer and Kuehl 1974; Sawyer 1973; Sternthal 1974; Sternthal and Craig 1974), how disparate pieces of information are aggregated (Bettman, Capon and Lutz 1975a, 1975b; Cohen, Fishbein and Ahtola 1972; Day 1973; Sheth and Talarzyk 1972; Wilkie and Pessemier 1973), and how attitudes are related to behaviour (Bass, Pessemier and Lehman 1972; Day 1970; Ginter 1974; Heeler, Kearny and Mehaffey 1973; Kraft, Granbois and Summers 1973; Lehman 1971) are all based on this assumption. Most of the research on personal selling and communications reviewed in the previous chapter is also implicitly based on this assumption.

Behavioural influence techniques, on the other hand, focus on altering behaviour directly. The key to behavioural influence is to elicit a desired behaviour, such as compliance with a request, without the individual receiving the request first engaging in cognitive activity. Cialdini (1984) refers to these behaviours as automatic, fixed-action patterns of behaviour and likens them to the instinctual behaviours of lower animals.

Two of the most popular behavioural influence techniques are the Foot-in-the-Door (FITD) technique and Social Labelling. FITD refers to a technique in which compliance is gained with a small

innocuous request as a lead-in to a larger subsequent request of interest to the requestor. Social Labelling refers to a technique in which individuals from whom compliance with a request is desired, are first told (labelled) that they are a certain type of person. The type of person that they are labelled happens to be a type that is likely to comply with a requestor's subsequent request.

Both these techniques are guided by the assumption that psychological involvement with a product, service or organization constitutes an important basis for subsequent purchase action. This involvement might have been obtained through either experience (FITD) or acknowledged disposition favouring a product, service or organization (Social Labelling). The most popular behavioural influence strategies, thus, attempt to elicit a desired inconsequential behaviour directly without the requestee exerting any cognitive effort. After a behaviour has been elicited in this way, cognition takes place and subsequent behaviour takes account of the earlier behaviour as behavioural evidence of a cognitive state. Obtaining the initial behaviour may be avoided if the acknowledgement of the existence of a cognitive state can be verbally elicited by the requestor prior to a request of interest.

Some of the behavioural influence techniques discussed later in this chapter involve slightly different psychological

mechanisms, and these are referred to in the discussions of those techniques. All the techniques, however, rely on automatic, fixed-action patterns of behaviour, rather than on behaviour resulting from cognitive processing.

3.2 THE ATTRIBUTION THEORY INTERPRETATION

Behavioural influence strategies are based on the implicit assumption of a relationship between past behaviour and future behaviour. Attribution theory, which postulates a relationship between past behaviour and its surrounding circumstances and subsequent behaviour has been the dominant theoretical framework used for investigation of behavioural influence strategies. It is thus useful to review the basic tenets of this theory.

Attribution theory traces its roots to the Gestalt psychologists and Kurt Lewin, while it owes its early development to Daryl Bem, Harold Kelley and Fritz Heider. In a classic experiment conducted in the '940's Heider presented subjects with a film of moving geometric figures such as squares, circles and triangles. These figures were interpreted as "chasing" and "interacting" with each other, actions of beings. Heider proposed that individuals seem to operate as "naive psychologists", perceiving actions and events by reverting to causality (Kassarjian 1982). This quest to know and understand

the world is the focus of attribution theory (Mizerski, Golden and Kernan 1979). Attribution theory attempts to describe the information people use in making causal inferences and how they use that information.

Attribution theory is not a simple theory, but a group of theories that form a set of major streams of research in the area of causal attribution. The three general streams of research, their basic models, and their originators will be reviewed.

Person Perception

Heider, who is considered to be the father of attribution theory, originated the notion of the individual as "naive psychologist". According to Heider, people perceive others based on the assumption that their actions best explain causality (Heider 1958). His work focussed on distinguishing among degrees of personal responsibility for the action under consideration. An individual's action could be caused by either personal force or environmental force. The more the perceiver felt that a personal force had caused the action, the more the perceiver could infer from that action. Heider also did theoretical work on "levels" or ways to determining personal responsibility which were later developed and tested by others.

Jones and Davis (1965) continued the work of Heider. They focus on three criteria that people use when assessing information in order to make attributions;

- 1) Choice--individuals are assumed to have a choice among actions (or inaction).
- 2) Commonality--only behaviours unique to specific actions (noncommon) are useful for inferring personal, as opposed to environmental, causality.
- 3) Desirability--the more undesirable the action to the actor, the more readily and more confidently causality can be inferred.

Mizerski, Golden and Kernan (1979) provide an example to illustrate Jones and Davis's (1965) criteria. An individual walks into a car dealership, possibly to purchase a new car model X. A salesman spends a considerable amount of time discussing the purchase with the prospective customer, and just as the sale is about to be completed, the salesman says that he is more interested in the customer's satisfaction than a sales commission. The salesman then goes on to detail complaints he has received about model X and suggests that the customer would get better value by buying the lower priced model Y. The customer accepts the salesman's suggestion because the salesman is perceived to be very honest, helpful and/or credible.

The customer in the car dealer example presumably went through Jones and Davis's (1965) criteria. First, the salesman appeared to volunteer the complaint information about model X. That is, he exercised his choice to provide the information. He might just as well have withheld the unfavourable information. He does not appear to be coerced in any way into providing the information. Second, stopping the selling process just as a sale is about to be closed is unique behaviour; common behaviour would be to let the process proceed to an almost certain large sale. Third, the salesman appears to be behaving against his own best interest by recommending a lower priced car. The undesirability of this action to the salesman's self interest is further evidence for inferring personal causality.

These concepts of noncommon and undesirable effects are ultimately built into Jones and Davis's "action-attribute paradigm" which states that the actor must have knowledge of the effects that will be produced from his action, as well as the ability and intention to perform the action. Their focus is primarily on person-perception although indirectly their approach addresses object perception.

Object Perception

Harold Kelley's (1967, 1971, 1972, 1973) work, which was based on the work of Heider, Jones and Davis and Daryl Bem (which

is discussed in the next subsection), has as its major theme the principle of covariance between effects and their potential causes. There are four criteria the observer supposedly uses to ascertain whether the impression portrayed reflects inherent properties of the entity rather than some environmental influences:

- 1) Distinctiveness--the effect (say a smooth running engine) is attributed to the entity (say a gasoline brand) if it uniquely occurs when the entity is present and does not occur in its absence (i.e., when using another gasoline brand).
- 2) Consistency over time--each time the entity is present, the individual's reaction must be the same, or nearly so.
- 3) Consistency over modality--the reaction must be consistent even though the mode of interaction with the entity varies (i.e., city or highway driving).
- 4) Consensus--actions or their effects are perceived the same way by all observers.

The more these criteria are satisfied the more a consumer will be confident that noticed effects are due to the inherent properties of the brand. Kelley's work served to move the development of attribution theory from the initial person-

perception area into object perception (of more practical use to marketers) and to specify the various potential causes of action with which to rule out object attribution.

Self Perception

Daryl Bem (1965, 1967, 1972) did the pioneering conceptual work in self perception. He argues that individuals look to their own actions or their own verbal reports to judge inferences about themselves. His position is that individuals do not have an innate understanding and knowledge of themselves and thus go through a process analogous to that described above for person perception and object perception in order to gain an understanding of themselves. Bem's theoretical approach is very much a Skinnerian behaviourist one. If a strong environmental reward or threat is present, a particular behaviour is attributed to this external cause; if none is present then the behaviour is attributed to internal causes or an individual's true attitude toward something.

It has been self-perception theory that has been predominantly cited as the theoretical interpretation of both the Foot-in-the-Door (FITD) and the Social Labelling behavioural influence phenomena. The interpretation for the FITD phenomenon goes as follows: (1) Compliance is gained with the first small request because the request is so insignificant and little

thought, if any, is given to compliance; (2) upon receipt of the second, or large, request the requestee examines his/her own behaviour in order to form a self-perception; (3) compliance with the second request results because noncompliance would be inconsistent with the self-perception formed.

The self-perception interpretation of social labelling is more direct. Prior to making a request for compliance, the requestor provides the requestee with verbal feedback, in the form of a label. If the feedback is perceived to be accurate and not discounted because of external factors, this feedback will help the requestee to form a self-perception favourable to compliance with the requestor's request.

3.3 EMPIRICAL INVESTIGATIONS OF BEHAVIOURAL INFLUENCE STRATEGIES

Psychological Literature on the FITD Phenomenon

Although self-perception theory, and attribution theory in general, had gained some acceptance and popularity by the mid 1960s, the first seminal study on the most widely researched behavioural influence technique, the FITD phenomenon, did not formally interpret the effectiveness of the technique in self attribution terms (although without formally acknowledging it, their interpretation is consistent with self-perception theory).

Freedman and Fraser (1966) ran two experiments testing the FITD technique. The first experiment was carried out in a consumer research setting. Housewives were telephoned and asked to respond to eight questions regarding household products they used. One treatment group, upon agreeing to the request was told that they would be telephoned back at a later time to answer the questions while another treatment group was asked the questions immediately. A third group who did not receive an initial contact was the experimental control. The dependent measure consisted of agreement to a large request three days later (also by telephone) which involved allowing a team of five or six men to come into their homes for two hours to classify household products they used.

Both initial request treatments resulted in significantly higher compliance rates with the second request than the control group. It appears from these results that the technique is so robust that only the agreement to perform an initial request is sufficient to form a self-attribution that will result in later compliance with requests.

A second experiment, dealing with a safe driving campaign, manipulated the type of initial task. The dependent measure was agreement to allow a large unattractive sign to be placed on the front lawn of the subject's house. The sign promoted safe

driving. Experimental treatments then varied the similarity of the initial task requested to the ultimate task to be requested. One group was requested to place a small sign promoting safe driving in their window. A second group was requested to place a small sign promoting "Keeping California Beautiful" in their window. A third group was requested to sign a petition in favour of legislation promoting safe driving. A fourth group was requested to sign a petition promoting legislation aimed at "Keeping California Beautiful". A fifth group was a control group who did not receive any initial request.

Freedman and Fraser found that regardless of the similarity of the initial task or issue, verbal compliance with the second request was significantly greater than the control. The similar task and issue condition had the greatest compliance, but not statistically significantly greater than the other experimental conditions. The primary importance of the Freedman and Fraser experiments is that they initiated an entire tradition of research into behavioural influence techniques.

Varela (1971) extrapolated from Freedman and Fraser (1966) and suggested that a further implication of their finding is that compliance with a second request predisposes the individual to comply with an even larger request. In the same way that the method of successive approximations can be used for reducing the

latitude of rejection, successive approximations can be used to obtain compliance with increasingly larger requests. Varela explains:

...It is quite conceivable that if the second request Freedman and Fraser made to the housewives had been less preposterous, there would have been an even higher degree of compliance. The second request was to have 5 or 6 men come in and have full freedom of the house in order to classify all the household products used. If the second request had been to have an interviewer go to the house and ask questions and perhaps see the general layout of the house, it is quite probable that a greater percentage would have allowed it. Then, if the accepting housewives had been asked to have the more thorough survey made, they would probably have complied in larger numbers with this unusual request. (Varela 1971, p. 104)

Varela goes on to describe a business application in which he was involved which used this principle of successive requests. The application, however, was not a carefully controlled experiment, as other persuasion techniques were also used at the same time. In one case, the first request was simply to let the salesman put up a small sign in the client's store advertising an aspect of a certain product. Nearly all the clients agreed to do so. The second request, to visit the salesman's headquarters, was accepted by 90% of those who had put up the sign. Finally, when asked to buy, over 60% of those who had previously refused to buy, when approached by conventional means, agreed to purchase the goods (Varela 1971, pp. 104-105).

Baron (1973) was one of the first to replicate and extend the pioneering work on the FITD phenomenon done by Freedman and Fraser. His study focused on the mediating effects of the size of the first request and sex of the requester on the effectiveness of the FITD technique. Baron hypothesized that within reasonable limits, the larger the size of the initial request, the greater the compliance with the subsequent large request. His reasoning was simply that the larger the first request, the smaller and less resistable would be the second request by comparison. The sex differences of the requesters appear to be included in the study as an afterthought (or to strengthen the findings).

Under the small initial request condition, subjects were asked to accept a one page leaflet describing the dangers of pollution. The moderate initial request treatment consisted of a request to sign a petition calling for stricter antipollution legislation, to get two of their friends to sign copies of the same document, and return all three forms in a stamped addressed envelope provided by the requester. Pretests had been done to ensure that there was a perceived size difference between the requests and that both would result in high rates of compliance. The final large request consisted of permission to place a large (3x5 ft) antipollution sign on their front lawns. A control group was contacted only for the final large request.

Baron found that 95% of subjects^s complied with both initial requests, but that only the male requester small initial request condition resulted in statistically significant improvement over the control group in compliance with the large request. Baron explained the poor performance of the moderate initial request by reactance theory, that is, subjects felt they had already done enough and thought it was unfair to be asked to do more. The sex differences are weakly explained by suggesting that the female requesters had less credibility.

A psychological reactance as described by Baron is probably not relevant to a business setting as we are not dealing with "altruistic" behaviour. Probably of greater concern for business application is finding an appropriate initial request that will result in 95% compliance.

Pliner et al. (1974) carried out a similar replication and extension of Freedman and Fraser's study about the same time as Baron. They used a behavioural dependent measure instead of Freedman and Fraser's behavioural intention measure; they examined, like Baron, two different sizes of initial request, and they added a continuous dependent variable.

The setting was a Cancer Fund door-to-door canvassing drive. The small initial request was a request for the householder to

accept and wear a daffodil pin to promote the Fund drive. The moderate request required the householder to persuade another member of the household to do the same. All subjects contacted agreed to the request. The large request consisted of another, experimentally blind, volunteer asking for a donation the following evening. The dichotomous dependent variable consisted of simple compliance or noncompliance while the continuous dependent variable was a measure of actual amount contributed.

Pliner et al. found that subjects in both the small and moderate initial request conditions were significantly more likely to make a donation than subjects not receiving a prior request. There was no significant difference between the small and moderate prior request conditions. On a per donator basis, there were no differences between either treatment groups or control group. Pliner et al. see their results as support for self-perception theory and support for the efficacy of the FITD technique.

An interesting finding from a business point of view is the fact that such a trivial first request as wearing a daffodil pin has a significant effect on subsequent compliance in a social setting. If this finding holds for business settings, this may provide a means for ensuring a high rate of compliance with an initial request. It should be remembered that compliance with an initial request is necessary theoretically for the self-

perception mechanism to work. (It was a low compliance rate with the initial request which may have caused problems in Scott's (1975, 1976, 1977) studies below.)

Seligman, Bush, and Kirsch (1976) carried out a study along the same lines as Baron (1973) and Pliner et al. (1974) investigating the effect of the size of the first request within the "small" initial request range. Their experiment was carried out under the guise of a university-based survey on attitudes to the energy crisis. Subjects were telephoned and were asked to answer some survey questions. The initial request size was varied by the number of questions requested of the subjects: 5, 20, 30, or 45 yes and no answer questions.

Most subjects complied with this initial request regardless of the number of questions requested (the cut-off of 45 questions for nearly complete compliance had been determined in a pre-test). There were no statistically significant differences between compliance with the different initial request treatments. Two days after the initial contacts had been made, subjects were recontacted for a second request for 55 questions to be answered. A control group was subjected only to the second request.

Results showed that only the 30 and 45 question initial request conditions had significantly higher compliance rates with

the second request than the control group. These results contradict those of Pliner et al. (1974) who found compliance with a second request even increased with so small an initial request as a request to take a daffodil pin. Baron's (1973) findings, looking at the same variable, were equivocal.


Although the literature does not really discuss this as a possible explanation for the differences among findings, perhaps it has something to do with the salience of the initial request rather than the actual size. Pliner et al. (1974) found that subsequent compliance was increased with even a very small initial request. Perhaps the request to take a daffodil pin is very small, but the daffodil is very symbolic and has high salience--much higher than answering a few questions over the telephone regarding an issue of little interest to the subject. Furthermore, the daffodil pin request involves a commitment to publicly wear the pin, whereas the questionnaire request is a private commitment.

Cann, Sherman and Elkes (1975) investigated the effects of initial request size and timing of a second request on compliance. Unlike Baron (1973), Pliner et al (1974) and Seligman, Bush and Kirsch (1976), initial request size in this study is varied outside the FITD small request range. Whereas the former studies investigated size of the first request ranging from small to moderate (each of which was smaller than the second

critical request), this study used one initial small request consistent with previous FITD studies, and one initial request which was larger than the critical second request. The behavioural influence technique in which a large request is made and refused on the premise that this will increase compliance with a subsequent critical smaller request is known in the literature as the Door-in-the-Face (DITF) technique.

In a traffic safety promotion setting Cann, Sherman and Elkes (1975) had telephone solicitors contact subjects randomly chosen from a telephone directory. Subjects were induced either to comply with a small initial request or to refuse a large initial request. The small request was to answer three questions at the time of the telephone contact. For the DITF condition, subjects were requested to spend two hours at an intersection in their community counting vehicles travelling in various directions. They then received a moderate request either immediately or seven to ten days later. Compliance with the second request was the dependent variable. The second request consisted of agreeing to distribute 15 pamphlets promoting traffic safety to members of the neighbourhood.

Their findings were essentially consistent with self-perception theory. Results of their experiment showed that the FITD technique obtained higher rates of compliance with the



second request than the control (no initial contact). There was no significant difference between an immediate and delayed second request. The DITF technique produced lower compliance than control when the second request was delayed. When the second request immediately followed rejection of the first, compliance was better than control. The latter finding is consistent with equity theory.

Equity theory postulates that persons in social exchange relationships compare with each other the ratios of their inputs into the exchange to their outcomes from the exchange. Inequity is said to exist when the perceived inputs and/or outcomes in an exchange relationship are psychologically inconsistent with the other individual's perceived inputs and/or outcomes. When a person perceives inequity in a social exchange relationship, a motivation develops to restore equity or balance (Huppertz, Arenson, and Evans 1978). In the case of the DITF technique, noncompliance with the initial large request results in inequity in the social exchange relationship, causing the requestee to feel the need to restore equity. This motivation leads to compliance with the second, smaller request.

Whether the DITF finding holds in nonsocial, business settings is, however, questionable. The FITD finding is interesting from a marketing point of view in that it is practically much easier to use a technique such as FITD if it can

be used in a single interaction (although using it over several interactions in a telemarketing setting is quite feasible).

Cialdini and Ascani (1976) also investigated the FITD technique and the DITF technique in a Red Cross Blood Donor setting. Subjects were students walking along walkways at the University of Arizona campus. Subjects in the FITD condition were stopped and asked if they would take a small card promoting the giving of blood and displaying it in their window, on their books or wherever others might see it. If the subject agreed, the experimenter immediately went on as follows "...Thanks. There's also another way you could help us if you'd like," This would then be followed with a request for a donation of one unit of blood at the clinic being held the following day. Noncompliers with the initial request were not given the second request.

Subjects in the DITF condition were stopped on campus and asked to become members of the Long Term Donor Program. This consisted of a pledge to give a unit of blood every two months for a period of at least three years. Refusal of this request was followed by "...Oh. Well, maybe you'd be interested in another program we're asking students to participate in, then." This was then followed by the second request for donation of one unit of blood at the following day's blood clinic. A control

group was given only the request for one unit of blood to be given at the following day's blood donor clinic. Both behavioural intentions and behaviour (actually giving blood) were recorded. A measure was also taken of compliance with requests for subsequent help.

The results revealed that the FITD condition produced the same behavioural intention compliance as the control group, while the DITF condition performed significantly better. The DITF condition produced greater behavioural compliance than either of the other conditions, while the FITD produced significantly lower compliance. The DITF condition also produced the highest compliance with a request for subsequent help.

The fact that the FITD technique produced such dismal results in this study is troubling when considered alongside the many studies which showed the technique to be very robust. Examining Cialdini and Ascani's experiment carefully for possible reasons for this poor showing of the FITD technique, one can't help but wonder whether timing of the second request might have, despite some of the findings to the contrary, an effect on compliance. A further cause of the poor showing of the FITD technique may actually be the wording of the second request. The statement "There's also another way you could help us if you like." is not the most forceful of requests. It leaves the way wide open for refusal, while a more positive statement that was

not so easy to decline may have resulted in substantially higher rates of compliance.

Snyder and Cunningham (1975) conducted an experiment to test the self-perception explanation of the FITD phenomenon. Their experimental manipulations designed to test this interpretation were, however, much more reminiscent of the experiments to test the DITF technique. Snyder and Cunningham's experiment was set in a telephone survey setting where two fictional sponsoring organizations were public service associations (Consumer Interest Group and Bureau of Civic Safety).

The small initial request condition consisted of a request by the telephone solicitor for agreement to answer eight survey questions at some future date. The large initial request condition consisted of a request to respond to 50 survey questions by telephone at some future date. The second request was then a request by a telephone solicitor of opposite sex to the first telephone solicitor, two days later, and on behalf of the other public service organization, for agreement to respond to 30 survey questions by telephone at some future date.

Snyder and Cunningham hypothesized that if self-perception was to explain the FITD phenomenon, then the small initial request would result in the highest rate of compliance with the

second request. If the large initial request resulted in the highest rate of subsequent compliance, then, they hypothesized that, an alternative explanation of the FITD was operative.

This alternative explanation was that the initial request serves as a standard of comparison against which to evaluate the second request. Thus, the second request may appear smaller in the context of previous compliance experience than in the context of no such experience. Such reasoning suggests that the subjects in the large initial request condition should show a higher rate of compliance with the second request than the control. This explanation seems reasonable, but equally reasonable would be the explanation for the DITF phenomenon based on equity theory.

The results of the experiment showed that the small initial request group was significantly more compliant with the second request than either the control group or the large initial request group. The large initial request group was significantly less likely to comply with the second request than the control group. Snyder and Cunningham interpret these results as support for the self-perception explanation of the FITD phenomenon.

Although the self-perception explanation seems apparent, this experiment really does not give us any evidence. What is really required to show self-perception as an explanation of the

FITD are measures of changes in self attributions--cognitive rather than behavioural measures. This experiment really does little more than show that the FITD technique works in yet another slightly different setting, and that a large initial request technique, regardless of how it is theoretically derived, does not work. This latter finding is also congruent with the various DITF investigations.

Marketing Literature on the FITD Phenomenon

Swinyard and Ray (1977) carried out a field experiment to investigate the interaction between advertising and personal selling and the effect of "social labelling". Specifically their research questions were:

- 1) Do advertising and personal selling interact? If so, is the interaction stronger when the sales calls precede, or when they follow, the advertising?
- 2) Does the strength of an advertising-personal selling interaction depend on the type of personal selling strategy used?
- 3) Is a "behavioural influence" strategy in a sales presentation more effective than a straight sales approach?

These questions were all framed in an attribution theory context. That is, the personal calling or social labelling were viewed as providing the subject with appropriate past behaviour on which to base a self-perception judgement and a decision. The personal calling treatment was an FITB treatment in their experiment.

The setting used by Swinyard and Ray was a Red Cross Blood Centre volunteer campaign. The following paragraphs will expand on this outline. The total sample size was 303. One treatment group was contacted door-to-door by a Red Cross "volunteer" who delivered a persuasive appeal for the Red Cross Blood Centre with or without a "charitable" label. Subjects then received over the following two weeks either 0, 1, 2 or 4 direct-mail advertisements for the Blood Centre. A second group received the mailings first, followed by the personal contact with or without label. A third group was a control group who received only the mailings. Two days after the last of the mailings was sent, respondents were contacted by telephone for collection of the dependent measures--cognition, affect, and behavioural intention with regard to The Red Cross Blood Centre. Only the behavioural intention results were reported.

Swinyard and Ray found positive results for their first research question. Advertising and personal selling did interact, with the stronger effect when the personal sales call

preceded the advertising. This agrees with Swinyard and Ray's interpretation of self-perception theory. A personal sales call is a highly salient event, involvement in which will likely result in the attribution. "If I took the time to talk to the volunteer I must be the type of person who involves himself in these causes." This sensitization was expected to cause each subsequent advertisement to have a greater incremental effect than it would for a nonsensitized respondent. Swinyard and Ray's prediction of little or no interaction between advertising and personal selling when advertising precedes selling is based on the salience of the impression. A glance at a direct mail piece is not likely to be significantly involving enough to result in an attribution. Since the sensitization will thus be lower, an interaction is unlikely.

With regards to social labelling ("Wish more people would be as interested in their fellow man as you appear to be"), Swinyard and Ray found positive results. The advertising-personal selling interaction was stronger with labelled groups, and the labelling strategy out-performed the straight sales approach all around.

Swinyard and Ray conclude their paper with some rather broad managerial prescriptions for industry, which, given the social nature of their experimental setting, would appear to be somewhat premature. At the very least, their results need to be

replicated in a business setting, and preferably the parameters of the variables should be more precisely defined before their findings can be useful to marketing practitioners in industry.

Two of the first papers reporting studies to investigate FITD/self-perception in a marketing setting were those by Scott (1976) and Sternthal, Scott, and Dholokia (1976). Both papers are essentially reporting on Scott's (1975) Northwestern University dissertation research. The research used a sample of 430 potential subscribers to a Chicago weekly community newspaper.

The participants were randomly assigned to one of five groups, four treatment groups and a control. Subjects in the experimental treatment groups were called by the newspaper's regular telephone solicitation staff and asked to accept a two-week trial subscription to the paper either at the regular price (\$0.50), at half price (\$0.25), for free, or for free with a premium gift (a coupon worth \$0.50 at a well known fast food restaurant). Two weeks later all participants (regardless of acceptance/nonacceptance of first offer, and control group members) were called and asked to subscribe to the newspaper on a regular basis (at least six month subscription costing \$4). The independent variables, therefore, were the amount of incentive offered for the trial subscription while the dependent variable

was the percentage of subjects in each treatment group who agreed to subscribe on a regular basis.

Scott expected that according to self-perception theory, the trial offer groups should have a higher subscription rate than the control group. To test this she compared the proportion of the group offered the trial who subsequently took out a subscription to the control group who were not offered the trial subscription. She found no statistically significant difference. She included in the test cell both acceptors and nonacceptors of the trial offer in order to offset any possible self-selection bias.

It should be added here that subsequent authors have criticized this procedure as not being a valid test of self-perception theory although they concur that it is the most practically useful test from a managerial point of view (Mizerski, Golden and Kernan 1979). Theoretically, it is argued, a self-attribution is only expected to occur if the small request (the trial offer) is accepted, so pooling both acceptors and nonacceptors in the treatment cell is likely contaminating the test's theoretical validity. Tybout (1978) gets around this design problem by suggesting that "... a small request by definition is one with which nearly all individuals comply." Scott's "small request" was thus not small enough as only about 41% of respondents offered any sort of trial accepted.

Scott also compared with the control group, the proportions taking out subscriptions by type of trial offer. Again, both acceptors and nonacceptors of the trial offer were included, leading to the same caveats as above. She found here that only the 50% discount treatment produced a significantly greater rate of subscription than the no-trial control treatment.

When Scott separated out the trial acceptors from non-acceptors and compared proportions of ultimate subscribers she found the 50% discount trial again to be the most effective followed by the regular price trial. Self-perception theory would have predicted that the regular price trial would have been most effective because of its lack of discounting cues. Scott suggests that in a commercial setting some sort of incentive may be necessary and may be viewed as a positive reinforcer rather than a discounting cue.

Discounting cues, or the discounting principle, is an important concept in attribution theory. For behaviour to result in belief inferences, it must be self-attributed, or perceived to be elicited by the person's internal motivations or reactions to the stimulus. Circumstantial forces can attenuate the probability of self-attribution of behaviour and the resulting belief inferences and behaviour. If behaviour is perceived to be elicited by plausible external causal factors present in the

situation (e.g., monetary incentive or high credibility of the communication source), the individual should discount internal motivations as the cause of his behaviour and no belief inferences to the object should be made. These external causal factors are known as discounting cues (Kelley 1971). This concept is discussed in more detail later in this section when studies are reviewed which are specifically related to internal versus external justification.

Future experiments in this vein, Scott suggests, should include multiple levels of incentives over a broader range of magnitudes. Trial should also be controlled more adequately, she feels, although this may necessitate a return to laboratory experiments. In order to advance theoretical research, she states that future research should measure attributions themselves and attitude change.

In a second paper, Scott (1977) reported on the second experiment she carried out for her dissertation research. The setting for this experiment was a resource conservation campaign. Experimental subjects were contacted at their homes and asked to place a small sign in their windows which promoted recycling as a means of resource conservation. Depending upon the treatment to which subjects were randomly assigned, they were offered either no incentive, \$1, or \$3 to comply with this request. Half of the

subjects in each of these treatments were asked to respond to a measure of attribution of behaviour while the other half were not administered this measure. Two weeks later, all experimentals and a control group of subjects were contacted and asked to comply with a moderate or large second request related to the recycling campaign. In the moderate request condition, subjects were asked to address 25 envelopes; in the large request condition, subjects were asked to address 75 envelopes. Behavioural intentions and behaviour with respect to these requests were recorded.

Finally, a subset of experimental participants and a second control group were asked to respond to a "community opinion poll" which contained measures of attitudes toward recycling and personal activism. The complete experiment was a 4x2 design with four levels of incentives and two levels of size of second request. Attributions of initial behaviour, behavioural intentions and behaviour for the second request, attitudes toward recycling, and personal activism were the major dependent measures.

Scott found that initial request behaviour and behavioural intentions did not vary significantly by incentive level. With a moderate second request (addressing of 25 envelopes) both behavioural intentions and overt behaviour followed the predictions of self-perception theory—the no incentive group was

most significantly more compliant with (and had more compliant intentions with) the second request than the control group, while increasing incentives attenuated the effect. In examining the effect of compliance with a large second request (addressing 75 envelopes) the results were rather vague, and self-perception theory was not seen so clearly to be at work. With regard to both attributions and attitudes to activism, Scott found scores to be in the predicted direction but not attaining statistical significance.

Scott concludes from her experiment that the FITD strategy will be efficient in modifying behaviour provided that the behaviour is not too large and that the requests are made in person. The first provision begs the question what is "too large" and must obviously be empirically determined in particular task situations. The second provision is based on the fact that compliance with the first request is a necessity, mere contact was not sufficient. Thus personal selling rather than mass communication appeals may be the most appropriate medium for the effective utilization of the technique. With respect to theory, Scott concludes that better measures may be needed to probe the cognitive issues left unanswered by her research. She also volunteers that perhaps as incentive levels rise we may be also dealing with principles of equity theory.

Reingen and Kernan have published several experiments investigating the use of behavioural influence techniques in various settings. In their 1977 study (Reingen and Kernan 1977) they used a 2x2 experimental design to test the FITD as a technique for increasing questionnaire response rates. Subjects were 135 women and men selected from a telephone directory. Initial request size was manipulated (5 versus 35 questions asked) and incentive (\$5) and no incentive treatments were included. A second request for 20 questions to be answered was made seven to nine days later and a control (no initial request) group was included.

The highest response rate was achieved by the classic FITD manipulation, the low initial request/no incentive treatment. Predictions made for the other treatments based on self-perception theory were directionally if not always statistically significantly supported. Reingen and Kernan assumed (without explicitly testing) that individuals in the FITD treatment attributed their initial compliance to internal causes--that of their being the kind of person who is helpful.

In a subsequent paper Reingen (1978) reported on an experimental test of a number of different behavioural influence strategies in a Heart Fund Donation setting. Subjects were 224 students at the University of South Carolina stopped by experimenters on campus. The following were the treatment

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conditions the subjects were exposed to:

- 1) Donation-Request-Only control condition.
- 2) Small-Then-Donation-Request condition
(FITD manipulation).
- 3) Extreme-Then-Donation Request condition
(DITF manipulation).
- 4) Even-a-Penny condition.
- 5) Small-Then-Donation Request, Even-a-Penny condition.
- 6) Extreme-Then-Donation Request, Even-a-Penny condition.
- 7) Volunteer-Request-Only control condition.

The Even-a-Penny condition of treatments 4, 5, and 6 requires explanation. Even-a-Penny is the name used in the social psychology literature for the behavioural influence technique more formally known as legitimizing paltry contributions. The rationale underlying this technique is that donors to charitable causes will not make large contributions (for economic reasons), and will not make small contributions (because paltry contributions are perceived as inappropriate). Thus, potential donors may make no contribution at all. Cialdini and Schroeder (1976) reasoned that if paltry contributions were made to seem legitimate, then subjects could no longer fail to donate on "perceived illegitimacy" grounds. Moreover, once deciding to donate, individuals may make contributions larger

than the trivial, legitimized amount, perhaps in order to look good in their own and/or others' eyes.

The technique is only specifically reviewed and discussed in reference to the Reingen (1978) study because this study includes the technique with FITD and DITF. Other studies (Brockner et al. 1984; Cialdini and Schroeder 1976) have investigated this behavioural influence technique. These studies are not reviewed in detail because it is felt that their relevance is more limited to prosocial situations than techniques such as FITD.

When he compared it to the control condition, Reingen found that the experimental conditions all produced significantly higher rates of compliance. In a second analysis Reingen compared the "small-then" and "extreme-then" treatments (2 and 3) with their counterparts with the "even-a-penny" addendum (5 and 6) and found only directional support but not statistical significance. As well, the "even-a-penny" treatment (4) did not do better than the other treatments combined. Comparing other individual methods also did not produce significant differences, nor did the mean donations differ by treatment. The study was replicated with 84 downtown shoppers in Columbia, South Carolina about four weeks later and previous results were supported.

In concluding his paper Reingen draws our attention to the fact that the study is once again prosocial in nature.

Manipulations like DITF and Legitimizing Paltry Contributions may work because of the socially desirable nature of the requested behaviour, a characteristic commercial "requesters" obviously lack.

The results Reingen presents are also somewhat problematic from a self-perception theory standpoint in that both the FITD and the DITF produce essentially similar results. According to self-perception theory, if a large initial request resulted in noncompliance, then a subsequent request should also result in noncompliance because the subject will attribute his initial behaviour to his internal disposition as being one of noncompliance.

In a 1979 paper Reingen and Kernan reported on an experimental investigation of the relative effectiveness of FITD and DITF manipulations in increasing commercial questionnaire survey response rates. Initial request size was manipulated in telephone contacts in such a way that compliance (for the FITD group) or noncompliance (for the DITF group) resulted in the vast majority of cases. A "critical" request (to complete a six-page mail questionnaire) followed the initial request immediately. Third and fourth groups were controls who received the critical request with or without the telephone contact. Subjects were 381 adults systematically selected from the Columbia, South Carolina telephone directory and randomly assigned to the four treatments.

The results were not particularly dramatic. For verbal compliance, the critical request compliance rate was significantly greater in the FITD condition than in the DITF condition. The critical request only (initial telephone contact) control outcome was significantly greater than the outcome for the DITF condition, but the FITD condition's compliance was not significantly greater than the (initial telephone contact) control's.

For critical request behavioural compliance, the FITD condition produced a significantly greater rate than the DITF condition. Of the remaining relevant comparisons, only the FITD versus critical-request only (no initial telephone contact) control comparison approached marginal significance.

Reingen and Kernan speculate that the poor showing of the FITD technique was due to the one-contact interaction and the obvious commercial nature of the task. Other studies have used a delayed-contact second request and Reingen and Kernan feel that perhaps psychological reactance may be at work when the second request comes in the same interaction. When a person perceives that a smaller request is being used to induce him/her to agree to a larger request, that person may respond in direction opposite the perceived pressure to demonstrate freedom of choice (Cann, Sherman and Elkes 1975). It is concluded that neither

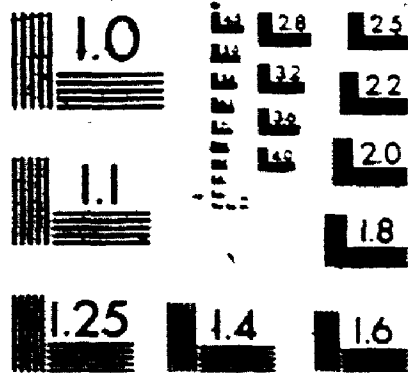
their study nor previous studies shed any light on whether it is the one-contact interaction or the type of request that is the crucial variable here. Further research, they suggest, is needed here so that practitioners can assess with some confidence what to expect from the technique.

Another reason the authors give for the low impact of the FITD technique is the high response to the questionnaire request. It is suggested that perhaps there is a ceiling effect on the technique, meaning that the technique can only move individuals toward compliance within a certain range--those last noncompliers are dyed-in-the-wool noncompliers and no amount of persuasion, behavioural or otherwise, will win them over.

Tybout (1978) conducted two experiments to test the effectiveness of straight persuasion, FITD, DITF and "high salience" FITD strategies under two levels of communicator credibility in a social marketing setting. The setting was the introduction of a new medical service to public aid recipients in Chicago. The subjects were 330 female public aid recipients (96% black) who came to see their caseworker and who were eligible for the plan.

While waiting for their caseworker, subjects were asked to view a film about the new service. The experimenter subsequently

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said that she supported the service identifying herself as either a summer student employee (low credibility) or a professor of health administration interested in the service (high credibility). The subject was then asked to allow her name to be put on a list as a "supporter" of the service, for use in later promotions (small request), or asked to be a volunteer to work 5 hours every week for the next year telling people about the service (large request).

For the high salience condition subjects were asked to explain why they agreed to be supporters and to check off a reason on a standardized form (these listed both "internal" and "external" causes). Then the experimenter asked all participants to comply with a moderate request by enrolling in the new prepaid plan (dependent measure). Attitude, comprehension and demographic measures were taken next.

Analyses of the data resulted in a significant main effect of source credibility and a nonsignificant effect of influence strategy. The interaction of the two variables was also nonsignificant.

The high credibility source was more effective than the low credibility source in the persuasion and FITD treatments; however, the low credibility source was more effective than the high credibility source under high salience FITD. The latter

finding can be explained by the fact that a high ~~credibility~~ source provides an ample discounting cue whereas compliance with a low credibility source is more likely to be attributed to internal causes.

A second experiment was conducted to determine whether or not the findings in the first experiment could be replicated in situations where the communication source was not physically present, but was described as part of a persuasive communication. Seventy-nine public aid recipients participated in this experiment which utilized recorded messages accompanying the film being shown in private cubicles. The results of this experiment parallel those in the first experiment except that source and influence strategy do not interact--the highly credible source was significantly more effective for both persuasion and FITD. Further analyses revealed that persuasion tended to be less effective in the mass media context than in the personal selling context although this difference was not significant. The FITD was found to be equally effective in the two contexts.

Based on these findings, Tybout offers the following guidelines for marketers while cautiously suggesting that they are empirically based hypotheses rather than conclusions and ought to be further tested:

1. FITD should be used only when two contacts can be made efficiently, unless methods for increasing the effectiveness of FITD when both requests are made in one contact can be developed.

2. Increasing the salience of compliance with the small request under FITD does not increase the effectiveness of this strategy when both requests are made in the same interaction. Thus, no method for increasing the effectiveness of the FITD when only one contact can be made is currently available.

3. The argument that DITF may not be effective when the source is perceived to be motivated by self-interest suggests that this technique may be of limited utility in most marketing contexts where the communicator's advocacy is often viewed as being guided by selfish interests.

4. The effectiveness of DITF may be a function of the size of the second request. Evidence shows that if the second request is relatively large, individuals may be reluctant to reciprocate by accepting it and instead search for a less binding way to reciprocate. Thus, marketers using this technique should pre-test the size of their second request to insure that it is not too large.

5. Factors in the environment which enhance acceptance of the arguments in a persuasive appeal, such as high source

credibility, may also operate as discounting cues for internal attribution of compliance with requests under FITD, thereby undermining the effectiveness of this strategy. Thus, when marketers are working with a new product or issue which requires elaboration prior to making any requests, it may be impractical to combine the initial communication about the issue with an FITD strategy.

6. The finding that the self-perception process only occurred under high salience FITD suggests the importance of making salient the cues needed for consumers to make the desired belief inferences. In some instances it may be necessary to draw consumers' attention to the cues explicitly, whereas in other situations they may attend the cues spontaneously. Regardless, the marketer must insure that the self-perception process occurs if FITD is to offer any advantage over straight persuasion.

7. Assuming that the self-perception process occurs, the FITD strategy is maximally effective when delivered by a low credibility source. As a result, this strategy may be particularly useful in marketing situations where the source is often perceived to be of low credibility.

8. Although this study replicated in a "mass media" setting the results of the "personal selling" experiment, in actual mass

media settings it may be more difficult to use FITD than it was in this study, because it will be difficult to insure that consumers attend and respond favourably to the initial small request.

Several studies investigating the FITD behavioural influence technique appeared in the marketing literature in the early 1980's (Allen, Schewe and Wajk 1980; Furse, Stewart and Rados 1981; Hansen and Robinson 1980; Hansen, Tinney and Rudelius 1983). Although these studies used marketing settings, they were all focused on using the FITD effect to increase market research questionnaire survey response rates. In this regard, they were conceptually still "charity/helping" applications, even though they were conducted in marketing settings. None of these studies investigated whether buyer behaviour directed toward an eventual sale could be induced through the FITD behavioural influence technique. These studies are briefly reviewed for the purpose of aiding in the design of a telemarketing communication strategy based on behavioural influence.

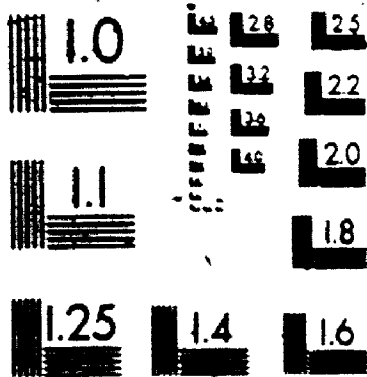
Hansen and Robinson (1980) essentially replicated the Reingen and Kernan (1977, 1979) studies in another consumer research setting. The Hansen and Robinson study found evidence that the specific nature of the small request manipulation in part determines its effectiveness in inducing compliance with a request to respond to a questionnaire survey.

They found that both a low involvement small request (simple yes/no response required) and a high involvement small request (response required subject to elaborate beyond the simple yes/no) resulted in higher compliance with a large request than a control noncontact situation. The large request occurred during the same telephone conversation as the small request. The high involvement small request generated a higher response rate than the low involvement small request. This study provides further evidence that the effect appears to hold in "helping" situations in commercial consumer research settings.

Hansen, Tinney and Rudelius (1983) used an FITD manipulation in an industrial marketing research setting. Unfortunately, the study did not contain a clean no small request control treatment. The response rate was considerably higher than that of an earlier study using a similar sample and no small request manipulation. This study provides some highly tentative evidence that the FITD effect may hold in "helping" situations in industrial marketing research settings.

Allen, Schawe and Wijk (1980) also compared an FITD manipulation to a simple solicitation call and a blind mailing control. The setting was also a consumer questionnaire survey. It was carried out by a market research firm in Sweden. Although

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both requests during the same interaction, it is not surprising to find no effect here. This observation also may account for finding an effect with a followup campaign. This can be interpreted as finding an effect with a lagged large request.

As a summary of the FITD studies reviewed in this section, two quantitative reviews of the field are referenced (Beaman et al. 1983; Fern, Monroe and Avila 1986). Beaman et al. (1983) published a meta-analysis of the FITD experiments published over the previous 15 years. They concluded from their meta-analysis, as we did from this literature review, that the FITD effect does seem to influence subsequent compliance, and is a replicable phenomenon. However, they concluded, this phenomenon is weak and not nearly as robust as has been assumed. They add that it does not appear that compliance to any request will necessarily increase future compliance.

It appears that certain conditions lead to the successful observation of the effect: The second request must not follow the first request immediately. FITD must not be combined with other behavioural influence manipulations because this appears to affect the psychological mechanism underlying the effect and often causes the effect to be negated. The effect appears to be enhanced when experimenter and subject are of the opposite sex.

In terms of design of a telemarketing program study, it may be prudent to design in a time delay between requests. As well, the FITD operationalization ought to be as pure as possible without enhancements of other behaviour influence techniques. Since most industrial managers or purchasers still tend to be male, telephone representatives ought to be female, in order to increase the probability of obtaining an effect.

Beaman et al. (1983), based on their meta-analysis, also question the self-perception explanation of the effect. They suggest that the theory is only a partial explanation accounting for only some of the variance. They conclude, without offering any theoretical direction, that the FITD phenomenon appears to be more complex than typically thought, and that new theoretical development may, therefore, be necessary.

Fern, Monroe and Avila (1986) quantitatively review the literature from an information availability perspective (Tybout, Sternthal and Calder (1983)). They make several conclusions regarding the operation of the FITD effect from their study. First, they suggest that compliance with the critical second request will increase as the relative magnitude of the initial request increases. They add that this is difficult to operationalize as the magnitude judgment is internal to the respondent. They suggest that an effort should generally be made to minimize the ratio between the small and the large requests,

while ensuring that the small request is sufficiently small, that most respondents will comply with it. Although they do not prescribe as stringent a compliance rate as Tybout (1978), they do suggest a minimum standard of 80% compliance with the initial request.

The second conclusion Fern, Monroe and Avila (1986) make is that compliance with the critical second request will increase if the initial request behaviour is performed as opposed to being agreed to be performed. The final conclusion relevant to designing an industrial application test of the FITD effect is that the statistical effect is small. They advise future researchers to avoid small samples and to ensure that they have sufficient statistical power to observe the effect.

Social Labelling Studies

A number of studies have been carried out investigating "social labelling." This behavioural influence technique is theoretically similar to FITD, as discussed in section 3.1 of this chapter. Kraut (1973) used positive social labels in increasing compliance with requests for charity donations. Steele (1975) used social labelling to increase compliance with a request to help in a community project. Miller, Brickman, and Bolen (1975) found positive social labelling to be more effective

in changing elementary school children's behaviour than normal persuasion. They also found the behaviour change resulting from the behavioural influence strategy to be more lasting.

Although these settings have very little in common with a marketing setting, the robustness of the labelling technique and its persistence over time is an interesting insight for a longitudinal study in a marketing setting. It certainly offers a different perspective from the one apparently held by many managers that the long-run effect of behavioural influence techniques will be negative because their manipulative nature will become apparent and resented (again acknowledging that there are psychological differences between fifth graders and organizational buyers).

Studies Related to the Internal/External Justification Issue

Calder and Staw (1975) carried out an experiment on self-perception of intrinsic and extrinsic motivation to perform a task. This study is not directly related to improving the effectiveness of behavioural influence techniques, but their findings could have some impact on our thinking about the external/internal justification issue in the use of the FITD, social labelling and other self-perception theory based techniques. Calder and Staw's study was carried out on members of an introductory organizational behaviour class. Subjects were

required to perform a puzzle-solving task under different conditions, and then measures were taken of their enjoyment of the task, and their willingness to engage in further task behaviour. There were four experimental treatments.

Half the group had to solve 15 easy puzzles with interesting pictures on them (from U.S. Presidents to Playboy centerfolds). The other half had to solve 15 easy puzzles without pictures on them (the puzzles were so easy that the lack of pictures did not make the task more difficult). Half of all the subjects were emphatically informed that they would be paid for their participation in the experiment while the other half were not told anything about money.

Results showed that there was an interaction between intrinsic (interest level of the puzzle) and extrinsic (monetary remuneration) motivation on enjoyment ratings. Enjoyment of the blank puzzle was significantly higher when money was promised than when it was not, while enjoyment of the picture puzzle was significantly lower when money was promised than when it was not. When treatment groups were asked to volunteer for future experiments, the pattern was the same as with the enjoyment rating dependent variable.

Calder and Staw's findings should at least be kept in mind when designing incentives into a marketing experiment to test

Self-perception predictions. They sum up their findings in terms of self-perception as follows:

...a convenient way of viewing the self perception process is to assume that an individual performs an intuitive means-ends analysis of his behaviour... Intrinsic motivation can be attributed most clearly when the means are positive and the ends are negative or neutral. Extrinsic motivation can be attributed when the means are negative and the ends are positive. When both are positive, the attribution may be unstable...(Calder and Staw 1975, p.605)

In terms of the Calder and Staw (1975) experiment, then, intrinsic motivation was attributed (and self-perception adjusted to be consistent with such intrinsic motivation) when the means were positive (interesting picture puzzle) and the ends were negative or neutral (no remuneration promised). Extrinsic motivation was attributed when the means were negative (uninteresting blank puzzle) and the ends were positive (remuneration promised). This is consistent with our earlier discussion of discounting cues; positive ends, in Calder and Staw's terminology, are discounting cues which lead individuals to infer extrinsic motivation rather than intrinsic motivation (self attribution). This must of course be tempered with Scott's (1975, 1976) speculative conclusion that some level of incentive may be necessary in commercial settings in order to motivate initial behaviour.

Uranowitz (1975) carried out a field study to investigate

the effect of different levels of external justification (discounting cues) on behaviour activated through self-attributions. His setting was considerably different from other settings reported in the literature in that it dealt with interpersonal helping behaviour. His research was carried out in a shopping mall. An experimenter would leave a supermarket weighed down with five bulky shopping bags. As he stepped outside he would pick out a female shopper and ask her to watch over his shopping bags as he had to go back into the store. In the high justification condition (high discounting cues) he explained in an agitated manner that he had left his wallet with a lot of money in the store. In the low justification condition (low or few discounting cues) he explained calmly that he had left a dollar on the checkout counter.

In both conditions the experimenter returned in approximately one minute with a smile and reported that he had found what he had lost. He then picked up his bags and disappeared from the subject's view. A second experimenter then monitored the subject's movement and crossed the subject's path a few stores away in a heavily travelled walkway, dropping a handbag from between other shopping bags. The dependent measure in the experiment was whether or not the subject returned the dropped bag or informed the experimenter that it had been dropped.

A control group consisted of subjects whose paths were crossed and saw the bag drop but who had not been subjected to the initial treatments. The results showed that the low justification (few discounting cues) condition resulted in a significantly higher rate of helping behaviour than either the high justification (discounting cues) treatment or the control condition. The high justification condition did not result in significantly higher helping behaviour than the control condition. This study essentially serves to point up the importance of minimizing discounting cues in any self-perception driven behavioural influence technique. It should be kept in mind, however, that Scott (1975, 1976) suggested that in commercial settings some discounting cues might be required in order to motivate behaviour. Nevertheless, in order for self-perception theory to work, these discounting cues should be kept to a minimum.

Hansen (1980) addressed the issue of discounting cues of monetary incentives in a mail survey respondent self-perception study. He found evidence of a discounting effect in that the quality of response, judged by independent expert judges and based on such factors as number of open-ended questions answered, was lower for subjects induced to comply with an incentive. This is further evidence that discounting cues due to incentives in behavioural influence manipulations, ought to be minimized in

order to maximize the behavioural influence effect.

Cialdini et al. did several other studies on behavioural influence techniques. Two of these studies (Cialdini et al. 1975; Mowen and Cialdini 1980), deal exclusively with the DITF technique and arrive at findings not dissimilar from the DITF findings from the 1976 study reviewed above. The 1976 study (Cialdini and Schroeder 1976) deals exclusively with the even-a-penny-helps, or legitimizing paltry contributions, technique. These studies will not be reviewed in detail here as they are not expected, on judgment, to be very useful in industrial marketing settings.

3.4 ALTERNATIVE THEORETICAL INTERPRETATIONS

Self-perception theory, as evidenced by the above review of empirical work on behavioural influence strategies, appears to be a reasonable, or at least an intuitively appealing, interpretation of the behavioural influence phenomena of social labelling and FITD. However, virtually all of the studies were carried out in a charitable, or at least a prosocial setting. The subjects generally made self-attributions of being "helpful", "charitable", "environmentally conscious", etc. Given that the present study is concerned with applying these behavioural influence techniques in an actual industrial marketing setting, it is appropriate to contemplate the applicability of this theoretical interpretation.

In discussing the self-perception interpretation of the FITD phenomenon, one must ultimately arrive at the question: What is the self-attribution made by the subject/customer? In a truly commercial setting, where the small request might be to read some product literature, to accept a deal offer, or to give some time to listen to the seller, the subject/customer is unlikely to be able to make abstract, global attributions to himself of the order of "I'm a charitable individual", "I always try to help my fellow man" or "I'm the kind of person who gets involved", that are possible in prosocial settings.

Instead, the customer/subject, if he makes self-attributions along self perception theory lines, is left only with possible self-attributions like "I'm a shrewd manager", or "I run a well managed business and I'm always looking for ways to improve". The trouble with these self-attributions is that they are economic rather than social in nature. As a result, self-attributions of an economic nature (internal justifications) are conceptually confused with economic incentives for external justification (discounting cues). In other words, internal motivation and external motivation are conceptually confused.

This discussion would suggest that behavioural influence techniques and their self-perception interpretations will be applicable only in situations in which subjects/customers become psychologically/socially involved with the product; that is, buying situations that are less economically "rational". Many consumer products would fit this description. The American Express Gold Card, for example, is such a product; prospective card members can make a self-attribution of being a "successful individual". Nonconsumer products also fit this description: business computer equipment, dental office equipment etc. In these cases subjects/customers can make self-attributions of being "technically advanced".

Casual observation suggests, however, that behavioural influence techniques such as FITD, appear to be effective not

only in such a restrictive set of situations, but in a much broader, more universal set of situations. Perhaps researchers have been trying to fit self-attribution theory to FITD unnecessarily. The FITD phenomenon seems to operate in more than just the high ego involvement social or conspicuous consumption settings in which self-attribution theory easily fits as an interpretation of the psychological process underlying the effect.

Perhaps there are alternative theoretical interpretations of the effect as it occurs in business settings. The remainder of this section will examine the theoretical interpretations provided by the few researchers who have examined or proposed the FITD phenomenon in true business settings and will explore some potential alternative theoretical interpretations which appear plausible.

Scott (1975) proposed in her community newspaper study that the customer's self-attribution after complying with the initial request was one of "interest in the product". Compared to the more global self-attributions proposed in the prosocial settings, such as helpfulness or generosity, this seems rather weak. Furthermore, it is quite possible that the customer could make a self-attribution that is more economically-based (and therefore

run into conceptual problems with external justification) such as "I'm the kind of person who can't resist a deal".

Yalch (1979) reviewed the literature on behavioural influence and advocated its use in marketing. With respect to the self-attribution issue, he proposes a self-attribution in business settings of "I'm a complier". This, again, is considerably weaker than the global self-attributions of the prosocial studies. Although these researchers did not run into problems of confusing economic self-attributions with external justification, they may be skirting the real issue by proposing weak psychological self-attributions that neatly fit the theory rather than coping with the problematic economic self-attribution issue which appears to be important in examining the FITD effect in business settings.

The problem with economic self-attributions is that they can be conceptually confused with external attributions or discounting cues. In behavioural influence research which uses the self-attribution interpretation, economic incentives are seen as ~~discounting cues~~ external reasons which subjects infer caused their behaviour. These external causes are inferred to have caused their behaviour rather than internal ones. As a result, the subject does not make a self-attribution that he is the "type of person who" does whatever. Instead, he attributes his behaviour to the economic incentive. He will, thus, not

necessarily behave consistently when presented with a similar request, unless similar economic incentives are also again presented. We are then no longer dealing with self-attribution but with a straightforward reward-punishment situation. Behaviour will be elicited only when the rewards are sufficiently high.

As was suggested above, behavioural influence techniques such as FITD do seem to work in situations that are not prosocial, despite problems of theoretical interpretation within the self perception framework. This is a motivation to consider alternative theoretical interpretations. One of these alternate explanations is simply risk reduction. The risk reduction paradigm clearly is relevant to the "free trial" and "percent off" deal operationalizations of the small request of the FITD. There is an established literature on perceived risk and risk reduction with such articles as Roselius's (1971) "Consumer Ranking of Risk Reduction Methods". Although this model is useful for interpreting some of the FITD applications such as trials or deals, it does not explain the effect in general. As such, it does not appear to be the most useful one on which to focus.

DeJong (1979) cites three alternate explanations which he dismisses as not being as useful as self-perception theory. The first of these is adaptation level. This explanation proposes

that after the first request has been complied with, the second large request seems relatively smaller than it would be without the first request. A second explanation that he discusses is that of salience of social norms. The small initial request supposedly makes people aware of the social norms with respect to, for example, charitable donations. A third explanation that he mentions is one of behavioural consistency. The two variations on this approach suggest that people attempt to maintain a public image, or possibly a private image.

It is this third one which seems most promising in business settings. A buyer has behaved in an interested manner to one request and feels a need to behave consistently in a subsequent request. DeJong comments that,

... a large FITD effect should result when the second request is made by the same experimenter or involves the same issue or action. The importance of these kinds of variables has not been adequately tested ... (p. 2236)

He then cites Freedman and Fraser (1966) as evidence that these variables are "not terribly important". Freedman and Fraser, however, showed that although it was not statistically significant, relevant task and issue had the greatest compliance. It seems that there would be a greater tendency to generalize behaviour from one prosocial issue and activist activity to another than between commercial firms and business products

(i.e., One is probably more likely to link one's behaviour of signing a petition favouring legislation to "Keep California Beautiful" with a subsequent request for a prosocial behaviour like putting up a sign promoting safe driving in the community, than to link behaviour, as a commercial buyer, of accepting promotion literature for one company's car batteries with a subsequent request to buy another company's tires.) As a result, we may well get statistically significant differences here if we replicated Freedman and Fraser (1966) in an industrial marketing setting.

Two papers in the Journal of Personality and Social Psychology (Burger and Petty 1981; Cialdini et al. 1978) shed some more light on the relevance of this last interpretation of the FITD in commercial settings. These papers deal with the so-called low-ball compliance technique. The low-ball technique is another low pressure compliance technique that has been added to FITD and has been found to increase compliance even more. The name of the technique, again, is derived from personal selling practice while it has been tested in social psychology settings.

This technique entails getting someone's agreement to perform a relatively low-cost task and then somehow preventing the individual from performing it while moving them up to a more costly form of the same behaviour. For example, a car salesman obtains your agreement to buy a basic car for \$8000, then informs

you after checking the delivery list that a basic car will not be delivered for three months. He then persuades you to buy the car in stock which has many options and costs \$1000 more. Cialdini et al. (1978) tested and explained this effect in terms of "an additional commitment to a particular behaviour, which is absent in the foot-in-the-door procedure". This additional "cognitive commitment to the performance of the target behaviour" was advanced to account for the increased effectiveness of the low-ball procedure beyond that found with the FITD technique.

Burger and Petty (1981) took issue with this interpretation and proposed that, in fact, it was a commitment or obligation to the person (experimenter/salesperson) that accounted for the increased willingness to comply with the more costly request, not commitment to the task. Three experiments were carried out which provided evidence that this was, in fact, the case.

It appears that this personal commitment/obligation interpretation of the low ball technique may also have some relevance for interpreting the FITD technique in commercial settings where the self-perception interpretation seems to be strained. Prospects agree to a small request (e.g., sales literature, sales presentation, sample) knowing that the sales person's ulterior motive is to sell them a product, not just to get them to agree to the first request. By accepting his first

request, the prospect psychologically incurs an obligation or commitment to the salesperson (however slight this may be). It is in this weakened psychological position vis-a-vis the salesperson that the prospect succumbs to the second request and fulfills his psychological obligation. After a first request to accept sales literature, a second request might be for a personal sales call: after a first request to listen to a sales presentation, a second request might be a request for an order.

Whereas Burger and Petty (1981) and Cialdini et al. (1978) use this interpretation only for the low-ball phenomenon (i.e., where the performance of the first request is prevented), it would appear that it has a lot of relevance for interpreting the FITD technique. Probably both processes are at work in most FITD applications, but self-perception probably accounts for more in the prosocial settings while person commitment/obligation accounts for more in nonsocial settings.

A fitting illustration of the two interpretations of the FITD phenomenon is the dating game: A young man and woman have just finished wine and dining in a fine restaurant. He reaches for the bill in order to pay it. She stops him and insists on paying her share. (The example could have been the refusal of a gift or even a peck on the cheek.) Why does she refuse his kindness/approaches? Does she want to avoid incurring obligations/commitment to him that he may try to "cash in" later

that evening with a larger request? Or does she not want to perceive of herself as the kind of woman who accepts expensive gifts/pecks on the cheek from men?

There is a precedence for this dual theoretical interpretation of a social psychological phenomenon. Paulhus (1982) presents findings that support a dual theoretical interpretation of attitude change after forced compliance. Forced compliance refers to the group of experiments in which a subject is forced to engage in counter-attitudinal behaviour (i.e., argue for marijuana legislation liberalization when he does not agree with it). His experiments show that while the literature has debated over whether self-presentation theory or cognitive dissonance theory is the appropriate explanatory theory, both, in fact, explain part of the phenomenon.

Dissatisfaction with self-perception theory as the only theoretical interpretation of the FITD phenomenon in business settings leads one to two plausible alternative theoretical interpretations. While the risk reduction model may be useful in the "trial" and "deal" operationalizations of the FITD, it offers little in other operationalizations. The most useful alternative theoretical interpretation, it would seem, is the person commitment/obligation paradigm, thus far advanced only for the low-ball phenomenon.

A final comment of theoretical interest is that it seems that in business settings, the person commitment/obligation rationale might be stretched with slightly weaker results to company commitment. Prospects may feel an obligation has been incurred to a company if a telemarketing representative and an outside sales representative appear to be a sales "team".

Although the most convincing evidence of a self-perception or other theoretical explanation of the FITD technique would be measures of changes in self-perception and other cognitive states, most of the psychological studies have failed to specifically measure this or failed to obtain usable measures. DeJong (1979) asserts that the explanation for this shortcoming in the extant research lies not only in design and measurement inadequacies, as others have suggested, but also in the fact that the self-perception changes that follow a person's initial compliance with a small request have never been clearly specified and may be much more complicated than has been acknowledged.

Some theoretical work has been published in the marketing literature on the interpretation of the FITD and DITF behavioural influence techniques (Tybout, Sternthal and Calder 1983). This study found that what is crucial to the efficacy of these techniques is that favourable information is available to the subject/customer regarding his own behaviour. Through social labelling and actually obtaining behavioural compliance with the

small request rather than just behavioural intention, Tybout, Sternthal and Calder were able to produce behavioural influence effects. Their work was based on Tversky and Kahneman's (1973) availability hypothesis.

What is needed to settle the theoretical questions raised in this section is theoretical laboratory research. This type of work is necessary in order to allow marketers to design efficient communications programs based on behavioural influence. However, before this type of work is embarked upon, it is imperative that some basic application research be done to determine the effectiveness of behavioural influence in actual industrial marketing settings. None of the research to date has tested the FITD effect in an actual industrial marketing setting, although casual observation suggests that it will be effective in this setting.

When, and if, external validity is established, the question of theoretical interpretation in the industrial marketing setting must be addressed. The research in this dissertation will concern itself only with the first task, that of investigating the effect's external validity in an industrial marketing setting. The testing of alternative theoretical interpretations will be left to subsequent studies. The issue of extending external validity of the basic effect, and the importance of this work is discussed in greater detail in the next chapter.

3.5 CONCLUSIONS

In this chapter, behavioural influence strategies were examined as an alternative communication paradigm for examining interactive marketing communication effectiveness. Dominant theoretical interpretations were discussed before an exhaustive review was made of empirical studies focusing on the behavioural influence techniques of FITD and social labelling. The FITD phenomenon, despite the lack of support for a universal theoretical interpretation of the phenomenon, appears to be a useful approach to designing an industrial telemarketing and demonstration centre program. Although a considerable amount of research has been done on behavioural influence phenomena, and the FITD phenomenon in particular, very little of this research has been done in marketing settings. None of it has been done in an actual industrial marketing setting.

CHAPTER 4

RESEARCH QUESTIONS, HYPOTHESES, AND EXPERIMENTAL DESIGN

4.1 DEVELOPMENT OF RESEARCH QUESTIONS

This chapter builds on the review of the literature presented in the previous chapters by developing a set of research questions to be addressed in order to apply the FITD phenomenon in an industrial telemarketing and demonstration centre setting. It then presents formal research hypotheses and describes the research setting in which these hypotheses were tested. The next two sections of the chapter describe the experimental procedure and variable operationalization for the two field experiments carried out. The subsequent section discusses the unit of analysis used. The following three sections of the chapter deal with experimental blocking factors, sample size selection, and external validity. The final section summarizes the chapter.

Behavioural Influence in Industrial Marketing

The previous chapter provided a detailed review of the research literature dealing with the FITD phenomenon. It concluded that although previous studies had obtained mixed results, the phenomenon appeared to provide a promising approach for the purpose of designing industrial telemarketing and

demonstration centre communication programs. A major shortcoming of the FITD research, as identified in the previous chapter, is that no studies have been carried out in an industrial marketing setting. As a result, little is known about the generalizability of the FITD effect to industrial marketing settings.

Yalch (1979), in reviewing the published work on behavioural influence strategies, called for additional marketing research in the area. Of the various limitations of the extant research on behavioural influence strategies, according to Yalch, one is of primary concern to researchers and practitioners in marketing.

This is that no research has been carried out in an actual business marketing setting. The fact that "...the self-interest of the requester will clearly be more apparent in the business setting" (Yalch 1979, p.197), may mean that the phenomenon, as it has been shown to operate in prosocial settings, operates differently in business settings. Yalch sums up his review:

Substantial progress has been made in developing compliance-gaining processes, but this still remains a fruitful area for research. As this research relates directly to the tasks facing salespersons, businesses should become more involved by conducting experiments themselves or by sponsoring academic research (p.198).

The behavioural influence strategy of obtaining compliance with small requests in order to obtain greater compliance with

subsequent larger requests (i.e., the FITD phenomenon) has been shown to be effective in charity and other prosocial settings. Marketing scholars have suggested that the technique would also be effective in marketing or personal selling environments, although to date no research has been done to support this contention. This significant gap in the research literature leads to the primary research question under consideration in this thesis.

Research Question 1:

Does the FITD phenomenon hold in an actual industrial sales environment? That is, in an industrial sales environment, will an influence strategy in which a small request precedes a larger critical request result in a greater rate of compliance with the critical request than a straightforward influence strategy consisting of a single critical request? Essentially this research question addresses the crucial issue of generalizability facing marketing researchers and practitioners interested in applying the FITD phenomenon in industrial marketing settings.

Behavioural Influence and Actual Behaviour

The literature suggests that the size of effect of behavioural influence strategy may be a function of the dependent measure used in the experiment. Studies which used behavioural intention to comply with a second (large) request as the dependent variable all obtained a significant effect (Baron 1973; Cann, Sherman, and Elkes 1975; Freedman and Fraser 1966; Seligman, Bush, and Kirsch 1976; Snyder and Cunningham 1975;

Swinyard and Ray 1977).

Studies which used an actual behavioural measure of second request compliance obtained mixed results. Pliner et al. (1974), Reingen (1978), Reingen and Kernan (1977), Reingen and Kernan (1979) and Scott (1977) all obtained significant effects of the FITD technique using a behavioural dependent measure (although Scott obtained significance only with a "moderate" second request but not with a "large" second request). Cialdini and Ascani (1976), Scott (1976), and Tybout (1978) failed to find a significant effect using a behavioural dependent measure.

Only one study (Pliner et al. 1974) has gone beyond simple dichotomous measures of compliance/noncompliance to a continuous measure of, in their case, size of the Cancer Fund donation in dollars. Pliner et al. (1974) failed to find a significant difference in size of donation. They interpreted this as suggesting that compliance with prior requests operated to produce a "quantal shift" in the threshold for giving rather than to moderate existing degrees of generosity. The result could also, however, be interpreted in terms of intensity of compliance behaviour.

The results reported in the literature suggest that it is possible that an individual exposed to a behavioural influence

strategy will feel "compelled" to comply in some way. In order to fulfill this felt obligation to comply, the individual complies with the second request in the least costly way possible. Because this issue is of particular interest from the point of view of practical utility to industrial marketers, this unresolved issue in the research literature leads to the second research question.

Research Question 2:

Does FITD behavioural influence induced compliance result in differences in actual behaviour, and intensity of compliance behaviour? In other words, does a behavioural influence strategy result not only in significantly higher behavioural intentions than a control group, but also in higher actual behaviour, and intensity of behaviour?

Successive Requests

Varela (1971) extrapolated from Freedman and Fraser (1966) and suggested that a further implication of their finding is that compliance with a second request predisposes the individual to comply with an even larger request. In the same way that the method of successive approximations can be used for reducing the latitude of rejection, successive approximations can be used to obtain compliance with increasingly larger requests.

As was discussed in the previous chapter, Varela argues that

the Freedman and Fraser results would probably be even more impressive if an intermediate large request was administered between the small and large requests of the Freedman and Fraser study. An intermediate request to have an interviewer go to the subject's house and ask questions and perhaps see the layout of the house is suggested. This intermediate request would then be followed by the Freedman and Fraser large request of allowing 5 or 6 men into the subject's house in order to classify all the household products used.

Varela's contention is consistent with common practice of salespeople. Sales techniques such as "building a series of acceptances", "getting decisions on minor points", "trying a trial order" (Pederson, Wright and Weitz 1981) all appear to be based on this premise.

Both Varela's argument and casual observation of personal selling practice suggest that it may be appropriate to extrapolate from the basic FITD paradigm and predict that using several successive larger requests will result in increased compliance with the ultimate critical large request. This leads to the third research question.

Research Question 3:

Does a sequence of increasingly larger requests result in greater

compliance with the ultimate critical large request than one small request only preceding the ultimate large request?

Long Run Effects of Behavioural Influence

In addition to highlighting the fact that no research has tested behavioural influence strategies in actual business settings, Yalcn (1979) pointed out that: "...a second limitation is that little is known about the long-term consequences of participation in these procedures" (p. 197). Ryans (1982), in discussions with sales managers at a management development seminar, also found that it was the potential negative long term effects of using behavioural influence strategies that were of prime concern to marketers.

None of the research to date has examined the long term consequences of using behavioural influence techniques. If compliance is gained through a behavioural influence strategy, but the complier subsequently feels he was "manipulated" into complying and is resentful of the requester, he is unlikely to maintain his complying behaviour. Since business marketers are usually interested not only in one-time purchase behaviour but in longer-run purchase behaviour, a fourth research question is posed.

Research Question 4:

Does FITD-induced behaviour persist over time?

Calibrating the Request Size

Previous studies have manipulated a number of different variables in applications of the FITD strategy. Baron (1973), Cialdini and Ascani (1976), Pliner et al. (1974) and Seligman, Bush, and Kirsch (1976) manipulated the size of the first request. In some settings, compliance with a very small request was enough to increase compliance with a large request while in other settings a larger request was necessary. There appears to be a trade-off between using a request that is small enough to obtain a high level of compliance yet large enough to be salient.

Scott (1977) manipulated the size of the second request and found that the FITD technique increased compliance with a moderate second request but failed to significantly increase compliance with a large second request.

Several studies manipulated the timing of the second request with respect to the first (Reingen 1978, Reingen and Kernan 1979; Tybout 1978). It was found that the FITD effect only held when the second request occurred at a later point in time. Making the two requests during one interaction with the subject failed to

produce a higher rate of compliance with the second request among subjects.

Baron (1973), and Tybout (1978) manipulated the credibility of the communicator and obtained conflicting findings. These conflicting findings may be explained by the different operationalizations used for the variable.

Tybout (1978) compared the application of the technique in a mass communication channel with its application in an interactive communication channel and found no effect in the mass communication channel.

In the telemarketing/demonstration centre setting used for the present study, the timing and communication channel variables are of marginal interest (except in that the previous studies serve as empirical evidence that behavioural influence lends itself particularly well to interactive marketing communications' environments like those with which this study is concerned). Characteristics of the communicator are of practical interest to marketers, but investigation of their effect is left to a future study.

The research on size of the first request and size of the second request is of practical interest to marketing managers.

This research essentially investigates alternative operationalizations of the constructs "small request" and "large request" which are central to the FITD paradigm. In various settings, researchers have concluded from the literature that the FITD effect does seem to exist. While testing the effect in their setting of interest, they have tried several alternative operationalizations of the key constructs.

It is in this same way, as alternative operationalizations of the small and large request constructs, that the variables called size of first request and size of second request are of interest to industrial marketing managers. It is useful for industrial marketing managers to know what kinds of FITD operationalizations/manipulations in an industrial telemarketing/demonstration centre setting appear to result in the FITD effect and what kinds do not. The final research question, then, deals with alternative operationalizations of the FITD paradigm.

Research Question 5:

Does the FITD effect hold in an industrial sales setting using alternative operationalizations of the small and large requests? In other words, how sensitive is the effect to the actual operationalization in an industrial telemarketing setting?

4.2 FORMAL HYPOTHESES

In the previous section, the research questions addressed in this dissertation were developed. In this section, these research questions are cast as formal research hypotheses.

Behavioural Influence in Industrial Marketing

The hypotheses for this study are derived from the FITD behavioural influence paradigm. Specifically, the first hypothesis predicts the effects of small request compliance.

Hypothesis 1 (H1):

Company representatives who are contacted and who comply with an initial small request will be more likely to verbally comply with a subsequent large request than company representatives contacted only for the large request.

The first hypothesis is concerned primarily with replicating the FITD effect in an industrial telemarketing setting. Since the task is to extend the external validity of the effect, the dependent variable used to test this hypothesis is a behavioural intention variable (verbal compliance). This is consistent with most of the previous studies investigating the effect in nonmarketing settings.

Behavioural Influence and Actual Behaviour

The second research question is concerned with the robustness of the FITD effect in industrial marketing settings. Verbal compliance, or behavioural intention, is rarely the ultimate variable in which industrial marketers are interested. If the effect can be obtained in an industrial marketing setting, is it sufficiently robust to be able to have an impact on actual compliance behaviour and intensity of compliance behaviour?

Hypothesis 2 (H2):

Company representatives who are contacted and who comply with an initial small request will be more likely to behaviourally comply with a subsequent large request than company representatives contacted only for the large request.

Hypothesis 3 (H3):

Company representatives who are contacted and who comply with an initial small request will be more likely to comply with greater intensity with a subsequent large request than company representatives contacted only for the large request.

Successive Requests

The third research question deals with Varela's contention that the FITD effect could be improved upon by using successively

larger small requests before the ultimate large request of interest.

Hypothesis 4 (H4):

Company representatives who are contacted and who comply with two successively larger small requests will be more likely to verbally comply with a subsequent ultimate large request than company representatives who are contacted and who comply with only one initial small request before the ultimate large request.

Hypothesis 5 (H5):

Company representatives who are contacted and who comply with two successively larger small requests will be more likely to behaviourally comply with a subsequent ultimate large request than company representatives who are contacted and who comply with only one initial small request before the ultimate large request.

Hypothesis 6 (H6):

Company representatives who are contacted and who comply with two successively larger small requests will be more likely to comply with greater intensity with a subsequent ultimate large request than company representatives who are contacted and who comply with only one small request before the ultimate large request.

Long Run Effects of Behavioural Influence

The fourth research question addresses the concern what behaviour induced by the FITD behavioural influence technique may

not be sustainable in the longer run.

Hypothesis 7 (H7):

Company representatives who are contacted and who comply with an initial small request will be more likely to behaviourally comply and sustain this compliance with a subsequent large request than company representatives contacted only for the large request.

Calibrating the Request Size

The fifth research question also is concerned with the robustness of the FITD effect: Essentially, it seeks to determine whether or not the effect can be obtained using an alternative operationalization of small request and large request. The alternative operationalization chosen is one which is felt to have a great deal of applicability in industrial marketing practice.

Hypothesis 8 (H8):

The FITD effect is sufficiently robust that it will be observed using an alternative operationalization of small and large request which has significant practical relevance.

The Organization and the Product

Telecom Canada is the organization which agreed to cooperate as the experimental research site in which to test the research hypotheses. Several other companies were approached but were rejected on the grounds of inappropriate product/market situations or insurmountable timing problems.

Telecom Canada was the long distance telephone umbrella organization comprising Alberta Government Telephones, B.C. Tel, Bell Canada, Island Tel P.E.I., Manitoba Telephone System, Maritime Tel & Tel, N.B. Tel, Newfoundland Tel, Saskatchewan Telecommunications, and Telesat Canada. Phone Power was the industrial marketing group within Telecom Canada. Its mandate was to increase the use of long distance telephone by Canadian business. Phone Power was presented as a "business consulting service" and Phone Power consultants worked with their client companies to improve productivity through the implementation of a number of programs ranging from new accounts development and marginal account servicing to customer service and credit and collections programs.

A "sale" from Phone Power's perspective was a commitment from a client that his or her organization would implement one of

the Phone Power programs. This usually entailed setting up an operation in-house and often included hiring and training of new staff and installing additional telephone hardware (the latter might be anything from an additional telephone line and set to toll-free lines or sophisticated switching systems). Phone Power's interest was only in increased long distance toll volume from the client and this was carefully monitored after a "sale".

The Communications Seminar

The coast-to-coast Phone Power salesforce was supported in the three major market areas of Montreal, Toronto, and Vancouver with a "Communications Seminar" program aimed at improving new account development. The Toronto Communication Seminar which was the focus of the present research will be described in some detail.

The greater Toronto market area was serviced by 22 general business sales consultants under the management of three sales managers and one national account salesforce under a national account sales manager. The latter consisted of 6 sales consultants who dealt primarily with Financial Post 500 size companies. The Communications Seminar, whose primary purpose was to support the general business sales group, was staffed by a Manager-Communications Seminar, a Seminar Coordinator and a

clerical support staff. Additionally, the Seminars were run by a "professional" seminar coordinator on part-time loan from Bell Canada.

The chronology of a "Seminar Sale" was as follows. About one month before a scheduled Seminar, approximately 115 direct mail pieces were mailed out. The direct mail package consisted of the pamphlet "How to Build Sales and Cut Costs" and a two-page covering letter over the signature of the Manager-Communications Seminar. Lists such as Scott's Directory and Dun and Bradstreet were used, as well as trade publication lists and other general sources. Names of company officers were obtained by placing calls to company switchboards. In smaller companies the invitation was addressed to the President while in larger firms invitations were often sent to several individuals like the Vice President of Sales and Marketing, the Sales Manager and the Credit Manager.

Of the invitations mailed out, records showed that about 20%, on average, accepted the invitation and enrolled in the Seminar. An approximate breakdown of response vehicles used by those accepting the invitation was as follows: 4% by Business Reply Card, 8% by inbound toll-free number and another 8% through a small outbound telephone program. (All these programs and response vehicles were either absorbed into the experimental design for the present study or discontinued; no response

vehicles or programs were left running during the field research which might potentially have conflicted with the research. Ultimately, 15% of invitees actually attended the Seminar, resulting in a Seminar of about 18 participants. Sales consultant invitations to prospects made up another 7 or 8 participants, comprising an average Seminar of about 25 participants.

The participants arrived at the York Centre Seminar Theatre in downtown Toronto at 8:45 a.m. for a continental breakfast. The Seminar began at 9:30 a.m. and consisted of a three screen audio-visual presentation and informal discussion led by the Seminar leader. The Seminar lasted until about 11:30 a.m.

Within one week of the Seminar everyone who attended was telephoned by the Seminar Group. Information on the prospective client was gathered and an appointment was made for a field sales consultant. From here on, the sale was up to the field sales consultant. After discussing the prospect's particular needs, the consultant either obtained or did not obtain a "sale" from the client. A "sale", from Phone Power's perspective, was a commitment from a client that his or her organization would implement one of the Phone Power programs under the guiding direction of Phone Power resource personnel. In addition to the sales consultant, these personnel included Phone Power "training

specialists" who were available to assist in setting up a telemarketing program. After a "sale" was obtained by the sales consultant, the consultant submitted to his or her manager an estimate of expected increased long distance charges expected to result from the Phone Power program selected by the customer.

Long distance tolls of the "sold" accounts were then monitored for the following six months. Accounts which were not "sold" were not monitored. Although it is possible that some prospects might set up telemarketing programs without making a formal commitment to Phone Power and without taking advantage of Phone Power's free consulting service, this was considered to be unlikely. The increased long distance charges as a result of this activity was expected to be negligible. Any potential customer who was at all interested in executing a program would likely make a formal commitment because there was no financial cost to making a commitment and in addition he or she could benefit from free consulting services provided by Phone Power.

The Toll Analysis Group, an Ottawa-based head office support group which monitored the "sold" accounts, was then charged with "substantiating" the sales consultants' submitted expected toll increase estimates. They analyzed the increased long distance charges and attempted to separate out those that were attributable to a Phone Power program. This separating out involved doing trend analyses to estimate the projected charges

that would have been incurred without the Phone Power program, and sometimes involved contacting the customer for further information. The numbers released by the Toll Analysis Group were considered by Telecom Canada to be "true", and both the Seminar Group and the Field Sales Group were paid commissions based on these "substantiated sales" figures.

4.4 EXPERIMENTAL PROCEDURE AND VARIABLE OPERATIONALIZATION

Telecom Canada, under the direction of the researcher, implemented two field experiments of four treatments each in order to improve the performance of the Seminar program and to address the theoretical research questions. The second field experiment was a replication and extension of the first. Therefore, the design of the first field experiment is described in detail. For the replication and extension experiment, only the extension is thus described after an explanation of the rationale for the replication. Table 4-1 is a diagram depicting the experimental procedure for the first field experiment.

TABLE 4-1

FIRST FIELD EXPERIMENT PROCEDURE

TREATMENT GROUP	PHONED LIT. REQUEST	MOBE LIT. REQUEST	LIT. SENT	PHONED SEMINAR REQUEST	SEM INAR ENROLL (BID)	CONFIRM (BID)	ATTEND (BID)	FIELD "SALE" REQUEST (BID)	"SALE" (COMMITMENT TO PROGRAM) (BID)	TOLL INCREASE ESTIMATE (BD+BC)	ACTUAL TOLL INCREASE (BD+BC)	LONG RUN ACTUAL TOLLS (BD+BC)
PTD SEMINAR GROUP (1)	SRI	COMPLY / NON-COMPLY	YES	LR1 / SR2	COMPLIANCE / NON-COMPLIANCE			LR2	(YES/NO)	COMPLIANCE / NON-COMPLIANCE		
NON-PTD SEMINAR GROUP (2)			YES	LR1 / SR2	COMPLIANCE / NON-COMPLIANCE			LR2	(YES/NO)	COMPLIANCE / NON-COMPLIANCE		
FIELD COLD CALL GROUP (3)								LR2	(YES/NO)	COMPLIANCE / NON-COMPLIANCE		
BASE LINE GROUP (4)			YES	No (Business reply Card +800 number instead)	COMPLIANCE / NON-COMPLIANCE			LR2	(YES/NO)	COMPLIANCE / NON-COMPLIANCE		

KEY:

- SRI = SMALL REQUEST 1
- SR2 = SMALL REQUEST 2
- LR1 = LARGE REQUEST 1
- LR2 = LARGE REQUEST 2

- BD = BEHAVIOURAL INTENTION-DICHOTOMOUS MEASURE
- BC = BEHAVIOURAL INTENTION-CONTINUOUS MEASURE
- BD = BEHAVIOURAL-DICHOTOMOUS MEASURE
- BC = BEHAVIOURAL-CONTINUOUS MEASURE

The first treatment group (FITD Seminar Group) received a telephone call from the Phone Power Communications Seminar Group consisting of the following message:

Good morning Mr. Jones. My name is Jane Smith and I am with the Phone Power Group at Bell Canada.

In our effort to address the problem of increasing costs facing many Canadian businesses, we're now providing our customers with a free consulting service. This service is aimed at improving cost control through effective use of the telephone for marketing and administration.

We have recently prepared some material describing our service.

If I sent you some information on our consulting service, would you agree to take a few minutes to go over it in order to see how it might be beneficial to your company?

It was expected that a large majority of prospects would comply with the small request to have literature sent. All compliers and noncompliers were then sent the direct mail package. The package used was identical to the one normally used except that the brochure did not contain a Business Reply Card nor a toll-free number to call. Instead the brochure and covering letter stated that Phone Power staff would be contacting everyone within the following week to ascertain whether or not they would be attending.

Within the following week all prospects were again contacted by telephone and verbally asked to attend (large

request). For the small request treatment group (FITD Seminar Group) the message was as follows:

Good morning Mr. Jones. It's Jane Smith with the Phone Power Group at Bell Canada.

We spoke on the phone a few weeks ago and I subsequently mailed you some information on telemarketing and our executive telemarketing Seminar.

I was wondering if you'd received my information ?

Are you planning to attend one of the executive seminars ?

The control group (Non-FITD Seminar Group) which did not receive the small request received the same message with the exception of the reference to a previous telephone call:

Good morning Mr. Jones. It's Jane Smith with the Phone Power Group at Bell Canada.

I recently mailed you some information on telemarketing and on our executive telemarketing seminar.

I was wondering if you'd received my information ?

Are you planning to attend one of the executive seminars ?

Dependent measures of compliance with the large request were enrollment (dichotomous behavioural intention), confirmation (dichotomous behavioural intention) and attendance (dichotomous behavioural). The control group received the identical treatment with the exception of the initial telephone request to accept

literature. Although the control group did not receive the request to accept literature, it was sent the literature unsolicited.

A third treatment group (Field Cold Call Group) consisted of a field sales cold call treatment. The field sales cold call treatment was administered as follows: A group of prospect names was assigned to the field sales force as part of a management directed cold call drive. An attempt was made to avoid demand artifacts by having the treatment implemented as a regular wholesale industry cold call drive initiated by management. Management gave assurances that the sales force did not know of the experiment and treated the exercise like any other management-initiated and targeted cold call drive. The researcher obtained agreement from management that they would carry out the drive and submitted the list of target accounts. Management assigned the sales drive and the accounts to the field sales managers who carried out the execution. The researcher avoided any direct contact with the sales managers, and only unobtrusively examined account records after the drive.

This treatment was compared to the first two treatments for the purpose of addressing the third research question, relating to the effect of successive requests. This group was also compared, as a control treatment, to the second treatment alone

in order to address the last research question, relating to calibration of the request size. For the purposes of the last research question, the request to attend the seminar was considered the small request.

The large request in these hypothesis tests was the field sales consultant's request to make a commitment to a Phone Power program (a "sale"). Dependent measures of compliance with the large request were commitment to a program or "sale" (dichotomous behavioural intention), toll increase estimate or size of the "sale" (continuous behavioural intention), actual toll increase or "substantiated sale". (both dichotomous and continuous behavioural) and long run actual tolls (both continuous and dichotomous behavioural).

It can be argued that in the test comparing the Field Cold Call Group (control) to the Non-FITD Seminar Group (small request), the Field Cold Call Group not only did not have an opportunity to comply with a request to attend the seminar, but also did not have the benefit of the same "persuasion" that went on in the seminar presentation. The argument can be countered by pointing out that the field sales group still received a similar personal presentation from the sales consultant. Furthermore, the seminar was very low-key in style.

Ultimately, however, it must be acknowledged that in a real field setting this possible experimental flaw cannot be corrected. Since the primary test is an internally valid field test of FITD, this second test should be seen as an interesting attempt at replication using an alternative practical industrial marketing operationalization.

A fourth treatment cell was a Baseline Group in which the current communication strategy was continued. This treatment was included as a basis of comparison for managerial purposes.

4.5 EXPERIMENTAL REPLICATION AND EXTENSION

During the implementation of the field test there were several delays for a number of subjects across all treatments between agreement to the request to attend a seminar and the opportunity to actually attend. These delays were caused by delays in the opening of a new Seminar Theatre due to construction delays and technical problems with the audio-visual materials. Since the old Seminar Theatre had already been closed and the delay of the new Seminar Theatre opening was unexpected and announced only after the experimental implementation had begun, the change to the study's programme was unavoidable.

The nature of the change to the experimental execution was as follows: Treatments 1, 2 and 4 had been executed as planned to the point of collecting the first dependent measures, enrollment and confirmation in a Seminar. Due to the Seminar Theatre opening delay, it was then necessary to telephone subjects who had enrolled in a Seminar on a certain date and advise them of the Seminar Theatre problem and ask them to re-book an alternative date for attendance. These subjects had to be telephoned a second time and asked to re-book for a still later date as the Seminar Theatre problem had not been resolved. Enrolled subjects who were asked to re-book were telephoned and given the following message:

Good morning Mr. Jones. This is Jane Smith with the Phone Power Group at Bell Canada. I'm calling regarding the telemarketing seminar you are scheduled to attend.

Since we've recently moved our offices and our seminar theatre, we've updated the seminar and the audio-visuals. Unfortunately, we've had some technical problems and our updated seminar will not be ready until ----. Can I re-book you into the ---- seminar? Alternatively, how about the ---- seminar?

We'll call just prior to the seminar to confirm things and give directions.

When the theatre problems were still unresolved and the seminar had to be cancelled again, subjects were not asked to re-book. Instead, they were asked to allow a sales consultant to make a call at their premises in order to make a personal presentation. Compliance with this request was recorded instead

of seminar attendance. The remaining dependent measures were collected as planned. The script of this telephone call was as follows:

Good morning Mr. Jones. This is Jane Smith with the Phone Power Group at Bell Canada. I'm calling regarding the telemarketing seminar you are scheduled to attend.

You'll recall that I recently phoned you to reschedule the seminar you're planning to attend. Unfortunately, the technical problems we've run into with our new seminar theatre facilities will take some time to correct. Since the new seminar facilities won't be ready in time for your scheduled seminar, would you be agreeable to having us send out one of our consultants to make a personal presentation at your office?

Thanks very much. Jack Smith will see you on ---- at -- o'clock.

Fortunately, the delay in dependent measures affected all treatment groups equally. Consequently, this problem was not expected to introduce any systematic bias. It was expected, however, that overall levels of attendance might be negatively affected. It would seem reasonable that subjects could lose interest after being asked to reschedule the Seminar and then to see a sales consultant instead. The change in dependent measure from Seminar attendance to acceptance of a sales consultant visit was expected to introduce systematic bias. Accordingly, the results related to this experimental treatment are cautiously interpreted and the treatment is replicated in unadulterated form in the second experiment.

The delays occurred after initial dependent measures had already been collected and the compliance rates were known. Since the rates were relatively low across all treatments, it was decided that a substantial overall drop in attendance caused by the delays might seriously jeopardize analysis of this and subsequent dependent measures by resulting in numbers too small for useful analysis. Consequently, it was decided to prepare a second set of matched groups and to replicate the field experiment.

The second field experiment was, in most respects, a straight replication of the first. It differed by having a second small request treatment group in addition to the small request to accept sales literature group. A second small request treatment was added because the research literature had revealed that size of the first request might be of importance. The initial data showed the FITD effect to be very small. Since it was felt that this might be due to the fact that the small request used was both small and perhaps not particularly salient for industrial buyers, it was decided to try a different operationalization of small request which was both practical and possibly more salient. This treatment would provide additional data to address the last research question, related to the calibration of request size. Table 4-2 is a diagram depicting the procedure for the second field experiment.

TABLE 4-2

SECOND FIELD EXPERIMENT PROCEDURE

TREATMENT GROUP	INITIAL SMALL REQUEST	AGREE LIT. REQUEST	LIT. SENT	PHONED SEMINAR REQUEST	SEMINAR ENROLL (BID)	SEMINAR COMPI (BID)	ATTEND (RD)	"SALE" REQUEST	"SALE" (COMMITMENT TO PROGRAM) (BID)	TOLL INCREASE ESTIMATE (BIC)	ACTUAL TOLL INCREASE (BD+BC)	LOW/ RUN ACTUAL TOLLS (BD+BC)
PTD SALES LITERATURE GROUP (1)	SALES LITERATURE (SR1)	COMPLY/ NON-COMPLY	YES	LR1/ SR2	COMPLIANCE/ NON-COMPLIANCE			LR2	(YES/NO)	COMPLIANCE/ NON-COMPLIANCE		
PTD MARKET RESEARCH QUESTIONS GROUP (2)	MARKET RESEARCH QUESTIONS (SR1)	COMPLY/ NON-COMPLY	YES	LR1/ SR2	COMPLIANCE/ NON-COMPLIANCE			LR2	(YES/NO)	COMPLIANCE/ NON-COMPLIANCE		
CONTROL SEMINAR GROUP (3)			YES	LR1/ SR2				LR2	(YES/NO)	COMPLIANCE/ NON-COMPLIANCE		
FIELD COLD CALL GROUP (4)								LR2	(YES/NO)	COMPLIANCE/ NON-COMPLIANCE		

KEY:

- SR1 = SMALL REQUEST 1
- SR2 = SMALL REQUEST 2
- LR1 = LARGE REQUEST 1
- LR2 = LARGE REQUEST 2
- BID = BEHAVIOURAL INTENTION-DICHOTOMOUS MEASURE
- BIC = BEHAVIOURAL INTENTION-CONTINUOUS MEASURE
- BD = BEHAVIOURAL-DICHOTOMOUS MEASURE
- BC = BEHAVIOURAL-CONTINUOUS MEASURE

For this second treatment, the operationalization of small request was a request to answer three market research questions over the telephone. This was considered to be a small request that was both practically useful to industrial marketers and, while large enough to be salient to industrial buyers, not so large that it would result in high rates of noncompliance. The script for this small request treatment, including the market research questions, follows:

Good morning, Mr. Jones. This is Jane Smith with the Phone Power Group at Bell Canada. We are running a short telephone survey in order to better understand the needs of our business customers. Could you answer 3 short questions for me? It won't take more than 2 or 3 minutes of your time.....Yes/No

1. Does your company regularly use the telephone as part of its sales/marketing effort or its credit/collections effort?Yes/No
2. Other than a receptionist, does any employee of your company regularly spend 25% or more of his/her time working on the telephone?.....Yes/No
3. Does your company use any form of direct mail marketing?Yes/No

Thanks very much for your cooperation, Mr. Jones. I'm going to send you some literature that we've prepared on the effective use of the telephone to increase marketing and administration productivity. You should receive it next week sometime and I think you'll find it useful.

Thanks again.

In order to make room for this second experimental treatment in the second field experiment, the baseline treatment was

eliminated. This treatment consisted of the current predominant Phone Power communication strategy of sending out sales literature with a toll-free 800 number and a business reply card with which subjects could respond to the invitation to attend a seminar. Initial data from the first field test in which this treatment had been included showed this treatment to be clearly inferior to the other treatments of interest. It was felt that replicating this treatment would not be useful.

4.6 UNIT OF ANALYSIS

Consistent with previous research in behavioural influence, the unit of analysis in this study was the individual. It is acknowledged that much of the recent research in industrial buying behaviour has emphasized the role of the "buying centre" (Bonoma 1982; Johnston and Bonoma 1981). However, organizations such as the research site organization deal extensively with small industrial firms in which there are not extensive buying centres but where all major decisions are made by a general manager/owner. Recent authors (Puto, Patton and King 1985) have also argued that industrial buying research at the individual level is appropriate because many purchase decisions in large organizations are also made at the individual level. They cite recent research in materials management (Michman and Sibley 1980) which suggests that individual purchasing managers still occupy an important role in the industrial buying process.

According to this work, it is not unusual, once the design and performance standards for various items have been established, for an individual buyer to assume the responsibility for making the most favourable buying arrangements for the firm. This is particularly likely to occur in the supplier selection decisions for routine procurements, such as modified and straight rebuys (Hutt and Spohn 1981). The modified rebuy situation has been highlighted as one of the three major industrial buying situations and the one in which an individual buyer may be the dominant influence in the buying decision (Hutt and Spohn 1981, pp. 56-57).

4.7 BLOCKING FACTORS

All the studies reported in the literature used a completely randomized design. Since the present study dealt with industrial buyers rather than housewives or college students, it was possible to attempt to block out some of the extraneous variance by utilizing a randomized block design. Based on historical data (Ontario Market Penetration Study, Telecom Canada, Ottawa, 1982) and Telecom Canada managerial insight, it was decided to use industry and company sales volume as primary blocking factors. Secondary blocking factors used were number of employees in the firm and geographic location of the firm. The sample for the

study was split into matched quadruplets (three for each of the experimental treatments, one for the baseline treatment in the first field test and four experimental treatments for the second field test). Each member of the matched quadruplet was then randomly assigned to one of the treatment groups.

Since the wholesale/distribution industry was identified by Telecom Canada as a target high growth potential industry, the sample for the study was drawn entirely from this sector. Although this somewhat restricts the firms and settings to which the study's findings may be generalized, this is not judged to be a serious problem. As is discussed extensively in the section devoted to the external validity issue later in this chapter, this study attempts to extend external validity of the FITD effect to one industrial marketing setting. Since the effect has not been previously tested in any such setting, this is a significant contribution. Further studies will need to be carried out to allow generalization to other specific industrial marketing settings.

4.8 SAMPLE SIZE SELECTION

Power analysis (Cohen 1977; Sawyer and Ball 1981) was used to determine the required sample size for each of the two field experiments. Only a "worst case" sample size was calculated based on a completely randomized design. The industry and sales

volume blocking factors were expected to have an impact, but it was not possible to estimate the size of this impact.

For the "worst case" sample selection calculation, the following specifications were used: $\alpha=.05$, power=.80, and $h=.20$, for a one-tailed test (one-tailed because only an increase as a result of the treatment is practically and theoretically interesting). An effect size of $h=.20$ was specified because it is what Cohen proposes as a convention for "small effect size." The convention is defended thus (Cohen 1977):

An effort was made in selecting these operational criteria to use levels of (effect size) which accord with a subjective average of effect sizes such as are encountered in behavioural science. "Small" effect sizes must not be so small that seeking them amidst the inevitable operation of measurement and experimental bias and lack of fidelity is a bootless task, yet not so large as to make them fairly perceptible to the naked observational eye. Many effects sought in personality, social, and clinical-psychological research are likely to be small effects as here defined, both because of the attenuation in validity of the measures employed and the subtlety of the issues frequently involved. (p. 13)

The phenomenon under investigation is just such a social psychological one. If a "small" effect of the FITD can be found in the proposed research setting, then a useful contribution will be made.

For the above specifications and a completely randomized design, 309 subjects per treatment were required. Based on the

weekly number of seminar invitations previously sent out by Phone Power (115), this translated into about 8 weeks of data (309 subjects X 3 treatments divided by 115 subjects per week = 8.10).

If the blocking factors were effective, the effective standard deviation would be reduced. Since this constitutes the denominator of the effect size equation, effect size would increase. Required sample size would thus decrease. In order to ascertain how small a sample might be needed if the blocking factors were effective, an assumption was made that they would increase effect size from .20 to .30. This would reduce the required sample size for the same statistical power to 137 per sample. This translated into less than 4 weeks of data (137 subjects X 3 treatments divided by 115 subjects per week = 3.60).

It was decided that a sample size between the two calculated extremes of 137 per treatment and 309 per treatment would be appropriate. In the first field experiment, a sample size of 200 subjects per treatment was used, for a total sample of 800. Due to the limited number of firms available on the wholesale/distribution industry list used for the study, and the interpretive complications arising from using more than one subject per firm, the sample size for the second field experiment was 177 matched quadruplets or a total sample size of 708.

4.9 THE EXTERNAL VALIDITY QUESTION

It is important to address the question of external validity in this dissertation as it relates directly to both the managerial problem which the study aims to address and to the scholarly contribution it is hoped the research will make. It relates to the management problem under consideration in that the study attempts to test an industrial communications program based on theory developed in social psychology. It relates to the scholarly contribution made by the research because the study is an attempt to empirically extend the settings to which the social psychological phenomenon has been found to be applicable. This section commences with a review of the concept of external validity as discussed in Cook and Campbell (1979) and then proceeds to summarize some of the arguments in the current debate on the topic in the literature (Calder, Phillips and Tybout 1981; Luthans and Davis 1982; Lynch 1982) that are relevant.

The Cook and Campbell Position

Cook and Campbell draw on Bracht and Glass (1968) who succinctly explicated external validity, pointing out that a two stage process is involved: A target population of persons, settings, or times has first to be defined and then samples are drawn to represent these populations. They point out that very occasionally, the samples are drawn from populations with known

probabilities, thereby maximizing the final representativeness discussed in text books on sampling theory. Usually, however, the samples cannot be drawn so systematically and are drawn instead because they are convenient and give an intuitive impression of representativeness, even if it is only the representativeness, entailed by class membership (e.g., I want to generalize to Englishmen, and the people I found on street corners in Birkenhead, England, belong to the class called Englishmen). It is pointed out that this accidental sampling, as it is technically labeled, gives us no guarantee that the achieved population (a subset of Englishmen who hang around street corners in Birkenhead, England) is representative of the target population of which they are members.

In terms of the research in this dissertation, the target population of settings is industrial firms which are using, or are contemplating the use of, telemarketing and demonstration centres for the purpose of improving sales productivity. Since we know nothing about this population in terms of probabilities, it is not possible to systematically sample for representativeness. Instead, as in most studies, we must draw a convenience sample which is representative only by virtue of class membership. The Telecom Canada telemarketing setting belongs to the class of settings described above as our target population. There is, of course, no guarantee that this sample is representative of the target population.

Cook and Campbell distinguish among: (1) target populations, (2) formally representative samples that correspond to known populations, (3) samples actually achieved in field research and (4) achieved populations. They argue that in order to generalize to well-explicated target populations, it is necessary to have formally representative samples that correspond to the known target populations. They add that accidental samples of convenience do not make it easy to infer the target population, nor is it clear what population is actually achieved. On the other hand, they argue that if a formally representative random sample of say, all seven year olds in the United States was drawn, although findings could be generalized to the target population, namely seven year old U.S. residents, findings could not be generalized across all subpopulations of seven year old U.S. residents (i.e., boys and girls of different backgrounds).

In terms of the present study, then, in order to generalize to the population of industrial firms using or contemplating the use of telemarketing and demonstration centres in order to improve sales productivity, it would be necessary to have a formally representative sample that corresponds to this population. If it were possible (which it really is not) to draw such a formally representative random sample of our target population, we could generalize our results to the target

population. However, our findings could not be generalized across all subpopulations. We could not, thus, generalize to Telecom Canada or to Firestone Canada or to industrial firms using telemarketing in Ontario or to firms in the chemical industry using telemarketing.

Cook and Campbell (1979) make the distinction between generalizing to and across in order to emphasize the greater stress they place on generalizing across. The rationale for this is that formal random sampling for representativeness is rare in field research, so that strict generalizing to targets of external validity is rare. Instead, they observe, the practice is more one of generalizing across haphazard instances where similar appearing treatments are implemented. They argue that any inferences about the targets to which one can generalize from these instances are necessarily fallible and their validity is only haphazardly checked by examining the instances in question and any new instances that might later be experimented upon.

It is also noted that the formal generalization to target populations of persons is often associated with large-scale experiments. These are often difficult to administer both in terms of treatment implementation and securing high-quality measurement. Moreover, attrition is almost inevitable, and so the sample with which one finishes the research may not represent the same population with which one began the research. They make

the case, therefore, that external validity is enhanced more by a number of smaller studies with haphazard samples than by a single study with initially representative samples if the latter could be implemented. They add that the haphazard instances of persons and settings that are examined can and should belong to the class of persons or settings to which the researcher would like to be able to generalize research findings.

According to Cook and Campbell (1979), then, it is futile to try to sample for formal representativeness so that generalizations may be made to the population of industrial marketing firms in which we are interested. First, they argue, the goal may not be worth pursuing because, even if we can generalize to this population, we can, strictly speaking, not generalize to subpopulations of interest. Second, sampling for formal representativeness is essentially a theoretical ideal which is not practically attainable.

Cook and Campbell's recommendation for the research in this dissertation would be to enhance external validity to our target population by executing one of several smaller studies in a setting which belongs to the class of settings described as our target population. The generalizability of such a study to all industrial firms of interest would be no worse than a single study which attempts to be formally representative.

Additionally, in time, several such studies could enhance generalizability more by enhancing generalizability across settings. Furthermore, since no studies to date have used an industrial marketing setting, a study in such a setting would make a considerable contribution to overall generalizability of the effect by enhancing generalizability across settings.

To date, studies have tested behavioural influence techniques in Cancer Fund Drive settings, market research survey settings and others. As each study's findings are published we know more about the effect's generalizability across settings. A study in an industrial marketing setting is an important "brick" in the structure that is being built on the understanding of behavioural influence while it allows us to say something about how the effect works in industrial marketing.

The Calder, Phillips and Tybout Position

Calder, Phillips and Tybout (1981), in defense of the use of student subjects and laboratory settings, contend that there are two distinct types of generalizability in consumer or behavioural research with divergent requirements for research design. The first type of generalizability, which they term effects application, maps observed data directly into events beyond the research setting. That is, the specific effects obtained are

expected to mirror findings that would be observed if data were collected for other populations and settings in the real world.

The second type, which they term theory application, uses only scientific theory to explain events beyond the research setting. Effects observed in the research are employed to assess the status of theory. But, it is the theoretical explanation that is expected to be generalizable and not the particular effects obtained.

The two approaches to applicability as defined by Calder, Phillips and Tybout can be summarized as follows: the goal of "effects" research is to obtain findings (effects) that can be generalized directly to a real-world situation of interest. Generalizing effects requires procedures to ensure that the research setting accurately reflects the real world. These they term correspondence procedures.

The goal of "theory" research, on the other hand, is to obtain scientific theory that can be generalized through the design of theory-based interventions that are viable in the real world. Generalizing theory requires two stages of falsification procedures which are used to ensure that the abstract theoretical explanation is rendered fully testable. Theories that survive rigorous attempts at falsification are accepted and accorded scientific status. Accepted theory, then, is used as a framework

for designing an intervention. Then, intervention falsification procedures are used to test the intervention under conditions that could cause it to fail in the real world. Only interventions surviving these tests are implemented.

Calder, Phillips and Tybout prescribe the following research procedures for each of the three types of research studies they outlined. "Effects" research should use a sample statistically representative of the real-world population. Variables in the research should be operationalized to parallel those in the real world. A research setting should be chosen which is statistically representative of the environmental variation present in the real world. A research design should be used which preserves the correspondence between the research environment, and provides the type of information required for decision making.

"Theory" research should use a sample homogeneous on non theoretical variables. It should be ensured that empirical operationalization of theoretical constructs cannot be construed in terms of other constructs. A research setting should be selected that allows operationalization of constructs and is free of extraneous sources of variation. A research design should be used that affords the strongest possible inferences about the relationships between theoretical constructs.

Finally, "intervention" research, the applications phase of theory research, requires the use of a sample that encompasses individual differences that might influence performance of the intervention. The variables should be operationalized to reflect the manner in which an intervention is to be implemented in the real world. A research setting must be selected to encompass environmental heterogeneity that might influence the performance of the intervention. A design must be used that affords the strongest possible test of the intervention subject to constraints imposed by the need to represent real-world variation.

In the Calder, Phillips and Tybout framework, the research conducted in this dissertation is not "effects application" research. "Effects" research addressing the managerial problem at hand would be concerned simply with testing alternative telemarketing/demonstration centre communication strategies that might be used by a particular company or companies. The research would be atheoretical and would not be concerned with making a contribution to behavioural science knowledge. The only concern would be that whatever results were obtained would be translatable to the settings of interest. This type of research might be using the scientific method but would not be science.

Given the approach taken in this project, there is no

question that this research falls under the "theory application" category. Where exactly it fits might be arguable. Calder, Phillips and Tybout would argue that it is "intervention" research rather than "theory" research. "Theory" research, they would argue, would be the tightly controlled laboratory studies using student subjects. The FITD effect and its theoretical interpretation must be fully explored under laboratory conditions. Only after the effect and the theory have survived rigorous attempts at falsification in the laboratory, should this theory be used to design real world "interventions". "Intervention" research merely calibrates accepted theory for real world application.

Conducting "intervention" research in order to calibrate the FITD effect in an industrial marketing setting makes a useful contribution to the field of marketing. However, this approach assumes that theory is so general that once it is established in the laboratory, it is like a natural law and merely needs to be calibrated for different settings. Section 3.4 of the previous chapter, which dealt with alternative theoretical interpretations of the FITD effect in industrial marketing settings, would suggest that behavioural science theories may be more constrained to particular settings. If this is the case, the present research does more than calibrate the accepted theory. It makes a contribution directly to theory development by extending

external validity. The Lynch (1982) approach, which is discussed next, elaborates on this point.

The Lynch Position


Lynch (1982) takes issue with the position held by Calder, Phillips and Tybout that external validity is of little importance in theory research. Without getting into specific details, his argument is as follows: In the context of planning a given study, there are two kinds of variables. One is the constructs supplied by the theory under investigation. The other might be called background variables that are not identified by the theory. His contention is that a study lacks external validity when unidentified background factors exist that, if included in the study, would interact with the theoretical variables and thereby modify the effects obtained. The exclusion of such background factors, he adds, limits the opportunity to falsify theory and therefore compromises the rigor of the theory test.

With regard to sampling, he argues that if type of person is a background factor that interacts with theoretical variables, then it must be included in the research. If the effects obtained for working head of household would differ from the effects for students, then both must be included in the study. Conducting the study with only a student sample would lack

external validity of the sort that weakens the test of theory.

Calder, Phillips and Tybout (1982) counter that this argument amounts to a counsel of despair because of the extreme difficulty of achieving such external validity. They assert that a researcher must literally enumerate and anticipate all of the background factors that could interact with treatments. The researcher must go beyond the predicted causes of the effect (the theory) to include variables that on any intuitive grounds might change the effects obtained. They argue further that beyond the practical difficulty of assessing this sort of external validity is the logical impossibility of doing so. The set of background factors that could interact with treatments is infinite. There is no prior basis to specify which of these factors will have an impact.

Of course, both Calder, Phillips and Tybout (1982) and Lynch (1982), have legitimate points. Background variables, as Lynch argues, are important to include in theory testing research because of their possible interaction with theoretical variables. Failure to falsify theory while varying a number of different background variables adds to the external validity of the theory. Calder, Phillips and Tybout do not deny this position in the ideal. They argue, however, that such a position is impractical, that it is impossible to build in to a test all the possible background variables which might have an effect.



The solution to this dilemma appears to be the original position postulated by Cook and Campbell (1979). They agree with Lynch (1982) that background variables such as type of subjects and settings are important to the development of and testing of theory, but they also agree with Calder, Phillips and Tybout (1982) that designing a perfect comprehensive empirical test of theory is impossible. They advocate a series of studies which vary background factors individually. Over time, then, a more complete theory will develop as studies have varied background factors.

The present study, then, makes its contribution to theory development by being the first study to test the FITD behavioural influence technique in an industrial marketing setting. As such, it is not just "intervention" research aimed at calibrating a known theoretical effect in a real world setting, although it is in effect doing that as well, but is extending the external validity of the FITD effect by using a different setting (background variable) than that used in previous studies. The practical contribution, obviously, is to add to our knowledge of the effect of the technique in an applied setting in which we are interested.

A View from Beyond the Debate.

Marketing and consumer behaviour researchers are not the only ones grappling with the question of external validity. Luthans and Davis (1982) include a discussion on external validity in their article on single case experimental designs in organizational behaviour research. After a discussion of replications which essentially follows the Cook and Campbell (1979) position outlined above, they write that, "It also must be remembered that external validity is a judgmental process, not, as is often portrayed, a binary (yes or no) decision".

They further point out that even without replications the judgment of generalizability could be shifted to the user of the data rather than the researchers who produce the data. This, they add, is what is done in legal and clinical generalizations: To the extent that relevant information is there, single studies may prove to be more valuable to management practitioners because group comparisons may not generalize to individual cases with which practitioners are concerned.

This argument is closely related to Cook and Campbell's (1979) discussion of generalizing across and generalizing to target populations. Luthans and Davis (1982) argue, essentially, that since external validity requires judgment in any case, it is

letter to design a single case experiment (one study in the generalizing across populations vein) than attempt a representative study from which it is hoped to be able to generalize to a target population. It is easier to make judgments of external validity for practical purposes from such a specific study than from a more general study.

In terms of the study in this dissertation, they would argue that it is easier for practitioners to judge the generalizability of the findings to their own environment from a single setting experiment in an industrial marketing setting than from a comprehensive representative experiment which makes an attempt to generalize to all industrial marketing settings. At least in the single case experiment, the practitioner can compare the setting to his own and make clear judgments about the impact of similarities and dissimilarities. With a comprehensive, representative study these comparisons are much more difficult.

This section has discussed the concept of external validity. Current approaches to the concept were reviewed and related to the research problem of this dissertation. The conclusion that becomes apparent is that a single case experiment in an industrial marketing setting will make a significant theoretical contribution by extending the external validity of the FITD technique. A single case experiment is also the most useful approach to generalizability of the findings concerning effective

telemarketing communication design from a practitioner perspective.

4.10 SUMMARY

The first part of this chapter was concerned with developing a set of research questions which follow from the research literature reviewed, and address the managerial concerns on which this thesis focuses. The research questions all concern the application of the FITD behavioural influence strategy in an industrial telemarketing and demonstration centre setting.

The first research question seeks to extend the generalizability of the FITD effect to the industrial marketing setting. The second research question inquires whether the FITD technique is sufficiently robust as to produce behavioural change as well as change in behavioural intentions and whether the technique can produce a quantitative or intensity change in behaviour.

The third research question asks whether successive small requests can have a greater impact on compliance with an ultimate large request than a single small request. The fourth research question is concerned with the sustainability of FITD-induced behaviour change in an industrial marketing setting.

The final research question concerns alternative operationalizations of FITD strategy in the telemarketing setting of interest. These research questions were then cast in the form of formal hypotheses to be tested.

Telecom Canada's Phone Power Group, the organization which sponsored the field research, was described in detail. The "Communications Seminar" program at Phone Power was described with emphasis on those aspects of the marketing and monitoring of the program which were taken over for the execution of this study.

Two of the experiments were then described which utilized the "Communications Seminar". The second experiment was a replication and extension of the first. The second experiment was necessitated by unexpected problems in the field implementation of the first experiment. Treatments were designed which operationalized FITD strategy in the industrial telemarketing context of interest.

"Small request" operationalizations included a request to receive and read some sales literature, a request to attend a seminar, and a request to answer three market research questions over the telephone. Dependent measures of large request compliance included enrollment in a seminar, confirmation of this

enrollment, actual attendance at a seminar, a Phone Power "sale" in terms of a commitment to implement a Phone Power program, estimated long distance charges as a result of this program and actual long distance charges as a result of this program.

The appropriate unit of analysis was discussed. It was argued that there are still many industrial marketing situations in which the individual rather than the buying group is the primary decision maker. This is felt to be especially true for the kinds of products and the kinds of markets in which industrial telemarketing is appropriate. Since the FITD behavioural influence paradigm is also predicated on the individual rather than the group, the individual is selected as the unit of analysis. In order to avoid interpretation problems, only one individual per firm is used.

The next two sections of the chapter discussed the related issues of experimental blocking factors and sample size selection. The sample of firms was matched into quadruplets based on industry, company sales volume, number of employees and geographic location. Each member of a matched quadruplet was randomly assigned to one of the four experimental treatments.

Power analysis was used to determine, for a completely randomized design, the required sample size of 309 subjects per

Submitting these data from the three matched samples to a Cochran Q test generated a Cochran Q of 12.1 with 2 degrees of freedom. Since Q is distributed as Chi Square, a Q greater than or equal to 12.1 has a probability of occurrence under no difference among treatments of less than .01. The null hypothesis of no difference among treatments can thus be rejected for the enrollment data. This dependent measure will be further analyzed on a pairwise basis to test the research hypothesis.

The next dependent measure analyzed was sales consultant call data. As discussed in detail in the previous chapter, this measure resulted from a change in the experimental design as originally conceived. Since the Seminar Theatre was not ready to receive attendants, seminar attendance could not be measured. In its stead, it decided to have sales consultants arrange personal calls to make a presentation. The sales consultant call data represents subjects who permitted a sales consultant to make such a personal call.

In terms of sales consultant call data, the FITD Seminar Group had a call rate of 29 out of 200 (14.5%), the Non-FITD Seminar Group had a call rate of 13 out of 200 (6.5%), and the Baseline Group had a call rate of 6 out of 200 (3.0%). A Cochran Q test performed on these matched sample data generated Cochran Q = 19.9, d.f. = 2, p < .001. The null hypothesis of no difference among the treatment groups can be rejected. This dependent

Although the Calder, Phillips and Tybout argument would place the present research in the "intervention research" category, it is not at all clear whether this is all that this research is doing. The settings in which the phenomenon has been tested to date have led to a self-perception theory interpretation although it has not been possible to test this interpretation explicitly. It appears reasonable to assume that the phenomenon will generalize to business marketing settings. As such, several authors have advocated their use in business marketing. However, although the phenomenon of FITD appears to be generalizable, the theoretical interpretation may not be. In other words, a psychological mechanism other than self-perception may be at work.

In order to make this ultimate theoretical contribution, the Cook and Campbell (1979) approach to external validity must be taken. That is, first a study is necessary to test whether the phenomenon actually holds in an industrial marketing setting, such as the one in which we are interested. If it does, then it has useful implications for theoretical interpretations of the phenomenon which can then be explored further. At the same time such a study provides evidence that the strategy is generalizable at least to industrial marketing settings that are similar on those dimensions that might be judged to be theoretically important.

CHAPTER 5

ANALYSES AND FINDINGS OF EXPERIMENT 1

5.1 OVERVIEW OF ANALYSIS STRATEGY

This chapter and the next present the findings and statistical analyses of the data for the two field experiments outlined in the previous chapter. This chapter deals with the first field experiment. It describes the implementation of the experimental treatments and presents the resulting data and statistical tests of the hypotheses. It also describes the research site problems which prevented the field experiment from being implemented as planned, and the effect of these problems on the data. Chapter 6 deals with the second field experiment. It describes the implementation of the experimental treatments, and presents the resulting data and statistical tests of the hypotheses.

The first stage of the statistical analysis involved a test across all experimental treatments to determine whether there is a statistically significant difference among the treatments in terms of their impact on the dependent variable. The Cochran Q test was used for this purpose. The next stage of the analysis involved an examination of specific pairs of treatments to uncover which ones are the cause of the overall differences.

Since the primary dependent variable in these experiments was measured dichotomously (compliance or noncompliance), heavy use was made of the McNemar test for matched pairs and the one-tailed test for differences between proportions (Z-statistic) in determining the main effects of treatments (Siegel 1956).

In certain instances, the product of sample size and proportion was less than or equal to 5, and the normality assumptions of the test for differences between proportions (Z-statistic) and of the McNemar test were violated. In these instances the binomial test was used. Where dependent variables were measured continuously, regression analysis was used to assess between group differences. The analyses follow the hypotheses set forth in Chapter 4, although some expansion was necessary to fully explore the implications of the data collected.

5.2 CONSTRUCTION OF THE MATCHED SAMPLE

The first part of the experiment was carried out exactly as described in Chapter 4. First, a list of wholesalers supplied by Dun and Bradstreet was "qualified" by telephoning companies' switchboards and asking the operator to verify the mailing address and to provide the name and actual title of the general manager or equivalent. This "qualified" list of companies was entered on computer to form a data base, and a sample of four matched groups was constructed using a methodology adapted from

Althauser and Rubin (1970).

Data entered about each company were as follows: Company name, street address and city of main office, postal code, whether this office was the firm's only location or the headquarters of a multi-location firm, Standard Industrial Code (SIC) of the firm's principal product line, Standard Industrial Code of the firm's secondary product line, number of employees, annual dollar sales volume of the most recent year, telephone number, and name and position of contact person.

After this data base of over 1500 companies had been constructed, the company data was submitted to a sorting routine. The primary variable on which companies were sorted was company product lines. Companies were ordered based on SIC code numbers. Within SIC code categories, companies were further ordered based on annual sales volume. Tertiary variables on which companies were further ordered within SIC code-sales volume categories were geographic location (by postal code within greater metropolitan Toronto) and number of employees.

After the entire list of "qualified" companies had been subjected to the sorting procedure and had been ordered based on the primary, secondary, and tertiary criterion variables described, the researcher assigned similar firms (adjacent on the

sorted list) to groups of four matched companies. Each member of a group of four companies was assigned the same consecutive identification number (e.g., the members of the first group of four firms were each assigned 001, the members of the second group 002). These numbers were also entered into the company data base.

Next, a random number generator was employed to assign the numbers 1, 2, 3, and 4 randomly to members of each group of four matched firms. This number denoted the experimental treatment group to which the company had been assigned. Four lists were then generated for the four experimental treatment groups. Each firm in a list had a consecutive identification number which was the same as the three firms on the other three lists with which it was matched.

5.3 IMPLEMENTATION OF EXPERIMENTAL TREATMENTS

Four female Telecom Canada employees were assigned to serve as telephone solicitors for the experiments. In order to control for telephone solicitor-specific biases in compliance rates, subjects were assigned from the various experimental groups to the four solicitors randomly.

A completed treatment for the first part of the experiment consisted of actually contacting the individual contact person in

the FITD Seminar Group and presenting him/her with the verbal request. Usually, several attempts were necessary before the contact person could be reached. Only 30% of subjects were personally reached in one telephone call and only 50% were personally reached in one or two calls. In order to minimize the number of failed attempts to reach the contact person due to an individual telephone solicitor being "screened out" by a receptionist, "call-backs" were randomly reassigned to the remaining three solicitors. It was hoped that a different voice and a different name would increase the probability of penetrating a receptionist's "screen".

Managers in the FITD Seminar Group received telephone calls asking them to accept and read literature regarding the Phone Power program. All but two of the 200 in this treatment group agreed to have literature sent to them. The two non-compliers refused to accept literature with the following statements: "No, I don't have time to look at such schemes!", and "No, I've tried (that sort of thing) before, but my business is too slow".

This one percent rate of noncompliance with the small request is small enough to qualify the request as a small request as strictly defined by Iybout (1978). A statistical test against the null hypothesis that the rate of noncompliance with the small request is equal to zero gives a Z-value of 1.43 and a p-value of

less than .08. At the conventional level of statistical significance of $p < .05$, the null hypothesis cannot be rejected. Thus, this small noncompliance rate can be considered to be zero.

Five days were required to complete the 200 small request contacts. In those cases where the originally identified contact person could not be reached within the allotted time, an alternative contact person was obtained from the company switchboard. All further oral and written contact was then addressed to this individual. Contact persons in each of the 200 firms were reached within the five days.

Sales literature consisted of a brochure about Phone Power services and about the Phone Power seminar as well as a cover letter reiterating some key points and extending an invitation to attend a seminar. This material was mailed during the week following the initial small request phone calls to three of the experimental treatment groups.

During the third week telephone calls were made to the 200 FITD Seminar Group subjects and to the 200 Non-FITD Seminar Group subjects. All 400 subjects were requested to enroll in the upcoming sales seminar mentioned in the literature. The baseline group had been provided with a Business Reply Card and a toll-free 800 number to respond to the seminar invitation. As with the initial telephone calls, the Telecom telephone

representatives were randomly assigned subjects to call so as to minimize telephone representative-specific bias. Additionally, "call-backs" were randomly reassigned to different representatives so as to minimize the number of "callbacks" due to representatives being "screened" out.

5.4 OVERALL TESTS FOR DIFFERENCES BETWEEN TREATMENTS

Before testing the research hypotheses through specific pairwise comparisons of experimental treatments, it is appropriate to first test whether there is a statistically significant difference among all the treatments in terms of their impact on the dependent variable. For the dichotomously scaled dependent variables, a Cochran Q test was performed. A Cochran Q test is appropriate when the analysis involves more than two related samples (Siegel 1956, p. 161). For the continuously scaled data, Tobit and Ordinary Least Squares analyses were carried out. These results are not reported here but are instead reported later in this chapter in the discussion which compares the experimental treatments to the baseline.

In terms of enrollment, or verbal compliance, data, the FITD Seminar Group had an enrollment rate of 31 out of 200 (15.5%), the Non-FITD Seminar Group had a rate of 25 out of 200 (12.5%), and the Baseline Group had a rate of 10 out of 200 (5.0%).

Submitting these data from the three matched samples to a Cochran Q test generated a Cochran Q of 12.1 with 2 degrees of freedom. Since Q is distributed as Chi Square, a Q greater than or equal to 12.1 has a probability of occurrence under no difference among treatments of less than .01. The null hypothesis of no difference among treatments can thus be rejected for the enrollment data. This dependent measure will be further analyzed on a pairwise basis to test the research hypothesis.

The next dependent measure analyzed was sales consultant call data. As discussed in detail in the previous chapter, this measure resulted from a change in the experimental design as originally conceived. Since the Seminar Theatre was not ready to receive attendants, seminar attendance could not be measured. In its stead, it decided to have sales consultants arrange personal calls to make a presentation. The sales consultant call data represents subjects who permitted a sales consultant to make such a personal call.

In terms of sales consultant call data, the FITD Seminar Group had a call rate of 29 out of 200 (14.5%), the Non-FITD Seminar Group had a call rate of 13 out of 200 (6.5%), and the Baseline Group had a call rate of 6 out of 200 (3.0%). A Cochran Q test performed on these matched sample data generated Cochran $Q = 19.9$, $d.f. = 2$, $p < .001$. The null hypothesis of no difference among the treatment groups can be rejected. This dependent

measure is, thus, further analyzed on a pairwise basis in order to test the research hypothesis.

The "sales", or commitment to a program, data were analyzed. The FITD Seminar Group had a conversion to "sales", or commitment, rate of 3 out of 200 (1.5%). The Non-FITD Seminar Group had none. The Baseline Group had one account, or .5%, commit to a program. Performing a Cochran Q test on these matched sample data generated Cochran $Q = 3.5$, $d.f. = 2$, $p < .20$. Although the proportions are small, no assumptions of the test appear to be violated (Siegel 1956, p. 165). Based on this statistical test and the raw data, the null hypothesis of no difference among the treatment proportions cannot be rejected. However, as a precaution against the possibility that the small proportions make the Cochran Q test inappropriate, binomial tests are, nevertheless, performed on the specific pairs of treatments below.

5.5 STATISTICAL TESTS OF HYPOTHESES

Behavioural Influence in Industrial Marketing

The first research question in this thesis addresses the issue of the generalizability of the FITD effect to an industrial marketing setting. A low pressure compliance strategy effect was obtained by Freedman and Fraser (1966) and subsequent others

using verbal compliance or a behavioural intention measure as the dependent variable. In the first hypothesis (H1), the FITD Seminar Group in this study was thus hypothesized to be more likely to enroll (behavioural intention dichotomous measure) in the sales seminar than the group receiving the single critical request (Non-FITD Seminar Group).

Table 5-1 indicates that the FITD Seminar Group did attain a higher rate of verbal compliance with the request to attend the seminar (31 out of 200, or 15.5%) than the control group, the Non-FITD Seminar Group (25 out of 200, or 12.5%). However, in statistical tests against the null hypothesis it was not possible to reject the null hypothesis that there was no difference between the two proportions. Both a nonparametric McNemar test (Siegel 1956) and the more common parametric test for differences between proportions (Z -test) were performed on the data.

The McNemar test was deemed appropriate because the two experimental samples were related due to subjects being matched into pairs based on similarity with respect to the four extraneous variables which were thought to be relevant to the outcome of the research. The Z -test results are reported for comparison purposes because it is a more common test and it is the statistical test reported in most of the literature in the field. The McNemar test of the data resulted in a $\chi^2 = .5$,

TABLE 5-1

Enrollment Rates of FITD Seminar and Non-FITD Seminar Groups
(Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Enrollment</u>	
	<u>% Not Enrolling</u>	<u>% Enrolling</u>
FITD Seminar Group (<u>n</u> = 200)	84.5 (169)	15.5 (31)
Non-FITD Seminar Group (<u>n</u> = 200)	87.5 (175)	12.5 (25)
Total (<u>n</u> = 400)	86.0 (344)	14.0 (56)

McNemar Test: $\chi^2 = .5, d.f. = 1, p < .25$ (one-tailed).

Z-test: $Z = .86, p = .19$ (one-tailed).

d.f. = 1, $p < .25$ (one-tailed) The parametric test for differences between proportions (Z-test) resulted in $Z = .86$ and $p = .19$ (one-tailed). Since confirmation data were identical to enrollment data, no separate analysis of this variable is presented.

Deviation from Original Experimental Design

At this point in the study, organizational contingencies at Telecom Canada forced a deviation from the planned experimental procedure. Problems with the Seminar Theatre described in the previous chapter prevented the scheduled seminar from being held. At first, all 56 complying subjects from both groups were telephoned by the Telecom telephone representatives and advised that due to technical difficulties with the Seminar Theatre, the seminar for which they were scheduled would be postponed to a date one month later. It was subsequently necessary to further postpone the seminar another month and again telephone the participating subjects.

When the theatre problems were still not resolved in time for this scheduled seminar, it was decided to salvage the project by telephoning participating subjects and apologising for the delays while requesting an appointment for a personal sales consultant call at the subject's place of business. Allowing a sales consultant to call thus became the behavioural monotonous

both requests during the same interaction, it is not surprising to find no effect here. This observation also may account for finding an effect with a followup campaign. This can be interpreted as finding an effect with a lagged large request.

As a summary of the FITD studies reviewed in this section, two quantitative reviews of the field are referenced (Beaman et al. 1983; Fern, Monroe and Avila 1986). Beaman et al. (1983) published a meta-analysis of the FITD experiments published over the previous 15 years. They concluded from their meta-analysis, as we did from this literature review, that the FITD effect does seem to influence subsequent compliance, and is a replicable phenomenon. However, they concluded, this phenomenon is weak and not nearly as robust as has been assumed. They add that it does not appear that compliance to any request will necessarily increase future compliance.

It appears that certain conditions lead to the successful observation of the effect: The second request must not follow the first request immediately. FITD must not be combined with other behavioural influence manipulations because this appears to affect the psychological mechanism underlying the effect and often causes the effect to be negated. The effect appears to be enhanced when experimenter and subject are of the opposite sex.

commence until after the seminar groups had been assigned to seminars. The seminar theatre problems, therefore, arose prior to the implementation of the cold call treatment. Since it had been decided to execute a second experiment which would avoid the problems experienced, it was decided to not "wear out goodwill" with sales management by implementing a cold call treatment for an experiment which was already not "clean", but instead to implement this treatment only with the second experiment.

Long Run Effects of Behavioural Influence

The fourth research question seeks to determine whether or not the FITD effect is sustainable in the longer run. Because all committed accounts resulted in zero actual toll increases, it was not possible to address this question in this experiment. The second experiment, the results of which are reported in the next chapter, does address this question.

Calibrating the Request Size

The final research question is an exploratory one to ascertain whether or not various operationalizations of the FITD technique obtain the FITD effect. Since the field cold call treatment was not implemented in this experiment, it is not possible to address this research question here.

measure used as a further dependent variable in this experiment in place of attendance at a seminar. Table 5-2 summarizes the contacts of the experimental and control groups with Telecom Canada personnel.

Behavioural Influence and Actual Behaviour

The second research question is concerned with the robustness of the FITD effect in an industrial marketing setting. Verbal compliance, or behavioural intentions, is the dependent measure used in much of the published literature on behavioural influence. For the technique to be of much practical use to industrial marketers, it must be sufficiently robust to effect a change in actual behaviour and preferably also to affect the size or intensity of that behaviour. There is some evidence in the research literature that the FITD effect can have an impact on actual behaviour and intensity of behaviour.

The next two hypotheses (H2 and H3) predict that company representatives who have complied with an initial small request will be more likely to behaviourally comply with a subsequent large request and will comply with greater intensity to this request than will company representatives who were contacted only for the large request. The measure of behavioural compliance with a large request in the revised first experiment is allowing a sales consultant to visit. In this experiment, good measures of

TABLE 5-2

Contacts With Telecom Canada

<u>Nature of Contact</u>	<u>Subject Groups</u>		
	<u>Experimental</u> 1 <u>Subjects</u>	<u>Control</u> 2 <u>Subjects</u>	<u>Base Line</u> <u>Subjects</u>
Small request 1 (Phone call to request subjects to accept and read sales literature)	Yes	No	No
Sales literature sent	Yes	Yes	Yes
Large request (Phone call to request attendance at upcoming seminar)	Yes	Yes	No
First phone call to explain delay and postpone seminar	Yes ³	Yes	Yes
Second phone call to explain delay and postpone seminar	Yes	Yes	Yes
Phone call to apologize for unresolved seminar problems and to request a personal sales consultant call	Yes	Yes	Yes

1

FITD Seminar Group.

2

Non-FITD Seminar Group.

3

These calls were only made to complying subjects.

intensity of compliance behaviour are only available after another large request for a "sale" or commitment to a program. As a result, it is not possible to assess H3 in this experiment. An approximate assessment of the hypothesis is made using the "sales", or commitment to a program, measure and the toll increase estimate measure.

Table 5-3 shows the sales consultant call data. It shows that the FITD Seminar Group did attain a higher rate of compliance with the large request to allow a sales consultant to make a call to make a presentation. In the FITD Seminar Group 29 out of 200, or 14.5%, complied with the large request, while in the control Non-FITD Seminar Group 13 out of 200, or 6.5%, complied with the large request. In statistical tests against the null hypothesis of no difference between the proportions, the null hypothesis was rejected. The nonparametric McNemar test produced $\chi^2 = 5.92$, d.f. = 1, $p < .01$ (one-tailed) and the parametric test for differences between proportions (Z-test) gave $Z = 88.89$, $p = .00$ (one-tailed).

It is interesting to note here that although the behavioural intention enrollment data did not reveal a statistically significant difference between experimental and control groups in this experiment, the actual behavioural measure data of having a sales consultant make a sales call did. This difference supporting the research hypothesis was found despite, or possibly

TABLE 5-3

Sales Consultant Call Rates of FITD Seminar and Non-FITD Seminar
Groups (Behavioural Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Sales Consultant</u> <u>Call</u>	<u>Sales Consultant</u> <u>Call</u>
FITD Seminar Group (<u>n</u> = 200)	85.5 (171)	14.5 (29)
Non-FITD Seminar Group (<u>n</u> = 200)	93.5 (187)	6.5 (13)
Total (<u>n</u> = 400)	89.5 (358)	10.5 (42)

McNemar Test: $\chi^2 = 5.92$, d.f. = 1, $p < .01$ (one-tailed).

Z-test: $Z = 88.89$, $p = .00$ (one-tailed).

because of, the intervening telephone calls and change of the nature of the large request. Speculation as to the reasons for this finding is left to the conclusion of this chapter.

The first measure of intensity of compliance behaviour is the rate of conversion of the prospects attending the seminar into "sales". It would have been preferable to have an intensity measure which was a more direct measure of the intensity of the previous "attendance" behaviour. However, this was not possible in this setting and the "sales" measure, or commitment to a program measure, was the imperfect measure which was available. The results must, of course, be qualified by this measurement shortcoming.

Table 5-4 shows that 3 out of 200, or 1.5%, of the FITD Seminar Group became "sales" by committing to a Phone Power program. None of the control group, the Non-FITD Seminar Group, became a "sale". Statistically testing against the null hypothesis that there is no difference between the two groups, it was not possible to reject the null hypothesis. A binomial test gives a p-value of .13 (one-tailed). The binomial test is the appropriate test when the expected cell frequency is less than 5.

A second measure of intensity of compliance behaviour is the toll increase estimate. The three companies which committed to a program made toll increase estimates of \$250, \$100 and \$100 per

TABLE 5-4

Commitment to Program ("Sale") Rates of FITD Seminar and Non-FITD Seminar Groups (Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Commitment to Program</u>	<u>Commitment to Program</u>
FITD Seminar Group (<u>n</u> = 200)	98.5 (197)	1.5 (3)
Non-FITD Seminar Group (<u>n</u> = 200)	100.0 (200)	0 (0)
Total (<u>n</u> = 400)	99.3 (397)	0.8 (3)

Binomial Test with $N = 3$ and $x = 0$, $p = .13$ (one-tailed).

Binomial test is appropriate when expected frequency is less than 5. N is the sum of matched pairs which differed on the dependent variable; x is the smaller of the two observed frequencies making up this sum (Siegel 1956, p. 67).

month. The average toll increase estimate for the FITD Seminar Group, therefore, was \$2.25 while the control Non-FITD Seminar Group had no "sales" commitments and therefore toll increase estimates of zero. In order to ascertain whether the \$2.25 was statistically significantly different from zero, a t-test for matched observations was performed. It was not possible to reject the null hypothesis of no difference at conventional levels of statistical significance as the test generated $t = 1.57$, $d.f. = 199$, $p < .10$ (one-tailed).

It must be concluded, thus, that the FITD effect apparently observed in the sales consultant call data, was not sustained into the sales commitment data.

Successive Requests

The next three hypotheses (H4, H5, and H6) are based on the work by Varela (1971). They predict that subjects who are exposed to and who comply with successively larger small requests prior to an ultimate large request will be more likely to comply with an ultimate large request than subjects exposed to only one small request. These hypotheses cannot be tested with the data from the first experiment because the field sales cold call treatment, the control group for the two experimental treatments of one or two small requests, was not implemented. This occurred because the field cold call treatment was not scheduled to

commence until after the seminar groups had been assigned to seminars. The seminar theatre problems, therefore, arose prior to the implementation of the cold call treatment. Since it had been decided to execute a second experiment which would avoid the problems experienced, it was decided to not "wear out goodwill" with sales management by implementing a cold call treatment for an experiment which was already not "clean", but instead to implement this treatment only with the second experiment.

Long Run Effects of Behavioural Influence

The fourth research question seeks to determine whether or not the FITD effect is sustainable in the longer run. Because all committed accounts resulted in zero actual toll increases, it was not possible to address this question in this experiment. The second experiment, the results of which are reported in the next chapter, does address this question.

Calibrating the Request Size

The final research question is an exploratory one to ascertain whether or not various operationalizations of the FITD technique obtain the FITD effect. Since the field cold call treatment was not implemented in this experiment, it is not possible to address this research question here.

5.6 COMPARISON WITH BASELINE TREATMENT

Although the field sales cold call treatment was not executed for the first experiment because of the organizational setting problems, a baseline comparison treatment was implemented. This treatment involved neither an initial small request phone call nor a subsequent large request for attendance call, but rather consisted of the sales literature being mailed out with a Business Reply Card and a toll-free 800 number.

Subjects could respond through these vehicles to the written request to attend a sales seminar. Although under normal circumstances the Baseline Group would not have been contacted by telephone at all, the Seminar Theatre problems and delays necessitated telephone calls for this group as well. As is highlighted in Table 5-2, the telephone calls necessitated by the Seminar Theatre problems applied equally to all experimental groups.

Table 5-5 shows that the Baseline Group had a lower rate of enrollment than either the experimental FITD Seminar Group or the control Non-FITD Seminar Group. Whereas the enrollment rate for the Baseline Group was 10 out of 200, or 5.0%, the enrollment rate for the FITD Seminar Group was 31 out of 200, or 15.5%, and the enrollment rate for the Non-FITD Seminar Group was 25 out of 200, or 12.5%.

TABLE 5-5

Enrollment Rates of FITD Seminar and Non-FITD Seminar Groups
 Compared with Baseline Group (Pairwise)
 (Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>Not Enrolling</u>	<u>Enrolling</u>
FITD Seminar Group	84.5	15.5 ^a
(<u>n</u> = 200)	(169)	(31)
Non-FITD Seminar Group	87.5	12.5 ^b
(<u>n</u> = 200)	(175)	(25)
Baseline Group	95.0	5.0
(<u>n</u> = 200)	(190)	(10)
Total	89.0	11.0
(<u>n</u> = 600)	(534)	(66)

^a Difference with baseline is statistically significant,
 McNemar Test: $X^2 = 11.43$, d.f. = 1, $p < .00$ (one-tailed);
 Z-test: $Z = 115.67$, $p = .00$ (one-tailed).

^b Difference with baseline is statistically significant,
 McNemar Test: $X^2 = 5.94$, d.f. = 1, $p < .01$ (one-tailed);
 Z-test: $Z = 2.65$, $p = .00$ (one-tailed).

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In pairwise statistical comparisons of the FITD Seminar Group and Non-FITD Seminar Group enrollment proportions with that of the Baseline Group, the null hypothesis of no difference between proportions can be rejected. Comparing the FITD Seminar Group with the Baseline Group, the McNemar test on the matched pairs resulted in $\chi^2 = 11.43$, d.f. = 1, $p < .00$. Comparing the FITD Seminar Group and the Baseline Group using the parametric test for difference of proportions gave $Z = 116.67$, $p = .00$. Comparing the Non-FITD Seminar Group and the Baseline Group using the McNemar test gave $\chi^2 = 5.94$, d.f. = 1, $p < .01$. A Z-test of the same data gives $Z = 2.65$, $p = .00$.

The same comparisons were carried out on the sales consultant call data and the commitment to program sales data. These data are shown in Table 5-6 and Table 5-7. As with the enrollment data, the Baseline Group had a lower rate of sales consultant calls than either the FITD Seminar Group or the Non-FITD Seminar Group. The rate of sales consultant calls for the Baseline Group was 6 out of 200, or 3.0%, while the rate for the FITD Seminar Group was 29 out of 200, or 14.5%, and the rate for the Non-FITD Seminar Group was 13 out of 200, or 6.5%.

Pairwise statistical tests against the null hypothesis of no difference in the group proportions allowed the null hypothesis to be rejected for the FITD Seminar Group-Baseline Group pair, but not for the Non-FITD Seminar Group-Baseline Group pair. A

TABLE 5-6

Sales Consultant Call Rates of FITD Seminar and Non-FITD Seminar Groups Compared with Baseline Group (Pairwise)
(Behavioural Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Sales Consultant Call</u>	<u>Sales Consultant Call</u>
FITD Seminar Group (<u>n</u> = 200)	85.5 (171)	14.5 ^a (29)
Non-FITD Seminar Group (<u>n</u> = 200)	93.5 (187)	6.5 ^b (13)
Baseline Group (<u>n</u> = 200)	97.0 (194)	3.0 (6)
Total (<u>n</u> = 600)	92.0 (552)	8.0 (48)

^a
Difference with baseline is statistically significant,
McNemar Test: $\chi^2 = 15.61$, d.f. = 1, $p < .00$ (one-tailed);
Z-test: $Z = 3.932$, $p = .00$ (one-tailed).

^b
Difference with baseline is not statistically significant,
McNemar Test: $\chi^2 = 2.12$, d.f. = 1, $p < .10$ (one-tailed).
Z-test: $Z = 1.65$, $p = .05$ (one-tailed), $p = .10$ (two-tailed).

TABLE 5-7

Commitment to Program ("Sale") Rates for FITD Seminar and Non-FITD Seminar Groups Compared to Baseline Group (Pairwise) (Behavioural Intention Dichotomous)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Commitment to Program</u>	<u>Commitment to Program</u>
FITD Seminar Group (<u>n</u> = 200)	98.5 (197)	1.5 ^a (3)
Non-FITD Seminar Group (<u>n</u> = 200)	100.0 (200)	0.0 (0)
Baseline Group (<u>n</u> = 200)	99.5 (199)	0.5 (1)
Total (<u>n</u> = 600)	99.3 (596)	0.7 (4)

^a Difference with baseline is not statistically significant, Binomial Test with N = 4 and x = 1, p = .31 (one-tailed).

McNemar test on the matched FITD Seminar Group-Baseline Group pair gave a $\chi^2 = 15.61$, d.f. = 1, $p < .00$ (one-tailed). A parametric Z-test generated a $Z = 3.93$, $p = .00$ (one-tailed). A McNemar test on the matched Non-FITD Seminar Group-Baseline Group pair gave a $\chi^2 = 2.12$, d.f. = 1, $p < .10$ (one-tailed). A Z-test on the same data gave a $Z = 1.654$, $p = .05$ (one-tailed). Using a more conservative two-tailed test in this case yields a p-value of .10. A one-tailed test could be justified because the non-FITD Seminar Group was predicted to attain a higher compliance rate than the Baseline Group based on the notion that a more proactive strategy would be more successful than a passive one. As Sawyer and Peter (1983) advise, however, the more conservative two-tailed test should probably be used in this case, especially in light of the fact that the effect obtained was relatively small and the theory upon which the prediction was based was very tentative. The other findings in this section which reported one-tailed tests were sufficiently large effects that they would be statistically significant using two-tailed tests as well.

Thus, it can be concluded from these analyses that the small request group, the FITD Seminar Group, had a higher sales consultant visit rate than the Baseline Group. With regard to the control, Non-FITD Seminar Group, although the sales consultant visit rate is higher than the Baseline Group's in this study, the difference is not large enough that we can conclude on statistical grounds that an actual difference exists.

With respect to the commitment to a program sales data (see Table 5-7), neither the FITD Seminar Group nor the Non-FITD Seminar Group had higher compliance rates than the Baseline Group. In the FITD Seminar Group 3 out of 200, or 1.5%, committed to a program, none of the 200 in the Non-FITD Seminar Group committed to a program, and 1 out of 200, or 0.5%, of the Baseline Group committed to a program. A binomial test against the null hypothesis of no difference between the FITD Seminar Group proportion and the Baseline Group proportion with $N = 4$ and $x = 1$ gives a one-tailed p-value of .31. The null hypothesis cannot be rejected.

Since two of the treatment groups, the FITD Seminar Group and the Baseline Group, had at least some sales commitments to a program, the actual dollar amounts of the commitments can be examined to determine whether the FITD Seminar Group's average estimated sale might be higher than the Baseline Group's. The monthly toll estimates for the three FITD Seminar Group accounts were \$250, \$100, and \$100, for an average over the total group sample of \$2.25. The estimated monthly tolls for the Baseline Group account was \$100, making for an average over the total group of \$0.50.

One of the most common methods for statistically testing the effects of experimental treatments on continuously scaled dependent measures is dummy variable multiple regression or

ordinary least squares (OLS). However, a fundamental assumption underlying the use of OLS is that the regression error terms are randomly distributed. When, as in the case of the toll estimates in this study, a substantial fraction of the observations on the dependent variable fall at a limit (zero in this case), the assumption is violated (Goldberger 1964). Tobin (1958) devised a procedure to deal with this common problem found in econometrics and market research. Tobin's procedure combines aspects of OLS regression and Probit analysis, the latter of which is a procedure which is appropriate for situations in which there are continuous independent variables and a dichotomous dependent variable. Several researchers have used Tobin's procedure (Craig, Deutscher and McCann 1977; Deegan and White 1976).

Tobin's procedure, or Tobit analysis as it is also known, is estimated with the method of maximum likelihood. An iterative technique must be applied, since the solution of the estimation problem cannot be obtained analytically. The computer program used to perform Tobin's procedure on the data was SHAZAM (White 1978). During attempts to analyze the experimental data using SHAZAM, it was discovered that the program had a "bug" which prevented it from processing some of the data for this study. Through a trial and error process, it was determined that the program was written to accept a minimum of 7 non-limit dependent measure observations.

It was surmised that the reason for the limit might have to do with the minimum number of observations needed to estimate the coefficients. Theoretical statistical sources (Goldberger 1964; Tobin 1958), however, revealed no explicit theoretical reason for this minimum. Thus, in order to induce the program to process the data, three of the dependent measure observations were given a value of \$'. With a mean of the four actual non-zero dependent measure observations of \$137.50, the effect on the results of this adjustment was expected to be negligible. Unfortunately, although the program processed the adjusted data, the results did not make intuitive sense. It seems that the small sample size of non-zero values is causing estimation problems with SHAZAM.

Since the small sample size of non-zero values seems to have led to estimation problems with the Tobit analysis procedure, the data were analyzed using dummy variable multiple regression or ordinary least squares (OLS). It must be reiterated that one of the fundamental assumptions of OLS is violated. As such, the results reported must be qualified accordingly. The three experimental treatments were handled through two dummy variables. Since it is important for the purpose of interpreting dummy variable multivariate analyses to pay close attention to the coding scheme used to define the variables (Churchill 1976, p. 508), Table 5-8 shows the coding scheme used.

TABLE 5-8

Coding of Experimental Groups into Dummy Variables

<u>Treatment Group</u>	<u>Variable</u>	
	X_1	X_2
FITD Seminar Group	1	0
Non-FITD Seminar Group	0	1
Baseline Group	0	0

Table 5-9 presents the results of the OLS analysis. The OLS analysis coefficients indicate that, on average, a subject exposed to the FITD Seminar Group treatment could be expected to produce a "sale", in terms of a monthly toll increase estimate, of \$1.76 more than a subject exposed to the Baseline Group treatment. A subject exposed to the Non-FITD Seminar Group treatment could be expected to produce a "sale" in terms of a monthly toll increase estimate of \$0.50 less than a subject exposed to the Baseline Group treatment. Since the range of toll increase estimates is of the order of hundreds of dollars, these differences are miniscule. Tests against the null hypothesis of no difference between treatments cannot reject the null hypothesis ($t = 1.42$, $p < .10$ and $t = -.40$, $p > .10$ for the two treatments, respectively). It was not possible to analyze actual long run toll increases because all accounts resulted in zero actual toll increases.

5.7 CONCLUSIONS FROM THE FIRST FIELD EXPERIMENT

The first experiment was designed and embarked upon as the only experiment to investigate the research hypotheses. When the seminar theatre problems arose at the research site, it was decided that the additional telephone calls and delays would have a serious impact on the experimental results. Consequently, a second list of companies was "qualified" by obtaining contact person names and positions. A second matched sample was

TABLE 5-9

Analysis of Toll Increase Estimates Using OLS

<u>Variable</u>	<u>Coefficient</u>	<u>Standard Error</u>	<u>t-Ratio</u>
Intercept	.50	.88	.57
FITD Seminar	1.76	1.24	1.42
Non-FITD Seminar	-.50	1.24	-.40
Adjusted R^2 = .00			

constructed and a second experiment was implemented that would be free of the implementation problems. Simply abandoning the first experiment with its problems and concentrating on the second experiment exclusively, was contemplated. It was decided, however, that in spite of the problems, the first experiment data had considerable value.

The first experiment used a well-constructed, matched sample of industrial purchasers and it implemented three theoretically and managerially interesting experimental treatments without problem. A behavioural intention (enrollment) dependent measure was collected and recorded without problem. It was noted that most of the literature on behavioural influence outside of industrial marketing and much of the literature on personal sales communication deals with behavioural intention dependent measures. Thus, the part of the experiment which was executed precisely as planned makes a contribution by addressing the first and dominant research question. It allows a "clean" test of whether or not the FITD effect is generalizable to the industrial marketing setting.

Furthermore, the "clean" part of the experiment permits some conclusions to be drawn with regard to the comparison between "outbound" telemarketing campaigns (combined with direct mail) and a direct mail campaign with a Business Reply Card and an "800 inbound toll-free number" as response vehicles. These latter

findings are of considerable managerial interest, although they do not make a theoretical contribution to the field of behavioural influence.

The results from the altered part of the experiment may not be as "messy" as might be imagined. The additional telephone calls necessitated by the seminar theatre problems were equally administered to all three treatment groups (see Table 5-2). Therefore, the possibility of systematic bias being introduced is minimal (there is the possibility that the additional telephone calls would have some sort of an interactive effect with one or several of the treatments).

The primary effect that could be expected from the additional telephone calls and change from seminar attendance to a sales call appointment was subject attrition across all three treatments, as subjects lost interest and lost patience with Telecom's bungling. In itself, this need not be problematic from a theoretical or practical perspective. But it does become problematic when it causes all the numbers to be so small that it interferes with the statistical analyses and with our ability to detect any differences in the data.

In other words, if average compliance across the three groups were of the order of 50% and additional telephone calls

and changes caused this to decline to 40% on average, there would be no problem. There would still be room for this percentage to drop with reasonable variance in subsequent dependent measures. With average compliance across three groups of 11% (see Table 5-5), there is not much room before the zero limit is reached in certain treatment groups. As a consequence, the data does not allow much to be said regarding research questions which require dependent measures at the "end of the pipeline", such as actual long run tolls.

The only other possible major problem with the first field experiment that must be considered when evaluating the data is the effect of the change in the behavioural dependent measure from seminar attendance to submitting to a sales call. Like the additional telephone calls, this change was applied equally to all treatment groups (see Table 5-2). Thus, it is unlikely that the change would introduce systematic bias.

However, there is a slight problem of interpretation of the results. The behavioural intention measure recorded subjects' intention to attend a sales seminar, while the behavioural measure recorded subjects' willingness to stay in their offices and sit through a sales consultant's presentation. This interpretation problem cannot adequately be resolved, but must be considered in evaluating the data.

Having discussed the possible effects ~~of the~~ results of the significant changes made to the first experiment, the actual findings are now summarized. Table 5-10 gives a two-page overall summary of the first experiment's findings. The table is divided into twelve numbered parts, each relating to a specific prediction tested in the first experiment. For each of the twelve parts, the prediction is specified as follows: One treatment group is predicted to attain a greater rate of compliance with a dependent measure than the other.

In order to fit in the table, abbreviations are used. "FITD>NON", for example, should be read as "the FITD Seminar Group is predicted to attain a higher rate on the dependent variable than the control Non-FITD Seminar Group". The predictions relating to the FITD Seminar Group and control Non-FITD Seminar Group comparisons are based on the FITD research literature. Those predictions testing a specific research hypothesis have the hypothesis number (H1, H2, etc.) listed immediately underneath in parentheses. The predictions relating to the comparisons of the above treatments to the Baseline Group treatment are not based on a theoretical literature, but on managerial insight.

The next column of each numbered part of the table lists the dependent variable under consideration and its designation as to

TABLE 5-10

Summary of First Experiment Findings

No.	Prediction	Dependent Measure	Finding (\$)	Statistic	Probability
1.	FITD > NON	Enrollment	15.5 > 12.5	$\chi^2 = 0.50, d.f. = 1$	$p < .25$
	(H1)	(BID)		$\frac{Z}{2} = 0.86$	$p = .19$
2.	FITD > NON	Sales Call	14.5 > 6.5	$\chi^2 = 5.92, d.f. = 1$	$p < .01^*$
	(H2)	(BD)		$\frac{Z}{2} = 88.89$	$p = .00^*$
3.	FITD > NON	Commitment	1.5 > 0	Binomial	$p = .13$
	(H3)	(BID)			
4.	FITD > BASE	Enrollment	15.5 > 5.0	$\chi^2 = 11.43, d.f. = 1$	$p < .00^*$
		(BID)		$\frac{Z}{2} = 116.67$	$p = .00^*$
5.	NON > BASE	Enrollment	12.5 > 5.0	$\chi^2 = 5.94, d.f. = 1$	$p < .01^*$
		(BID)		$\frac{Z}{2} = 2.65$	$p = .00^*$
6.	FITD > BASE	Sales Call	14.5 > 3.0	$\chi^2 = 15.61, d.f. = 1$	$p < .00^*$
		(BD)		$\frac{Z}{2} = 3.03$	$p = .00^*$

* Statistically significant at $p < .05$.

BASE = Baseline Group; BD = Behavioural Dichotomous Measure;
 BIC = Behavioural Intention Continuous Measure; BID = Behavioural
 Intention Dichotomous Measure; FITD = FITD Seminar Group;
 NON = Non-FITD Seminar Group.

TABLE 5-10 (continued)

Summary of First Experiment Findings (Part B)

<u>No.</u>	<u>Prediction</u>	<u>Dependent Measure</u>	<u>Finding</u> (%)	<u>Statistic</u>	<u>Probability</u>
7.	NON > BASE	Sales Call (BD)	6.5 > 3.0	$\chi^2 = 2.12$, d.f. = 1, $Z = 1.65$	$p < .10$ $p = .05$
8.	FITD > BASE	Commitment (BID)	1.5 > 0.5	Binomial	$p = .31$
9.	NON > BASE	Commitment (BID)	0.0 < 0.5	-----	-----
10.	FITD > NON (H3)	Tolls (BIC)	\$2.25 > \$0	$t = 1.57$	$p < .10$
11.	FITD > BASE	Tolls (BIC)	\$2.25 > \$0.50	$t = 1.42$	$p > .10$
12.	NON > BASE	Tolls (BIC)	\$0 < \$0.50	-----	-----

* Statistically significant at $p < .05$.

BASE = Baseline Group; BD = Behavioural Dichotomous Measure;
BIC = Behavioural Intention Continuous Measure; BID = Behavioural
Intention Dichotomous Measure; CTRL = Control Large Request
Group; SR = Small Request Group.

the type of variable. Abbreviations are used to denote behavioural intention- dichotomous measures, behavioural intention- continuous measures, and behavioural dichotomous measures.

The "Finding" column gives the percentage comparison between the two groups under consideration in the same format as the prediction is stated. The entry "15.5>12.5" in the first numbered part of the table, for example, should be read as "the FITD Seminar Group enrollment rate was 15.5%, which is greater than the control Non-FITD Seminar Group's rate of 12.5%." These descriptive statistics are included in the summary in accordance with Sawyer and Peter's (1983) recommendations. They argue that descriptive statistics should be presented for a given variable before any inferential statistics in order to achieve the goal of a more complete description of results. In parts 10, 11 and 12 of the table, the relevant unit is not percent, but dollars. The abbreviation should be read analogous to that described above for the percent entries.

The next column of the table gives the relevant statistics used to test the null hypothesis of no difference between proportions. Since the McNemar test result is distributed approximately as chi square (χ^2), the χ^2 statistic is entered in the relevant numbered parts of the table. Following the rationale given earlier in this chapter, the Z-statistic is also

listed below the χ^2 . In certain instances, the binomial test was appropriate and is listed in the column accordingly. Only in part 11 of the table is the t -statistic listed. Here it was the appropriate significance test for the OLS analysis coefficient.

The last column of the summary table gives the probability of obtaining the result described if the null hypothesis of no difference between the proportions is, in fact, true. The p -values are given for each statistical test reported in the previous column. P -values which attain the conventional level of statistical significance of .05 are highlighted with an asterisk (*).

Although the FITD Seminar Group did have a slightly higher seminar enrollment rate than the control Non-FITD Seminar Group (see Table 5-10, No. 1), it was not possible to statistically reject the null hypothesis of no difference. Thus, at the behavioural intention level, the data do not support the FITD hypothesis in the industrial telemarketing setting examined. We must conclude, then, that we do not have support for the first research hypothesis (H1) which states: Company representatives who are contacted and who comply with an initial small request will be more likely to verbally comply with a subsequent large request than company representatives contacted only for the large request.

In terms of sales consultant call rates, the FITD Seminar Group had a higher rate than the control Non-FITD Seminar Group (see Table 5-10, No. 2). In this case, it was possible to statistically reject the null hypothesis of no difference. Since this was the revised behavioural measure for the first field test, it appears that these data do provide some support for the hypothesis that the FITD effect is operable at the behavioural level in an industrial telemarketing setting.

There are two points which must be kept in mind which qualify this support. The first is that this finding is somewhat contrary to our expectations in that it was predicted from the research literature that the effect would be strongest at the behavioural intention level and that the effect would diminish at the behavioural and long run behavioural levels.

The second point, and one which is possibly related to the first, is that in this field test, the behaviour called for was changed "in midstream". Further interpretation of this finding and the effect of the change in behavioural measures would be mere speculation. Given the data and in light of the field situation, a conclusion of only qualified support of the second research hypothesis (H2) is warranted. The second research hypothesis (H2) states: Company representatives who are contacted and who comply with an initial small request will be more likely to behaviourally comply with a subsequent request

than company representatives contacted only for the large request.

In terms of the commitment to program ("sale") data, no support was found for the FITD hypothesis. It should be added here, however, that with this variable, the problem of small overall compliance becomes a serious impediment (see Table 5-10, No.3). This dependent variable was used as an approximate measure of intensity as conceived in the third hypothesis (H3). The third hypothesis (H3) states: Company representatives who are contacted and who comply with an initial small request will be more likely to comply with greater intensity with a subsequent large request than company representatives contacted only for the large request.

An alternative dependent variable used to measure the intensity hypothesis was toll increase estimates (see Table 5-10, No. 10). No support was found for the FITD phenomenon using this variable.

Due to the problems encountered in the course of the field work, described earlier in this thesis, testing of hypotheses four through eight (H4-H8) was precluded in this experiment. Additional analyses, however, were carried out in order to shed more light on the general managerial problem of industrial

telemarketing communications design.

In addition to testing FITD hypotheses by comparing the FITD Seminar Group and control Non-FITD Seminar Group, these two groups were compared with the communication program used by Telecom prior to the study, the Baseline Group. In terms of enrollment rates, each of the two experimental groups were found to have higher rates than the Baseline Group (see Table 5-10, No.'s 4 and 5). In both cases tests against the null hypothesis of no difference could be rejected.

In terms of sales consultant call rates, both experimental groups had higher rates than the Baseline Group (see Table 5-10, No.'s 6 and 7). However, the difference between the Non-FITD Group's rate and that of the Baseline Group was not sufficiently large to allow statistical rejection of the null hypothesis of no difference.

The commitment to program ("sale") rates all hovered close to zero, and no statistically significant differences were found (see Table 5-10, No.'s 8 and 9). Analysis of the estimated increase in dollar toll amounts of the few firms which did commit to a program revealed no differences (see Table 5-10, No's 10, 11 and 12). For actual long run tolls, all accounts dwindled to zero thus precluding any further analysis.

To sum up, the "clean" first part of the experiment did not find support for the FITD effect. The remainder of this experiment was burdened with having several additional telephone calls administered to each experimental group and with having the behavioural measure changed from seminar attendance to a field sales call. The FITD effect was found at the sales call behavioural dependent variable level although, due to the experimental changes, this can be interpreted as only qualified support. The FITD effect was not found using subsequent dependent measures. Both the FITD Seminar Group and the control Non-FITD Seminar Group were found to have higher enrollment rates than the Baseline Group. This higher rate was sustained to the sales call dependent measure for the FITD Seminar Group, but not for the control Non-FITD Seminar Group. On subsequent dependent measures, no statistically significant differences were found.

CHAPTER 6

ANALYSES AND FINDINGS OF EXPERIMENT 2

6.1 SAMPLE PREPARATION

The second field experiment was a partial replication and extension of the first field experiment. As was described in Chapter 4, it was executed as a result of the problems encountered in the field during the execution of the first experiment. As the problems with the first experiment became evident, a sample was prepared for the second experiment.

The remainder of the list of wholesalers supplied by Dun and Bradstreet was "qualified" by telephoning companies' switchboards and asking the operator to verify the mailing address and to provide the name and actual title of the general manager or equivalent. This "qualified" list of companies and the relevant data on them was then entered on computer to form a data base. The methodology described in section 5.2 of Chapter 5 was then employed to derive a sample of four matched groups.

While in the first field test a sample of 200 matched quadruplets was constructed, only 177 matched quadruplets could be constructed for the second field test. This was due to the

fact that the wholesaler list was being depleted. An additional list for a different industry was not resorted to, first, because of the problems this might create for interpreting the validity of results and, second, because of logistical and timing problems involved in obtaining a second list from Dun and Bradstreet.

Although the original list contained more companies than were ultimately used for the study, many companies were eliminated by the matching procedure. Only companies which were judged to be similar to three other companies could be used in the study. For example, if there were three similar firms selling the same product lines and of about the same size in terms of annual sales volume, and the most similar fourth firm selling the same product line was much larger, the three firms were eliminated from the sample.

6.2 IMPLEMENTATION OF EXPERIMENTAL TREATMENTS

As in the first experiment, four female Telecom Canada employees were assigned to serve as telephone solicitors for the experiments. In order to control for telephone solicitor-specific biases in compliance rates, subjects again were assigned from the various experimental groups to the four solicitors randomly.

A completed treatment for the first part of the experiment consisted of actually contacting the individual contact person in the small request groups and presenting him/her with the verbal request. As had been found in the first experiment, it usually took several attempts before the contact person was reached. In order to minimize the effects of receptionist "screening", "callbacks" were randomly reassigned. In all, ten working days were required to complete the 400 small request contacts.

Managers in the FITD Sales Literature Group received telephone calls asking them to accept and read literature regarding the Phone Power program. This treatment was identical to that in the first experiment. All 177 subjects in this treatment complied with this small request.

The second treatment in this experiment was designed as an alternative operationalization of the small request in the setting of interest. As was discussed in Chapter 4, what was sought for this treatment was a small request which made sense in an industrial marketing setting and which was sufficiently small that it would obtain close to 100% compliance. The request also had to be large enough to be salient enough in the subject's mind that he/she would recall it when the second request came.

The alternative small request treatment tested was a request

to answer three short yes/no market research questions about telephone and direct mail usage at the subject company. The experimental group exposed to this treatment was called the FITD Market Research Questions Group. Out of the 177 subjects in this treatment group, 15, or 8.5%, refused to comply with this request. This proportion is statistically significantly different from zero using conventional levels of significance ($Z = 4.05$, $p = .00$). Although, as a result, it does not conform to Tybout's (1978) definition of a small request compliance rate, the compliance rate seems quite high in terms of what one might expect in an industrial marketing setting. In realistic terms, it is among the smallest requests in an industrial marketing setting that are not so small that they are completely made trivial.

Literature was mailed to the FITD Sales Literature Group, the FITD Market Research Questions Group and to the Control Seminar Group, during the week following the initial small request telephone calls (which, as noted earlier, took two weeks to complete). A week after the literature was mailed, telephone calls were made to subjects in all three groups requesting them to enroll in the upcoming sales seminar mentioned in the literature or one at another date. Telephone representatives were again randomly assigned subjects to call and recall.

6.3 OVERALL TESTS FOR DIFFERENCES BETWEEN TREATMENTS

As was done for the first experiment, statistical tests were carried out to determine whether there were statistical differences present among the treatments in terms of their impact on the dependent variables. Only after this was done, were individual pairwise comparisons made of the experimental treatments in order to test specific research hypotheses. For the dichotomously scaled dependent variables, a Cochran Q test was performed. For the continuously scaled data, OLS analyses were carried out (Tobit analyses were performed as for the first experiment, but are not reported because the small sample size of non-zero values led to estimation problems). The results of the OLS analyses are not reported here, but are reported later in the chapter in the discussion which compares the experimental treatments to the Field Cold Call Group. The Field Cold Call Group is not included in these overall analyses because the level of researcher control over this treatment's implementation was considerably lower than that over the other treatments. Analyses dealing with the Field Cold Call Group are conducted only in a pairwise manner and results are interpreted with appropriate qualification.

In terms of enrollment, or verbal compliance, data, the FITD Sales Literature Group had an enrollment rate of 36 out of 177 (20.3%), the FITD Market Research Questions Group had a rate of

20 out of 177 (11.3%) and the Control Seminar Group had a rate of 21 out of 177 (11.9%). Submitting these data from the three matched samples to a Cochran Q test generated a Cochran Q of 10.50 with d.f. = 2. Since Q is distributed as Chi Square, a Q greater than or equal to 10.50 has a probability of occurrence under no difference between treatments of less than .01. The null hypothesis of no difference between treatments can thus be rejected for the enrollment data. This dependent measure is further analyzed on a pairwise basis to test the research hypotheses.

In terms of seminar attendance data, the FITD Sales Literature Group had an attendance rate of 26 out of 177 (14.7%), the FITD Market Research Questions Group had an attendance rate of 10 out of 177 (5.6%), and the Control Seminar Group had an attendance rate of 12 out of 177 (6.8%). A Cochran Q test performed on these matched sample data generated Cochran Q = 9.70 with d.f. = 2 and a p -value of .02. The null hypothesis of no difference between the treatment groups can be rejected. This dependent measure is, thus, further analyzed on a pairwise basis in order to test the research hypotheses.

The "sales", or commitment to a program, data were next analyzed. The FITD Sales Literature Group had a conversion to "sales" or commitment rate of 4 out of 177 (2.3%). The FITD

Market Research Questions Group had two accounts, or 1.1%, commit to a program. The Control Seminar Group had no accounts commit to a program. Performing a Cochran Q test on these matched sample data generated Cochran $Q = 4.00$, $d.f. = 2$, $p < .20$. The null hypothesis can thus not be rejected. As was discussed in the previous chapter, no assumptions of the Cochran Q test appear to be violated by the presence of small proportions. Nevertheless, binomial tests are done and reported later in this chapter on the pairwise data as a check against the Cochran Q test results.

The final set of data analyzed in the overall tests was the long run toll increase data. These are the dichotomously measured data regarding companies which actually experienced long run increases in telephone tolls and those which did not. Three of the 177 companies in the FITD Sales Literature Group (1.7%) experienced an actual increase in telephone tolls. One of the FITD Market Research Questions Group companies (0.6%) experienced an actual increase in telephone tolls. None of the Control Seminar Group experienced an actual increase in telephone tolls. Performing a Cochran Q test on these matched sample data generated Cochran $Q = 3.50$, $d.f. = 2$, $p < .20$. The null hypothesis can thus not be rejected. Again, since the proportions are very small, binomial tests are done and reported later in this chapter as a check against the Cochran Q results.

6.4 STATISTICAL TESTS OF HYPOTHESES

Behavioural Influence in Industrial Marketing

Through this replication of the first field experiment, the first research question is again addressed. The first research question deals with the issue of generalizability of the FITD effect to an industrial marketing setting. In H1, the FITD Sales Literature Group was hypothesized to be more likely to enroll in the sales seminar (behavioural intention dichotomous measure) than would be the Control Seminar Group.

Table 6-1 indicates that the FITD Sales Literature Group did attain a higher rate of verbal compliance with the request to attend the seminar (36 out of 177, or 20.3%) than the Control Seminar Group (21 out of 177, or 11.9%). Whereas statistical tests conducted on the first set of data for this measure (discussed in the previous chapter) did not permit rejection of the null hypothesis of no difference between proportions, the replication data do allow rejection of the null hypothesis. Both a nonparametric McNemar test and a parametric Z -test were performed on the data. The McNemar test of the data resulted in a $\chi^2 = 3.70$, d.f. = 1, $p < .05$ (one-tailed). The parametric test for differences between proportions (Z -test) resulted in $Z = 2.15$, $p = .02$ (one-tailed).

TABLE 6-1

Enrollment Rates of FITD Sales Literature and Control Seminar Groups (Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>Not Enrolling</u>	<u>Enrolling</u>
FITD Sales Literature Group (<u>n</u> = 177)	79.7 (141)	20.3 (36)
Control Seminar Group (<u>n</u> = 177)	88.1 (156)	11.9 (21)
Total (<u>n</u> = 354)	83.9 (297)	16.1 (57)

McNemar Test: $\chi^2 = 3.70$, d.f. = 1, $p < .05$ (one-tailed); $p < .10$ (two-tailed).
 Z-test: $Z = 2.15$, $p = .02$ (one-tailed); $p = .03$ (two-tailed).

Since the experiment up to the dependent measure just reported represents a straightforward replication of the first experiment, it is disconcerting to find conflicting conclusions. An attempt is made to reconcile these conflicting findings.

The first observation one can make about the two tests of the hypothesis is that both sets of experimental data conform to the direction of effect predicted by the FITD paradigm. The difference between the two experiments is that in the one the effect attained statistical significance at $p < .05$ whereas in the other it did not. The one-tailed test was used because classical inferential statistics prescribes the use of a one-tailed test when the hypothesis, like the one tested here, predicts a direction of effect.

Sawyer and Peter (1983) recommend that the tentativeness of any marketing theory be recognized explicitly by use of more conservative two-tailed tests. Using two-tailed tests on the second data set reduces the p -value of the McNemar test to .10, and reduces the p -value of the Z -test to .03. With these p -values, one has somewhat less confidence in rejecting the null hypothesis of no difference. If there is any effect of the small request treatment at all, it is quite a small effect. It should be added, however, that an effect which is "small", is not necessarily managerially or economically insignificant. This point is discussed further in Chapter 7.

The conclusion of the existence of a rather small effect can be further explored. In Chapter 4 (section 4.8), power analysis (Cohen 1977) was used to calculate an appropriate sample size for the study. It was assumed that what was being sought in this research was what Cohen calls a "small effect size". The FITO phenomenon is one of a number of social psychological effects which appear to fall within the category defined by Cohen. Consequently, at a power of .80 and a p-value of .05, a sample size was calculated based on a completely randomized design. A second sample size was then calculated based on an assumed effect of the matching procedure used. The final sample size selected was between these two extremes.

The McNemar test results which were based on the matched sample data did not differ much from the Z-test results which assumed a completely randomized design. This suggests that the careful matching procedure used to construct the sample of matched quadruplets may not have been particularly effective. The raw data, when arranged into matrices for the McNemar tests, tend to support this observation.

This observation may help explain why both experiments yielded data which are in the direction predicted by theory while

failing to show large enough differences between proportions that would allow confident rejection of the null hypothesis. If the effect is indeed a "small effect" as defined by Cohen (1977), the negligible effect of the matching may mean that the sample size in these experiments is too small to detect the effect at the .05 level. In other words, with the current sample sizes and a negligible effect of matching, we do not have statistical power of .80 as planned, but less.

The sample size calculated for detecting a small effect with a completely randomized design was 309 subjects per treatment. This study used 200 and 177 subjects per treatment in the first and second experiments, respectively. Since the tests dealing with the FITD Sales Literature and Control Seminar Groups and the enrollment dependent measure were identical, the data for these two could be combined in order to obtain greater statistical power. Sample size per treatment would then be 377, which is about 20% over the 309 calculated for a completely randomized design.

Table 6-2 indicates that, using the combined data of the two field experiments, the FITD Sales Literature Group attained a higher rate of verbal compliance with the request to attend the seminar (67 out of 377, or 17.8%) than the Control Seminar Group

TABLE 6-2

Enrollment Rates of FITD Sales Literature and Control Seminar Groups (Combined Data) (Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>Not Enrolling</u>	<u>Enrolling</u>
FITD Sales Literature Group (<u>n</u> = 377)	82.2 (310)	17.8 (67)
Control Seminar Group (<u>n</u> = 377)	87.8 (331)	12.2 (46)
Total (<u>n</u> = 754)	85.0 (641)	15.0 (113)

Z-test: Z = 2.15, p = .02 (one-tailed); p = .03 (two-tailed)

(46 out of 377, or 12.2%). A parametric test for differences between proportions was performed on the data which generated $Z = 2.15$ and $p = .02$ (one-tailed). Using a more conservative two-tailed test gives a p -value of .03. Based on these results then, the null hypothesis of no difference between proportions can be rejected.

By way of final conclusion of the enrollment, or behavioural intention, results, it can be said that the effect of the FITD technique in an industrial marketing setting appears to be small. However, the experimental results do provide some support for the existence of the effect and managerially a 50% increase in response rate (from 12% to 18%) might be economically very important.

Behavioural Influence and Actual Behaviour

The second research question in this thesis is concerned with the robustness of the FITD effect in an industrial marketing setting. Verbal compliance, or behavioural intentions, is the dependent measure used in much of the published literature on behavioural influence. The results related to the previous research question discussed on the foregoing pages have already shown that the FITD phenomenon has only a small effect in an industrial marketing setting at the verbal compliance or behavioural intentions level. For the technique to be of much

practical use to industrial marketers, it must be sufficiently robust to effect a change in actual behaviour and preferably also to affect the intensity of that behaviour. There is a suggestion in the literature that the FITD effect can have an impact on actual behaviour and intensity of behaviour.

H2 and H3 predict that company representatives who have complied with an initial small request will be more likely to behaviourally comply with a subsequent large request and will comply with greater intensity to this request than will company representatives who were contacted only for the large request. The measure of behavioural compliance with a large request is attendance at a sales seminar. Measures of intensity of compliance behaviour are only available after another large request for a "sale" has been administered to all experimental and control groups. Measures used to evaluate the intensity hypothesis are whether or not a "sale" is realized and the size of the order or size of the toll increase estimate.

Table 6-3 shows the seminar attendance rates. It shows that the FITD Sales Literature Group did attain a higher rate of attendance at the sales seminar, or higher rate of behavioural compliance with the large request, than the Control Seminar Group. In the FITD Sales Literature Group 26 out of 177, or 14.7%, behaviourally complied with the large request, while in

TABLE 6-3

Seminar Attendance Rates of FITD Sales Literature and Control Seminar Groups (Behavioural Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>Not Attending</u>	<u>Attending</u>
FITD Sales Literature Group (<u>n</u> = 177)	85.3 (151)	14.7 (26)
Control Seminar Group (<u>n</u> = 177)	93.2 (165)	6.8 (12)
Total (<u>n</u> = 354)	89.3 (316)	10.7 (38)

McNemar Test: $\chi^2 = 4.69$, d.f. = 1, $p < .03$ (one-tailed); $p < .05$ (two-tailed).
 Z-test: $Z = 2.40$, $p = .01$ (one-tailed); $p = .02$ (two-tailed).

the Control Seminar Group 12 out of 177, or 6.8%, behaviourally complied with the large request.

In statistical tests against the null hypothesis of no difference between proportions, the null hypothesis was rejected. The nonparametric McNemar test produced $\chi^2 = 4.69$, d.f. = 1, $p < .03$ (one-tailed). The Z-test gave $Z = 2.40$, $p = .01$ (one-tailed). Applying the more stringent two-tailed test to the data, as recommended by Sawyer and Peter (1983), gives $p < .05$ for the McNemar test and $p = .02$ for the Z-test.

Based on these data, one can conclude that a small effect of the FITD phenomenon at an actual behavioural level can be discerned in an industrial marketing setting such as the present one. The fact that these data are consistent with those in the first experiment which used a different behavioural measure gives one further confidence in the conclusion that a small effect appears to exist.

The first measure of intensity of compliance behaviour is the rate of conversion into "sales" of the prospects attending the seminar. As stated in the previous chapter, it would have been preferable to have an intensity measure which was a more direct measure of the intensity of the previous "attendance" behaviour. However, this was not possible in this setting and

the "sales" measure, or commitment to a program measure, was the imperfect measure which was available. The results must, of course, be qualified by this measurement shortcoming.

Table 6-4 shows that 4 out of 177, or 2.3%, of the FITD Sales Literature Group became "sales" by committing to a Phone Power program. None of the Control Seminar Group became a "sale". Statistically testing against the null hypothesis that there is no difference between the two groups, it was not possible to reject the null hypothesis. A binomial test with $N = 4$ and $x = 0$ gives a p -value of .06 (one tailed). Based on these data, we cannot conclude that the FITD effect, which was found to be small in the behavioural intention data and in the behavioural data, was sustained into the intensity of behaviour measure.

An alternative approximate measure of the intensity of compliance behaviour is a comparison of the treatment groups' estimated toll increases resulting from committing to a Phone Power program. The four FITD Sales Literature Group companies which made a commitment to a program estimated monthly telephone toll increases of \$500, \$300, \$500, and \$650, for an average, over the total sample of 177 companies, or \$11.02 per month. In the Control Seminar Group no companies committed to a program, leaving an average estimated toll increase of zero for the group. In order to determine whether the \$11.02 is statistically

TABLE 6-4

Commitment to Program ("Sale") Rates of FITD Sales Literature and Control Seminar Groups (Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Commitment to Program</u>	<u>Commitment to Program</u>
FITD Sales Literature Group (<u>n</u> = 177)	97.7 (173)	2.3 (4)
Control Seminar Group (<u>n</u> = 177)	100.0 (177)	0.0 (0)
Total (<u>n</u> = 354)	98.9 (350)	1.1 (4)

Binomial Test with $N = 4$ and $x = 0$, $p = .06$ (one-tailed)

1. Binomial test is appropriate when expected frequency is less than 5. N is the sum of matched pairs which differed on the dependent variable; x is the smaller of the two observed frequencies making up this sum (Siegel 1956, p. 67)

significantly different from zero a t-test for paired observations was performed. It is possible to reject the null hypothesis of no difference as the test generates $t = 1.95$, d.f. = 176, $p < .05$ (one-tailed). A more conservative two-tailed test gives $p < .10$.

In conclusion of this section regarding hypotheses 2 and 3, evidence was found of an FITD effect at the actual behavioural level. Using measures which were imperfect, some evidence of the effect was also found at the level of behavioural intensity.

Long Run Effects of Behavioural Influence

The results relating to the fourth research question and H7 are discussed next. The third research question and H4, H5 and H6 all relate to successive requests. These hypotheses can only be addressed after the hypothesis regarding alternate operationalizations of the small request and large request has been addressed. Only if an effect is found when using the request to attend the seminar as a small request and the single critical large request of a field sales cold call request for a "sale" as the control, can the question of successive requests be addressed.

The fourth research question seeks to determine whether or

not the FITD effect is sustainable in the longer run. The data used to test H_8 is the substantiated increase in telephone tolls data. These are the data which Telecom Canada uses as "true" measures of a "substantiated sale". The origin of these data is described fully in section 4.3 of Chapter 4.

Table 6-5 shows long run toll increase rates. It shows that 3 out of 177, or 1.7%, of the FITD Sales Literature Group sustained a toll increase over a six month period while none of the Control Seminar Group did so. Statistically testing against the null hypothesis of no difference between the proportions, it was not possible to reject the null hypothesis. A binomial test with $N = 177$ and $x = 3$ gives a p -value of .13 (one-tailed). From these data one cannot conclude that the FITD effect is sufficiently robust that it is sustainable into the long run.

Unlike in the first experiment, it was possible in this experiment to statistically compare the continuously-scaled long run effects in order to determine whether or not the intensity in terms of dollar tolls was affected. The actual long run toll increases for the three committing companies which sustained actual long run toll increases were \$500, \$4100, and \$610, for an average over the entire FITD Sales Literature Group of \$29.44 per month. Since there were no program commitments in the Control Seminar Group, the average long run toll increase for the group was zero. In order to determine whether the \$29.44 is

TABLE 6-5

Long Run Toll Increase Rates of FITD Sales Literature and Control Seminar Groups (Behavioural Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Long Run</u>	<u>Long Run</u>
	<u>Toll Increase</u>	<u>Toll Increase</u>
FITD Sales Literature Group (<u>n</u> = 177)	98.3 (174)	1.7 (3)
Control Seminar Group (<u>n</u> = 177)	100.0 (177)	0 (0)
Total (<u>n</u> = 354)	99.2 (351)	0.8 (3)

Binomial Test with $N = 3$ and $x = 0$, $p = .13$ (one-tailed)

Binomial test is appropriate when expected frequency is less than 5. N is the sum of matched pairs which differed on the dependent variable; x is the smaller of the two observed frequencies making up this sum (Siegel 1956, p. 67)

statistically significantly different from zero, a t -test for paired observations was performed on the data. It was not possible to reject the null hypothesis of no difference as the test generated $t = 1.25$, $d.f. = 176$, $p < .15$ (one-tailed). This finding is consistent with the previous conclusion. From these data one cannot conclude that the FITD effect is robust enough to be sustainable into the long run.

Calibrating the Request Size

The fifth research question and H_8 are essentially exploratory in nature and are concerned with the robustness of the FITD effect in industrial marketing. The premise for this research question is, given that we find some sort of an effect of the FITD in an industrial marketing setting, is this effect sufficiently robust that it can be replicated using other operationalizations of "small request" and "large request"? This exploratory work is consistent with the thrust of the thesis, which is to extend generalizability of the effect to industrial marketing.

There are two other operationalizations of "small request" and "large request" which are investigated. One is a small request by telephone to answer three short yes/no market research questions. This small request was followed by the same large request that was used in the sales literature small request treatment, namely, a request to attend a sales seminar. This

test is as methodologically "clean" as the primary test using the sales literature small request. The control group is the same one used for testing the effect of a sales literature small request.

The other operationalization tested is less "clean" and consequently is more exploratory in nature. It uses the Control Seminar Group treatment as the small request treatment by making the request to attend the sales seminar the "small request". The "large request" for this treatment is the request for a "sale" or a commitment to a program. The control group against which this treatment is tested is the Field Cold Call group. This group was not requested to attend the seminar, but was simply called on and presented with a sales pitch, or the single critical large request. The FITD Market Research Questions Group investigation is discussed first.

FITD Market Research Questions Group--Behavioural Intentions

Through this extension of the primary experiment, the first research question is again addressed. The first research question is concerned with obtaining the FITD effect at the verbal compliance or behavioural intention level.

Table 6-6 indicates that the FITD Market Research Questions

TABLE 6-6

Enrollment Rates of FITD Market Research Questions and Control Seminar Groups (Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>Not Enrolling</u>	<u>Enrolling</u>
FITD Market Research Questions Group (<u>n</u> = 177)	88.7 (157)	11.3 (20)
Control Seminar Group (<u>n</u> = 177)	88.1 (156)	11.9 (21)
Total (<u>n</u> = 354)	88.4 (313)	11.6 (41)

Group did not attain a higher rate of verbal compliance with the request to attend the seminar (20 out of 177, or 11.3%) than the control group (21 out of 177, or 11.9%). We must thus conclude from these data that the FITD effect is not present when using the market research questions small request and a behavioural intention level dependent measure.

FITD Market Research Questions Group--Actual Behaviour

Table 6-7 examines the FITD Market Research Questions Group and the Control Seminar Group at the behavioural dependent measure level of seminar attendance. The FITD Market Research Questions Group resulted in 10 out of 177, or 5.6%, attending while the Control Seminar Group resulted in 12 out of 177, or 6.8%, attending. Consistent with the behavioural intention dependent measure result, we must conclude that the market research questions FITD had no effect at the actual behavioural level.

As a crude measure of intensity of compliance behaviour, conversion of prospects into "sales" was examined. Table 6-8 shows that 2 out of 177, or 1.1%, of the FITD Market Research Questions Group became "sales" by committing to a Phone Power program. None of the Control Seminar Group became a "sale". Statistically testing against the null hypothesis that there is no difference between the groups, it was not possible to reject

TABLE 6-7

Seminar Attendance Rates of FITD Market Research Questions and Control Seminar Groups (Behavioural Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>Not Attending</u>	<u>Attending</u>
FITD Market Research Questions Group (<u>n</u> = 177)	94.4 (167)	5.6 (10)
Control Seminar Group (<u>n</u> = 177)	93.2 (165)	6.8 (12)
Total (<u>n</u> = 354)	93.8 (332)	6.2 (22)

TABLE 6-8

Commitment to Program ("Sale") Rates of FITD Market Research Questions and Control Seminar Groups (Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Commitment to Program</u>	<u>Commitment to Program</u>
FITD Market Research Questions Group (<u>n</u> = 177)	98.9 (175)	1.1 (2)
Control Seminar Group (<u>n</u> = 177)	100.0 (177)	0.0 (0)
Total (<u>n</u> = 354)	99.4 (352)	0.6 (2)

Binomial Test with $N = 2$ and $x = 0$, $p = .25$ (one-tailed).

the null hypothesis. A binomial test with $N = 2$ and $x = 0$ gives a p-value of .25 (one-tailed). We must conclude that the market research questions small request did not induce an effect on "sales".

It was possible to compare sizes of toll increase estimates as another measure of intensity of compliance behaviour. The two FITD Market Research Questions Group companies which committed to a program gave monthly toll increase estimates of \$75 and \$200 for an overall average of \$1.55. Since the Control Seminar Group had no companies committing to a program, the group average toll increase estimate was zero. A t-test for paired observations was performed in order to determine whether the \$1.55 was statistically significantly different from zero. The null hypothesis of no difference could not be rejected at conventional levels of statistical significance as the test generated $t = 1.28$, d.f. = 176, $p < .10$. Results of the analysis of the dependent measures just discussed are consistent with the behavioural intention level finding of no effect of the FITD using the market research questions operationalization.

FITD Market Research Questions Group--Long Run

The final research question addressed with the market research questions small request test is the one relating to long

run effects. Table 6-9 shows long run toll increase rates. It shows that 1 out of 177, or 0.6%, of the FITD Market Research Questions Group sustained a toll increase over a six month period while none of the Control Seminar Group did so. Statistically testing against the null hypothesis of no difference between the proportions, it was not possible to reject the null hypothesis. A binomial test with $N = 1$ and $x = 0$ gives a p -value of .5 (one-tailed). One must conclude that the effect is not present in the long run toll increase data.

It was also possible to statistically compare the continuously-scaled long run effects in order to determine whether or not the intensity in terms of dollar sales was affected. The one FITD Market Research Questions Group account which sustained an increase in tolls into the long run had monthly tolls of \$216, leaving an average of \$1.22 for the group. The Control Seminar Group had zero long run toll increases. A t -test for paired observations was used in order to determine whether the \$1.22 was statistically significantly different from zero. The test generated $t = 1.00$, $d.f. = 176$, $p < .20$ (one-tailed). It was, thus, not possible to reject the null hypothesis of no difference.

The foregoing analysis and discussion leads to the conclusion that although evidence for a small FITD effect was found using the sales literature small request treatment, no

TABLE 6-9

Long Run Toll Increase Rates of FITD Market Research Questions
and Control Seminar Groups (Behavioural Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Long Run Toll Increase</u>	<u>Long Run Toll Increase</u>
FITD Market Research Questions Group (<u>n</u> = 177)	99.4 (175)	0.6 (2)
Control Seminar Group (<u>n</u> = 177)	100.0 (177)	0.0 (0)
Total (<u>n</u> = 354)	99.7 (353)	0.3 (1)

Binomial Test with $N = 1$ and $x = 0$, $p = .50$ (one-tailed).

evidence for such an effect was found when operationalizing "small request" as a request to answer three market research questions.

Seminar Request--Behavioural Intentions

The first research question is again addressed, this time using the request to attend a seminar (called Control Seminar Group in previous chapter sections) as the small request treatment and the Field Cold Call Group as the control. The field sales consultant's request for a "sale" is considered to be the "large request". The first dependent variable examined is the "sale" or commitment to a program measure. This is considered to be a behavioural intention measure.

Table 6-10 shows the "sale" or commitment to program rates for the Control Seminar Group (this test's "small request" group) and salesforce Field Cold Call Group. The former group had zero commitments to programs while the latter group had 4 out of 177, or 2.3%. There is thus no evidence that a small request to attend a sales seminar will result in higher subsequent compliance with a request for a sale.

This conclusion must be qualified by the fact that the salesforce Field Cold Call Group treatment implementation could not be as closely supervised as the other treatments because it

TABLE 6-10

Commitment to Program ("Sale") Rates of Seminar Attendance Small Request and Field Cold Call Groups (Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Commitment to Program</u>	<u>Commitment to Program</u>
Seminar Attendance Small Request (Control Seminar Group) (<u>n</u> = 177)	100.0 (177)	0.0 (0)
Field Cold Call Group (<u>n</u> = 177)	97.7 (173)	2.3 (4)
Total (<u>n</u> = 354)	98.9 (350)	1.1 (4)

was felt that closer involvement by the researcher might have increased the possibility of introducing demand artifacts. It is not possible to ascertain whether or not demand artifacts were, in fact, present as it is. It is possible that management, who took responsibility for implementing this treatment, made subtle communications to the salesforce which betrayed the experiment.

Comparisons between the two groups using other dependent variables were not carried out because the small request group (the Control Seminar Group of previous comparisons) had a rate of compliance of zero at the behavioural intention level. It was, therefore, impossible to obtain a positive difference using subsequent dependent measures.

Successive Requests

Three hypotheses (H4, H5 and H6) pertain to Varela's contention that several successively larger small requests will result in greater compliance with an ultimate critical large request than will a single small request. The three hypotheses make predictions at the behavioural intentions, behavioural and intensity of behaviour levels, respectively.

Since most of this analysis depends on comparisons to the single critical large request group, the Field Cold Call Group, the findings must be strictly qualified by the possible problems

with this treatment implementation. The findings must be interpreted as strictly exploratory and no conclusions with regard to the three hypotheses are warranted by the data.

For the purposes of this research question, two treatments are considered to contain two successively larger small requests prior to a critical large request. In one treatment, a small request to accept sales literature is followed by a larger small request to attend a sales seminar. This is then followed by the critical large request for a "sale" or commitment to a program. In previous discussion, this treatment was known as the FITD Sales Literature Group. In the other treatment, a small request to answer three market research questions by telephone is followed by a larger small request to attend a sales seminar. This is then followed by the critical large request for a "sale" or commitment to a program. In previous discussion, this treatment was known as the FITD Marketing Research Questions Group.

The single small request treatment for the purposes of this research question was the treatment containing a request to attend a sales seminar followed by the critical large request for a commitment to a program or a "sale". In previous discussion, this was known as the Control Seminar Group. These treatments were compared to the treatment which received the critical large request for a "sale" only. This was the salesforce Field Cold

Call Group.

Table 6-11 shows the "sale" or "commitment" to program rates of the two double small request groups and the single small request group compared to the single critical large request group. These are considered to be behavioural intentions level data. The FITD Sales Literature Group had the same commitment rate (4 out of 177, or 2.3%) as the salesforce Field Cold Call group. The other two groups had lower rates. Given these treatments, we have no evidence to support the hypothesis of higher compliance with successively larger small requests. It must be reiterated that this conclusion must be discounted due to the lack of researcher control over the implementation of the salesforce Field Cold Call Group treatment.

Table 6-12 examines the same treatments at the behavioural level. The dependent variable data analyzed here are the actual long run toll increase rates. Three (1.7%) of the FITD Sales Literature Group firms experienced a long run toll increase. One (0.6%) of the FITD Market Research Questions Group companies experienced a long run toll increase and none of the Control Seminar Group companies experienced an increase. These rates were compared to the salesforce Field Cold Call Group rate of 1 out of 177, or 0.6%. The difference between the FITD Sales Literature Group rate and the salesforce Field Cold Call Group

TABLE 6-11

Commitment to Program ("Sale") Rates of FITD Sales Literature and
 FITD Market Research Questions Groups, Control Seminar and Field
 Cold Call Groups (Behavioural Intention Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Commitment to Program</u>	<u>Commitment to Program</u>
FITD Sales Literature Group (<u>n</u> = 177)	97.7 (173)	2.3 (4)
FITD Market Research Questions Group (<u>n</u> = 177)	98.9 (175)	1.1 (2)
Control Seminar Group (<u>n</u> = 177)	100.0 (177)	0.0 (0)
Field Cold Call Group (<u>n</u> = 177)	97.7 (173)	2.3 (4)
Total (<u>n</u> = 708)	98.6 (698)	1.4 (10)

TABLE 6-12

Long Run Toll-Increase Rates of FITD Sales Literature and FITD Market Research Questions Groups, Control Seminar Group and Field Cold Call Group (Behavioural Dichotomous Measure)

<u>Treatment Group</u>	<u>Percent</u>	
	<u>No Long Run Toll Increase</u>	<u>Long Run Toll Increase</u>
FITD Sales Literature Group (<u>n</u> = 177)	98.3 (174)	1.7 ^a (3)
FITD Market Research Questions Group (<u>n</u> = 177)	99.4 (176)	0.6 (1)
Control Seminar Group (<u>n</u> = 177)	100.0 (177)	0.0 (0)
Field Cold Call Group (<u>n</u> = 177)	99.4 (176)	0.6 (1)
Total (<u>n</u> = 708)	99.3 (703)	0.7 (5)

^a Difference with salesforce cold call is not statistically significant. Binomial test with $N = 4$ and $x = 1$, $p = .31$ (one-tailed).

treatment rate is not statistically significant. A binomial test with $N = 4$ and $x = 1$ gives a p -value of .31 (one-tailed).

The actual dollar amounts can be examined to ascertain whether they contain support for the sixth hypothesis (H_6). This hypothesis states that a successively larger small requests treatment, a single small request treatment and a no small request treatment will result in progressively lower intensity of compliance with a critical large request. Intensity of compliance is here measured using the toll increase estimate data and the long run actual toll increase data.

The monthly toll estimates of the four FITD Sales Literature Group committing accounts were \$500, \$300, \$500, and \$650, for an average of \$11.02. The monthly toll increase estimates of the two FITD Market Research Questions Group accounts were \$75 and \$200, for an average of \$1.55. There were no accounts sold in the Control Seminar Group. The monthly toll estimates of the four Field Cold Call Group accounts were \$450, \$150, \$300, and \$150, for an average of \$5.93 for the group.

A dummy variable Tobit analysis (Tobin 1958) was performed on these data to test the hypothesis using the SHAZAM program (White 1978). Unfortunately, as was reported in Chapter 5, it seems that the small sample size of non-zero values causes estimation problems for the Tobit program. Because of the

problems encountered with the Tobit analysis, the results of a dummy variable Ordinary Least Squares (OLS) analysis are reported instead. The findings reported must be duly qualified because Tobit analysis is the more correct procedure. Table 6-13 shows the coding of the experimental treatments into dummy variables.

Table 6-14 presents the results of the OLS analysis. The OLS analysis coefficients indicate that, on average, a subject exposed to an FITD Sales Literature Group treatment could be expected to produce a "sale" in terms of a monthly toll increase estimate of \$11.02 more than a subject exposed to a Control Seminar Group treatment. A subject exposed to an FITD Market Research Questions Group treatment could be expected to produce a "sale" in terms of a monthly toll increase estimate of \$1.55 more than a subject exposed to a Control Seminar Group treatment. A subject exposed to a Field Cold Call Group treatment could be expected to produce a "sale" in terms of a monthly toll increase estimate of \$6.97 more than a subject exposed to a Control Seminar Group treatment.

The only one of the results which attained statistical significance at conventional levels was the finding that the FITD Sales Literature Group attained higher toll increase estimates than the Control Seminar Group. This finding has already been reported earlier in this chapter and is by itself not sufficient

TABLE 6-13

Coding of Experimental Groups into Dummy Variables

<u>Treatment Group</u>	<u>Variables</u>		
	X_1	X_2	X_3
FITD Sales Literature Group	1	0	0
FITD Market Research Questions Group	0	1	0
Field Cold Call Group	0	0	1
Control Seminar Group	0	0	0

TABLE 6-14

Analysis of Toll Increase Estimates Using OLS Analysis

<u>Variable</u>	<u>Coefficient</u>	<u>Standard Error</u>	<u>t-Ratio</u>
Intercept	.00	3.33	.00
FITD Sales Literature Group	11.02	4.71	2.34*
FITD Market Research Questions Group	1.55	4.71	.33
Field Cold Call Group	6.97	4.71	1.48
Adjusted R^2 (OLS results) = .01			

* $p < .05$.

to support the successive requests hypothesis of H6.

Actual long run tolls were analyzed as well. The actual long run monthly toll increases of the FITD Sales Literature Group accounts were \$500, \$4101, and \$610 for an overall average of \$29.44. One of the committed accounts had no actual increase. The actual long run toll increases of the two FITD Market Research Questions Group accounts were \$0 and \$216 for an average of \$1.22. The actual long run toll increases of the Field Cold Call Group accounts were \$302, \$0, \$0, and \$0 for an average of \$1.71.

Table 6-15 presents the results of the OLS analysis of the actual long run toll increase data. The OLS analysis coefficients indicate that, on average, a subject exposed to an FITD Sales Literature Group treatment could be expected to produce a "sale" in terms of an actual long run monthly toll increase of \$29.44 more than a subject exposed to the Control Seminar Group treatment. A subject exposed to the FITD Market Research Questions Group treatment could be expected to produce a "sale" in terms of an actual monthly toll increase of \$1.22 more than a subject exposed to the control large request treatment. A subject exposed to the Field Cold Call Group treatment could be expected to produce a "sale" in terms of an actual monthly toll increase of \$2.76 more than a subject exposed to the Control Seminar Group treatment.

TABLE 6-15

Analysis of Long Run Toll Increases Using OLS Analysis

<u>Variable</u>	<u>Coefficient</u>	<u>Standard Error</u>	<u>t-Ratio</u>
Intercept	.01	13.62	.00
FITD Sales Literature Group	29.44	19.26	1.53*
FITD Market Research Questions Group	1.22	19.26	.06
Field Cold Call Group	2.76	19.26	.14
Adjusted R^2 (OLS results) = .00			

* p < .10.

As in the previous analysis, the only one of the results which attained statistical significance approaching conventional levels was the finding that the FITD Sales Literature Group attained higher actual toll increases than the Control Seminar Group. This finding has already been reported earlier in this chapter and is by itself not sufficient to support the successive requests hypothesis of H6.

6.5 CONCLUSIONS FROM THE SECOND FIELD EXPERIMENT

The second experiment was undertaken because of the implementation problems encountered with the first experiment. It partly replicated the first experiment and partly extended it. The sales literature small request treatment and the control large request treatment replicated the previous findings when examined at the behavioural intention or enrollment dependent measure level. The remaining dependent measures differed from those in the first field test. The market research questions small request treatment and the salesforce cold call treatment were unique to the second experiment. The sample preparation procedure and the field implementation plan were identical to those in the first experiment.

Table 6-16 gives a four-page overall summary of the second experiment's findings. Like the summary table for the first field experiment, the table is divided into numbered parts, each




TABLE 6-16

Summary of Second Field Experiment Findings (Part 8)

No.	Prediction	Dependent Measure	Finding (%)	Statistic	Probability
1.	FSL > CTRL	Enrollment (H1) (BID)	20.3 > 11.9	$\chi^2 = 3.70, d.f. = 1$ $Z = 2.15$	$p < .05^*$ $p = .02^*$
2.	FSL > CTRL	Enrollment (Combined)(H1)(BID)	17.8 > 12.2	$Z = 2.15$	$p = .02^*$
3.	FSL > CTRL	Attendance (H2) (BD)	14.7 > 6.8	$\chi^2 = 4.69, d.f. = 1$ $Z = 2.40$	$p < .03^*$ $p = .01^*$
4.	FSL > CTRL	Commitment (H3) (BID)	2.3 > 0	Binomial	$p = .06$
5.	FSL > CTRL	Toll Est. (H3) (BIC)	\$11.02 > 0	$t = 1.95, d.f. = 176$	$p < .05^*$

* Statistically significant at $p < .05$ (one-tailed).

BC = Behavioural Continuous Measure; BD = Behavioural Dichotomous Measure; BIC = Behavioural Intention Continuous Measure; BID = Behavioural Intention Dichotomous Measure; COLD = Field Cold Call Group; CTRL = Control Seminar Group; FMRQ = FITD Market Research Questions Group; FSL = FITD Sales Literature Group.

TABLE 6-16 (continued)

Summary of Second Field Experiment Findings (Part B)

No.	Prediction	Dependent Measure	Finding (\$)	Statistic	Probability
6.	FSL > CTRL	Long Run (BD)	1.7 > 0	Binomial	p = .13
7.	FSL > CTRL	L.R. Tolls (BC)	\$29.44 > 0	t = 1.25, d.f. = 176	p < .15
8.	FMRQ > CTRL	Enrollment (H8)(H1) (BID)	11.3 < 11.9	-----	-----
9.	FMRQ > CTRL	Attendance (H8)(H2) (BD)	5.6 < 6.8	-----	-----
10.	FMRQ > CTRL	Commitment (H8)(H3) (BID)	7.1 > 0	Binomial	p = .25

* Statistically significant at $p < .05$ (one-tailed).

BC = Behavioural Continuous Measure; BD = Behavioural Dichotomous Measure; BIC = Behavioural Intention Continuous Measure; BID = Behavioural Intention Dichotomous Measure; COLD = Field Cold Call Group; CTRL = Control Seminar Group; FMRQ = FITD Market Research Questions Group; FSL = FITD Sales Literature Group.

TABLE 6-16 (continued)

Summary of Second Field Experiment Findings (Part C)

<u>No.</u>	<u>Prediction</u>	<u>Dependent Measure</u>	<u>Finding (\$)</u>	<u>Statistic</u>	<u>Probability</u>
11.	FMRQ >CTRL (H8)(H3)	Toll Est. (BIC)	\$1.55 > 0	$t = 1.28, d.f. = 176$	$p < .10$
12.	FMRQ >CTRL (H8)(H7)	Long Run (BD)	0.6 > 0	Binomial	$p = .50$
13.	FMRQ >CTRL (H8)(H7)	L.R. Tolls (BC)	\$1.22 > 0	$t = 1.00, d.f. = 176$	$p < .20$
14.	CTRL >COLD (H8)(H1)	Commitment (BID)	0 < 2.3	-----	-----
15.	FSL, FMRQ >CTRL >COLD	Commitment (H4) (BID)	2.3, 1.1 > 0 < 2.3	-----	-----

* Statistically significant at $p < .05$ (one-tailed).

BC = Behavioural Continuous Measure; BD = Behavioural Dichotomous Measure; BIC = Behavioural Intention Continuous Measure; BID = Behavioural Intention Dichotomous Measure; COLD = Field Cold Call Group; CTRL = Control Seminar Group; FMRQ = FITD Market Research Questions Group; FSL = FITD Sales Literature Group.

TABLE 6-16 (continued)

Summary of Second Field Experiment Findings (Part D)

<u>No.</u>	<u>Prediction</u>	<u>Dependent</u> <u>Measure</u>	<u>Finding</u> <u>(%)</u>	<u>Statistic</u>	<u>Probability</u>
16.	FSL, FMRQ	Long Run	1.7, 0.6>	Binomial	p = .31
	>CTRL>COLD	(H5) (BD)	0>=0.6		
17.	FSL, FMRQ	Tolls	\$11.02, \$1.55>	t = 2.34	p < .05*
	>CTRL>COLD	(BIC)	\$0>\$5.93	t = .33	p < .40
	(H6)			t = 1.47	p < .10
18.	FSL, FMRQ	Long Run	\$29.44, \$1.22>	t = 1.53	p < .10
	>CTRL>COLD	Tolls	0>\$1.71	t = .06	p < .50
	(H6)	(BC)		t = .14	p < .45

* Statistically significant at p < .05 (one-tailed).

BC = Behavioural Continuous Measure; BD = Behavioural Dichotomous Measure; BIC = Behavioural Intention Continuous Measure; BID = Behavioural Intention Dichotomous Measure; COLD = Field Cold Call Group; CTRL = Control Seminar Group; FMRQ = FITD Market Research Questions Group; FSL = FITD Sales Literature Group.

numbered part relating to a specific prediction tested in the second field experiment. For each of the fourteen parts, the prediction is specified as follows: One treatment group is predicted to result in a greater rate of compliance with a dependent measure than the other group.

In order to fit in the table, abbreviations are used. "FSL>CTRL", for example, should be read as "the FITD Sales Literature Group is predicted to result in a higher rate on the dependent variable than the Control Seminar Group". The predictions relating to the small request groups and control group comparisons are based on the FITD research literature. The predictions relating to the comparisons of the above treatments to the salesforce cold call treatment are based on Varela's theoretical extension of the FITD effect to successive requests. Those predictions testing a specific research hypothesis have the hypothesis number (H1, H2, etc.) listed immediately underneath in parentheses.

The next column of each numbered part of the table lists the dependent variable under consideration and the designation as to the type of variable it is. Abbreviations are used to denote behavioural intention-dichotomous measures, behavioural intention-continuous measures and behavioural dichotomous measures and behavioural continuous measures.

The "Finding" column gives the percentage comparison between the groups under consideration in the same format as the prediction is stated. The entry "20.3>11.9" in the first numbered part of the table, for example, should be read as "the FITD Sales Literature Group enrollment rate was 20.3% which is greater than the Control Seminar Group's rate of 11.9%." These descriptive statistics are included in the summary in accordance with Sawyer and Peter's (1983) recommendations. They argue that descriptive statistics should be presented for a given variable before any inferential statistics in order to achieve the goal of a more complete description of results. In parts 13 and 14 of the table, the relevant unit is not percent, but dollars. The abbreviation should be read analogous to that described above for the percent entries.

The next column of the table gives the relevant statistics used to test against the null hypothesis of no difference between proportions. Since the McNemar test result is distributed approximately as chi square χ^2 , the χ^2 statistic is entered in the relevant numbered parts of the table. Following the rationale given in the previous chapter, the Z-statistic is also listed below the χ^2 . In certain instances, the binomial test was appropriate and is listed in the column accordingly. Only in parts 13 and 14 of the table is the t-statistic listed. Here it was the appropriate significance test for the OLS analysis coefficient.

The last column of the summary table gives the probability of obtaining the result described if the null hypothesis of no difference between the proportions is, in fact, true. The p -values are given for each statistical test reported in the previous column. p -values which attain the conventional level of statistical significance of 0.05 are highlighted with an asterisk (*).

Replicating the first experiment, it was found that the FITD Sales Literature Group did have a higher seminar enrollment rate than the Control Seminar Group (see Table 6-16, No. 1). Unlike in the first experiment, it was possible to statistically reject the null hypothesis of no difference at the level of $p < .05$.

The discrepancy between the two experiments was discussed and attributed to the weakness of the FITD effect and the lack of sufficient statistical power to repeatedly detect such a small effect. Data from the two field tests were combined to increase statistical power (see Table 6-16, No. 2). With the increased statistical power, the null hypothesis of no difference could be rejected. The conclusion drawn from these data is that the FITD effect in an industrial telemarketing setting, such as the one under investigation, is statistically significant but small at the level of a behavioural intention dependent measure. This

small effect may well be managerially important, as is discussed in more detail in the next chapter. We can conclude, then, that we do have support for the first research hypothesis (H1) which states: Company representatives who are contacted and who comply with an initial small request will be more likely to verbally comply with a subsequent large request than company representatives contacted only for the large request.

In terms of seminar attendance rates, the FITD Sales Literature Group had a higher rate than the Control Seminar Group (see Table 6-16, No.3). Again, it was possible to statistically reject the null hypothesis of no difference. It appears, thus, that these data do provide some support for the hypothesis that the FITD effect is operable at the behavioural level in an industrial telemarketing setting. The second hypothesis (H2) is, thus, supported.

Firstly, it is interesting to observe that this finding is consistent with that found in the first field test in which the behavioural measure used was a sales consultant call. Secondly, it is interesting to observe that, like in the first field test, the statistical effect appears to be as large, if not larger, at the actual behavioural level than at the behavioural intention level. Conceptual reasoning prior to the experiment had anticipated that the effect would diminish between these subsequent dependent measures.

In terms of the commitment to program ("sale") data, no support was found for the FITD hypothesis. As was pointed out in the discussion of the first field test, it is possible that the small overall compliance rate with this dependent variable poses a serious problem of analysis and interpretation (see Table 6-16, No. 4).

Although the dichotomous (sale/no sale) data failed to provide support for the FITD hypothesis, the continuously-scaled (dollar sales) data did. The average toll increase estimate for the FITD Sales Literature Group of \$11.02 was found to be statistically different from zero (see Table 6-16, No. 5). Using two imperfect measures of behavioural intensity, thus, some mixed evidence was found supporting H3.

At the dependent measure level of number of firms experiencing long run actual tolls, no support was found for the FITD hypothesis (see Table 6-16, No. 6). Again, the overall compliance rates were extremely small at this dependent measure level.

Examining the continuously-scaled long run actual dollar toll data, no statistically significant effect was found (see Table 6-16, No. 7). H7, the research hypothesis predicting that

the FITD effect would be sustained into the long run, cannot be supported with the data from these two measures.

The second field experiment was an extension of the first field experiment in that it also investigated the effect of using a different operationalization of the construct "small request". A small request to answer three market research questions over the telephone was used instead of the small request to accept sales literature. Table 6-16, No.'s 8 through 13, summarize the dependent measure findings of using the market research questions small request. No support was found for the FITD effect at any of the dependent measure levels.

"Small request" was also operationalized as the request to attend the seminar, while the "large request" was operationalized as the request for a "sale" or commitment to a program. No support was found for the FITD effect when operationalized in this way (see Table 6-16, No. 14).

The second experiment also attempted to address the question of the effect of successive larger requests on compliance with an ultimate critical large request. Table 6-16, No.'s 15 through 18, summarize the effects of successive larger requests on several dependent measures. No support was found for Varela's

contention that successive requests would have a greater impact on compliance with an ultimate critical large request. This finding must be qualified by the fact that the implementation of the single critical request treatment, namely the salesforce cold call treatment, was not as closely controlled by the researcher as the other treatments in these experiments.

To sum up, support was found for the FITD effect at the behavioural intention (enrollment) dependent variable level. Support for the effect was also found at the behavioural (attendance) dependent variable level. No support was found at the level of number of firms committing to a program, although support was found at the level of toll dollars estimated, leaving mixed evidence at the behavioural intensity level. No support for the FITD effect was found using long run measures. No support was found for the FITD effect using a small request to answer three market research questions instead of the small request to accept sales literature. No support was found for the effect using the request to attend the seminar as the small request and using the request for a "sale" as the large request. No support was found for Varela's contention of an increased effect resulting from successive larger requests.

CHAPTER 7

CONCLUSIONS AND IMPLICATIONS

Chapter 1 identified salesforce productivity decline in a spiralling cost environment as a significant management problem facing industrial sales and marketing managers. It discussed in detail two marketing communications technologies which have recently become more sophisticated and more popular as adjuncts to traditional personal selling. In designing effective communications strategies employing telemarketing and demonstration centres in tandem with personal selling, it was concluded that the conventional persuasion paradigm was not the most appropriate theoretical approach to take here. Behavioural influence was believed to be a more appropriate paradigm for the development of effective communications strategies utilizing interactive marketing technologies like telemarketing and industrial demonstration centres.

Chapter 2 reviewed the literature describing traditional personal selling communications studies. Chapter 3 reviewed studies of behavioural influence applications in nonindustrial marketing settings and discussed theoretical interpretations of behavioural influence.

Chapter 4 developed a set of research questions ~~from~~ both the managerial needs described in Chapter 1 and the literature described in Chapters 2 and 3. The research questions generated a set of testable research hypotheses. Several sections of Chapter 4 described the research site and the design of the two experiments. The chapter ended with a discussion of the issue of external validity. This issue was considered to be central to this study as behavioural influence has not previously been tested in an industrial marketing setting.

Chapter 5 reported the analyses and results of the first field experiment while Chapter 6 reported the analyses and results of the second field experiment. The task remaining is to relate the findings of the research to the questions originally posed.

This chapter examines the research results and relates them back to the research questions while noting how the limitations of the research might qualify these findings. The findings are then translated into specific implications for industrial marketing practitioners. As well, the theoretical implications for marketing researchers are discussed. Finally, the chapter ends with a recapitulation of the limitations of this study and a discussion of suggested future research directions.

7. RESEARCH QUESTIONS REVISITED

Effectiveness of Behavioural Influence Strategy in an Industrial Sales Environment

The primary research question that this study attempted to address was whether the behavioural influence strategy dubbed foot-in-the-door was operable in an industrial marketing setting. Numerous studies have been carried out on the FITD effect in nonindustrial marketing settings. Several writers in marketing have advocated the use of the technique in industrial marketing settings and the increasingly managerially-popular telemarketing setting appears to be ideal for its application. The extant research literature can say very little in terms of external validity of the FITD effect beyond the prosocial types of settings in which most of the studies have taken place.

The primary objective of this research was to attempt to extend the external validity of the FITD effect to the field of industrial marketing. Following Cook and Campbell's (1979) recommendation, a single study in an industrial marketing setting of specific interest was carried out. Since no studies of the effect have been previously done in industrial marketing settings, this study's results serve to enhance generalizability across settings (Cook and Campbell 1979). Using Lynch's (1982) argument, this study, which differs from previous studies in that

the background factor of setting is varied, adds to the rigor of the theory test by expanding the opportunity to falsify theory. As was stated in the discussion of the external validity question in Chapter 4, this study's findings serve as an important "brick" in the structure that is being built on the understanding of the FITD behavioural influence phenomenon while it allows us to say something about how the effect works in industrial telemarketing settings such as the one studied.

Taken at the behavioural intention dependent measure level, this study provides some evidence for the existence of a weak FITD effect in an industrial marketing setting. In the first experiment a difference in seminar enrollment rates in the predicted direction was found between the small request and control groups proportions, but the difference was not large enough to allow rejection of the null hypothesis of no difference. In the second experiment, a difference in the predicted direction was found which was large enough to allow statistical rejection of the null hypothesis.

In the previous chapter, the discrepancy between the findings of the two experiments was explored in terms of statistical power. The matched pair experimental design was closely examined and it was concluded that the matching may not have been as effective as had been anticipated. As a consequence, the tests may not have the statistical power of .80

as planned. At a lower level of statistical power, a "small effect", as defined by Cohen (1977), may not be detected. Since this might explain the failure of the first experiment to reject the null hypothesis, it was decided to increase the statistical power by combining the data from the two experiments. A statistical test against the null hypothesis, then, allowed rejection at a p-value of .02.

The data in this study allow us to conclude that we have evidence of a weak FITD effect at the behavioural intention dependent measure level using the request to accept sales literature as the small request and seminar enrollment as the dependent variable measure of compliance with the large request. The weakness of the effect is not unanticipated given the industrial nature of the setting and the many alternative possible motivations for company representatives' behaviours. The fact that the FITD effect has been replicated, albeit weakly, in a controlled industrial marketing field experiment using operationalizations that have a general applicability in industrial marketing is a significant contribution to the literature on the FITD behavioural influence phenomenon.

Thus, the FITD phenomenon appears to be operable in an industrial marketing setting and this behavioural influence strategy is a potential industrial marketing communications tool. Whether the behavioural influence effect is sufficiently strong

to be of practical managerial usefulness is a matter which is discussed separately later in this chapter.

Effectiveness of Behavioural Influence in Impacting Actual Behaviours

All of the behavioural influence research literature reviewed which obtained statistically significant effects used some form of behavioural intention variable as the dependent measure. Studies which employed behavioural variables as dependent measures obtained mixed results. Only one study went beyond dichotomous dependent measures to report nonsignificant differences in size, or intensity, of the complying behaviour (in that study, size of charity contribution). If the FITD behavioural influence technique is to be of much use to industrial marketers we need to know whether the technique can induce a subject/customer only to fulfill his obligation to comply in the least costly way possible (that is, through behavioural intention only) or whether the technique can actually induce subjects/customers to follow through with actual behaviours.

In the first experiment, compliance at the actual behavioural level was measured by the variable called sales consultant calls. In terms of sales consultant call rates, the

small request group did have a higher rate than the control large request group. The difference was sufficiently large that the null hypothesis could be statistically rejected. Since the first experiment implementation problems necessitated a change in the "large request" from seminar attendance to a sales call during the course of the implementation, the behavioural level evidence from this experiment must be interpreted very cautiously. At best, we have here some qualified exploratory support for the FITD effect at the behavioural level.

In the second experiment, compliance at the actual behavioural level was measured by the variable called seminar attendance. In terms of seminar attendance rates, the sales literature small request group did attain a higher rate of attendance at the sales seminar than the control large request group. The difference was sufficiently large that the null hypothesis could be rejected.

Based on these experimental data, a conclusion can be drawn that the FITD technique can have an impact on actual behaviour in an industrial marketing setting using the construct operationalizations used here. The fact that these data are consistent with those in the first field experiment in which the behavioural measure was a sales call gives further credence to the conclusion that a small effect appears to exist at the behavioural level.

The evidence found in this study's two experiments for differences in intensity of behaviour was mixed. Using the imperfect measure of commitment to a Phone Power program (yes/no), no statistically significant effect was found in either experiment. Using increase in toll volume estimated to result from adopting a program, a statistically significant effect was found in the second experiment. The reason for these mixed results may be due to a limitation of this study in that the overall compliance rates were so low that all groups approached the zero limit.

Effectiveness of Using Successive Requests

Previous research and common sales practices suggested that if a single small request increased subsequent compliance, successive small requests would be even more effective in increasing subsequent compliance with an ultimate critical large request. This study did not find evidence that successive requests result in higher rates of compliance with an ultimate critical large request.

There are several possible research methodological reasons for the lack of supportive findings for this research question. First, is the fact that the second small request (seminar

attendance) was not sufficiently small to be a small request for theoretical purposes. Compliance with this request was far too low to be considered a small request. A second possible reason for the lack of supportive findings for the successive requests hypotheses was the fact that the salesforce cold call treatment was not controlled as closely as the other treatments. What techniques salespeople used in their presentations is not known.

Perhaps had the second small request been smaller and the control group a cleaner one than a salesforce cold call group, support for the successive requests contention may have been found. Based on our experimental data, however, we can make no conclusions about the effect of using successive larger small requests on compliance with an ultimate critical large request.

Long Run Effects of Behavioural Influence

The fourth research question this dissertation attempted to address relates to the long run effects of use of the FITD behavioural influence technique. Several marketing scholars have expressed, a concern that a behavioural influence technique such as FITD may be effective in obtaining compliance only in the short run. In the longer run it is feared that the effect will either dissipate, or worse, become negative due to the possible manipulative connotation the technique may have.

request for theoretical purposes. Furthermore, the control salesforce cold call treatment had problems discussed earlier in this chapter.

7.2 IMPLICATIONS FOR MARKETING RESEARCHERS

External Validation of Previous Research

The primary contribution of this dissertation to the marketing literature is as an industrial marketing validation of behavioural influence strategy. Previous studies have found behavioural influence strategy to be effective in nonbusiness settings and researchers have advocated the use of the FITD behavioural influence strategy in marketing settings without providing empirical evidence that the phenomenon is applicable to such settings. Regardless of which philosophical position one takes with respect to the issue of external validity in social scientific research, the present study was a necessary next step in the development of our understanding of how behavioural influence works in industrial marketing.

Cook and Campbell (1979), in their discussion of external validity, stress the importance of empirical research enabling researchers to generalize across subpopulations rather than to specific subpopulations. As was discussed in Chapter 4, Cook and Campbell argue that external validity is enhanced less by single studies which make an attempt at formal random sampling for

Unfortunately, the data generated by this study do not allow us to make any conclusions with regard to this research question. The data do not provide statistically significant support for the hypothesis that the effect is tenable into the longer run. On the other hand, given the fact that all the proportions for the long run dependent measures hovered close to the zero limit, we cannot have much confidence in our failure to reject the null hypothesis. We can conclude only that, as a consequence of the unanticipated low overall compliance rates, this study failed to adequately address this research question.

Calibrating the Request Size

A number of previous studies manipulated the size of requests and obtained results of differing effectiveness. From an industrial marketer's perspective it is useful to test several different operationalizations or applications of the FITD technique in order to gain a better understanding of what sizes of small and large requests are most suitable for an industrial marketing setting. From a theoretical perspective, investigating alternative operationalizations of the key constructs in the industrial marketing setting further contributes to our understanding of external validity of the FITD effect.

This study's first experiment operationalized the construct

"small request" as a telephoned request to accept some sales literature. The construct "large request" was operationalized as a telephoned request to attend an upcoming sales seminar. Some support was found for an FITD effect using these construct operationalizations.

The second experiment of this study replicated the same operationalizations and also tested two alternative operationalizations. The first alternative operationalization of the construct "small request" was a telephoned request to answer three short, yes/no answer market/research questions over the telephone. The "large request" construct was operationalized identically to that in the first experiment, namely a telephoned request to attend an upcoming sales seminar. No evidence was found for an FITD effect using this alternative operationalization of the "small request" construct.

It is interesting to speculate as to why no FITD effect was found using the market research questions small request while the effect was found using the sales literature small request. Both treatments were implemented equally carefully and there is no reason to suspect a methodological reason for the finding. It is possible, since any FITD effect at best appears to be a small effect and since our matching procedure was not as effective as anticipated, that our sample was too small to provide sufficient statistical power to detect an FITD effect. This treatment was

tested only in the second experiment so there is no opportunity to test this explanation in this study by increasing the statistical power by combining data. Only further research can shed more light on this possible explanation.

Another possible explanation for the market research questions small request finding is that the small request to answer three market research questions over the telephone was not small enough to be a small request for the purposes of the FITD paradigm. Tybout (1978) prescribes that for the purposes of the FITD paradigm, a small request must be so small that virtually all subjects comply. Cialdini (1984, p. 23-24) suggests that for an influence technique to be considered behavioural influence, compliance must be essentially mechanical or automatic. The market research questions small request resulted in a slightly higher rate (8.5%) of noncompliance than did the sales literature small request (1% and 0% for the first and second experiments, respectively). It could be deduced, thus, that the market research questions small request was not a small enough request for theoretical purposes. Compliance with the small request was less than total and since a small minority of subjects did decline to comply, perhaps this is evidence that compliance was not mechanical or automatic.

If, in fact, evidence of an FITD effect was not found

because the market research questions small request was not small enough to be considered a small request for theoretical purposes, the applicability or generalizability of the effect in industrial marketing is seriously restricted. Other than the sales literature small request tested in this study, there are few practical small requests available to industrial marketers which are smaller than the market research questions small request. Obtaining an industrial marketing small request noncompliance rate of less than the 8.5% achieved with this operationalization is extremely difficult. Fern, Monroe, and Avila (1986) in their recent quantitative review paper suggest that the theory may not be quite that constraining and that an initial compliance rate of 80% should suffice as a standard.

This intuitively sensible conclusion that the generalizability of the FITD effect in industrial marketing should not be dismissed on the basis of the explanation just given, suggests speculation about another probable competing explanation. If the size of the small request in the marketing research operationalization is not problematic, perhaps the problem lies in the nature of the small request used. Much of the concern over whether or not the FITD behavioural influence strategy would be generalizable to industrial marketing was centred on the fact that the industrial marketer had an explicitly commercial self interest in subject compliance with

the somewhat manipulative request. The underlying thinking was that people are more willing to be psychologically manipulated in the interests of a "good cause" than in the self interest of an industrial marketer.

To relate this notion back to the problem of interpreting the market research questions influence strategy results, the sales literature small request is the more honest of the two treatments. The marketers' intentions are straightforward and "above board". Compliance with the request to accept sales literature can be expected to be followed up with a subsequent request. It is unlikely that subjects faced with the large request to attend a seminar would see the small request to accept sales literature as being psychologically manipulative. On the other hand, compliance with a request to answer market research questions would not normally lead to subsequent requests. Subjects faced with the large request to attend a seminar may well reflect back to the earlier request to answer market research questions and see that request as a mere "ploy", especially in light of the simplicity and brevity of the market research questions. This reaction on the part of subjects may well result in them refusing the large request because they resent being manipulated.

It is this last explanation that may well be the most likely explanation of our failure to observe an effect when using the

market research questions operationalization of "small request". This point may warrant further discussion. In an attempt to approach, as nearly as possible, the theoretical ideal of total compliance with the small request, the market research questions used in this experiment were rather unsophisticated and simplistic. Although these attributes of the questions may have been responsible for a high rate of compliance, they may also have served to negatively affect subjects' perceptions of Phone Power's credibility and professionalism. This negative perception may have prevented subjects from complying with the subsequent request.

It is quite possible that the 91.5% of subjects who complied with the request to answer 3 short questions which were to take 2 or 3 minutes would also have complied if the request had been to answer a few questions taking perhaps 5 minutes. Even if the compliance rate were to decline by a few percent, this might be necessary in order to make the nature of the market research questions small request more suitable..

By increasing the time requested of the subject slightly, additional questions could then have been asked such as questions regarding the size of the salesforce, the number of salespeople working in territories outside Toronto, the approximate travel cost of servicing accounts outside of Toronto, and other

questions which might allow Phone Power to build a reasonable profile of the potential customer and his telemarketing needs. This might provide the customer with a more favourable and more sophisticated impression of Phone Power than simply being asked whether the firm currently uses the telephone as part of marketing or collections, whether any employees currently spend 25% of their time doing phone work, and whether or not direct mail is used.

In addition, instead of stating in the same telephone conversation that a package of sales literature will be mailed out, the subject could simply be thanked for spending the time to answer questions. The cover letter with the sales literature could then relate back to the earlier telephone survey and state that because the firm's profile suggests that telemarketing might be beneficial the firm is being sent the literature and the individual is being invited to attend a seminar.

What this change in the operationalization might hopefully do is remove the fairly obvious manipulative nature of the initial request. The questions are honest sophisticated questions that an industrial marketer needs to ask in order build a profile of a potential customer for his product. As in the successful sales literature small request test, the commercial self interest of the requester is still evident, but less blatant and less manipulative. In other words, people may not

find it objectionable to comply with a commercial requesters' small request if it is genuine, but they do find it objectionable to waste their time complying with a small request if it is transparent that the small request is merely a "ploy". This transparency may have been exacerbated in the present study by the requester stating immediately after the questions were answered (and before they could reasonably have been expected to have been analyzed) that a sales literature package would be sent out.

The foregoing discussion has outlined several explanations as to why some evidence was found for an FITD effect using the sales literature small request and no evidence was found for an effect using the market research questions small request. It should be emphasized that these possible explanations are only speculation. Further experimental research is needed to test the hypotheses suggested by these speculations.

The second experiment data were also examined from the perspective of operationalizing the "small request" construct as the request to attend the sales seminar and the "large request" construct as the request for a commitment to a program ("sale"). No evidence was found for an FITD effect. Little confidence can be put on this finding since the small request had such a low compliance rate that it could not be considered to be a small

request for theoretical purposes. Furthermore, the control salesforce cold call treatment had problems discussed earlier in this chapter.

7.2 IMPLICATIONS FOR MARKETING RESEARCHERS

External Validation of Previous Research

The primary contribution of this dissertation to the marketing literature is as an industrial marketing validation of behavioural influence strategy. Previous studies have found behavioural influence strategy to be effective in nonbusiness settings and researchers have advocated the use of the FITD behavioural influence strategy in marketing settings without providing empirical evidence that the phenomenon is applicable to such settings. Regardless of which philosophical position one takes with respect to the issue of external validity in social scientific research, the present study was a necessary next step in the development of our understanding of how behavioural influence works in industrial marketing.

Cook and Campbell (1979), in their discussion of external validity, stress the importance of empirical research enabling researchers to generalize across subpopulations rather than to specific subpopulations. As was discussed in Chapter 4, Cook and Campbell argue that external validity is enhanced less by single studies which make an attempt at formal random sampling for

representativeness, than by, smaller studies with more or less haphazard samples belonging to the class of persons or settings to which the researcher would like to be able to generalize research findings.

Applying these concepts, this means that had this study been able to use the former sampling approach, namely, random sampling for representativeness for the population of Canadian industrial marketers (a virtually impossible task), then we could generalize the results to Canadian industrial marketers. However, we would not be able to generalize to the subpopulation consisting of Canadian General Electric's industrial products marketing division, for example. Cook and Campbell argue that the latter approach taken to sampling and the one taken in this dissertation, enhances external validity of the behavioural influence strategy more than a large-scale study with an initially representative sample of all industrial marketing settings.

This study is the first study which has extended the application of the FITD behavioural influence effect to an actual industrial marketing setting. Because there appear to be significant differences in the psychological mechanisms involved in behavioural influence as it applies to social volunteering settings and industrial market settings, this study's replication

of the effect in this setting is a significant contribution to the marketing literature. From our sample we are able to generalize to similar industrial marketing settings using similar marketing communications technologies and marketing similar products to similar customers. The Cook and Campbell approach to external validity calls for further studies in various different industrial marketing settings to further enhance external validity across these subpopulations.

Using the Calder, Phillips and Tybout (1981) approach to external validity, the research reported in this dissertation makes a contribution to theory as "intervention" research. FITD behavioural influence "theory" has been tested and empirically supported by theoretical researchers in psychology. It can thus be said to have been accorded scientific status. Intervention falsification procedures must then be used to test the intervention under conditions that could cause it to fail in the real world. Only interventions surviving these tests, they conclude, should be implemented.

The research reported in this dissertation takes the work on behavioural influence done in charitable behaviour settings, often using student subjects, and tests it in the "real world" of industrial marketing. As prescribed by Calder, Phillips and Tybout, the setting and sample encompassed differences that might influence performance of the intervention. These are the

nonvolunteering market-based nature of the experimental task and the industrial buyer nature of the sample. The variables and experimental treatments were operationalized to reflect the manner in which an intervention is to be implemented in the "real world" while remaining as faithful to the behavioural influence paradigm as possible. The research setting encompassed a relatively high level of environmental heterogeneity within one industry group on variables that might influence the performance of the intervention, such as company size and product offerings. Finally, subject to the constraints imposed by the need to represent "real world" variation, the experiments described in this dissertation were designed to afford the strongest possible test of the intervention.

Calder, Phillips and Tybout appear to have written their article on external validity largely as a defense of student sample laboratory research. Even using the approach to external validity forwarded by defendants of laboratory student sample research, the research reported in this dissertation makes a significant contribution to theory. Although a number of "theory researchers" publishing in the major psychology and marketing journals have worked on the theory development phase of the FITD behavioural influence paradigm, no one has yet moved the research into the second or "intervention" phase. In an applied field such as industrial marketing, this phase is as important as the theory

development phase.

Lynch (1982) would not delegate the present research to a second phase, or calibration for application, type of contribution. According to his position, the present research would be classified with the mainstream theory development work. He would argue that the previous studies on behavioural influence compromised the rigor of the theory test by excluding important background factors, such as the industrial marketing setting. This factor might, if included in the study, interact with the theoretical variables and, therefore, modify the effects obtained.

Since self-perception theory has traditionally been such a dominant theoretical interpretation of behavioural influence and since this interpretation appears to be strained in an industrial marketing setting, Lynch's argument takes on special importance in the area of investigation of this dissertation. Using the Lynch argument, this research is the first strong test of behavioural influence, since the previous studies lacked external validity of the sort that weakens the test of theory.

As a final word on the contribution of this research to the marketing literature, Luthans and Davis (1982) are referenced. They argue that ultimately external validity is a judgmental process and that, even without replications, the judgment of

generalizability should be shifted to the user of the data rather than the researchers who produce the data. They argue that single studies such as the present one may prove to be most valuable to management practitioners because large-scale representative studies may not generalize to individual cases with which practitioners are concerned. This, of course, is another version of the generalizing to versus generalizing across argument (Cook and Campbell 1979).

From Luthans and Davis' perspective, however, even without further studies in different settings, this study constitutes a significant contribution. They argue that practitioners must make the judgment as to how similar or dissimilar their particular settings are from the one reported in order to decide on the study's generalizability to their situation. Since the present study is considerably closer to most industrial marketing situations than most of the previously published studies, this research, thus, makes a significant contribution to external validity of theory.

Extending the Dependent Measures

Although the primary contribution of this study to marketing research is in terms of extending external validity of the FITD effect, the research makes some further contributions. In

addition to replicating the FITD effect in an industrial marketing setting at the level of behavioural intention dependent measures, the experiments reported in this dissertation found that the FITD effect held for actual behavioural measures as well.

Most of the research literature to date reports only behavioural intention dependent measures, while those studies which used behavioural measures report mixed findings. For behavioural influence strategy to be useful to industrial marketers, we must know not only whether or not it is operable in industrial settings, but also whether it is a sufficiently robust technique that it can change actual behaviour. The present research makes this contribution to knowledge in marketing.

Appropriate Industrial Marketing Operationalizations

This dissertation also has a tentative implication for marketing researchers with respect to appropriate and inappropriate industrial marketing operationalizations of the FITD technique's small request. Although the effect was observed when the small request was operationalized as a request to accept sales literature, it was not observed when the small request was operationalized as a request to answer three market research questions. Subject to the qualifications discussed earlier in this chapter, this finding contributes further to the external

validity of the effect.

Theoretical Interpretation

The final implication for researchers in marketing relates to the theoretical interpretation of the FITD behavioural influence phenomenon. Although this study was not designed to investigate the theoretical interpretation of the FITD behavioural influence phenomenon, the results do allow for some speculation as to theoretical interpretation.

The experimental results reported in Chapter 5 and Chapter 6 provide some evidence that the FITD behavioural influence phenomenon does operate in an industrial setting. The setting and operationalizations, however, make a self perception theory interpretation of the effect rather strained. One asks: What self attribution does the subject/customer make after complying with a request to accept and read some sales literature? In the prosocial settings of most of the previous research on behavioural influence, self-attributions of helpfulness or charitability are generally invoked. One is hard-pressed to think of similar self-attributions that might be made in the industrial marketing setting under investigation. Any that are possible, such as economy-mindedness, are either weak or are economic in nature. The latter characteristic, as discussed at length, in

Chapter 3, leads to confusion with the notion of external justification through discounting.

In Chapter 3, an alternative theoretical interpretation of the FITD behavioural influence phenomenon in industrial marketing settings was proposed. The personal commitment/obligation paradigm has been used to theoretically interpret the so-called low-balling behavioural influence technique and may be useful in interpreting the FITD phenomenon in industrial marketing settings.

Utilizing this paradigm, the psychological mechanisms underlying the FITD phenomenon might be as follows: By accepting the first request, the prospect psychologically incurs a small obligation or commitment to the salesperson or marketing organization. It is in this weakened psychological position vis a vis the salesperson or marketing organization that the prospect succumbs to the second request and fulfills his psychological obligation. Using this theoretical interpretation, however, it may not be necessary to have small request compliance because compliance is required for the purpose of making self attributions. Although small request compliance may serve to increase the strength of the felt obligation, obligation may be induced simply by lavishing attention and resources on the subject/customer where the subject merely has the understood option of rejecting further attention and resources.

A simple example of this in a consumer marketing setting is the new durable good sales process involving a salesperson. In an automobile showroom or personal computer store the customer enters and starts looking at displayed models. A salesperson arrives and either makes a small request to allow him to explain some features or he commences without the small request on the assumption that the customer will stop him if he does not wish to hear any more. The longer the customer allows the salesperson to spend on him the more obligated the customer feels. If the customer agrees to take the car for a test drive he makes it even more difficult to extricate himself from his felt obligations to the salesperson. Upon leaving, the customer usually feels sufficiently obligated to the salesperson to communicate to him some sort of behavioural intention by accepting a business card and verbally agreeing to "get back" to him before a decision is made.

The data from the first experiment provide some support for this interpretation in that the lowest large request compliance rate was obtained by the base line group, followed by the control large request group and then followed by the complete FITD treatment group. Since each treatment represents successively higher levels of attention by the marketing firm, one can speculate that the felt obligations are successively higher with each treatment. Little obligation is felt towards a marketer who sends a direct mail piece with a toll-free number. More

obligation may be felt towards the marketer who has telephoned and obtained your agreement to read some literature he will send and then calls back to follow up on it.

This study did not set out to investigate alternative theoretical interpretations of the FITD behavioural influence phenomenon in industrial marketing settings. However, the study's findings suggest that the self perception theory interpretation may be strained in this setting. A personal commitment/obligation interpretation may be more appropriate. Further theoretical research is obviously needed to test this speculation.

7.3 IMPLICATIONS FOR INDUSTRIAL MARKETERS

The implications of this research for industrial marketing managers fall into two categories. First are the implications of this study as an empirical test of an industrial telemarketing and demonstration centre strategy. Telemarketing and demonstration centres have been advocated recently by a number of business writers as productivity-enhancing adjuncts to personal selling. Second are the implications of this study as an industrial marketing test of a behavioural influence strategy. Behavioural influence strategies have been advocated for industrial marketers by several marketing journal authors.

Telemarketing/Demonstration Centres versus Salesforce Cold Calls

Essentially, this study was concerned with a telemarketing and demonstration centre application aimed at new account development. The most common traditional method of new account development is the salesforce cold call. One way or another salespeople are enjoined to make a certain number of cold calls per period or 'drives' are held periodically to develop new accounts. Making cold calls is a costly way of developing new accounts. Obtaining a new account may take several sales calls to that account prior to the sale. Additionally, it will take cold calls to numerous companies before one becomes a new account.

Telemarketing and industrial demonstration centres have been proposed as methods for improving the efficiency of the new account development process through removing a number of the costly face-to-face sales calls at the customer's place of business. Arguments against telemarketing often revolve around the importance of the face-to-face contact in industrial selling. Without the personal touch, the argument goes, you are less likely to develop a new account. This study does not deny the importance of personal contact, but provides some evidence that it is possibly less important at the earliest, cold calling stages, of the new account development process. This is the stage where face-to-face contact is most costly and least

necessary. For telemarketing and demonstration centres to be declared a success, they must be shown to be as effective as salesforce cold calls.

This study provides some evidence that a telemarketing/demonstration centre can result in approximately the same number of new accounts as the salesforce cold call group (about 2% of those contacted committed to a program). It must be added, however, that because of the overall low compliance rates, not too much confidence must be placed in this finding. Furthermore, this finding can be generalized only to product/market settings similar to that used in this study.

Designing an Effective Telemarketing Program

Several generic telemarketing communication strategies are generally available to industrial marketers. These communication strategies are not all equally effective at turning prospects into new accounts. This study provides industrial marketing managers with some insight into the relative effectiveness of these generic communication strategies.

Firstly, the least effective form of telemarketing appears to be what is commonly known as an INWATS program. This generally involves mailing out a promotional package with an

invitation that the potential customer call the marketer on a toll-free 800-number in order to arrange for a presentation. This was what was called the baseline treatment in the study because this was what the research site organization was primarily doing prior to the study. In terms of seminar enrollment and in terms of sales consultant visits, this form of telemarketing generated the lowest number of potential new accounts.

In order to increase effectiveness of converting prospects to new accounts, the marketing manager planning a telemarketing program must use a proactive OUTWATS program rather than an INWATS program. OUTWATS technically refers to a fixed rate outbound long distance telephone service. The outbound telemarketing communication program's effectiveness may be enhanced by utilizing an FITD behavioural influence strategy such as the sales literature small request one used in this study.

This study provided some evidence that the FITD strategy utilizing a small request to accept sales literature was the most effective strategy. It obtained statistically significantly higher compliance rates at the seminar enrollment and seminar attendance variable levels. This recommendation must be qualified by the reminder that our experimental data only allow generalization to similar settings where the critical request is either a personal sales call or attendance at a sales seminar.

Behavioural Influence in Personal Selling

The findings of this study are safely generalizable beyond the formal telemarketing centre setting to those aspects of personal selling which are analogous. The study's findings suggest that salespersons may increase the probability of obtaining a sales appointment by first placing a telephone call and obtaining agreement to a small request to accept literature on the product lines being offered. Other small request/large request combinations may also be effective, but these must first be empirically investigated.

7.4. LIMITATIONS OF THE STUDY

Since the limitations of this research have been referred to repeatedly throughout this dissertation, they will be only briefly recapitulated here.

Overall Low Compliance Rates

It was not possible to analyze certain dependent measures as planned because low initial large request compliance rates were so low for all treatment groups that after expected attrition took place between subsequent dependent measures, some of the rates to be analyzed had dropped to zero. Part of the reason for the overall low compliance rates might be the delays encountered

at the research site which resulted in a longer lag than planned between initial seminar enrollment and actual attendance or sales consultant call.

There is also reason to believe that the overall compliance rates, although low by comparison to the data given by the research site organization prior to the study, may be closer to actual normal compliance rates than it first appears. Telecom data consulted prior to the study showed that approximately 15% of companies contacted actually attended the sales seminar. Since no systematic outbound telemarketing program was in effect, most of these customers would have resulted from the direct mail program which had a toll-free number and Business Reply Card as response vehicles. The data from Experiment 2 show that the overall attendance rate from the two FITD treatments and the control treatment was only approximately 9%. Experiment 1, in which a baseline direct mail only program was included, showed that in terms of sales consultant visits (the behavioural measure which replaced seminar attendance in this experiment), the direct mail program only achieved 3% sales consultant visits.

After the experimental data had been collected, the original rates supplied by the Telecom Canada were probed closely and the manager responsible for compiling them was questioned about the possible reasons for the discrepancy with the study's rates. It

became apparent that the rates entered in the company's log book were occasionally "enhanced" by including various "hot" prospects from outside the normal mailing lists. It appears that the nature of the organizational reward system combined with the relative lack of control over, or concern about, source lists had resulted in some attendance rate inflation. It was these inflated rates that were used to design the experiments in this dissertation.

The average rate of converting prospects to new accounts in this study may well be typical of industrial sales cold call situations. Nevertheless, a higher overall rate would have allowed us to better investigate the effect of the FITD behavioural influence technique.

The Setting

Earlier in this chapter it was argued that this study is an important step in extending the external validity of the FITD behavioural influence strategy in industrial marketing communications. It must be emphasized here that, although an important contribution is being made because of the industrial nature of the research setting, the strict generalizability of any study is limited by the context in which the study was conducted. The present research is no exception. To the extent that other products and settings are similar to the one used in

this study, the results of the present study can be generalized without equivocation. As a result, because of the unique nature of the setting studied, the settings to which the research results can be uncompromisingly extrapolated is limited.

7.5 DIRECTIONS FOR FUTURE RESEARCH

Since this is essentially the first study to investigate telemarketing communications strategy and the first study to test a behavioural influence technique in an industrial marketing setting, in most areas affected by this dissertation the research reported here is no more than a first step in a direction needing more exploration. The fundamental areas for further study are briefly reviewed.

Extending External Validity

Earlier in this chapter the importance of the present study in extending external validity of the FITD behavioural influence strategy to the field of industrial marketing was discussed. It is, however, but one study and the generalizability of the findings, as mentioned above, is quite restricted. Further replicating studies should be carried out in diverse industrial marketing settings, in order to further extend the external validity of the strategy.

Firstly, experiments ought to be carried out in various telemarketing settings in order to "fine tune" the strategy for this type of application. Prospect lists with higher potential large request compliance rates ought to be used so that some of the questions left unanswered in the present research might be addressed. Also, alternative operationalizations of small request ought to be tested.

Secondly, experiments could be carried out to test the FITD behavioural influence strategy in a field sales setting. In order to generalize the effect to personal field selling, this type of research is necessary. It is acknowledged, however, that due to the relatively unstructured, non-"canned", nature of most industrial sales calls, executing this type of field experiment will be considerably more difficult than a telemarketing experiment.

Behavioural Influence Strategies

This study's examination of the FITD behavioural influence strategy was the first empirical research into behavioural influence strategy in industrial marketing. Chapter 3 discussed a number of other behavioural influence strategies which have been empirically investigated in other fields and have been proposed as having applicability in the industrial marketing field. The controllable interactive communication properties of

the telemarketing setting and the increasing industrial interest in the telemarketing communication technology makes this an ideal setting for empirically investigating other behavioural influence strategies such as social labelling and low-balling.

Theoretical Interpretation

Alternative theoretical interpretations of the FITD behavioural influence phenomenon have been discussed in this thesis. Based on some of the experimental data, it was speculated that perhaps in an industrial marketing setting, a psychological mechanism other than that provided by self perception theory underlies the effect. Experiments ought to be designed and executed that would allow us to distinguish between a self perception theory interpretation of the effect and a commitment/obligation interpretation of the effect.

This type of strong inference research (Sawyer and Peter 1983) would make a significant theoretical contribution to our understanding of the FITD behavioural influence phenomenon. It also would be of managerial interest in that communication strategies could be designed that would emphasize and increase the salience of key aspects of the communication interaction so as to optimize the effect. For example, if self perception theory is the underlying psychological mechanism, then the

effectiveness of the FITD strategy might be increased by making compliance with a small request more salient by subsequently referring to it with a social labelling treatment. If commitment/obligation is the underlying psychological mechanism, then ways might be devised to highlight the customer's increasing obligation to the marketer. Perhaps an invoice for a small service or product with "complimentary" stamped across it could be sent to the customer.

Cost Effectiveness

It was found in this study that for the purposes of new account development, a behavioural influence-based outbound telemarketing program was approximately as effective as a traditional salesforce cold calling program. It was assumed that since most industrial marketing firms do not have an inexhaustible supply of potential new accounts, the most efficient conversion of prospect lists to new accounts is desired. Since the use of telemarketing for the initial stages of new account development eliminates salesperson travel costs, travel time and possibly incurs salary savings in the form of lower salaries for telemarketing salespersons, it might be concluded that a telemarketing program that is as efficient as a cold call program in converting prospects to new accounts is a success.

The assumptions underlying such a conclusion ought to be quantitatively investigated. The alternative communication strategies examined in this dissertation ought to be carefully costed. Salesforce cold calling ought also to be carefully costed. Then, a cost per new account or cost per converted prospect (i.e., on a proportional basis) ought to be calculated for each new account development strategy. The same type of cost effectiveness analysis ought to be done when comparing alternative behavioural influence strategies.

7.6 SUMMARY

This concluding chapter has briefly reviewed the research underlying this dissertation. The results of the experiments were related back to the original research questions posed. Findings were then related to behavioural and marketing theory.

It was concluded that the major contribution of this research to the body of literature on the FITD behavioural influence paradigm was as an initial empirical study replicating the effect in an actual industrial marketing setting. This study found some evidence of a weak FITD effect using a telephoned request to accept sales literature as the small request and a telephoned request to attend a sales seminar as the large request. Evidence of a weak FITD effect was found using both behavioural intention and actual behavioural dependent measures.

These findings are a significant contribution to the literature in that they serve to extend the external validity of the effect to an industrial marketing setting.

No FITD effect was found using an alternative operationalization of small request. When the small request was a telephoned request to answer three market research questions over the telephone, no FITD effect could be detected in the seminar enrollment or attendance data. It is possible that our sample size did not provide sufficient statistical power to detect a "small effect". Nevertheless, our failure to detect an effect using this alternative operationalization suggests that the weak FITD effect may be very sensitive to the type of industrial marketing operationalization of the small request construct. This finding is a useful contribution to the field in that it sheds some further light on the external validity of the FITD effect in an industrial marketing setting.

After discussing the contributions of the study to the behavioural science and marketing literature, the implications for industrial marketers were discussed. First, it was concluded that, based on some rather crude comparisons, this study found some evidence that a telemarketing strategy could be as effective in generating new accounts as a salesforce cold call strategy. The tentativeness of this conclusion was emphasized.

Secondly, it was concluded that the research could have implications for the design of telemarketing communication strategy. The study findings suggest that an inbound telemarketing program will be least effective of the alternatives tested. An outbound program will be more effective, but an outbound FITD-based program will be most effective. The generalizability of this conclusion is, of course, constrained by the similarity of settings and operationalizations of constructs to the one studied.

A final implication for industrial marketing was that the FITD behavioural influence effect may be operable in personal selling in so far as the application is similar to the one studied in this research.

Limitations of the present work were next summarized. The principal limitations were overall low compliance rates for all experimental treatments and the single industrial marketing setting used.

The chapter has been concluded with comments on future directions suggested by the present research. Major potentially fruitful areas of research identified are: Further extending external validity of the FITD behavioural influence strategy in industrial marketing, empirically investigating other behavioural influence strategies which appear to be applicable to industrial

marketing, determining the appropriate theoretical interpretation of behavioural influence strategy effectiveness in industrial marketing and behavioural influence strategy cost effectiveness.

APPENDIX I.

CORPORATE COOPERATION PROPOSAL

Purpose

The purpose of this document is to formally propose to and obtain from, TCTS, a commitment to participate in the empirical, or field experimental, portion of the ongoing Western Business School research project on telemarketing and other innovative marketing approaches.

Background

Since early 1982 Western Business School researchers have been investigating how telemarketing and other innovative marketing approaches can be used to improve the productivity of the industrial salesforce. To date the investigation has involved numerous discussions with TCTS personnel, discussions with several client companies and prospective client companies, an exhaustive review of articles in the trade press reporting on applications, an exhaustive review of research reports in the marketing research scholarly journals on related issues, and an exhaustive review of research reports in the psychology scholarly journals on related topics.

The next stage of the research is to carry out a rigorously controlled field experiment which will address some of the issues raised in the first stage of the project. With Glenn Christensen's help, discussions have been held with several prospective client firms with a view to implementing the field experiment as part of the usual field test provided for the firm by Phone Power. None of these opportunities have proven to be workable due to problems of timing or applications used. Since early January, 1983, discussions have been held between Glenn

Christensen and Harrie Vredenburg regarding the possibility of using the Phone Power Communications Seminar program as the research site. It appears that the site is close to ideal for research purposes and that the Communications Seminar program could benefit from an intensive study. The remainder of the document provides details for the proposed study.

Research Objective

The objective of the research project is to investigate the effective use of telemarketing and industrial demonstration centres in tandem with field sales and direct mail advertising for the purpose of new account development.

Usefulness of the Research to Phone Power TCTS

1. The research will help 'fine-tune' the Communications Seminar program and make it a more effective marketing tool.
2. Since many Communications Seminar participants and other prospective clients often ask Phone Power consultants how to combine telemarketing with direct mail and field selling, and how well different approaches work, the research report will provide meticulously tested documentation for answering these customer queries.

Usefulness of the Research to Researchers, Western Business School

1. The findings will add to our understanding of how telemarketing and industrial demonstration centres can be used to improve productivity of

the salesforce. Improving productivity of the salesforce has been a major research thrust at the Western Business School involving numerous studies by several professors and doctoral candidates.

2. The findings will add to our understanding of the application of psychological theories in interpersonal marketing interactions.

Research Approach

The attached diagram describes the research approach in detail. A baseline group receives an invitation to the Seminar, responds by Business Reply Card or 800 number, attends/doesn't attend the Seminar, and commits/doesn't commit to a program. A first test group receives the invitation, but is not provided with the 800 number or the Business Reply Card. Instead, the letter tells the prospect that Phone Power will call him back within a week to find out whether or not he will be attending the Seminar. He then attends/doesn't attend, and commits/doesn't commit to a program. A second test group first receives an out-going telephone call from Phone Power explaining that the phone company in its efforts to help businesses operate more productively has prepared a brochure on using the telephone more effectively. The prospective customer is asked if he will allow a copy of the brochure to be sent to him. This is sent, along with a cover letter identical to the letter to that for the above group, inviting him to the Seminar. He then attends/doesn't attend and signs/doesn't sign on for a program. Finally, in order to test these methods against field sales cold calls, a field sales control group is required. A cold call drive will need to be enforced from management, with prospects to be contacted provided from the research sample list.

EXPERIMENTAL PROCEDURE

PHONE LIT. REQUEST	AGREE LIT. REQUEST	LIT. SENT	BOO + BRC	PHONE SEMINAR REQUEST	ENROLL. (BID)	CONFIRM. (BID)	ATTEND (BD)	FIELD ORDER REQUEST	COMMITMENT TO PROGRAM (BID)	COMMITMENT TO INCREASE ESTIMATE (BIC)	ACTUAL INCREASE (BD+BC)	LONG TERM ACTUAL TOLES (BD+BC)
X	AGREE / NOT AGREE	-		X		ACCEPTANCE / NON-ACCEPTANCE		X		COMMITMENT / NON COMMITMENT		
				X		ACCEPTANCE / NON-ACCEPTANCE		X		COMMITMENT / NON COMMITMENT		
								X		COMMITMENT / NON COMMITMENT		
			X			ACCEPTANCE / NON-ACCEPTANCE		X		COMMITMENT / NON COMMITMENT		

KEY:
 BYD - BEHAVIOURAL INTENTION - DICHOTOMOUS MEASURE
 BIC - BEHAVIOURAL INTENTION - CONTINUOUS MEASURE
 BD - BEHAVIOURAL DICHOTOMOUS MEASURE
 BC - BEHAVIOURAL - CONTINUOUS MEASURE

Requirements for the Research Study

1. Cooperation in implementing each of the three new test strategies and in sustaining careful adherence to them over a two-month period.
2. Advance access to the main mailing list to be used in order to split this list into samples matched on industry and previous sales volume. Similar companies will be assigned randomly to each of the test cells. Clerical help to carry out some of the mechanical aspects of this task would be welcomed.
3. Access to results data by customer after the test. Data required are prospects agreeing to take literature, prospects enrolling, confirming, and attending the Seminar, prospects committing to a program, toll increase estimates for prospects committing to a program, substantiated toll increase for all companies involved in the study over a number of months.

Research Output

The following are planned to be written as a result of the study:

1. A short report for the Phone Power Communications Seminar on how the program can be most effectively operated.
2. A more general report for the use of sales consultants on how telemarketing, direct mail, and demonstration centres can be used most effectively as adjuncts to a field sales operation for new account development.
3. An article aimed at Canadian marketing managers on the effective use of telemarketing etc. to be targetted at Business Quarterly. The Toronto Phone Power Group will, ofcourse, receive an acknowledgement of

their cooperation.

4. A technical research article aimed at marketing researchers in industry and universities to be targeted at the Journal of Marketing Research. The Toronto Phone Power Group will again, receive acknowledgement.

Researcher Credentials

Barrie Vredenburg will be the primary researcher on the proposed project. Formerly Assistant Manager - Marketing Communications at American Express Canada Inc., he holds BA and MBA degrees and is currently working towards a PhD in marketing. The proposed research will form part of the doctoral thesis.

The research project will be supervised by two professors from the Western Business School. Professor Adrian Ryans holds MBA and PhD degrees from the Graduate School of Business Administration at Stanford University in California. Prior to coming to the Western Business School two years ago, he was on the faculty of Stanford Business School for six years. Professor Terry Deutscher also holds MBA and PhD degrees from Stanford and has taught at Western for the last five years. Before that he was on the faculties of the Ohio State University and Cornell University. Both have extensive experience in marketing research.

APPENDIX III.EXTRACTS OF MATCHED SAMPLE LIST*

*The first two pages are shown for each of the experimental group lists. The first field indicates the company name, the second field the street address, the third field the municipality, the fourth field the postal code, the fifth field whether this is a headquarters of a multiple site operation or a single site operation, the sixth field the primary SIC code for the company's business, the seventh field the secondary SIC code for the company's business, the eighth field the number of employees employed by the firm, the ninth field the annual sales volume in thousands of dollars, the tenth and eleventh fields the firm's telephone number, the twelfth field the matched quadruplet number the firm was assigned. The second line contains the contact name for the firm and his/her position.

COMPANY NAME	ADDRESS	CITY	STATE	ZIP	PHONE
AMERICAN CORPORATION ELECTRIC CO. INC. (MILWAUKEE, WIS.)	CONTACT NAME: THE PRESIDENT	MILWAUKEE	WI	53203	414 253-2110
ENTEROTEC AMMO LIMITED	CONTACT NAME: JIMMY PAUL	ST. LOUIS	MO	63103	314 436-6400
MUCCELLO INC.	CONTACT NAME: THE MANAGER	ST. LOUIS	MO	63103	314 436-6400
UNION CITY 1 IN DENVER CO.	CONTACT NAME: RICHARD W. WILSON	DENVER	CO	80202	303 733-1100
CONTACT NAME: THE MANAGER					
CANTONMENT LIMITED ASSOC. INC. 20 DENVER ST. W. STE 1001	CONTACT NAME: J. CARROLL	DENVER	CO	80202	303 733-1100
MILWAUKEE ENGINEERING LIMITED 477 CANTONMENT RD.	CONTACT NAME: W. D. MILLER	MILWAUKEE	WI	53203	414 498-4421
THE ELECTRICIAN LIMITED 433 WILD CAT RD.	CONTACT NAME: THE MANAGER	MILWAUKEE	WI	53203	414 498-4421
CONTACT NAME: THE MANAGER					
CANFIELD ELECTRIC LIMITED 25 DENVER RD. UNIT 103	CONTACT NAME: J. CARROLL	DENVER	CO	80202	303 733-1100
PERKINS ELECTRIC CO. INC. 470 DENVER RD. STE 1001	CONTACT NAME: THE MANAGER	DENVER	CO	80202	303 733-1100
CONTACT NAME: THE MANAGER					
WORLD ELECTRIC CO. INC. 477 DENVER RD. UNIT 12	CONTACT NAME: THE MANAGER	DENVER	CO	80202	303 733-1100
CONTACT NAME: THE MANAGER					
FLIGHTING ELECTRIC SUPPLY CO. 470 DENVER RD. UNIT 103	CONTACT NAME: THE MANAGER	DENVER	CO	80202	303 733-1100
CONTACT NAME: THE MANAGER					
PLANE CO. LIMITED 123 DENVER ST.	CONTACT NAME: THE MANAGER	DENVER	CO	80202	303 733-1100
CONTACT NAME: THE MANAGER					
ALPHACORP LIMITED 123 DENVER ST. UNIT 103	CONTACT NAME: THE MANAGER	DENVER	CO	80202	303 733-1100
CONTACT NAME: THE MANAGER					

7

1

CONTACT NAME FOR J. (NAME) PRESIDENT	10 ARBUTHNOT	SEP 19 10 5	0 8	13 9 416 207214	003
INTERMEDIAN BEARING AIDS LTD 159 W 15 RD	OSWEGO	14 7 42 14 2053	0 14	1710 416 8871052	001
CONTACT NAME FOR B. A. (NAME) PRESIDENT	TORONTO	16 0 12 14 2053	0 17	1807 416 3497301	003
EARL BATHURST RADIO LIMITED 113 BATHURST ST	TORONTO	16 0 12 14 2053	0 24	2010 416 4731851	003
CONTACT NAME MISS A. BATHURST PRESIDENT	TORONTO	16 0 12 14 2053	0 8	4297 416 7897741	003
PERLE ELECTRONICS LIMITED 10 ALDEN RD UNIT 81	TORONTO	16 0 12 14 2053	0 17	2709 416 6220460	003
CONTACT NAME FOR B. PERLE GENERAL MANAGER	TORONTO	16 0 12 14 2053	0 21	2909 416 2917121	003
HARRIS JACOBI ELECTRONICS LTD 30 WINGOLD AVE	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
CONTACT NAME FOR B. JACOBI SALES MANAGER	TORONTO	16 0 12 14 2053	0 21	1807 416 3497301	003
WESTON INSTRUMENTS LIMITED 1334 ADELAIDE ST	TORONTO	16 0 12 14 2053	0 17	2709 416 6220460	003
CONTACT NAME FOR J. WESTON NATIONAL SALES MANAGER	TORONTO	16 0 12 14 2053	0 21	2909 416 2917121	003
R. D. B. (NAME) LIMITED 21 HURON ST	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
CONTACT NAME FOR M. WESTON SALES REPRESENTATION FOR ONTARIO	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
STERLING INTERNATIONAL INC 430 DENISON ST	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
CONTACT NAME FOR K. STERLING DIRECTOR OF SALES	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
THE BUILDING SUPPLIES LIMITED 131 TORONTO DR 88	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
CONTACT NAME FOR M. BUILDING PRESIDENT	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
MALCOLM ROSS LTD 341 PRINCE ST 70 101 745	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
CONTACT NAME FOR B. MALCOLM PRESIDENT	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
WARD THE PATIENTS LTD 920 WARD ST UNIT B 4 4 3	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
CONTACT NAME FOR G. WARD PRESIDENT	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
STERN INC LIMITED 153 BRIDGEMAN AVE UNIT 12	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
CONTACT NAME FOR M. STERN PRESIDENT	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
WRIGHT LTD LTD 111 WARD ST	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003
CONTACT NAME FOR J. A. WRIGHT PRESIDENT	TORONTO	16 0 12 14 2053	0 23	1307 416 4736272	003

APPENDIX III.

DIRECT MAIL LETTERS SENT

PHONE POWER
TransCanada Telephone System

As arranged by telephone last week, please find enclosed some information on the Phone Power Consultancy Service. You will also find an invitation to a Management Seminar at which you can find out more about how Phone Power can help your business.

One of the greatest challenges facing every Canadian business executive this decade will be to cope with and control run away sales and administrative costs. The certainty of high inflation, rising interest rates and energy shortages necessitates a search for alternative methods of selling, processing and servicing existing customers. Phone Power is often able to provide an answer to this marketing dilemma.

Phone Power is the term used by a group of Bell Canada Business Consultants to signify thoroughness and professionalism in the field of telephone marketing.

You are invited to attend Phone Power's management seminar, on:

- You will see -how cost effective it can be to service small or marginal accounts by phone;
- how receivables cycles can be cut dramatically with a personalized telephone collection program.
- how the telephone can improve the response to your direct mail efforts;
- how new accounts can be developed without sending costly salespeople on the road ... and much more.

You will be in a position to examine your own organization from a different perspective, thereby enabling you to determine for yourself if one or more facets of your firm could benefit from a Phone Power program. As well, you will see how four Ontario based organizations actually applied their own individual programs and you will witness the results they achieved.

PHONE POWER
TransCanada Telephone System

One of the greatest challenges facing every Canadian business executive this decade will be to cope with and control run away sales and administrative costs. The certainty of high inflation, rising interest rates and energy shortages necessitates a search for alternative methods of selling, processing and servicing existing customers. Phone Power is often able to provide an answer to this marketing dilemma.

Phone Power is the term used by a group of Bell Canada Business Consultants to signify thoroughness and professionalism in the field of telephone marketing.

You are invited to attend Phone Power's management seminar, on:

You will see -how cost effective it can be to service small or marginal accounts by phone;
-how receivables cycles can be cut dramatically with a personalized telephone collection program;
-how the telephone can improve the response to your direct mail efforts;
-how new accounts can be developed without sending costly salespeople on the road ... and much more.

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The seminar is sure both informative and interesting not only by the content of the material but also by the freedom of discussion between the 10 to 15 conferees as well as with the leader. Our program begins at approximately 9:00 a.m. and concludes before noon. There is no cost or obligation for attending.

~~Should you be personally unable to be present, you are welcome to send your Assistant, who will be phoning you within the next few days to see whether to reserve you a seat.~~

I am looking forward to your attendance.

Sincerely,

B. Hounsell
Manager - Communications Seminar
Phone Power

BH/kh

PHONE POWER
TransCanada Telephone System

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Please fill in the enclosed reply card or call us on our toll-free number 1-800-262-3547 to confirm your seat. If you are personally unable to be present, you are welcome to send an alternate.

I am looking forward to your attendance.

Sincerely,

S. Hounsell
Manager - Communications Seminar
Phone Power

SH/hh

APPENDIX IV.

SALES LITERATURE SENT

HOW TO BUILD SALES AND CUT COSTS

With telephone marketing, it's the way that's right for you.



Invited to a morning

SEMINAR

Learn about controlling
your costs and increasing
your sales.

LOOK WHAT OTHERS HAVE GAINED FROM WORKING WITH PHONE POWER

INCREASED PROFITS

"Of our annual goal, \$1.2 million will be due to our telephone efforts and that should increase when we go across Canada . . ."

George Casott
Regional Sales Manager
General Dine (Toronto, Ont.)

BETTER CUSTOMER SERVICE

" . . . equal quality and cost alone will not give us a competitive edge in our low margin industry. Phone Power trained our new service representatives and instituted a very dynamic approach to customer service (to the dealer network)."

Bert Krammer
President
Furniture Canada Inc.
(Hamilton, Ontario)

IMPROVED CASH FLOW

"After about eight months our receivables were reduced by \$8 or \$7 million and they're down approximately another \$2 million now from the original \$17 million . . ."

Sam Sawetuk
Supervisor of Cargo Receivables
Air Canada Cargo
(Winnipeg, Manitoba)

WHO WE ARE

Phone Power is the business consulting service offered by the member companies of the TransCanada Telephone System. We've shown over 4,000 businesses - like yours - how to systematically use the telephone to solve problems and develop opportunities profitably.

At our seminar you'll learn how every Phone Power program is custom-designed by an experienced consultant, the steps involved and the bottom line results!

WHAT YOU CAN EXPECT

Each complimentary seminar presents Phone Power in a comfortable and informative management environment. Our 3 screen audio-visual presentation is one of the most professional of its kind - yet the atmosphere is informal enough to encourage your participation.

We'll cover how the telephone can be used to:

- Service small or marginal accounts cost effectively.
- Lower receivables cycles with a personalized collection program.
- Improve the response to your direct mail.
- Develop new accounts and expand territories cost effectively . . . and much more.

SEMINARS ARE LIMITED TO 25 PARTICIPANTS.



CONTINENTAL BREAKFAST

Please join us and your fellow participants for a complimentary continental breakfast at 8:45 a.m. The seminar begins at 9:30 a.m. sharp. We look forward to meeting you!

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148 King Street West
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Toronto, Ontario
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**HOW TO BUILD
SALES AND CUT
COSTS**

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APPENDIX V.

EXTRACTS OF LISTS ASSIGNED TO SALES MANAGERS

PEIBO TORONTO TERRITORY - Special Clauses, Managers

COMPANY NAME	CONTACT NAME	POSITION	TELEPHONE	ADDRESS	ANNUAL SALES VOLUME (1959/60)	NUMBERS OF EMPLOYEES
Barbier Agencies Limited	Mr. P. McWhorter	President	365-2181	738 Dundas St. E., M5A 2L1	2000	16
Argus Optical Frame Limited	Mr. Black	Vice President	362-6533	281 Yonge St., P3B 1M5	4000	22
Matheson Surgical Supply Limited	Mr. Blackman	President	516-8511	3263 Bathurst St., M5S 1Y1	2500	20
J. S. W. Supplies Limited	Mr. P. Lussaque	President	513-1131	823 Dundas Ave., M6M 2R8	1070	16
Sereno Import & Export	Mr. A. Bellas	President	533-3591	1611 Balfour St., M6M 6C7	4700	38
Canada Food Peds & Invest. Ltd	Mr. P. Pailon	Gen. Manager	763-1141	131 McCowick St., M6M 1E8	10000	15
Est. Tak Fibre Co. Ltd	Mr. Lee	President	348-0581	831 Richmond St. W., M6J 1B7	1500	9
Catrina H. & Sons Limited	Mr. Catrina	President	363-5077	15 Lower Marlborough St., M5A 2P6	1700	75
Mechanic Benzene Co. Ltd	Mr. B. Phillips	Sales Mgr.	634-7133	1813 St. Clair Ave. W., M8E 1C9	5800	13
London Victor Limited	Mr. B. Goodman	President	363-3031	256 Spadina Avenue, M5T 2L2	2500	7
Toronto Import	Mr. Lee	President	581-4621	251 Spadina Avenue, M5S 3S2	1000	10
Garbin & Gatch Canada Ltd	Mr. G. Cranmer	Sales Mgr.	843-1040	55 York St. Ste. 2109, M5J 1S4	6000	11
London Memory Club	Miss S. Dean	Office Mgr.	361-0786	64 Wellington St. E. P301, M5E 1L6	3000	11
Greyhound Computer of Canada	Mr. A. Reilly	Sales Mgr.	366-1311	100 University Ave. P1616, M5S 3M7	3870	6
Call Systems Ltd	Mr. B. Thompson	President	362-1063	67 Richmond St. W. P503, M5M 1Z5	1000	10
Greyhound Leasing Financial Co.	Mr. D. Kay	Operations Mgr.	346-3533	181 Adelaide St. E. 1816, M5H 3M7	1890	4
C. A. F. Leasing National Ltd	Mr. B. Prossman	Vice President	362-1701	Commercial Union Ter. 2816, M5H 1R2	5000	17
S. L. W. Laboratories Limited	Mr. B. Graham	President	947-1325	487 King Street E., M5A 1J9	3000	100
Silvaco Colour Laboratories	Mr. S. Verbitz	President	766-6131	255 Weston Road, M6M 4Y2	2500	100
Reg. of Interceptory Limited	Mr. Isard	President	536-1131	1377 Balfour St., M6M 4B8	1500	6
Tai Tung Rec. Trading Co. Ltd	Mr. H. Haffal	President	859-3194	782 745 Dundas St. E., M5A 2J5	2800	8

TORONTO EAST TERRITORY Unit Easthouses, Manager

COMPANY NAME	CONTACT NAME	POSITION	TELEPHONE	ADDRESS	ANNUAL SALES (\$'000)	NUMBER OF EMPLOYEES
Telo Tech MacCombs, Limited	Mr J. Bichpatrik	President	675-5666	820 Denison St. #11, Markham, L3R 3K3	1500	6
Pringle A. Allen Ltd	Mr L. Allard	Controller	649-3660	10 Macdonald Rd., Sun Mills, M1B 2T7	2750	18
Radio Electronics Systems Ltd	Mr L. Brown	Gen. Manager	881-2331	134 Boscawen Ave. #8, Thornhill, L3T 1L3	9000	13
Stamath Electronics Limited	Mr A. P. Ashew	President	694-5455	180 Torrance Blvd #1, Willowdale, M2J 1K5	10000	18
Vet-Tel Associates	Mr H. Greenstein	Vice President	699-5094	103 Spadina Ave., Willowdale, M2B 2S5	11900	27
Telnet Sales Limited	Mr B. Maitland	President	610-8812	1060 Elginmore Rd #16-17, Scarborough, M1B 2K6	1500	15
Scandynavo of Canada Ltd	Mr J. Watson	Sales Mgr	638-6297	705 Progress Ave. #6, 29-30, Scarborough, M1B 2J1	6000	13
Teleform Inc.	Mr B. Best	President	675-5666	2331 Victoria Pk. Ave. #1, Markham, L3R 1A5	10000	18
Becher Records & Tapes Ltd	Mr B. Letcaby	President	675-1175	958 Denison St. #20, Markham, L3R 2V1	1100	9
House of Computers	Mr H. Miring	President	687-4736	368 Elginston Ave. W., Toronto, M5M 1S2	2000	9
Alta Instruments Ltd	Mr B. Brown	President	291-2316	121 Mallard Dr. #1, Scarborough, M1B 2L6	2700	28
Anderson Jacobson Ltd	Mr A. Kowlow	Sales Mgr	675-5310	321 Sun Park Rd., Markham, L3R 1C7	2500	17
Canada Supply Ltd	Mr C. Graham	Gen. Mgr	291-9035	60 Wilmet Ave., Scarborough, M1B 2R8	1500	11
Industrial Supply Ltd	Mr H. Griggie	President	292-2261	655 Wilmet Ave. #7 & 8, Scarborough, M1B 2E4	2000	13
Radio Engineering Equipment	Mr J. McNeill	President	622-2735	7 Thorncliffe Pk. Dr. #11, Toronto, M4B 1R7	1550	9
Radio World Gear Industries	Mr S. Stone	Sales Mgr	291-9733	60 Humber Court, Agincourt, M1B 1R1	9400	63
Pitney-Bowen Supplies Ltd	Mr Davidson	President	884-5312	165 Gaird Rd., Richmond Hill, L4A 6Z2	1400	11
R S S Engineering Systems Ltd	Mr S. Egerton	Gen. Manager	641-5668	265 Conestoga Dr., Downsview, M3J 2M7	1590	17
RFAC Canada Inc.	Mr A. Wong	Off. Manager	291-5850	1601 Huntingwood Dr., Agincourt, M1B 2M5	1500	17
RFAC Supply Ltd	Mr J. Farnley	Sales Mgr	292-8728	100 Shorting Rd., Scarborough, M1B 2K7	1800	7
Tech Mgt. Systems Limited	Mr H. Farnley	Gen. Sales Mgr	291-9831	60 Wilmet Ave. #9, Scarborough, M1B 2R8	1700	19

TERRITORY WEST TERRITORY - Alice Martin, Manager

COMPANY NAME	CONTACT NAME	POSITION	TELEPHONE	ADDRESS	APPROX SALES VOL 1988 (000's)	NUMBER OF EMPLOYEES
Langdon B B Sales Inc	Mr Langdon	President	677-8100	1215 Maple Rd St 11, Mississauga, L4T 1L3	1000	11
Regalville Inc	Mr J Bowne		743-8015	3410 Weston Rd, Po 282, Weston, ON M2T	1000	11
Lidder-Martin Assoc. Inc	Mr B Lidder	President	671-8111	7378 Bath Road, Mississauga, L4T 1L7	5000	5
Wesley Sales & Mkt Co Ltd	Mr B Wesley	President	674-2121	3200 General Rd #11, Mississauga, L4M 1L7	1000	5
Wesley Sales & Mkt Co Ltd	Mr J MacMillan	Vice President	647-6160	460 South Service Rd W, Oakville, L6K 3M6	1000	5
Wesley Building Supplies Ltd	Mr A Brown		787-8181	97 Wc Urfus Dr, Toronto, M6A 1T9	1100	10
Popcornville Ltd	Mr J Adair	President	674-3399	5190 Ambler Dr, Mississauga, L4M 1T1	1000	10
LePage Hardware	Mr M Grace	Gen Mgr	636-0803	46 Spurge Cr, Brampton, N3J 1T9	2000	7
Brampton Posters Co Ltd	Mr J Paul		631-2274	91 West Lake Rd S, Brampton, L6Y 2E7	2270	11
Stoddie Canada Limited	Mr L Stoddie	President	761-4140	39 Front St, Weston, ON M3C	1600	18
Wesley Sales & Mkt Co Ltd	Mr P Williams	Sales Mgr	653-8710	300 Clarence St, Brampton, L6V 1T5	4000	10
Wesley Sales & Mkt Co Ltd	Mr B Wesley	Gen Mgr	276-7323	1931 Neilson Ave, Mississauga, L4E 1B8	2750	7
Wesley Sales & Mkt Co Ltd	Mr B Wesley	President	263-0785	1 Sherfield St, Toronto, M6R 2E7	2700	8
Wesley Sales & Mkt Co Ltd	Mr M J Smith	Sales Mgr	625-6800	1077 Jarrow Ave, Mississauga, L4E 2A4	4000	15
Wesley Sales & Mkt Co Ltd	Mr V Piller	President	211-9127	68 Channing Ave, Toronto, M8C 2Z6	1500	5
Wesley Sales & Mkt Co Ltd	Mr A Smith	Sales Mgr	263-2608	79 Beffield St, Toronto, M9W 3A1	3000	10
Wesley Sales & Mkt Co Ltd	Mr MacLusik	President	762-4032	51 Millfield Dr, Weston, ON M3C	1500	7
Wesley Sales & Mkt Co Ltd	Mr Atkinson	President	769-3100	2626 Finch Ave W #10, Weston, ON M3C	2000	5
Wesley Sales & Mkt Co Ltd	Mr F Rogers	Gen Mgr	678-2271	4650 Jordan Dr, Unit 7, Mississauga, L4T 1T7	2700	15
Wesley Sales & Mkt Co Ltd	Mr P Glass	Asst Off Mgr	769-0591	6370 Weston Rd, Weston, ON M3C	2750	10
Wesley Sales & Mkt Co Ltd	Mr J Turner	Sales Mgr	639-8181	5300 Patterson St, Burlington, L7R 1T7	1670	15

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NOTE

1. Classic business school case studies such as Westinghouse Electric Corporation and British Columbia Box Limited are examples of this type of industrial sales setting.