

INTERNAL CUSTOMER VALUE CREATION AND
COMMUNICATION CHOICES

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ABSTRACT

Understanding why organizational stakeholders choose to communicate company-relevant information to others in their network is an area of ongoing interest to both academics and practitioners. This dissertation advances internal marketing literature by conceptualizing employees as internal customers and modeling their communication behaviors as value exchanges. Communication choices were hypothesized to be based on the perceived values of available communication options, deriving influence from both employee internal characteristics and situational variations in the decision context. This framework was applied and analyzed within two contexts. The first essay examined the dynamics of internal customers' propensity to "blow the whistle" on peer misconduct to organization higher-ups. These studies revealed that employees disclosed or withheld firm-damaging information based on the social and functional value characteristics presented in available communication options. The second essay examined the motivating factors behind front-line employees' decisions to convey brand information to external customers. These studies showed that employees were driven by factors affecting the perceived intrinsic value of engaging in discussions about the brand topic, as well as the perceived extrinsic value of rewards expected as a result of having such customer interactions. Overall, this dissertation suggests that companies may enable the diffusion of company information by creating conditions that increase employees' perceived value of engaging in brand communications.

This dissertation is dedicated to my wife, Kate, for providing fuel for my dreams and for sharing my determination to see them through.

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TABLE OF CONTENTS

	Page
ABSTRACT.....	iii
DEDICATION.....	iv
ACKNOWLEDGMENTS.....	v
LIST OF TABLES.....	vii
LIST OF FIGURES.....	viii
CHAPTER	
1. INTRODUCTION.....	1
2. ESSAY ONE: ECONOMIC AND SOCIAL MOTIVATIONS OF WHISTLEBLOWING BEHAVIOR: AN INTERNAL MARKETING APPROACH.....	7
3. ESSAY TWO: INTERNAL CUSTOMER PERCEIVED VALUE OF BRAND COMMUNICATIONS.....	52
4. CONCLUSION.....	109
REFERENCES CITED.....	115
APPENDICES	
A. ESSAY 1: EXPERIMENTAL STIMULUS.....	135
B. ESSAY 1: BALANCED EXPERIMENTAL DESIGN.....	136

C. ESSAY 1: AUTHORITY GROUP DESCRIPTION STIMULI.....	137
D. ESSAY 1: TEAMMATE DESCRIPTION STIMULI.....	139
E. ESSAY 2: STUDY 1 CONSTRUCT ITEM CORRELATION.....	140
F. ESSAY 2: STUDY 2 FIELD SURVEY.....	142
G. ESSAY 2: STUDY 2 CONSTRUCT ITEM CORRELATION.....	144
H. ESSAY 2: STUDY 2 SEM MODEL WITH CONTROL VARIABLES.....	145

LIST OF TABLES

Table	Page
1. Constructs from Literature Related to Whistleblowing.....	13
2. Overview of Research Hypotheses and Outcomes.....	41
3. Essay 1: Summary Statistics.....	43
4. Study 1 Output.....	44
5. Study 2 Output.....	47
6. Study 1 Research Hypotheses.....	71
7. Study 1 Composite Descriptive Statistics.....	77
8. Study 1 Item Descriptions and Confirmatory Factor Analysis.....	79
9. Study 2 Item Descriptions and Confirmatory Factor Analysis.....	97

LIST OF FIGURES

Figure	Page
1. United States Gross Domestic Product (GDP) by Type.....	2
2. Customer-Directed Information Sharing Model.....	65
3. Study 1 Final Structural Equation Model.....	84
4. Study 2 Proposed Conceptual Model.....	89
5. Study 2 Final Structural Equation Model.....	100

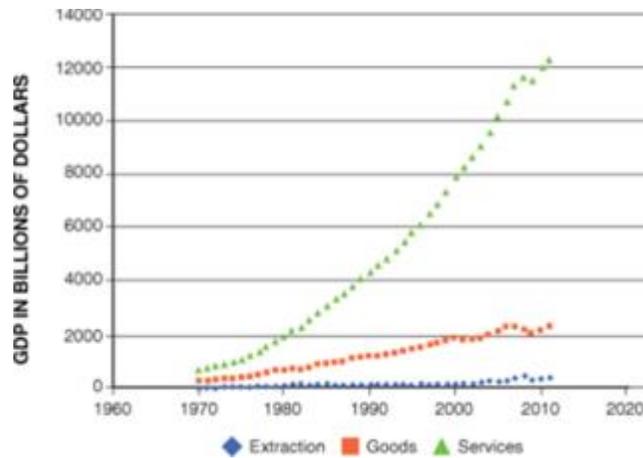
CHAPTER 1

INTRODUCTION

More than 80% of the United States' Gross Domestic Product comes from the exchange of services, while the production of physical goods and that of agriculture combine to account for less than 20% (The World Bank, 2015). The rapid diffusion of digital technology has influenced this imbalance over the past 50 years (Figure 1), causing economic and social turbulence in an increasingly globalized marketplace during what has earned recognition as the Information Age (Castells, 2011; Haksever & Render, 2013).

In response to the mounting inadequacy of a goods-centered model of marketing based on classic economic theory, Vargo and Lusch (2004) integrated a growing body of literature to introduce the foundational premises of the Service-Dominant Logic (SDL) of marketing. While maintaining the nature of exchange as the basis for marketing's role within the firm, the authors argued that all marketing exchanges are fundamentally service-for-service exchanges, even those that include the transfer of tangible goods. Transferrable resources (tangible or intangible) contain only potential value, they noted, and real value is only experienced in the moments when market entities put resources to use in their own unique and individual contexts. SDL has catalyzed a paradigm shift in marketing thought (Bettencourt, Lusch, & Vargo, 2014), drawing attention to a collection of service marketing sub-disciplines that advance the firm's ability to generate value for all stakeholders while helping achieve its own strategic purpose.

Figure 1: United States Gross Domestic Product (GDP) by Type



One of these core sub-disciplines, and the subject of interest for the current research, is in the area of internal marketing and internal customers. The term “internal marketing” refers to the philosophy and practice of using a marketing perspective to manage a firm’s human resources (George & Grönroos, 1989). As the original pioneer of the concept stated, “we can think of internal marketing as viewing employees as internal customers, viewing jobs as internal products, and then endeavoring to offer internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization” (Berry, 1981, p. 34).¹ In particular, Ahmed and Rafiq (2003, p. 1183) acknowledged the development of *internal communications* as the

¹ Internal marketing literature has expanded to recognize anyone who benefits directly from organizational progress as an internal customer, including board members, shareholders, service contractors, etc. For the purposes of this dissertation, however, I will focus on employees as internal customers and use the terms interchangeably per established precedent.

primary application of internal marketing and called for a deep analysis at the internal customer level, which “requires an immersion in the ‘consumption’ experience of the employees.”

To this end, this two-essay dissertation will develop and empirically test well-grounded theories in an effort to extend our knowledge of the driving forces behind internal customers’ on-the-job communication decisions. I argue that when viewed through a service lens, employees’ communication decisions bear strong resemblance to external customers’ product consumption choices, to the extent that theoretical models of customer purchase decisions can be applied to explain and predict employee communication behaviors. At their core, both processes represent service-for-service exchanges made for the purpose of getting jobs done, whether the job is to keep a manager informed or to maintain an enjoyable standard of living (Bettencourt, Lusch, & Vargo, 2014). My strategy in arguing this claim is to develop and test conceptual models of internal customer communications based on underlying theoretical frameworks of consumption choices from value perceptions (Holbrook, 1996; Sheth, Newman, & Gross, 1991).

Specifically, Essay 1 looks at employees’ decisions to report coworker misconduct to their employers. This communication dyad (employee-employer) is one of three relationships essential to internal marketing (Huang & Rundle-Thiele, 2015) and is vital for providing managers with information about service quality deficiencies. Using an external customer comparison, this communication exchange between employee and employer is analogous to a customer’s choice to use the voice option to communicate

product dissatisfaction to a firm. Soliciting complaints is an important part of a firm's marketing activities (Plymire, 1991). Strategic management and integration of (internal and external) negative customer feedback is a vital pre-requisite of organizational health and competitive advantage in the marketplace, as it is in large part a constructive alternative to defection from the brand or company (Hirschman, 1970).

To test the hypothesized effects that consumption values have on internal customer complaints as a response to dissatisfaction with conditions caused by coworker misconduct, I designed and implemented a revealed-preference choice experiment methodology. The experiment allowed for controlled variations in social, functional, and conditional value propositions between two communication alternatives: blowing the whistle on coworker misconduct and remaining silent. I found that economic and social value attributes independently served as employee communication motivators. When social and economic value were in conflict, however, employee communication behaviors were influenced by the relative characteristics of group members (who also suffered consequences of the focal actors' decisions), of complaint receivers (whose requests for information were ignored if their issue handling procedures were viewed as unfair), and of themselves (who placed varying degrees of importance on social self-concept maintenance).

Essay 2 directly examines the psychological value creation process of internal customers' evaluation of whether to share important brand information with external customers. Interactions between firm employees and external customers represent a growing area of importance to marketers—particularly internal marketers—as employees

are increasingly viewed as the gatekeepers of brand impressions during the “moments of truth” that can greatly affect future customer purchases and loyalty (Grönroos, 1984; Harmeling et al., 2015; Kotler, 2007; Normann, 1991). Understanding and measuring the value creation process is important to internal marketers for the purpose of sustaining excellent service to external customers, as well as enabling greater value experiences for the internal customers themselves (Huang & Rundle-Thiele, 2015). This internal customer process can be likened to the similar external customer’s process of choosing whether to share brand information through word of mouth referral with other potential customers.

In this essay, I developed a conceptual model from relevant literature and tested the proposed relationships through lab and field studies. The conceptual model is based largely on a value-in-use theoretical framework, which provides an opportunity to illustrate how strategically coordinated efforts can enable internal customers to make communication decisions that satisfy their own needs, external customers’ needs, and the needs of the firm simultaneously. I examined and substantiated intrinsic and extrinsic dimensions of internal customer perceived value proposed in recent literature and measured their effects on attitudes and intentions to share brand information with external customers (Grace & Iacono, 2015). I then conducted a field study among pharmaceutical company representatives to investigate the influence of environmental value stimuli (organizational support of brand promotion activities) on internal customer perceived value of performing work communication tasks. I found that when brand representatives believed their organization effectively allocated an appropriate amount of resources

toward personal promotion of the brand, they placed higher value on the extrinsic rewards gained from having these discussions. This effect was partially mediated by the extent to which the employee's needs were satisfied by the job. However, the degree to which need satisfaction influenced the extrinsic value of promoting the brand decreased as brand tenure increased. Together these findings provide valuable insight into the psychological factors affecting internal customer communication behaviors.

Importantly, employees make communication decisions based on their perceptions about the value to be gained from engaging in such discussions. These decisions have important implications on the value experienced by other individuals in the organizational network and on the organization itself. Overall, this dissertation advances the growing body of research on internal marketing by studying the impact of value drivers and their psychological underpinnings on internal customer communication choices.

CHAPTER 2

ECONOMIC AND SOCIAL MOTIVATIONS OF WHISTLEBLOWING BEHAVIOR: AN INTERNAL MARKETING APPROACH

Introduction

Marketers must enable open communication channels between the firm's employees and managers in order to create sustainable value for both parties (Hirschman, 1970; Kotler, 2007; Piercy & Morgan, 1991; Vargo & Lusch, 2004). Across all markets in a dynamic economy, this ability to absorb information and effectively manage knowledge is a key ingredient to firm competitiveness (Cohen & Levinthal, 1990; Day, 1994; Grant, 1996). This is particularly true from a service-dominant marketing perspective, since information exchanges among organizational stakeholders are regarded as the fundamental activities of firm value creation (Porter, 1991; Vargo & Lusch, 2004).

To address new needs, internal marketing has grown as a sub-discipline of service marketing. The philosophy and practice of internal marketing is to regard the needs and behaviors of employees as the internal customer analog to external customer needs and behaviors (Berry, 1981). In parallel to common practice with external customers, a primary goal of internal marketing is to ensure effective two-way communication between customer and firm in order to maintain an excellent relationship and preserve the ongoing exchange of valuable information (Duncan & Moriarty, 1998; Grönroos, 2004; Huang & Rundle-Thiele, 2015). Despite the well-recognized importance of information transmission to value creation and firm prosperity, companies struggle immensely to drive information sharing performance. Knowledge hiding due to a distrust of how others

will use the newly acquired information has become a very real and significant problem (Connelly, Zweig, Webster, & Trougakos, 2012). Addressing and overcoming barriers to employee information sharing remains a daunting impediment to firm strategic execution and success (Beer & Eisenstat, 2000; Riege, 2005; Rosen, Furst, & Blackburn, 2007).

Compounding the challenge for marketers and business decision-makers, the application of incentive structures is not as straight forward as one might hope. Not only do economic incentives often fail to increase overall information-sharing performance (Bock & Kim, 2001), but they may actually decrease it (Bock, Zmud, Kim, & Lee, 2005). Companies and scholars face an escalating challenge, as investments in technology intended to increase information sharing may instead result in greater information hiding and protectiveness (Connelly, Zweig, Webster, & Trougakos, 2012; Jiacheng et al., 2010). Despite awareness that their knowledge might be useful to others, employees sometimes withhold information out of fear that the sharing will be ineffective in enacting change or that they will be criticized or labeled negatively for the suggestion (Milliken, Morrison, & Hewlin, 2003). Moreover, these patterns can permeate throughout an organization and become endemic to its culture (Morrison & Milliken, 2000). Our deficit in understanding the nature of employee information exchange is embodied by the sentiment that “what we know about the transfer of knowledge is greatly exceeded by what we do not know” (Huber, 2001, p. 73).

Organizational behavior literature has provided a wealth of knowledge on the nature, antecedents, and outcomes of employees’ intraorganizational communication. However, a new perspective may provide insight into understanding why employees

choose to share valuable company information with superiors when they are dissatisfied with current conditions. Organizational behavior literature, for example, gives primacy to the prosocial motivations of voicing dissatisfaction, basing the communication decision on an initial motive to help the organization or work unit (Morrison, 2011; Withey & Cooper, 1989).

In this essay, I investigated employees' whistleblowing behaviors in response to coworker misconduct by conceptualizing the communication choice as if it were a value exchange decision. Although I drew largely from empirical research conducted in organizational behavior literature, I examined the problem through a service lens by viewing the communication task as an internal customer job consumption decision (Bettencourt, Lusch, & Vargo, 2014). I based my conceptual framework on the theory of consumption values (Sheth, Newman, & Gross, 1991) and assumed as a starting point that employees could choose whether to engage in the communication task based on the perceived value-in-context of their options.

To this end, I designed and deployed a revealed-preference choice experiment to measure the impact of functional, social, and conditional value attributes on the decision to blow the whistle on coworker misconduct. A persistent challenge in uncovering the causes of information sharing decisions is a noted deficiency in the internal validity of survey methods commonly used to study these relationships (Miceli, Near, & Dworkin, 2008). Surveys of this nature are highly sensitive to respondent social bias (Wang & Noe, 2010) and pose a challenge in drawing causal conclusions, thus providing an opportunity for an experimental methodology to contribute to our empirical knowledge.

The remainder of this essay is laid out in the following manner. In the next section, I review and integrate literature on whistleblowing, internal marketing, and consumption values. Following this review and the development of research hypotheses, I introduce the experimental methodology used for testing the hypothesized relationships between social and economic value drivers and the resultant whistleblowing complaint behaviors. I close with a review of the findings and limitations of the studies, as well as implications for theory and management.

Theoretical Background

Whistleblowing

Healthy organizations depend on information from all branches of the firm to aid executive decision making, inform creative development and growth opportunities, and warn of potential threats to organizational wellbeing (Morrison, 2011; Morrison & Milliken, 2000; Day, 1994). However, business firms and other organizations are subject to deterioration, mistakes, and transgressions through the natural course of operation. Albert Hirschman (1970) proposed three constructive options available to group constituents who are displeased with their organization's performance: leave the group, stay and remain silent, or voice their displeasure and take action to implement change. More broadly, recent models of employee response to dissatisfaction (not necessarily coworker misconduct) assess response types on the dimensions of Passive-Active and Destructive-Constructive (Rusbult, Farrell, Rogers, & Mainous, 1988; Withey & Cooper, 1989). This typology differentiates employees who speak up and detach from work

engagement (exit) from employees who speak up and constructively try to improve conditions by communicating with others in the organization (voice). While organizational shortcomings traditionally receive market correction through exit forces in classic economic theory (Kurrild-Klitgaard, 2002), the ability to vocalize issues of concern enables organization members to facilitate positive change while maintaining affiliation. However, if voicing becomes perceived as ineffective and positive change does not seem possible, organization members are consequently more likely to exit as a result (Hirschman, 1970; Kolarska & Aldrich, 1980). Organization leaders have realized the importance of deterring exit by soliciting and utilizing group member feedback in organizational development initiatives, while intraorganizational voicing behavior and culture have since developed as important indicators of firm health (Beer & Eisenstat, 2000; Morrison & Milliken, 2000).

Formally, whistleblowing is defined as “the disclosure by organization members (former or current) of illegal, immoral, or illegitimate practices under the control of their employers, to persons or organizations that may be able to effect action” (Near & Miceli, 1985, p. 4). Although whistleblowing may be used to describe complaints of relatively small-order offenses like stealing, waste of resources, performance mismanagement, or safety concerns directly to management, it is often construed in main stream media as a large-scale complaint to external entities or governments with potentially devastating repercussions to the whistleblower and the offending organization (Miceli, Near, & Dworkin, 2008). In the organizational behavior literature, whistleblowing is sometimes considered a unique case of the more general voice construct when the complaint is

lodged internally to the organization and is constructive in intent (Near & Miceli, 1985). Alternatively, whistleblowing is sometimes considered related but distinct, because the whistleblowing complaint can be directed to an entity outside of the organization, while the voice construct is strictly intraorganizational (Morrison, 2011). Distinguishing between employee communication constructs becomes challenging when examining similar and overlapping constructs in other research streams. A review of related constructs is displayed in Table 1.

Although commonly referred to as a point-in-time behavior or event, blowing the whistle on organizational misconduct (whether internally to employers or externally to governing institutions) is characterized by a series of interactions and processes. The initial stimulus to the process begins when questionable activity is observed, also known as the information acquisition event (Dozier & Miceli, 1985; Miceli et al., 2008). This observation kicks off a sequence of decision processes that affect outcomes for the employee and the organization. The process begins with the acquisition of new information from the environment, followed by a multi-faceted decision calculus that results in the decision of whether or not to share the observed information with others (Dozier & Miceli, 1985; Miceli et al., 2008; Near & Miceli, 1985). This final decision is largely influenced by whether or not the perceived benefits (personal or societal) from the decision-maker's actions will outweigh the costs (Miceli et al., 2008; Morrison, 2011). During this process, the employee considers potential outcomes influenced by variable personal and situational factors and chooses among an available set of options to achieve the best result (Near & Miceli, 1985). Following the outcomes of the employee's decision

Table 1. Constructs from Literature Related to Whistleblowing

Construct	Definition	Relationship to Focal Construct
Voice (LePine & Van Dyne, 1998; Van Dyne & LePine, 1998)	Voluntarily speaking up with the organization improvement as motivation	Narrower in intent from only motivation to improve organization, broader in direction of communication
Upward Communication (Glauser, 1984)	Any transmission of information from lower to higher personnel in an organizational hierarchy	Broader in that it includes any type of information, not only in response to dissatisfaction
Voice as a Response to Dissatisfaction (Withey & Cooper, 1989)	Voluntarily responding to discontent by speaking in order to improve organizational situation	Narrower in intent that only motivation is to help organization, broader in that voice can occur in any direction
Silence (Milliken, Morrison, & Hewlin, 2003; Morrison & Milliken, 2000; Van Dyne, Soon Ang, & Botero, 2003)	Voluntarily choosing not to disclose potentially beneficial organizational information	Signal which communicates a lack of action and withholding of information
Information/Knowledge Sharing (Ballantyne & Varey, 2006)	Dissemination of any type of organized data to others	Broader in scope as it relates to any type of information, not just information in response to dissatisfaction
Customer Complaint (Fornell & Wernerfelt, 1987)	a customer's expression of dissatisfaction made to the company	In marketing texts, construct typically refers only to complaints made by customers external to the firm
Negative Word-of-Mouth (Richins, 1983; Singh, 1990)	Expression of dissatisfaction to others in network	Negative Word-of-Mouth communications are directed at peers, friends or acquaintances rather than directly to the offending firm

of whether to share the information, the information recipient—in this case the authority group with which the information is shared—has the option to act on the information (Near & Miceli, 1985). According to the leading frameworks in both voice and whistleblowing literature streams, the original motivation of information sharing behavior is moderated by an internal calculus of perceived potential costs and benefits (Miceli et al., 2008; Morrison, 2011). The factors involved in the cost-benefit calculation are commonly grouped into two categories: internal personal variables and external situational factors.

An unresolved discussion in organizational behavior literature on whistleblowing concerns the basic motivations underlying whistleblowing behaviors. Van Dyne et al. (1995) categorize whistleblowing as a prosocial organizational behavior (POB). Researchers have investigated whistleblowing as an act of altruism, of principled organizational dissent, as organizational citizenship behavior, and as positive extra-role behavior (Brief & Motowidlo, 1986; Graham, 1986; Miceli, Near, & Dworkin, 2008; Treviño & Weaver, 2001). However, it has also been viewed as an antisocial behavior (Miceli & Near, 1997), ranging from a generally alarmist mentality of detrimental work situations to outright bounty hunting and vengefulness (Heumann, Friedes, Cassak, Wright, & Joshi, 2013). Although scholars generally agree that expecting whistleblower actions to result from pure altruism sets expectations too high (Dozier & Miceli, 1985), the discussion varies widely in terms of the nature and motives of whistleblowing.

Despite this lack of uniformity in perceived motives, the process, antecedents, and outcomes of whistleblowing remain widely studied using the Prosocial Organizational

Behavior (POB) model (Brabeck, 1984; Brief & Motowidlo, 1986; Dozier & Miceli, 1985; Miceli & Near, 1985; Miceli et al., 2008). Whistleblowing as a prosocial behavior is rooted historically in literature examining the nature of the bystander effect, whereby whistleblowers choose not to ignore an injustice and instead take action to correct it (Miceli, Near, & Dworkin, 2008). This model is fundamentally based in the view of the employee as an organization member, and the act of whistleblowing as a process undertaken to stop practices that are damaging to organizational goals. Thus, whistleblowing is largely based on a firm perspective of behavior, “which is (a) performed by a member of an organization, (b) directed toward an individual, group, or organization with whom he or she interacts while carrying out his or her organizational role, and (c) performed with the intention of promoting the welfare of the individual, group, or organization toward which it is directed” (Brief & Motowidlo, 1986, p. 711). Although not always resulting in outcomes constructive to organizational goals, the POB model presupposes a perspective of the construct as it relates to the effects on others in the firm.

This research has left a gap in our understanding, particularly in the admission that whistleblowers “often have multiple motivations that may not be easily identified or disentangled... [which] cannot be examined unless cases of whistleblowers with varied motivations are considered” (Miceli, Near, & Dworkin, 2008, p. 7). The research has yielded a great deal of information regarding the role of individual characteristics and situational contexts, despite the fact that many of the findings are anecdotal or based on potentially biased survey report data. Scholars have therefore called for more research on

driving motivations of whistleblowing behaviors—in particular, “the effects of cash awards need more empirical attention” (Miceli, Near, & Dworkin, 2008, p. 36).

Internal Marketing

The term “internal marketing” refers to the philosophy and practice of using a marketing perspective to manage a firm’s human resources (George & Grönroos, 1989). Service marketing is the marketing of the intangible, of providing skills and knowledge. The service-dominant logic of marketing asserts that all industries are fundamentally service industries, since even when market entities exchange goods and money, what they truly desire is the experiential benefits that the objects provide. Hence, Vargo and Lusch (2004) contend that all exchanges are service-for-service exchanges, and that a service is the application of knowledge and skills to help someone. Service-oriented marketers have a responsibility to facilitate value exchanges wherever they occur among all stakeholders, no longer constrained to tangible external customer-firm transaction points where money is exchanged for goods. As the original pioneer of the internal marketing concept puts it, “we can think of internal marketing as viewing employees as internal customers, viewing jobs as internal products, and then endeavoring to offer internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organization” (Berry, 1981, p. 34).

Kotler (1972) illustrated three levels of consciousness to apply to the concept of marketing. These three levels arise from the classic definition of economic exchanges with external customers (consciousness one) to the recognition that all organizations have

customers they are motivated to satisfy, even if they are not paying customers in the typical sense (consciousness two), and finally to the concept that since the core concept of marketing is the exchange of values between two parties, marketing is concerned with value exchanges between any two parties (consciousness three). Thus, marketers are concerned with the factors leading an individual to volunteer with a charity organization, for example, since “marketing is specifically concerned with how transactions are created, stimulated, facilitated, and valued” (Kotler, 1972, p. 49).

Internal marketing began as a philosophy of service marketing in the late 1970s—it was an extension of service marketing that recognized employees as the first market of the organization, upon which the entirety of the external customer’s service experience is based (Berry, Hensel, & Burke, 1976; Sasser & Arbeit, 1976). Ensuring the consistent quality of this exchange is of utmost importance to sustaining a strategic advantage. Because it is the job of marketing management to achieve specific actions from others by creating and offering an appropriate set of values in exchange, if he can “identify the exchange values—what the employee seeks from the job and what he is willing to give up to get it—he can offer values appropriate to producing the desired responses in his employees” (Sasser & Arbeit, 1976, p. 64). Although companies have many audiences with which achieving desirable value exchanges is important, satisfying the internal market of employees is uniquely crucial for firm success and sustainability.

Internal marketing gained awareness by addressing the functional outcomes of using marketing tactics to treat employees as customers (Berry, 1981). Recognized as an enhancement to the culture of quality service delivery throughout an organization

(Gummesson, 1987), a special summit was called between top researchers in marketing and organizational behavior toward integrating both disciplines to address new challenges presented by the service economy (Mindak & Folger, 1990). The summit successfully outlined a course of investigation, and internal marketing developed into a core sub-discipline of service marketing in the decades following. Organizational behavior literature subsequently expanded conceptually, including customers as the foundational tier of service organizations (Schneider & Bowen, 2010). Service marketing research expanded to understand in greater detail the internal marketing orientation of organizations (Fang, Chang, Ou, & Chou, 2014; Lings, 2004), stressing the flows of intangible information over physical goods in extended conceptions of the supply chain as a service delivery chain (Heskett, Jones, Loveman, Sasser, & Schlesinger, 2008; Lievens & Moenaert, 2000; Lings, 2000; Porter & Millar, 1985).

Due to the intangibility of the service product, internal marketing research has focused heavily on information exchange, based on three core components of internal communication (promoting company initiatives to employees through direct and indirect tactics commonly used with external customers), training, and internal market research (inbound information used to analyze and understand employee values and needs) (Huang & Rundle-Thiele, 2015). This research is conducted by some in the name of enhancing employee external customer orientation (Grönroos, 1982) and by others for the sake of internal customer relationships themselves (Berry, 1981).

Marketing scholars have therefore moved toward the adoption of a more holistic view of the supply chain that emphasizes value gained from the distribution of

information rather than physical goods (Chyi Lee & Yang, 2000; Heskett, Jones, Loveman, Sasser, & Schlesinger, 2008; Porter & Millar, 1985). While the classic supply chain model evaluates customer transactions as the point at which value is either gained or lost through exchange, the modern service model acknowledges all interactions between organizational stakeholders as potential value touch points. From a service-dominant perspective, the role of marketing is not to maximize incoming firm value relative to distributed value, but to enable the value experienced by stakeholders with regards to accomplishing firm objectives (Bettencourt, Lusch, & Vargo, 2014).

Each information exchange can potentially create or destroy firm value, regardless of whether the interaction takes place among internal or external stakeholders. For example, if a current customer tells a potential customer about a terrible service experience, a pending sale might be lost or require significant firm resources to maintain. Similarly, a current employee might share best practices with a manager, leading to a training program modification that improves future task efficiency. While both examples are important value transactions in the eyes of service marketers, the first is primarily a concern of external marketing and the second of internal marketing.

Although internal marketing has grown considerably due to the recognition that income generated from external customers is dependent in large part on the quality of service rendered by its internal customers, the research has much room for growth. Ahmed and Rafiq (2003, p. 1183) identified the strategic development of internal communications (the job of distributing or sharing information) as the primary application of internal marketing and call for a deep analysis at the internal customer

level, which “requires an immersion in the ‘consumption’ experience of the employees.” Mishra et al. (2014) called for greater research into internal communications as a driver of employee engagement. Of special importance is the development of causal research models that inform the internal customer-supplier relationship (Bruhn, 2003). In particular, empirical evidence is needed to support the proposed structure and relationships of internal customer value perceptions and motivations (Grace & Iacono, 2015).

Complaint Choices Based on Consumption Values

Perceived value has been an important concept in understanding consumer behavior since the 1990s (Sánchez-Fernández & Iniesta-Bonillo, 2007). The concept of perceived value stems from a value-in-use context, which focuses on the value experience an individual derives from the use of a product or service rather than the objective sense of value (monetary or physical goods) that is gained by selling an object (Vargo, Maglio, & Akaka, 2008). When conceived as a uni-dimensional construct, perceived value is defined as “the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given” (Zeithaml, 1988, p. 14). Thus, the concept of perceived value is rooted in the mind of the individual experiencing the effects of the product consumption experience, relative to the time and place of the evaluation context.

More recently, scholars have extended the uni-dimensional view of value to a multi-dimensional view. To arrive at an overall perceived value of an object, consumers

are subject to consideration of a number of different value types. In this regards, the constructs of “value” and “values” are commonly misunderstood and incorrectly applied. Values are internal predispositions to certain types of goals or ideals (Holbrook, 1996). For example, an individual may hold strong family values, meaning that they have an internal drive to maintain relationships with family members. On the other hand, value is the overall evaluation ascribed to an object or alternative in the context of an exchange decision. A point-in-time value is always dependent upon the context of the decision and the individual making the evaluation and is thus not a meaningful construct when no alternative is present. The perceived value of an exchange item is, however, dependent upon the internal values that the consumer brings to bear on an exchange decision.

In the past two decades, several marketing scholars have attempted to deconstruct the dimensions of values that factor into consumption decisions. Intrinsic, extrinsic, hedonic, utilitarian, self-oriented, other-oriented, practical, and logical values are some of the higher-order categories ascribed in marketing literature (Holbrook, 1994; Parasuraman, 1999; Sánchez-Fernández & Iniesta-Bonillo, 2007). Sheth, Newman, and Gross (1991) introduced a model of consumption values proposed and validated to predict consumer selection of goods and service among alternatives. They proposed that consumers decide what to buy based on 5 consumption values: functional values, social values, emotional values, epistemic values, and conditional values. These values are theorized to be distinct from one another and contribute to consumption decisions to varying degrees depending on the situation.

The theory of consumption values applies to the consumption of services, as well as physical goods. In general terms, “a product is something that has value to someone” (Kotler, 1972, p. 47). Exchanges in which both parties are engaged in evoking a particular response from the other are negotiations. Routinized exchanges occur when both parties have previously agreed to fixed terms of exchange. Many marketing exchanges are only negotiable in one direction, characterized by a distinct buyer and seller. The seller typically sets his or her transaction terms in a pre-determined manner and is thus not actively being marketed to by the buyer. Thus, the decision typically rests on the buyer’s evaluation of whether the object to be gained in the transaction is of higher value than that which will be lost. The most salient of lost values in marketing consumption decisions is the functional utility possible from the money sacrificed, but the value gained is often more complicated. People decide among consumption alternatives not just for the functional value something will provide, but for a variety of value expectations. For example, purchasing a new sweater may provide functional value as a protection against cold, but may also provide social value if the chosen style evokes a positive experience for the individual when the sweater is worn around friends.

Much of the current research in marketing on customer complaint behavior is based on Hirschman’s (1970) model of response to dissatisfaction. This is the same model used in organizational behavior to inform outcomes of employee dissatisfaction (Singh, 1990). While organizational behavior literature developed a destructive construct of neglect as an alternative to loyalty when employees respond to dissatisfaction passively, the consumer literature includes the destructive, active, negative word of

mouth (WOM) when customers are not happy with service received (Richins, 1983).

Customers can also complain or voice to the supplier in an attempt to change a dissatisfactory situation into a satisfactory one (Trawick & Swan, 1981).

Customer complaints are an important source of value to companies (Plymire, 1991). Historically complaints were observed to correlate with dissatisfaction, and managers reactively sought to minimize them. However, when considering the alternatives to dissatisfaction, complaints are a positive outcome for firms. Without an effective complaint management system, dissatisfied customers are more likely to exit the relationship to alternative suppliers and more likely to spread negative word of mouth about their experiences. Liu (2006) found that in addition to economic value perceptions, the value of social relationships through two-way communication is an important indicator of customer's perceived switching costs. If voicing becomes perceived as ineffective and positive change does not seem possible, customers are consequently more likely to exit as a result (Hirschman, 1970; Kolarska & Aldrich, 1980).

Similarly, healthy organizations depend on negative feedback from all branches of the firm to aid executive decision making, inform creative development and growth opportunities, and warn of potential threats to organizational wellbeing (Morrison, 2011; Morrison & Milliken, 2000; Day, 1994). Organizations are subject to deterioration, mistakes and transgressions through the natural course of operation, and must take action to improve deficiencies. Of the three responses to dissatisfaction originally proposed by Hirschman (1970), the voice response is the only avenue that directly provides a firm with information about shortcomings. Speaking up about dissatisfaction provides the

ability to vocalize issues of concern while facilitating positive organizational change and maintaining affiliation, and it is shown to be an important predictor of employee retention (Spencer, 1986). Organization leaders have realized the importance of deterring exit by soliciting and utilizing group member feedback in organizational development initiatives, and intraorganizational voicing behavior and culture have since developed as important measure of firm health (Beer & Eisenstat, 2000; Morrison & Milliken, 2000).

Receiving and responding to complaints has the potential to provide social value by strengthening firm-customer bonds, epistemic value by transmitting information about company deficiencies, and functional value by decreasing exit and negative word of mouth. Thus, it makes sense that organizations of any variety are likely to take disciplined action in order to encourage complaints from internal and external customers. However, these efforts are undertaken with varying levels of success (Detert & Trevino, 2010; Lee & Ahn, 2007).

Hypotheses

Organizational Behavior literature on whistleblowing behaviors predominantly builds from the Prosocial Organizational Behavior (POB) model (Brief & Motowidlo, 1986). Although this model pre-supposes the desire to improve an organization as the primary motivation behind whistleblowing, scholars acknowledge the potential for other motivators. Internal customer communication hypotheses were therefore developed using prior research on consumption values.

Marketing theories of external customer consumption behaviors are broadly rooted in economic utility theory, which assumes that behavior comes from self-interest (Stigler, 1950). Though recent theory has evolved to appreciate other forms, the most commonly studied source of self-interested value for customers is in the form of money or other form of convertible functional utility (Sheth, Newman, & Gross, 1991). This perspective continues to dominate marketing literature, and an abundance of research shows that personal incentives and rewards play a key role in individual motivation (for a review of the effects of financial incentives, see: Camerer and Hogarth, 1999). People routinely and systematically make decisions and act in accordance with personal utility maximization, and financial rewards provide a valuable resource for sustained livelihood and increased likelihood for personal success.

According to Sheth et al. (1991), customer decisions to consume available products or services are a function of multiple personal consumption values. Functional values are defined as “perceived utility acquired from an alternative’s capacity for functional, utilitarian, or physical performance” (Sheth, Newman, & Gross, 1991, p.160). This functional value of a product or service is akin to the traditional basis of utility examined in classic economic literature.

Sweeney and Soutar (2001) developed a multiple item scale to measure four driving forces of customer perceived value, finding that functional values have a reliable impact on customers’ willingness to buy a product. As an extension to this literature, Grace and Iacono (2015) translated the four value forces of Sweeney and Soutar’s model of external customer value perceptions into a proposed model of internal customer

perceived values for stable work variables. Monetary value is proposed as a driving factor in the thoughts and behaviors of internal customers as they go about their work day acting as resource integrators seeking to create value in the context of their own lives. Thus, I hypothesize that

H1: Functional value has a positive effect on whistleblowing behavior.

When looking through a rational lens of economic utility maximization, one might expect individuals to share information about dissatisfying work conditions with superiors only when it is in their economic interest to do so and to refrain whenever a loss in economic value is expected. However, humans are innately motivated by social relatedness and often make personal sacrifices for the sake of others (Deci & Ryan, 2000; Fehr & Gächter, 1998). These sacrifices occur in a range of decisions from mere incremental decisions to those with high-stakes importance (Fehr & Tougareva, 1995).

It is now generally accepted that individuals routinely and systematically behave in ways that counter economic utility maximization theory for decisions under uncertainty (Kahneman & Tversky, 1979). While findings initially focused on risk seeking and avoidance behaviors, emphasis has also extended this work to areas of social behavior (Loewenstein, Thompson, & Bazerman, 1989). Interestingly, studies using functional magnetic resonance imaging (fMRI) show that decisions resulting in personal gains and decisions resulting in gains for related other induce increased activity in many of the same regions of the reward system (Fehr & Camerer, 2007).

More recently, scholars have examined interactions between social and economic behavioral motivations (Ariely, Bracha, & Meier, 2009; Bénabou & Tirole, 2006). Fehr and Schmidt (Fehr & Schmidt, 1999) discuss and test a theory of inequity aversion, finding that people systematically make utility-sacrificing decisions in order to remain fair. Mazar et al. (2008) find that individuals balance personal economic gain with maintenance of social self-concept when evaluating whether to engage in cheating behavior. They conclude that individuals balance moral integrity with self-optimization to the extent that self-concept is not greatly sacrificed.

In developing an instrument for measuring consumer perceived value, Sweeney and Soutar (2001) identify social value as “the utility derived from the product’s ability to enhance social self-concept” (p. 211). Grace and Iacono (2015) note that in the process of value creation for internal customers, social self-concept is an important part of the social value that employees derive from work tasks.

In whistleblowing research, the degree or extent of harmfulness of wrongdoing is a key predictor of reporting organizationally threatening information (Bergman, Langhout, Palmieri, Cortina, & Fitzgerald, 2002; Lee, Heilmann, & Near, 2004; Miceli & Near, 1985). Increased saliency of wrongdoing has a net positive impact on the likelihood of speaking up about organizational threats (Mesmer-Magnus & Viswesvaran, 2005). A rationale for sharing information about organizational wrongdoing involves the motive to correct organizational threats and enact positive organizational change. If the employee does not believe that the observed wrongdoing is sufficiently harmful to the wellbeing of the firm and its constituent employees, it is less likely to create dissatisfying conditions

(Near & Miceli, 1985), thus lowering the chance that proactive information sharing with superiors as a response to dissatisfaction will be expressed.

Furthermore, a primary cause of silence in opportunities to reveal potentially damaging information is the concern for harming others (Milliken et al., 2003). When an individual speaks up about wrongdoing, the punishment is rarely isolated to the individual problem source. Rather, the organizational workgroup often suffers immediate consequences, as authoritative entities seek reprisal for damages. A desire to avoid negative repercussions to others often influences decision motives (Milliken et al., 2003), as employees modify their behaviors to support those around them.

Social value perceptions are regarded as an important consumption value leading to the purchase of a product or service (Sheth et al., 1991; Sweeney & Soutar, 2001). In particular, the ability of a consumption choice to enhance a customer's social self-concept is an important value in the determination of behaviors. From an internal marketing perspective, social value is defined as "the internal customer's perception of the value derived from the social and relational benefits generated in the value co-creation process" (Grace & Iacono, 2015, p. 563). Therefore, I propose the following hypothesis:

H2: Social value has a positive effect on whistleblowing behavior.

Value perceptions are always unique to the situation and individual making the evaluation (Sandström, Edvardsson, Kristensson, & Magnusson, 2008; Sheth, Newman,

& Gross, 1991; Vargo & Lusch, 2004). Product attributes are evaluated in context, with the expected outcomes of consumption alternatives determined by the personal values of the individual making the evaluation. When the perceived value characteristics of the choice alternatives in a given situation are altered, the evaluator's overall perceived value of each choice is affected according to his or her internal values.

Organizational literature suggests that a two-part social alignment with the organization overall and with sub-organizational work groups is an effective structure for the study of intergroup cooperation (Gaertner et al., 1999; Pettigrew, 1998; Richter, West, Dick, & Dawson, 2006). The strength of relationships with others in an organization can alter the values individuals derive from behaviors that align or conflict with social goals (Akerlof & Kranton, 2005). The relationship may be affected by organization characteristics, particularly as they relate to maintaining a fair exchange. When organization leaders cultivate an organization believed to be fair and just, there is a greater chance that organization members will report unethical behaviors (Treviño & Weaver, 2001). Inequity exists when one party in an exchange relationship finds that the ratio of his or her outcomes to inputs is insufficient compared to the inputs and outputs of the other in the exchange.

A key outcome of perceived inequity is dissatisfaction and reluctance to engage in exchange with the other party in the relationship (Adams, 1965). When an individual has strong positive or negative impressions of a group she is a member of, those impressions are more likely to describe how the member feels about herself (Dutton et al., 1994). These relationship changes with an organizational or subgroup result in depersonalization

of the self, heightened commitment, loyalty, devotion to group values, and increased desire to maintain affiliation with that group (Ashforth & Mael, 1989; Chatman, 1991). Consequently, heightened group member identification with an organization leads to an increased desire to act in accordance with group norms. For example, Cabrera et al. (2006) find that individual employees are more inclined to engage in information sharing activity when they are more committed to their organizations. Interestingly, Chiu et al. (2006) discover that in virtual communities, trust is positively related with the quality of information shared, while identification is positively related with the quantity of information shared. However, when employee incentives are misaligned with overarching organizational goals, employees are likely to stifle information flow in favor of personal interests (Pierce, 2012). Employee action in accordance with group norms increases utility, while behavior that falls outside of the domain of what is expected or encouraged decreases utility (Akerlof & Kranton, 2005). Thus, I hypothesize

H3: Conditional value has a positive effect on whistleblowing behavior when complaint recipients are perceived as fair.

H4: Conditional value has a positive effect on whistleblowing behavior when relationship strength with offending organization members are weak.

In addition to situational characteristics of the environment and organizational entities, organizational behavior literature reveals a robust body of evidence showing that personality characteristics play an important role in the decision to speak up (Cabrera et

al., 2006; Morrison, 2011). Beyond basic demographic identifiers such as age, gender, and tenure at the organization, various personality characteristics, such as locus of control, are shown to influence people's propensity to speak up (Dozier & Miceli, 1985; Miceli et al., 2008). However, no previous studies have identified a significant connection between altruism and blowing the whistle on coworker misconduct that may harm firm strength.

Altruism is defined as action performed with the intent to benefit others while lacking in the desire to receive benefit in return (Berkowitz, 1972; Romer, Gruder, & Lizzadro, 1986; Rushton, 1980). Social dilemma and interpersonal behavior propensity models have two basic divisions that together help define individual-helping orientation: the motive to help an individual or group in need (nurturance) and the motive to receive help from others (succorance) (Brewer & Kramer, 1986; Romer et al., 1986). Romer et al. (1986) use these divisions to measure the relative propensity of behaviors in individuals. People with a higher helping-orientation will likely help other individuals or the public at large when in need, but have a low tendency to seek reward or benefit from their actions (Romer et al., 1986).

H5: Individual orientation to helping others has a positive effect on whistleblowing behavior.

Experimental Design

Incentive-Compatible Interactive Team Game

A revealed-preference choice experiment approach was deployed by designing an incentive-compatible interactive online team game to allow for the measure of information sharing events resulting from research subjects' exposure to functional, social, and conditional value variations. I sought to create a controlled environment in which participants were given the freedom to divulge information to employers or to remain silent after observing wrongdoing. Based on the attributes of the task condition, respondents were given the option to engage in this value exchange with the study administrators or not, based on the attributes of each alternative. Inputs were systematically varied across trials to reveal the effects on the decision to share organizationally threatening information.

Participants were recruited to participate in an "Interactive Online Team Game" and were compensated using a small, fixed amount of cash for completing the study. Target sample sizes were determined based on a previous related study looking at effects of intragroup variability on group dynamics (Doosje, Ellemers, & Spears, 1995). Importantly, participants also earned a performance-dependent number of raffle tickets throughout the course of the game, which were then entered into a drawing for one of two \$30 gift cards from Amazon.com for each study.

The economic objective of the task was to collect raffle tickets in order to maximize chances of winning a gift card. Raffle tickets could be earned during each of 42 stimulus exposures (rounds). In each round, the number of tickets accrued to a study

participant's bank was determined by two factors; 1) the reported performance of the study subjects' teammates, of which each subject was by default awarded the average in raffle tickets, and 2) the subject's own decision of whether to report inappropriate behavior, forego the default ticket amount, and earn instead a flat rate of five (5) raffle tickets. In this research, teammate behaviors were simulated for consistency across subjects, though the study could be adapted to allow full subject participation. Participants were debriefed accordingly at the end of the study.

In each round, participants were presented with details of their teammates' performance (Appendix A). These scores were presented in two categories: earned scores and reported scores. The earned scores refer to the actual points earned by each teammate. Reported scores refer to the points that that each teammate claimed credit for. The degree of wrongdoing, as well as the direct harm done to others in the organization outside of the team, is defined as cases and the degree to which teammates reported higher scores relative to what they earned. In the absence of audit or reports of wrongdoing, teammates could get away with reporting higher than earned scores. Critically, everyone on the team (including the study participant) by default benefits economically from unjustly exaggerated scores. However, participants were explicitly asked to review team performances in each round and to aid in keeping the game fair for all participants due to the limited resources of the study administrators.

Therefore, in instances where at least one teammate cheated by at least one point, the choice set available to participants contained two alternatives: 1) ignore the fact that either one or both teammates cheated and accept the average of their reported scores as

compensation for that round, or 2) report or “flag” the round for review by the study administrators, forfeiting all team-based raffle tickets for that round and receiving instead five (5) raffle tickets as compensation for reporting wrongdoing. The actual and reported scores of teammates ranged from 1 to 10 to accommodate a balanced analysis approach. When teammate cheating occurred, the difference between the reported and earned scores varied in the range of 1 to 9 points.

In two independent studies, variations of the game simulation were utilized to investigate the research hypotheses in detail. Study 1 experimental objectives were threefold. Firstly, I sought to measure the communication behaviors resulting from conflicting value alternatives. Stimuli were developed and balanced carefully to control the functional value of speaking up in each round, calculated as the difference in the raffle tickets between reporting wrongdoing versus remaining silent (Appendix B). Secondly, I sought to determine the conditional value effect of perceived employer fairness on the decision to speak up. Trials were split into two randomly presented condition blocks—high and low ethical behavior of employers. In the high fairness condition, participants were informed that all raffle tickets confiscated due to cheating would be fairly set aside and winnings will be donated to a high visibility charity. In the low fairness condition, participants were informed that all seized tickets would be held by the study administrators and kept for their personal benefit (Appendix C for profile descriptions). Finally, I was also interested in investigating the effect of the individual’s internal motivation to act prosocially. I measured their prosocial motivation using Romer’s (1986) Helping Orientation scale, administered at the end of the survey.

The design for Study 2 largely mirrored Study 1. However, Study 2 measured study participant response to whistleblowing scenarios depending on the strength of their relationships with group members. This manipulation allowed for the analysis of whether identification with the sub-organizational work group played a factor in the decision to speak up about observed wrongdoing. At the beginning of the study, participants were asked to introduce themselves anonymously to their teammates and were in turn exposed to short descriptions of (simulated) teammate profiles (Appendix D for sample profile descriptions). The teammate profiles were varied to create differing sets of characteristics based on typical participant responses (e.g. age range, nationality) to create variable degrees of identification in an organizational setting (Hogg & Terry, 2000). Given the subjective nature of this manipulation, social identification measures were collected and used as a measure of relative workgroup identification levels. The Helping Orientation scale was again administered to participants at the end of the study.

Design of Studies, Key Variables, and Analyses

Study 1: Value Tradeoffs and Conditional Influences

Based on the revealed-preference choice experiment, study participants are effectively making a “buy or no buy” decision based on the functional, social, and conditional value attributes of service alternatives. Respondents may choose to blow the whistle on teammate wrongdoing, thereby electing to exchange their default functional (averaged raffle tickets) and social (social self-concept sacrificed by not reporting

cheating) values for the functional (5 raffle tickets) and social (social self-concept bolstered by reporting cheating) values supplied by the study administrators.

In Study 1, I sought to determine whether participants would share information in an incentive-compatible decision environment even when they have to sacrifice personal economic gains in order to do so. I was also interested in determining the role that the magnitude of cheating played in their decision process. As the primary objective of Study 1 was to measure the outcomes of tradeoffs between functional value and social value, I included balanced rounds with economic gains, economic losses, and economic break-even conditions. I used a within-subjects ANOVA analysis to determine if the degree of whistleblowing varied across the three categories and paired-sample t-tests to determine group-by-group significance.

A second core objective of Study 1 was to gain further insight into the conditional dynamics of whistleblowing behaviors. In two randomized blocks, the tickets would either be distributed to a charity organization or kept by study administrators for profit. This manipulation was measured using a single-item scale of perceived fairness in response to the study administrator's decision to distribute raffle tickets to charity rather than keep the gains for themselves. The effect of authority group perceived fairness on whistleblowing behavior was also independently analyzed using a paired-sample t-test.

Finally, I examined the conditional value of individual preference for helping others, otherwise known as altruism (Berkowitz, 1972; Rushton, 1980). The measure was adopted from the helping-orientation scale (Romer, Gruder, and Lizzadro, 1986). A set of 24 multiple-choice questions were administered and ultimately summed to produce

aggregate measures along the dimensions of succorance and nurturance. This assessment ultimately produces a relative measure in four personality types: altruistic (high nurturance x low succorance), receptive giving (high nurturance x high succorance), inner sustaining (low nurturance x low succorance), and selfish (low nurturance x high succorance). Range on any given personality type varies from 0 to 24, indicating no responses matching a particular personality type to all responses matching a particular personality type, respectively. Respondent scores in the dimension of altruism were used to measure the condition of individual helping-orientation.

I used a binomial logistic regression model to determine whether social value (social utility gained from reporting cheating) and functional value (personal economic outcome gained from raffle tickets) predicted the likelihood of flagging in each round. Modeling multiple predictor variables together was important in order to measure the independent effects of each variable while controlling other confounding variables. Social value is represented by the variable TotalCheat as a single measure of the total amount of cheating by both teammates in each round (difference between earned and reported scores). Functional value is represented by the variable TotalScore, an indicator of the potential raffle tickets to be claimed by the research participant (average of two teammate scores). Conditional value of leadership fairness is represented by the variable FairAdmins (a binary indicator of the presence of the ethical study administrator condition). Conditional value of individual personality characteristics is represented by the variable Altruism.

Study 2: Experimental robustness and team social alignment

The primary objective of Study 2 was to build upon the findings in Study 1 by introducing a third social conditional value at the team group level. To test the influence of relationship strength with teammates, I used a 4-item scale to measure a subject's social-identification with two sets of teammates, constructed from simulated profiles (Doosje, Ellemers, & Spears, 1995). Social identification with each group of teammates is used as an independent variable in predicting the number of times each group is reported for cheating, using an ordinary least squares regression. Identically to Study 1, I again administered a helping-orientation behavioral scale after the main study simulation in order to derive a measure of altruistic personality. In addition to the Study 1 variables represented in Study 2, the conditional value of team member relationship strength is represented by the variable TeamSocialID.

I again used a binomial logistic regression to determine the ability of the measured independent variables to predict the likelihood that a round would be flagged for review. Similar to previous models, the original model shows the effects using just the workgroup cheat amount and overall team score. The subsequent models further develop the baseline model by adding the relative measure of workgroup social identification and the individual measure of altruistic personality respectively.

Results

Study 1 Results

An overview of the research hypotheses and results are displayed in Table 2. Study Administrators encouraged participants to report the observed wrongdoing of their teammates, despite the fact that such action could result in a small personal functional (economic) sacrifice. They were given no compelling reason to do so, other than a request from the study administrators to help keep the game fair for participants on all teams. 76 participants completed the study on Amazon Mechanical Turk for a nominal fee of \$2.50 and a chance to win one of two \$30 gift cards. A manipulation check measured whether subjects fully understood how raffle tickets were awarded based on teammate performance. Six study participants were removed from the analysis for failing to answer the manipulation check correctly. Each participant was exposed to 42 total rounds, divided into two randomly presented condition blocks (high authority group fairness x low authority group fairness). Participants flagged 72% of the rounds where cheating occurred (Table 3).

A one-way ANOVA was conducted to compare the effect of economic incentive on percentage of rounds flagged in three categories: flags resulting in a net loss of economic value, flags resulting in net economic break-even, and flags resulting in a net gain of economic value. There was a significant effect of economic incentive, Wilks' Lambda = 0.854, $F(2, 68) = 5.791$, $p < 0.01$. Three post-hoc t-tests were administered to determine the extent of differences between each economic outcome condition. Rounds that resulted in a loss were flagged significantly less ($M=0.65$, $SD=0.39$) than rounds that

resulted in a gain ($M=0.78$, $SD=0.31$); $t(69)=3.4$, $p<0.01$. Rounds that resulted in a break-even scenario ($M=0.72$, $SD=0.35$) were flagged less than rounds that resulted in a gain ($t(69)=2.2$, $p<0.05$), but more than rounds that resulted in a loss ($t(69)=2.7$, $p<0.01$). These results indicate that the economic outcome to the individual had significant impact on the decision to report observed teammate wrongdoing, supporting H1. Specifically, subjects were more likely to blow the whistle if it was in their best economic interest to do so.

I was also interested in determining whether study subjects were willing to forego an economic incentive in order to report observed wrongdoing. A binomial logistic regression analysis revealed that TotalCheat did not have a significant effect on whistleblowing without controlling for other variables ($\beta=0.04$, $SE=0.03$, $z=1.25$, $p>0.1$). However, increases in this variable (social value) were expected to be confounded with increases in TotalScore (functional value), since reporting scores higher than the earned amount also provided direct functional value. Including both variables in the regression model yielded a significant effect of TotalCheat on whistleblowing behavior ($\beta=0.17$, $SE=0.03$, $z=4.59$, $p<.01$). Thus, participant likelihood of sharing information about teammate wrongdoing in any given round (as compared to the likelihood of remaining silent) was positively influenced by the degree of teammate cheating observed. Greater social value provided by the service exchange, as measured by the renewed self-concept gained by reporting the specific degree of cheating by teammates, resulted in a greater likelihood of exchanging information with the study administrators. The analyses provide support for hypothesis 2,

Table 2. Overview of Research Hypotheses and Outcomes

Hyp	Description	Study	Key Measure	Silence-related Outcome	Whistleblowing-related Outcomes
H1	Functional value has a positive effect on whistleblowing behavior	1, 2	Economic value of raffle tickets	Teammate reported average (variable)	5 raffle tickets (fixed)
H2	Social value has a positive effect on whistleblowing behavior	1, 2	Self-concept depletion (enhancement) from allowing (reporting) misconduct	Cheating allowed (variable)	Cheating stopped (fixed)
H3	Conditional value has a positive effect on whistleblowing behavior when complaint recipients are perceived as fair	1	Perceived organization leadership fairness	Organization interests denied	Organization interests fulfilled
H4	Conditional value has a positive effect on whistleblowing behavior when relationship strengths with offending organization members are weak	2	Team relationship	In-group member interests fulfilled	In-group member interests denied
H5	Orientation to helping others has a positive effect on whistleblowing behavior	1, 2	Helping-orientation	Social self-concept denied	Social self-concept fulfilled

Table 2. Overview of Research Hypotheses and Outcomes, cont.

Hyp	Description	Posited Relationship	Supporting Research	Results
H1	Functional value has a positive effect on whistleblowing behavior	Team score increase --> whistleblowing decrease	Stigler, 1950; Camerer and Hogarth 1999	Supported: increased functional value of silence alternative causes decrease in whistleblowing
H2	Social value has a positive effect on whistleblowing behavior	Cheating increase --> whistleblowing increase	Deci & Ryan, 2000; Fehr & Gächter, 1998	Supported: decreased social value of silence alternative causes increase in whistleblowing
H3	Conditional value has a positive effect on whistleblowing behavior when complaint recipients are perceived as fair	Perceived organization fairness increase --> whistleblowing increase	Treviño & Weaver, 2001	Supported: increased perceived organization fairness (decreased social conditional value of silence alternative) causes increase in whistleblowing
H4	Conditional value has a positive effect on whistleblowing behavior when relationship strengths with offending organization members are weak	Team identity increase --> whistleblowing decrease	Ashforth & Mael, 1989; Chatman, 1991	Supported: increased team identity (increased social conditional value of silence alternative) causes whistleblowing decrease
H5	Orientation to helping others has a positive effect on whistleblowing behavior	Helping-orientation increase --> whistleblowing increase	Brewer & Kramer, 1986; Romer et al., 1986	Supported: increased altruistic helping-orientation (decreased social conditional value of silence alternative) causes whistleblowing increase

Table 3: Summary Statistics

<u>Variable</u>	<u>Study 1</u>	<u>Study 2</u>
N-size	70	95
% female	47%	52%
Average age	32	33
Total flag frequency	72%	72%
% Flags resulting in net economic loss	65%	65%
% Flags resulting in net economic gain	78%	81%
% Flags resulting in no economic change	72%	71%
Block A (Fair Leadership)	77%	
Block B (Unfair Leadership)	67%	
Block A (High Workgroup Social ID)		71%
Block B (Low Workgroup Social ID)		74%

as the increased likelihood of reporting cheating is attributed to the relatively greater value of social self-concept maintenance.

I next performed a paired-sample t-test to determine the impact of the authority group fairness condition. In this study, a binary indicator of fairness is used. The results of the paired-sample t-test indicate a significant difference between the high ($M=4.97$, $SD=1.54$) and low ($M=3.88$, $SD=1.97$) study administrator fairness conditions; $t(69)=3.78$, $p<0.01$. Providing support for H3, I found that participants were more likely to flag cheating rounds when they perceived the complaint-receiving group to be more fair ($M=0.77$, $SD=0.31$) compared to when they were perceived to be less fair ($M=0.67$, $SD=0.36$); $t(69)=3.41$, $p<0.01$.

Finally, logistic regression was again used to determine the effect of Altruism on study participant likelihood of blowing the whistle. Across all participants, higher measures of altruism were marginally positively associated with increased incidences of whistleblowing ($\beta=0.07$, $SE=0.04$, $z=1.89$, $p<.1$). This result is consistent with the

relative increased importance of social self-concept maintenance, providing partial support for H5.

Table 4 displays the results of the combined logistic regression models. Across all models, increasing amounts of a teammate’s cheating caused a significant increase in the likelihood that the round would be reported. Participants were less likely to share information about teammate cheating when they had more to lose economically, as indicated by the TotalScore variable. The conditional value of perceived leadership fairness, represented by the binary variable FairAdmins, indicates a greater willingness to accept economic losses to blow the whistle when the study administrators were believed to be fair in the handling of complaints.

Table 4: Study 1 Output

Dependent Variable= Likelihood of reporting observed misconduct (binomial)

Predictor	Model 1		Model 2		Model 3	
	Coeff	Wald	Coeff	Wald	Coeff	Wald
TotalCheat	0.17*** (0.03)	5.23	0.16*** (0.03)	4.98	0.16*** (0.03)	4.84
TotalScore	-0.14*** (0.03)	-4.44	-0.14*** (0.03)	-4.42	-0.15*** (0.03)	-4.27
FairAdmins			0.47*** (0.14)	3.33	0.48*** (0.15)	3.27
Altruism					0.08* (0.04)	1.87
Model chi-square	43.26		59.89		48.15	
N	2240		2240		2240	
Pseudo R2	0.02		0.03		0.05	

*Significant at p<.1

**Significant at p<.01

***Significant at p<.001

Study 2 Results

Study 2 further illustrated the robustness of the previous findings, while examining the additional role of social identification with relevant groups in the decision to speak up against teammate wrongdoing. A total of 121 participants completed the study on Amazon Mechanical Turk for a small flat fee of \$0.25 and a chance to win one of two \$30 gift cards. Because the payment was much lower than in Study 1, a more stringent data removal policy was needed to eliminate respondents who did not follow instructions. A total of 26 study participants were removed from the analysis for failing a manipulation check or repeated flagging errors (incorrect flagging of no-cheat round). The main simulation was again split into two randomly presented blocks, each exposing participants to a different description of teammates. Following each review block, participants answered questions regarding their perception of identification with group members. Using the same balanced design as Study 1, results show that 72% of all cheating rounds were flagged for review (Table 3).

A one-way ANOVA was used to compare the effect of economic incentive on whistleblowing behavior in three categories: flags resulting in net economic loss, flags resulting in net economic break-even, and flags resulting in net economic gain. There was again a significant effect of economic incentive, Wilks' Lambda = 0.785, $F(2, 93) = 12.74$, $p < 0.01$ consistent with Study 2. Post hoc tests indicated that participants flagged rounds resulting in a gain ($M=0.81$, $SD=0.31$) significantly more than rounds resulting in a break-even ($M=0.71$, $SD=0.40$; $t(94)=3.6$, $p<0.01$), which in turn were flagged

significantly more times than rounds resulting in losses ($M=0.65$, $SD=0.41$; $t(94)=3.3$, $p<0.01$).

A binomial logistic regression analysis again showed that TotalCheat did not have a significant effect on whistleblowing when measured in isolation ($\beta=-0.01$, $SE=0.03$, $z=-0.23$, $p>0.1$). However, when analyzed controlling for the total team score, a significant effect of TotalCheat on whistleblowing behavior was found ($\beta=0.15$, $SE=0.03$, $z=5.46$, $p<0.01$). These analyses provide further support for hypothesis 2, indicating that greater social self-concept value had a positive effect on whistleblowing behavior.

A 4-item scale was used to measure social identification with each group of team members, and this measure was included in a binomial logistic regression model of the likelihood of an individual reporting wrongdoing (Table 5). This measure is included as a single variable measuring the difference between social identification levels with each group. When individuals had a lower relative identification with their teammates they were more likely to report wrongdoing to the study authorities, supporting H4. Higher measures of altruism were strongly positively associated with increased incidence of whistleblowing ($\beta=0.10$, $SE=0.04$, $z=2.54$, $p<0.01$). The amount that teammates cheated, the relative personal economic sacrifice, and the degree of altruistic personality in study participants were all significant drivers of individual likelihood to report information about teammate misbehavior (Table 5).

Table 5: Study 2 Output

Dependent Variable= Likelihood of reporting observed misconduct (binomial)

Predictor	Model 1		Model 2		Model 3	
	Coeff	<i>Wald</i>	Coeff	<i>Wald</i>	Coeff	<i>Wald</i>
TotalCheat	0.15*** (0.03)	5.46	0.20*** (0.03)	6.00	0.21*** (0.04)	5.78
TotalScore	-0.17*** (0.03)	-5.84	-0.23*** (0.04)	-6.20	-0.24*** (0.04)	-6.01
TeamSocialID			-0.20*** (0.03)	-7.13	-0.20*** (0.03)	-7.09
Altruism					0.10** (0.04)	2.77
Model chi-square	44.81		86.49		84.28	
N	3040		3040		3040	
Pseudo R2	0.02		0.22		0.24	

*Significant at $p < .1$

**Significant at $p < .01$

***Significant at $p < .001$

General Discussion and Conclusions

This research aids understanding of whistleblower motivations from an internal marketing perspective, based on a theory of consumption values applied to employee communication behaviors. In this experiment, subjects respond positively to the functional value of raffle tickets by decreasing the rate at which they disclose misconduct to supervisors when it is in their economic interest to do so. However, the influence of the functional value of reporting misconduct is systematically balanced by the social value influence, as respondents are motivated to maintain their social self-concept by reporting

misconduct when cheating is more egregious. They are also affected by social situation variables including the harmful consequences to work group members and other study participants. Personal variables further influence whistleblowing behavior. Subjects that had a higher orientation toward helping others were more likely to blow the whistle even at a personal economic loss. When subjects identify more strongly with others in their work groups, they withhold information from authority in order to protect group members. If the authority organization is perceived as fair, subjects shared information more willingly in order to help others.

Although utility-maximization and prosocial behavior are often in conflict with each other, the present study proposes a framework for understanding their coexistence and reconciliation in a whistleblowing context. Although basic motivational forces of personal gain and social gain are consistent among the population, variability occurs in the relative influence of each, based on individual personality characteristics. Using the Romer et al. (1986) helping orientation scale, I found that the propensity to act on behalf of others rather than oneself predicts whistleblowing decisions under conflicting potential outcomes.

This research contributes to the internal marketing literature in several respects. Several authors have called for the expansion of new methods for studying internal customer perceptions and behaviors, particularly in the area of causal models (Bruhn, 2003; Varey & Lewis, 1999). This research introduces a novel application of revealed-preference experimentation to the phenomenon of internal customer complaints. If companies are to take a systematic approach toward enhancing internal marketing

effectiveness, they require knowledge on the factors leading customers to express dissatisfaction with conditions in the workplace (Heskett, Jones, Loveman, W. Earl Sasser, & Schlesinger, 2008; Huang & Rundle-Thiele, 2015; Sasser & Arbeit, 1976). Firm executives are urged to take a proactive approach to understanding the value drivers that encourage stakeholders to provide critical feedback toward improving firm offerings. This research provides an analysis of the consumption values driving internal customer complaint behaviors, fulfilling the internal marketing need to “consider the full range of communication states and associated goals, as we would with external customers” (Piercy & Morgan, 1991, p. 85).

The present study also has implications toward the advancement of organizational and management theory. Research on whistleblowing in organizational settings is aided by further understanding of the factors that lead individuals to share information on coworker misconduct. Through an internal marketing approach, employee whistleblowing behaviors are explained by analyzing individual consumption values and communication alternatives. While prior research has been based almost entirely on the prosocial motivations for speaking up, this research reveals the balance between functional and social motivations inherent to the decision. By developing and implementing a revealed-preference choice experiment (simulated game environment), I was able to gain deeper insight into how these personal motives conflict and counterbalance with prosocial motives. The study instrument itself presents a potential resource for additional theory development moving forward.

This study also helps extend theory into additional areas previously difficult to uncover in whistleblowing literature. Here, I integrate social psychology literature to understand relationship factors at distinct levels of the organization. This research also demonstrates the role of individual helping-orientation tendencies upon information sharing behavior. Expectations that all acts of whistleblowing be made from solely altruistic intentions creates unnecessarily high expectations (Dozier & Miceli, 1985). I gain important insight into the influence of altruistic personality characteristics without requiring absolute adherence to pure altruistic principles. This research also suggests that while economic incentives may be an effective compensatory mechanism for encouraging whistleblowing in organization settings, communication behaviors also depend critically on social factors and altruistic tendencies.

For management, this study presents several relevant findings that may assist in practical organizational improvements. Organizational threats come in many forms, but decision-makers often rely on information from organization members to gain knowledge of potential firm issues and to capitalize on key internal marketing opportunities. A successful organization requires a healthy flow of upward information to the executive committee. Neglecting the channels of communication or failing to act upon system threats will likely result in organizational decline. Understanding the causes and intended objectives of such communications will aid in the ability to solicit and enact positive change.

In this study, upward communication of organization-threatening information is fueled by multiple sources of influence. A balance occurs between individual gain-

seeking and care for others in the work group and organizational overall. The importance of both aspects should not be neglected. Voice and whistleblowing behavior arise not only from the desire for personal gain, but from an individual's desire to facilitate organizational improvements. This should not be taken lightly, as it signifies an important connection of membership and loyalty that the individual feels within the company. Positive or negative reinforcement of this identity can have major implications on the likelihood of the individual or others to voluntarily speak up again. Likewise, strong bonds in smaller workgroup memberships may play an important role in whether information about wrongdoing is disclosed.

The potential for economic benefit also plays a vital role in the decision to raise awareness of organizational threats. In this study I found that the conflict between economic benefit and social benefit manifests quite differently across individuals with varying helping-orientations. When observation of wrongdoing takes place, the balance of whether to disclose and to whom may rest on different factors for different people. Progressive leaders should have an understanding of these motives and should be equipped to channel information proficiently by compensating for different individual needs.

CHAPTER 3

INTERNAL CUSTOMER PERCEIVED VALUE OF BRAND COMMUNICATIONS

Introduction

Customers' perceptions of brands are formed largely from interactions with company frontline employees and representatives (Schneider & Bowen, 2010). Indeed, these interactions represent one of the three central relationships service marketers are urged to facilitate (Kotler, 2000). Challengingly, these customer-employee interaction "moments of truth" occur increasingly outside of the direct control of organizational sales and marketing silos (Normann, 1991; Schneider & Bowen, 2010).

In order to create a valuable service experience for external customers, a thoughtful internal marketing strategy that creates value at the point of employee-customer interactions is paramount (Echeverri & Skålén, 2011; George & Grönroos, 1989). Enabling these information sharing activities and experiences is a primary marketing objective and a key competency needed to create stakeholder value and sustain a competitive advantage (American Marketing Association, 2013; Bowen & Schneider, 2014; Grönroos, 1997; Vargo & Lusch, 2004).

To facilitate successful relationships with customers at the personal level, an effective strategy is needed to consistently drive employee-customer engagement in a way that aligns with brand objectives. Frontline service employees are therefore tasked with communicating a consistent mix of brand messages to customers in order to present a coherent and compelling brand identity (Hartley & Pickton, 1999). In order to find

success in service marketing, organizations must clearly identify their core value proposition and ensure seamless alignment and communication of that value throughout the network of organizational stakeholders (Schneider & Bowen, 2010).

One method to accomplish this objective is through the adoption of an internal marketing perspective. Internal marketing refers to the philosophy and practice of using a marketing perspective to manage a firm's human resources (George & Grönroos, 1989). It is the responsibility of marketers to understand the nature of the values that their employees (also referred to in this essay as *internal customers*, in accordance with internal marketing literature) seek from their jobs in order to properly motivate them toward consistent and effective customer service interactions (Sasser & Arbeit, 1976). Thus service marketers are challenged to ensure a consistent brand messaging platform not only at the policy decision level, managed by executives and coordinators, but more importantly at the individual interaction level where boundary-spanning employees have far more interactions with customers (Korschun, Bhattacharya, & Swain, 2014; Schneider & Bowen, 2010). When employees are motivated to share helpful information with customers, the aggregate effect has influence on the profitability, operating efficiency, service quality, and customer satisfaction with the companies for which they work (Podsakoff, Podsakoff, MacKenzie, Maynes, & Spoelma, 2014).

Because coordinating consistent brand messaging throughout an organization is a considerable challenge, marketers work with the understanding that firms need to consider each customer uniquely and deliver individualized communications at each interaction (Blattberg & Deighton, 1991). Significant challenges lie not simply in

deciding which image a company should convey, but also in effectively communicating and implementing that image via consistent messaging throughout the organization.

Service marketers, therefore, wish to better understand the motivations underlying employee decisions to deliver brand message content in order to improve communication across the organization. Understanding why employees choose to share brand information is an important area of research for several reasons. First, information sharing is a critical customer-directed behavior in service organizations and has a well-established relationship with customers' perceived service quality, trust, and relationship with the brand (Chang & Chen, 2012; Duncan & Moriarty, 1998). Second, since executives and managers are removed from daily interactions with customers, it is difficult for them to gain a sense of which tactics and behaviors performed by service employees are perceived to have value in strengthening relationships with customers and improving wellbeing. Gathering information from frontline service employees is critical to company success and is a critical source of competitive differentiation (Ahearne, Lam, Mathieu, & Bolander, 2010; Lam, Kraus, & Ahearne, 2010). Third, in coordinating marketing activities based on insights derived from customers or other competitive resources, it is critical for decision-makers to have adequate knowledge of the perspectives and behaviors of key service personnel (Beer & Eisenstat, 2000).

Thus, the goals of this essay were two-fold. First, I sought to substantiate intrinsic and extrinsic dimensions of internal customer perceived value as it pertains to sharing brand information. Employees experience motivation toward a communication exchange when the value gained is favorable relative to costs. Grace and Iacono (2015) proposed

monetary value (extrinsic) and emotional value (intrinsic) as two driving forces behind employee willingness to engage in work communication. In order to affirm these dimensions, an analysis of perceived value determinants and outcomes is needed. Thus, I developed and tested a conceptual model wherein perceived benefits and motivational intensity influence information sharing values, and these values influence attitudes and intentions to communicate brand messages.

After substantiating the role of intrinsic and extrinsic internal customer perceived values in the determination of attitudes and intentions to share brand information with others, I turn my attention toward testing proposed relationships between environmental stimuli and these value perceptions. Specifically, I investigated the effects that firm resource allocations had on employees' brand communication evaluations. Managers generally believe that in order to motivate representatives to promote their brands to customers, they must provide high salaries and bonuses as rewards. However, prior research indicates that rather than the amount of compensation representatives receive, it is the effectiveness and appropriateness of the resources allocated that drives these behaviors. Thus, the second part of this essay contributes to knowledge on how to make effective value propositions to internal customers and assists in creating systems that help internal customer be more effective in their value co-creation roles with external customers. This is an important research priority established by Grace and Iacono, as "it is important to empirically test the relationships depicted in the conceptual model in order to validate its legitimacy" (Grace & Iacono, 2015, p. 567). The authors contend that it is not the absolute measures of firm socio-structural and social exchange elements that

determine internal customer perceived value for engaging in work tasks, but rather the degree to which these external stimuli satisfy the needs of the individual (Grace & Iacono, 2015). I test these relationships, as well as the hypothesized moderating influence of temporal job factors, through a field study of current and former pharmaceutical sales representatives. Finally, I conclude this essay with a general discussion of the findings, their implications, and the expected contributions to future research.

Theoretical Background

Internal Marketing

In his 1972 article in the *Journal of Marketing*, Philip Kotler illustrated three levels of consciousness that apply to the generic concept of marketing (Kotler, 1972). The first level of consciousness begins with the classic understanding of economic exchanges between business entities and external customers, wherein money is exchanged for good and services. Consciousness two recognizes that *payments* need not necessarily be exchanged for marketing activities to be effectively leveraged. Mobile application stores, for example, are active marketplaces, despite the fact that a very high number are offered free of use to the consumer. Marketing activity at this level is not constrained to the scope of binary exchanges of economic resources, but is also inclusive of organization-client exchanges in which value exchanges of any sort transpire. The third consciousness further extends the concept by removing the constraint that marketing activities only occur between business entities and their external customers. Rather, marketing efforts and technologies are applicable to value exchanges between managers

and all of their stakeholder groups, not just those external to the organization. Noting that “the core concept of marketing is the transaction, [which is] the exchange of values between two parties,” Kotler (1972) reminds that “marketing is specifically concerned with how transactions are created, stimulated, facilitated, and valued” (p. 49).

The evolution toward a Service Dominant Logic (SDL) of marketing in recent years illustrates the pervasiveness of the growing conceptualization of marketing. The SDL asserts that all industries are fundamentally service industries. This logic holds that even when market entities exchange goods and money, what they truly desire is the experiential benefits that those objects provide. Hence, Vargo and Lusch (2004) contend that all exchanges are service-for-service exchanges, and that a service is the application of knowledge and skills to help someone. Service-oriented marketers have a responsibility to facilitate value exchanges wherever they occur among all stakeholders, no longer constrained to tangible external customer-firm transaction points where money is exchanged for goods.

The term internal marketing refers to the philosophy and practice of using a marketing perspective to manage a firm’s human resources (George & Grönroos, 1989). Internal marketing began as an extension of service marketing in the late 1970s that recognized employees as the first market of the organization, upon which the entirety of the external customer’s service experience is based (Berry, Hensel, & Burke, 1976; Sasser & Arbeit, 1976). Ensuring the consistent quality of this exchange is of utmost importance to sustaining a strategic advantage. Because it is the job of marketing management to achieve specific actions from others by creating and offering an

appropriate set of values in exchange, if he can “identify the exchange values—what the employee seeks from the job and what he is willing to give up to get it—he can offer values appropriate to producing the desired responses in his employees” (Sasser & Arbeit, 1976, p. 64).

In addition to creating valuable experiences for employees, part of the internal marketer’s job is to properly incentivize employees to engage in activities that yield value creation opportunities for external customers. Interactive marketing occurs at the point at which internal marketing efforts result in external marketing exchanges (de Farias, 2010). By developing an internal culture that values customer-oriented service delivery, organizational leaders increase the chances that service interactions will result in high quality exchanges for both customers and employees.

Value as a Motivational Experience

Due to its central importance to the concept of marketing, it is important to understand what is meant by the term “value” in this context. In his framework for analysis and research on the construct, Morris Holbrook defines Customer Value as “an interactive relativistic preference experience” (Holbrook, 1996, p. 138). Tori Higgins further explores this value experience as a *motivational force* that has both direction and strength (Higgins, 2006; Higgins & Scholer, 2009). Value in this sense plays a central role in the process of goal pursuit, as the desire to realize an objective depends on the perceived value the subject assigns to the object and the motivational force available to apply toward its attainment.

The subjective hedonic measure of an object plays a leading role in determining its perceived value, particularly whether the object produces a basic sense of pleasure (attraction) or pain (repulsion). This is because the measure has 1) a direct influence on the motivational force direction of value, experienced as either approach toward an object (liking it) or repulsion away from it (disliking it), and 2) a direct influence on the motivational force intensity of value, experienced as the strength of attraction toward or away from an object. This experience is among the most basic concepts of social inquiry, and dominates many branches of modern psychology (Higgins, 1997; Kahneman & Tversky, 1979; Ryan & Deci, 2001). These literatures have been successful in identifying contributors to the experience, focusing primarily on the hedonic pleasure principle relative to other evaluations of pleasure- and pain-inducing attributes (Higgins, 1997; Higgins & Scholer, 2009).

Hedonic pleasure benefits are not the only determinant of attraction and repulsion, however. Employees want to serve organizations well and be effective in their tasks, not necessarily because it brings immediate sensual pleasure, but because it satisfies other needs or fulfills a perceived standard of behavior. In leading theories on self-regulated motivation, authors identify needs such as autonomy, competence, and social relatedness to be fundamental across human beings (Deci & Ryan, 2000; Gagné & Deci, 2005). Thus, people engage in activities that they believe are instrumental in fulfilling these needs, regardless of whether the activity is hedonically attractive.

Value Perceptions and Brand Communication

The creation and communication of value has been a central concern of marketing for a long time and continues to be at the center of attention today (Converse, 1945; Porter & Kramer, 2011; Zeithaml, 1988; Ravald & Grönroos, 1996). When looking through the lens of Service-Dominant Logic, the value experience occurs throughout the lifetime of the consumer. He or she may experience value from a product or service long after the initial transaction is completed. In predominantly service-oriented markets, the continuous nature of value-in-use becomes a vital area of firm competence. The success of a service-agreement is generally not determined based on the extent of the promises made by the supplier at the time the contract is signed, but on the fulfillment of responsibilities throughout the life of the relationship. In service-based markets, value is produced and consumed in a parallel fashion throughout the term of the relationship (Vargo & Lusch, 2004). The relative greater importance of a firm's delivering the relationship-dependent value-in-use obligations, rather than transaction-dependent value-in-exchange obligations, corresponds with the movement toward developing a greater understanding of the value experience and is the modern foundation upon which marketing must be developed (Grönroos & Ravald, 2011).

This service logic requires a shift in thinking in multiple areas. Customers are continuously exposed to value proposition and integrated in the value creation process. Companies no longer combine raw physical ingredients to create an item of intrinsic value to be sold to customers as an end value offering, but must also deliver use-value over time cooperatively with the help of the customer (Prahalad & Ramaswamy, 2004).

Any single touch point with the company, or “moment of truth” experienced when an evaluation of the brand can be made, has the potential to change the consumer perceived value of the offering dramatically, and the majority of these are managed outside of the control of the traditional marketing silos (Normann, 1991). In many markets, no tangible product exists at all, and the basis of the perceived relationship value depends on employee service delivery (Schneider & Bowen, 2010).

A key value-producing activity in the employee-customer relationship, and the subject of this research, is the sharing of important brand or product information (Chang & Chen, 2012). When evaluating different options for potential use, receiving relevant information can provide significant help in evaluating the relative value of options. For example, a doctor of internal medicine may have no value for a shipment of new pharmaceutical drugs (or perhaps even negative value if the samples take up needed storage closet space) until she knows the ailment it is able to treat and the potential side effects. Although the doctor may not find value in the medicine at the time of product acquisition (when the shipment arrives), this perception changes as her knowledge of the drug’s treatment profile develops through interactions with journal articles, pharmaceutical sales representatives, digital advertisements, and any number of other sources that may convey some information related to the perceived value of the medication. This makes the marketer’s job much more comprehensive and wider in scope, because the domains in which the value of the product must be conveyed have now been increased from very few (at the point of transaction and perhaps return) to a seemingly endless amount (every potential interaction that could influence perceived

value as experienced by the customer). While pharmaceutical companies rely on their representatives in the field to convey important information to physicians, a service employee may not always be motivated to share certain information with a customer. Research shows that employee motivations extend beyond simply carrying out managerial orders. They may have a genuine interest in behaviors that align with organization goals or might just be looking to improve their image and satisfy personal desires (Bolino, 1999). Although purchase decisions may not be immediately present, the extent to which brand representatives convey product information can nevertheless have transformational impact on customers' relationship with the brand (Harmeling et al., 2015).

Study 1

Research Overview

The goal of this study is to measure the psychological antecedents and outcomes of (intrinsic and extrinsic) perceived value of a firm's internal customers, as it relates to sharing information with external customers in an interactive marketing context. Although much research has helped to shed light on the factors influencing employee motivations to engage in goal directed behaviors, no such model has yet been applied toward understanding employees' customer-directed communication mix decisions.

An initial assumption of this research is that employees' choice in information sharing is voluntary, and the choice of whether to discuss a particular topic with a customer is ultimately at the discretion of each employee at the moment of interaction.

Although performed regularly as part of job requirements, information sharing behaviors remain dependent on internal motivational forces that interact with external factors continuously (Deci & Ryan, 2000; Sweet, Fortier, Strachan, & Blanchard, 2012). These perceptions can sometimes lie outside the conscious awareness of employees. My intent is to confirm previously proposed dimensions of internal customer perceived value by 1) showing that both intrinsic and extrinsic value are composed of antecedents as previously distinguished in the value literature, and 2) both values lead to external customer-directed information sharing attitudes and intentions.

For the model to be useful to managers and research scholars, it should satisfy several needs. Most importantly, the following measures are undertaken to ensure the validity of the model and its ability to perform the function it intends to perform. First, the model should be grounded in extant literature of related disciplines. Particularly in the studies of value and motivation, and more recently in organizational internal marketing and information sharing, a significant breadth and depth of research contributes to our current knowledge and is leveraged to produce new insights and to validate the concepts presented in this research. Second, the model should be developed in a manner that is consistent with the intended goals. By evaluating constructs using previously validated measurement instruments, the results are more likely to ensure consistency with the stated objectives. Third, the model and its components should pass tests of validity and reliability administered across individuals in lab settings as well as in the field. The efforts to be taken in ensuring effectiveness of these measures is detailed in the Research Methodology section.

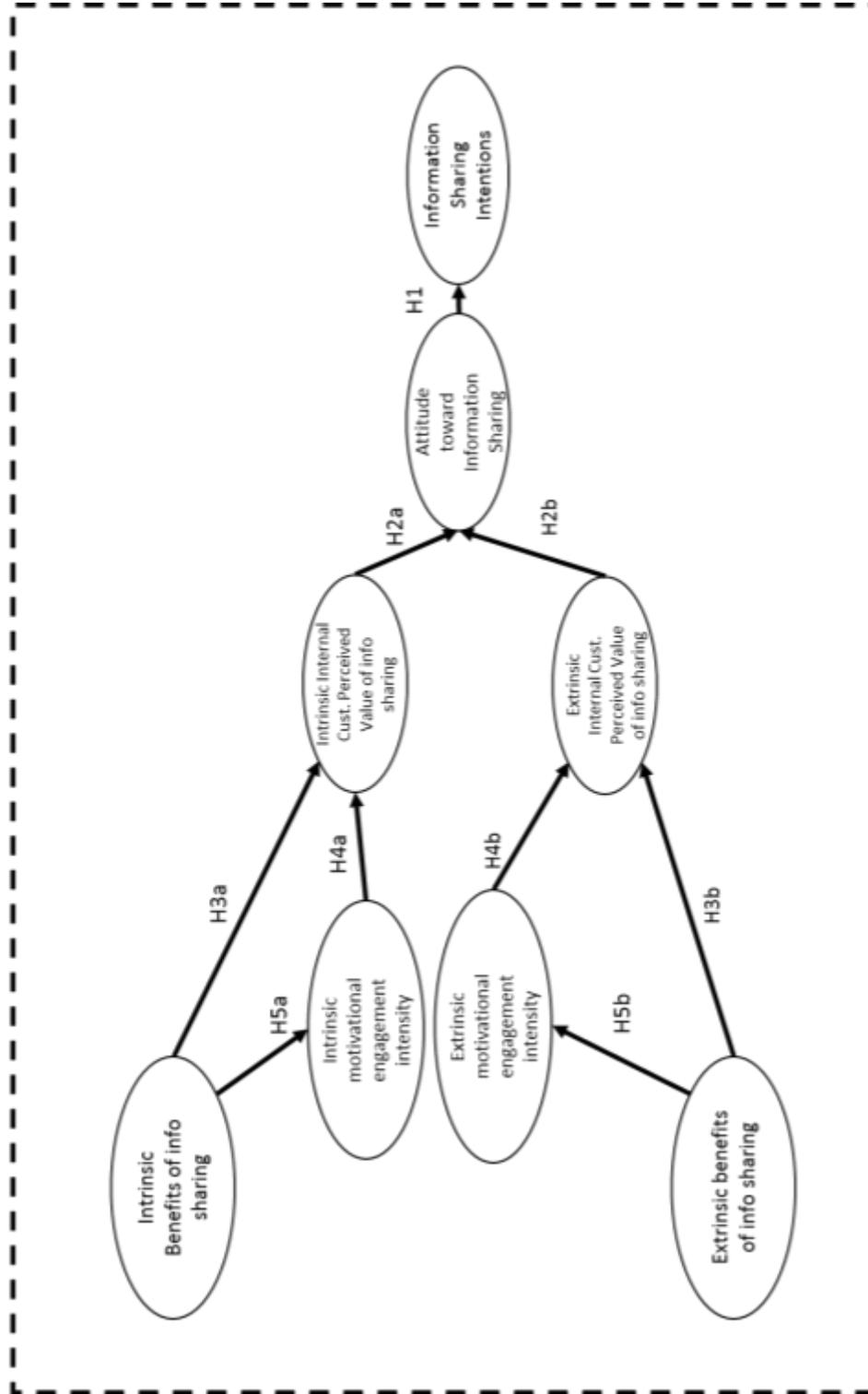
Overview of Conceptual Model

The goal of the first phase of research is to construct and test the Customer-Directed Information Sharing model through a review of extant literature. A visual image of the proposed model is displayed in Figure 2.

The model is rooted in research that incorporates motivation and engagement into the concept of perceived value, in particular Regulatory Engagement Theory (Higgins, 1997, 2006). This theory proposes a framework based off the idea that value is experienced as a motivational force, which is the continuation of a concept originally presented decades ago by a contributing founder of social psychology, Kurt Lewin (Lewin, 1951). This branch of psychology takes a fundamentally subjective perspective of value and seeks to study and understand it in terms of the way people experience a motivational pull toward engagement in a goal-directed activity or a repulsion away from an activity. By definition, value is thus experienced as a perceived motivational force unique to each individual.

Grounded in well-researched theory, the conceptual model also presents a novel application of intrinsic and extrinsic perceived value to customer-directed information sharing. Regulatory Engagement Theory is integrated with two distinct types of motivation: intrinsic and extrinsic. These dimensions have been previously used by motivation (Gagné & Deci, 2005; Lin, 2007) and internal marketing (Grace & Iacono, 2015) scholars to describe the dual processing nature of people and their motivations to engage in target behaviors.

Figure 2: Customer-Directed Information Sharing Model



Hypotheses

Information sharing intentions are a result of the perceived attitudes toward information sharing, which are determined by the combined influence of intrinsic and extrinsic internal customer perceived value of information sharing. Each type of attraction is processed independently (though often interpreted holistically by the individual) and make independent contributions to intrinsic and extrinsic internal customer perceived value of information sharing respectively.

Intrinsic and extrinsic internal customer perceived value of information sharing are hypothesized to jointly predict attitudes toward sharing information with customers. In their paper examining customer perceived value, Sweeney and Soutar (2001) include both intrinsic and extrinsic value perceptions in their model predicting attitudes toward making a purchase. This work was extended to represent how intrinsic and extrinsic internal customer perceived value similarly shape work place attitudes and behaviors.

Information sharing attitudes are hypothesized to be significant predictors of information sharing intentions. Previous work on employee behaviors provides strong evidence for this relationship and has been supported across multiple models of engagement in work behaviors (Ajzen, 1991; Fishbein and Ajzen, 1975). Furthermore, workplace information and knowledge sharing attitudes have been shown to successfully predict intentions to share (Brock et al., 2005; Lin, 2007).

H1: Employee attitudes toward information sharing have a positive effect on information sharing intentions.

H2a: Intrinsic internal customer perceived value of information sharing has a positive effect on attitudes toward sharing information with customers.

H2b: Extrinsic internal customer perceived value of information sharing has a positive effect on attitudes toward sharing information with customers.

Following Higgins' (2006) theory of perceived value, intrinsic (extrinsic) benefits are proposed antecedents to intrinsic (extrinsic) internal customer perceived value of sharing information with external customers.

Intrinsic benefit is the degree to which an employee believes sharing information about the focal message content enhances the customer-employee interaction experience. Extrinsic benefit is the degree to which an employee believes sharing information about the focal message content produces positive outcomes. Based on Regulatory Engagement Theory, subjective benefits are believed to positively influence value perception (Higgins, 2006; Higgins and Scholer, 2009). Uniquely, intrinsic and extrinsic perceived benefits are believed to independently contribute to perceived values (Gagné & Deci, 2005). These forces have been previously illustrated to contribute to intraorganizational knowledge sharing activities (Lin, 2007).

H3a: Intrinsic information sharing benefits have a positive effect on intrinsic internal customer perceived value of information sharing.

H3b: Extrinsic information sharing benefits have a positive effect on extrinsic internal customer perceived value of information sharing.

While the subjective pleasure (pain) benefits of an experience influences the direction and intensity of the value experience, another force—motivational engagement—is included in the model as a measure of relative attraction intensity. Critically, Higgins’ theory of value strength acknowledges that although the motivational direction and motivational intensity are commonly experienced holistically, they are functionally independent of one another (Higgins, 2006; Higgins & Scholer, 2009). In other words, the intensity of motivation can change without necessarily influencing the direction of attraction and without changing the perceived hedonic properties of the goal target. Engagement is a measure of the amount of involvement or energy expended toward a motivational object, but in itself does not detail whether the energy is spent in pursuit or in avoidance. This distinction is a major contribution of Regulatory Engagement Theory and is beginning to help answer some perplexing questions in the evaluation of value and motivation (Higgins, Cesario, Hagiwara, Spiegel, & Pittman, 2010). Purely considering value attraction in terms of hedonic properties leads to a basic (though faulty) conclusion that an object with the greatest difference between benefit and costs will be dominantly preferred (or, conversely, avoided), i.e. will have strictly higher (lower) perceived value.

Intrinsic motivational engagement in information sharing is the degree to which an employee believes that his or her reasons for sharing information are influenced by intrinsic desires. Extrinsic motivational engagement is the degree to which an employee believes that his or her reasons for sharing information are influenced by extrinsic

desires. Regulatory Engagement Theory also holds that motivational engagement strength positively affects the magnitude of value perceptions (Higgins and Scholer, 2009; Tremblay et al., 2009). This construct reflects the relative attractive or repulsive force applied to information sharing value. Intrinsic motivational engagement intensity is believed to be associated with higher perceived experiential value. Extrinsic motivational engagement intensity is believed to be associated with higher perceived outcome value (Ryan and Deci, 2000). Intrinsic (extrinsic) perceived benefits and motivational intensity are hypothesized to affect intrinsic (extrinsic) internal customer perceived values independently.

H4a: Intrinsic motivational engagement intensity has a positive effect on intrinsic internal customer perceived value of information sharing.

H4b: Extrinsic motivational engagement intensity has a positive effect on extrinsic internal customer perceived value of information sharing.

Finally, intrinsic (extrinsic) information sharing benefits are also hypothesized to have a positive influence on intrinsic (extrinsic) motivational engagement intensity. When an activity has greater subjective attractiveness, it positively affects individual engagement likelihood and intensity (Higgins, 2006). Motivational engagement with information has been previously shown to be higher when individuals have higher intrinsic or extrinsic attraction to the information (Calder and Malthouse, 2009).

H5a: Intrinsic information sharing benefits have a positive effect on intrinsic motivational engagement intensity.

H5b: Extrinsic information sharing benefits have a positive effect on extrinsic motivational engagement intensity.

A description of the discussed hypothesized relationships in the model is included in Table 6.

Method

This study was designed to test the validity of the proposed conceptual model and the hypothesized relationships within it. This is accomplished by deploying the survey instrument to service employees in an online lab setting. The model should display construct validity and reliability, as well as provide evidence regarding the hypothesized relationships between variables in the improved ability to satisfy the relationship between proposed variables in the customer-directed information sharing model. The model is evaluated in terms of the convergent validity of the measurement items by using a confirmatory factor analysis.

To test the model and predicted hypotheses, a survey was administered online using Amazon's Mechanical Turk service. Upon admittance into the survey, respondents were asked to provide their honest feedback regarding a potential scenario they might face during working hours. In this survey, all respondents were asked to imagine an identical scenario involving a conversation with a customer in which the customer notes that the price is very high and would like to know if the price being charged is fair

Table 6: Study 1 Research Hypotheses

Hypo	Posited Relationship	Supporting Theory	Research
H1	Employee attitudes toward information sharing have a positive effect on information sharing intentions	Ajzen, 1991; Fishbein and Ajzen, 1975	Bock et al., 2005; Lin, 2007; Taylor & Todd, 1995
H2a	Intrinsic Internal Customer Perceived Value of information sharing has a positive effect on attitudes toward sharing information with customers.	Gagné & Deci, 2005; Grace & Iacono, 2015	Sweeney & Soutar, 2001
H2b	Extrinsic Internal Customer Perceived Value of information sharing has a positive effect on attitudes toward sharing information with customers.	Gagné & Deci, 2005; Grace & Iacono, 2015	Sweeney & Soutar, 2001
H3a	Intrinsic information sharing benefits have a positive effect on Intrinsic Internal Customer Perceived Value of information sharing.	Gagné & Deci, 2005; Higgins 2006; Higgins and Scholer 2009	Lin, 2007
H3b	Extrinsic information sharing benefits have a positive effect on Extrinsic Internal Customer Perceived Value of information sharing.	Gagné & Deci, 2005; Higgins 2006; Higgins and Scholer 2009	Lin, 2007
H4a	Intrinsic motivational engagement intensity has a positive effect on Intrinsic Internal Customer Perceived Value of information sharing.	Higgins 2006; Higgins and Scholer 2009; Ryan and Deci, 2000	Guay et al., 2000; Tremblay et al., 2009
H4b	Extrinsic motivational engagement intensity has a positive effect on Extrinsic Internal Customer Perceived Value of information sharing.	Higgins 2006; Higgins and Scholer 2009; Ryan and Deci, 2000	Guay et al., 2000; Tremblay et al., 2010
H5a	Intrinsic information sharing benefits have a positive effect on intrinsic motivational engagement intensity.	Higgins 2006; Higgins and Scholer 2009	Calder and Malthouse, 2009
H5b	Extrinsic information sharing benefits have a positive effect on extrinsic motivational engagement intensity.	Higgins 2006; Higgins and Scholer 2009	Calder and Malthouse, 2009

based on the cost of production. Although not necessarily a topic that would occur in a high frequency of interactions for many employees, this scenario could be readily applied to almost any customer context and was for this reason of good use for the current study purposes. Following introduction to the imagined scenario, respondents proceeded through survey questions about the experience and outcomes of such a conversation, their perceived values pertaining to engagement in this type of discussion, and their values, attitudes, and intentions to share this information with customers.

Measures

An inherently difficult task in measuring subjective perceptions is that these perceptions are relatively difficult for individuals to interpret and assess accurately and are known to construct beliefs in the absence of true salient information (Touré-Tillery & Fishbach, 2014). Kahneman and Krueger (2006) discuss the challenges inherent in accurate measures of subjective constructs. As a result, it is important to avoid questions that are susceptible to a high range of interpretations. Similarly, questions about customer-directed information sharing behaviors have a naturally high susceptibility to social bias. Respondents may display a higher preference for brand messages that align with their perceived job expectations.

As the purpose of this study was primarily to test the hypothesized relationships between variables in the proposed model, each variable was composed of items modified from prior literature. Keeping each variable limited to just four items (six for each

motivational engagement measure) allowed for the deployment of a series of modules, each focusing on a unique type of information.

An important component of the model assessed the perceived intrinsic and extrinsic motivational engagement intensity in information sharing. Implicit measures are difficult to study, because they cannot be measured directly and survey subjects often find it difficult to accurately access this information. Some recent developments, like the Implicit Association Test (Greenwald, McGhee, & Schwartz, 1998), have made progress toward revealing hidden impulsive associations. However, the Implicit Association Test is not ideal for this study for two reasons. First, the IAT functions on a software platform that is not easily integrated into a stand-alone survey instrument that can be implemented with flexibility. Second, the IAT is most helpful in distinguishing between binary associations only.

A prior model of motivation, however, applied a unique survey methodology with surprisingly effective results (Ryan & Connell, 1989). By applying what they refer to as a “gradient of autonomy,” the authors present the measurement instrument to subjects in a descending order of autonomy, which allows the survey taker to answer with a greater conceptual understanding of the differential meanings. The first set of questions applies to extrinsic or controlled motivations for activity participation, while the second set of questions applies to intrinsic or autonomous motivations for activity participation. Because engagement in the context of this study is also largely hidden to subjective assessment, a similar methodology is applied to assess perceived engagement with the message content. Furthermore, the development of the Situational Motivation Scale

(SIMS) has produced reliable and valid results in multiple studies (Guay et al., 2000; Tremblay et al., 2009). The intrinsic and extrinsic motivational engagement intensity measures are adapted from a scale used by Tremblay et al. (2009) to identify extrinsic and intrinsic motivational intensity at work — a scale that was developed from earlier work on the Situational Motivation Scale (SIMS) and based in self-determination theory (Deci & Ryan 2000; Guay et al., 2000). Intrinsic motivational engagement intensity and extrinsic motivational engagement intensity are measured using a 7-point Likert scale.

Intrinsic and extrinsic benefits of information sharing represent the primary attributes that employees find compelling about the activity of exchanging information and the expected outcomes of exchanging information respectively. Lin (2007) developed a model of employee information sharing, broadly, and found that intrinsic and extrinsic internal information sharing benefits derived from two main areas. Extrinsically, “the fundamental goals of extrinsically motivated behaviors are to receive organizational rewards or reciprocal benefits” (Lin, 2007, p. 139). Intrinsically, people are driven by the three basic needs to feel competent, autonomous, and related with others (Gagné & Deci, 2005). These intrinsic motivators result in a coherence of goals and produce an interest in and enjoyment of the activity. Lin (2007) identifies the generic benefits of information sharing as “knowledge self-efficacy” and “enjoyment in helping others.” The two most relevant measures to customer-directed information sharing from each of the identified intrinsic and extrinsic benefits of information sharing were selected and modified slightly to conform to external customer information sharing needs.

In order to measure intrinsic and extrinsic internal customer perceived value of information sharing, two key pieces of literature were critical. Grace and Iacono (2015) proposed a model of internal customer perceived value based on an interpretation of Sweeney and Soutar's (2001) perceived value of (external) consumers when making purchase decisions. Previously, Sweeney and Soutar (2001) had identified four factors driving consumer perceived value of a product. These factors are 1) product quality, 2) perceived emotional value of product use, 3) price (negative), and 4) the social value associated with product ownership and use. Grace and Iacono (2015) articulated the commonalities between external customers and internal customers (employees), identifying the basic fundamental similarities in their roles as creators and beneficiaries of value in the overall service profit chain process. Thus, the four drivers of external consumer value are interpreted as one of four internal customer value perceptions, identified as 1) task-related functional value in service exchange, or the value an employee associates with firm support of effective job performance, 2) emotional value or intrinsic rewards gained through performance of job activities, 3) monetary value or compensation received as a direct benefit of performing work services, and 4) social value or the value derived from the relational benefits of job tasks. Monetary compensation and emotional value are clearly and nearly exclusively linked to the outcomes and activity experience itself, respectively, and were thus used to represent extrinsic and intrinsic internal customer perceived value. Intrinsic benefits of information sharing and extrinsic benefits of information sharing are measured using a 7-point Likert scale.

Information sharing attitudes are hypothesized to be significant predictors of information sharing intentions. Previous work on employee behaviors provides strong evidence for this relationship and has been supported across multiple models of engagement in work behaviors (Ajzen, 1991; Fishbein and Ajzen, 1975). Furthermore, workplace information and knowledge sharing attitudes have been shown to successfully predict intentions to share (Brock et al., 2005; Lin, 2007). Attitudes and intentions to share information with customers were measured using scales supplied in a review and comparison of IT usage (Taylor & Todd, 1995). Attitudes toward information sharing is measured using a semantic differential scale. Information sharing intentions are measured using a 7-point Likert scale.

Results and Discussion

To test the model and predicted hypotheses, a survey was administered online using Amazon's Mechanical Turk service. To qualify for participation in the online survey, respondents had to meet the following requirements: 1) platform task (HIT) approval rating greater than or equal to 90%, 2) currently employed part-time or full-time outside of Mechanical Turk, and 3) employment must involve frequent direct interaction with customers, in either a selling or service capacity. 197 participants completed the survey out of a total of 451 participants that began the survey but did not pass the screener. A further 18 participants were removed from the analysis due to missing data, leaving a final sample size of 179 for all analyses. 80% of respondents were employed on a full-time basis at the time of survey administration, while 20% were employed part-

time. 43% of respondents were female. 58% identified sales as a primary responsibility of their position, while 59% indicated service as a primary responsibility. Descriptive statistics for the eight measured constructs are displayed in Table 7.

Table 7: Study 1 Composite Descriptive Statistics

Construct	Mean	SD	1	2	3	4	5	6	7	8
1. Intrinsic benefits	5.47	1.21	1							
2. Extrinsic benefits	4.73	1.29	0.70	1						
3. Intrinsic motivational engagement	4.89	1.36	0.69	0.76	1					
4. Extrinsic motivational engagement	4.79	1.33	0.60	0.73	0.78	1				
5. Intrinsic Internal Customer Perceived Value	4.73	1.73	0.71	0.78	0.83	0.69	1			
6. Extrinsic Internal Customer Perceived Value	4.80	1.51	0.63	0.73	0.76	0.78	0.78	1		
7. Attitudes toward information sharing	1.12	1.44	0.67	0.65	0.76	0.64	0.77	0.66	1	
8. Intentions to share information	4.91	1.67	0.73	0.73	0.77	0.72	0.82	0.72	0.81	1

Note: N = 179, all items were administered using 7-point Likert scales, with the exception of Attitudes toward information sharing. Attitudes toward information sharing was administered using a 7-point semantic word differential scale with a range of -3 to 3

Confirmatory Factor Analysis

To test the reliability and validity of each variable constructed in the model, I used Stata 13 to perform a confirmatory factor analysis. A list of the items used and the results of the CFA are displayed in Table 8. Overall the model displayed a satisfactory fit to the data ($\chi^2 = 1397.65$, $df = 566$, $\chi^2/df = 2.47$, $RMSEA = 0.091$, $CFI = 0.877$).

Constructs in the model each showed a reliability coefficient greater than 0.80, exceeding the recommended level (Nunnally et al., 1967). Factor loadings for variables exceeded a convergent validity threshold of 0.60 (Chin et al., 1997), indicating acceptable convergent validity for the measured constructs. A comparison of correlations of the identified factors suggests that further decomposing the benefits and motivational engagement intensity of the intrinsic and extrinsic variables in the model would provide

greater discriminant validity between latent model variables (Churchill, 1979). This is not surprising, given the previously established discriminant validity between intrinsic and extrinsic items developed in previous scale measures. Inter-item correlation matrices are displayed in Appendix E.

Nine hypotheses concerning the relationships between variables in the customer-directed information sharing model were tested using regression analysis in Stata 13. Attitudes toward sharing information with customers were highly predictive of employee information sharing behavior intentions (H1: $\beta=0.94$, $SE=0.05$, $t=18.44$, $p<.001$). Two related hypotheses predicted that internal customer perceived value of information sharing would affect attitudes toward information sharing. H2a was supported, showing that Intrinsic ICPV of information sharing has a significant effect on attitudes toward sharing information (H2a: $\beta=0.64$, $SE=0.04$, $t=15.95$, $p<.001$). H2b was also supported, showing that Extrinsic ICPV of information sharing has a significant effect on attitudes toward sharing information as well (H2b: $\beta=0.63$, $SE=0.05$, $t=11.68$, $p<.001$).

The next set of hypotheses predicts that the greater the intrinsic (extrinsic) benefits the employee anticipates for sharing information with customers, the higher his or her intrinsic (extrinsic) perceived value will be for performing the task as a part of his or her work. High intrinsic task benefits (information delivery confidence and enjoyment for helping others) had a significant positive impact on Intrinsic ICPV for sharing information (H3a: $\beta=1.1025$, $SE=0.08$, $t=13.37$, $p<.001$). High extrinsic task benefits (higher compensation and customer relationship benefits) had a significant positive

Table 8: Study 1 Item Descriptions and Confirmatory Factor Analysis

Constructs		Factor loading	Reliability coefficient
Intrinsic benefits <i>"When having this type of discussion..."</i>	IB1 I am confident in my ability to provide information that the customer would consider valuable	0.75	0.87
	IB2 I have the expertise required to provide valuable information to the customer	0.66	
	IB3 I enjoy helping customers by sharing this information	0.89	
	IB4 it feels good to help someone by sharing this information	0.86	
Extrinsic benefits <i>"By engaging in this discussion with customers..."</i>	EB1 I will receive a higher salary in return	0.68	0.82
	EB2 I will receive a higher bonus in return	0.71	
	EB3 I strengthen ties between customers and myself	0.77	
	EB4 I expand the scope of my association with customers	0.77	
Intrinsic motivational engagement <i>"Please indicate to what extent each of the following items corresponds to the reasons why you choose to engage in this type of discussion with customers"</i>	IME1 Because I derive much pleasure from the personal growth that comes from having this type of discussion with customers	0.82	0.90
	IME2 For the satisfaction I experience from taking on the challenge of this type of discussion	0.88	
	IME3 For the satisfaction I get from positive customer interactions	0.66	
	IME4 Because having this type of discussion has become a fundamental part of who I am	0.85	
	IME5 Because it is a part of the way in which I have chosen to live my life	0.77	
	IME6 Because engaging with customers is part of who I am	0.68	
Extrinsic motivational engagement <i>"Please indicate to what extent each of the following items corresponds to the reasons why you choose to engage in this type of discussion with customers"</i>	EME1 For the income I'm provided to have this type of discussion	0.74	0.86
	EME2 Because it allows me to earn money	0.71	
	EME3 Because engaging in this type of discussion allows me to keep my job	0.74	
	EME4 Because I want to succeed at this task, if not I would be very ashamed of myself	0.71	
	EME5 Because I want to be very good at discussing this information, otherwise I would be very disappointed	0.66	
	EME6 Because I want to be a "winner" in my job	0.73	
Intrinsic Internal Customer Perceived Value <i>"This type of conversation with customers..."</i>	IICPV1 is something I enjoy talking about	0.92	0.97
	IICPV2 is something I want to talk about	0.82	
	IICPV3 gives me pleasure to talk about	0.96	
	IICPV4 makes me feel good to talk about	0.97	
Extrinsic Internal Customer Perceived Value <i>"Having this type of conversation with customers..."</i>	EICPV1 is something I am reasonably compensated to do	0.87	0.93
	EICPV2 is a good exchange for what I am compensated in return	0.86	
	EICPV3 is a good job activity for the money	0.87	
	EICPV4 is a good way to make a living	0.89	
Attitudes toward information sharing <i>"Having this conversation with customers is..."</i>	AT1 very unpleasant ... very pleasant.	0.86	0.93
	AT2 very bad ... very good.	0.91	
	AT3 very worthless ... very valuable.	0.85	
	AT4 very harmful ... very beneficial.	0.87	
Intentions to share information <i>"Regarding this type of customer interaction..."</i>	INT1 I intend to have this type of discussion with customers more in the future	0.93	0.95
	INT2 I will try to have this discussion with customers	0.91	
	INT3 I will likely have this discussion with customers frequently in the future	0.93	
	INT4 I expect to have this discussion with customers	0.90	

Note: N = 179, all items were administered using 7-point Likert scales, with the exception of Attitudes toward information sharing. Attitudes toward information sharing was administered using a 7-point semantic word differential scale with a range of -3 to 3

impact on Extrinsic ICPV for sharing information (H3b: $\beta=0.85$, $SE=0.06$, $t=14.14$, $p<.001$). Intrinsic (extrinsic) motivational engagement intensity was also hypothesized and found to have a positive effect on intrinsic (extrinsic) ICPV (H4a: $\beta=1.05$, $SE=0.05$, $t=19.64$, $p<.001$; H4b: $\beta=0.88$, $SE=0.05$, $t=16.47$, $p<.001$). Finally, intrinsic (extrinsic) benefits of sharing information with customers was hypothesized to have a positive impact on intrinsic (extrinsic) motivational engagement intensity, and these hypotheses were also supported (H5a: $\beta=0.77$, $SE=0.06$, $t=12.80$, $p<.001$; H5b: $\beta=0.75$, $SE=0.05$, $t=14.26$, $p<.001$).

Alternative Models

In order to determine the validity of the proposed model relative to alternatives, a series of confirmatory factor analyses (CFAs) were developed, analyzed, and compared to the original model. A primary purpose of the research is to validate two proposed dimensions of internal customer perceived value. The comparative models determine the relative strength of the proposed model in this context. Measures of model comparison were chosen based on popular measures for models with samples sizes of approximately 75-200: the chi-squared to degrees of freedom ratio (χ^2/df), the root mean square error of approximation (RMSEA), and the comparative fit index (CFI).

The initial CFA measures the 36 survey items loaded on to 8 latent factors: intrinsic benefits, extrinsic benefits, intrinsic motivational engagement, extrinsic motivational engagement, intrinsic internal customer perceived value, extrinsic internal customer perceived value, attitudes toward information sharing, and intentions to share

information. This model provided a good fit ($\chi^2(566) = 1397.65$, $\chi^2/df = 2.47$, RMSEA = 0.091, CFI = 0.877). All item loadings to latent variables were significant at $p < .001$. Allowing all 36 measurement items to load onto a single latent variable ($\chi^2(594) = 2371.95$, $\chi^2/df = 3.99$, RMSEA = 0.129, CFI = 0.736), the simplest nest model provides a significantly worse fit to the data ($\Delta\chi^2(28) = 974.30$, $p < .001$). A three-factor nested model that parses the measurement items into outcomes (attitudes and intentions), values (intrinsic ICPV and extrinsic ICPV), and value drivers (intrinsic benefits, extrinsic benefits, intrinsic motivational engagement, and extrinsic motivational engagement) also performed significantly worse than the full model ($\chi^2(591) = 1976.08$, $\chi^2/df = 3.34$, RMSEA = 0.114, CFI = 0.705: ($\Delta\chi^2(25) = 578.43$, $p < .001$)). Comparison to a five-factor model that combines the intrinsic and extrinsic measurement items into single latent variables indicates whether distinguishing between the two types of is necessary for the model. This simplified model also provided a significantly worse fit to the data ($\chi^2(584) = 1721.15$, $\chi^2/df = 2.95$, RMSEA = 0.104, CFI = 0.831: ($\Delta\chi^2(18) = 323.50$, $p < .001$)). Finally, a seven-factor model of the data combining the two intrinsic and extrinsic internal customer perceived value measurement items into a single latent variable of value (as opposed to the full model, which distinguishes between intrinsic and extrinsic value perceptions) also performed significantly worse than the original model ($\chi^2(573) = 1624.32$, $\chi^2/df = 2.83$, RMSEA = 0.101, CFI = 0.844: ($\Delta\chi^2(7) = 226.67$, $p < .001$)). The results of the nested model comparison analysis support the structure of the proposed model.

Structural Equation Model

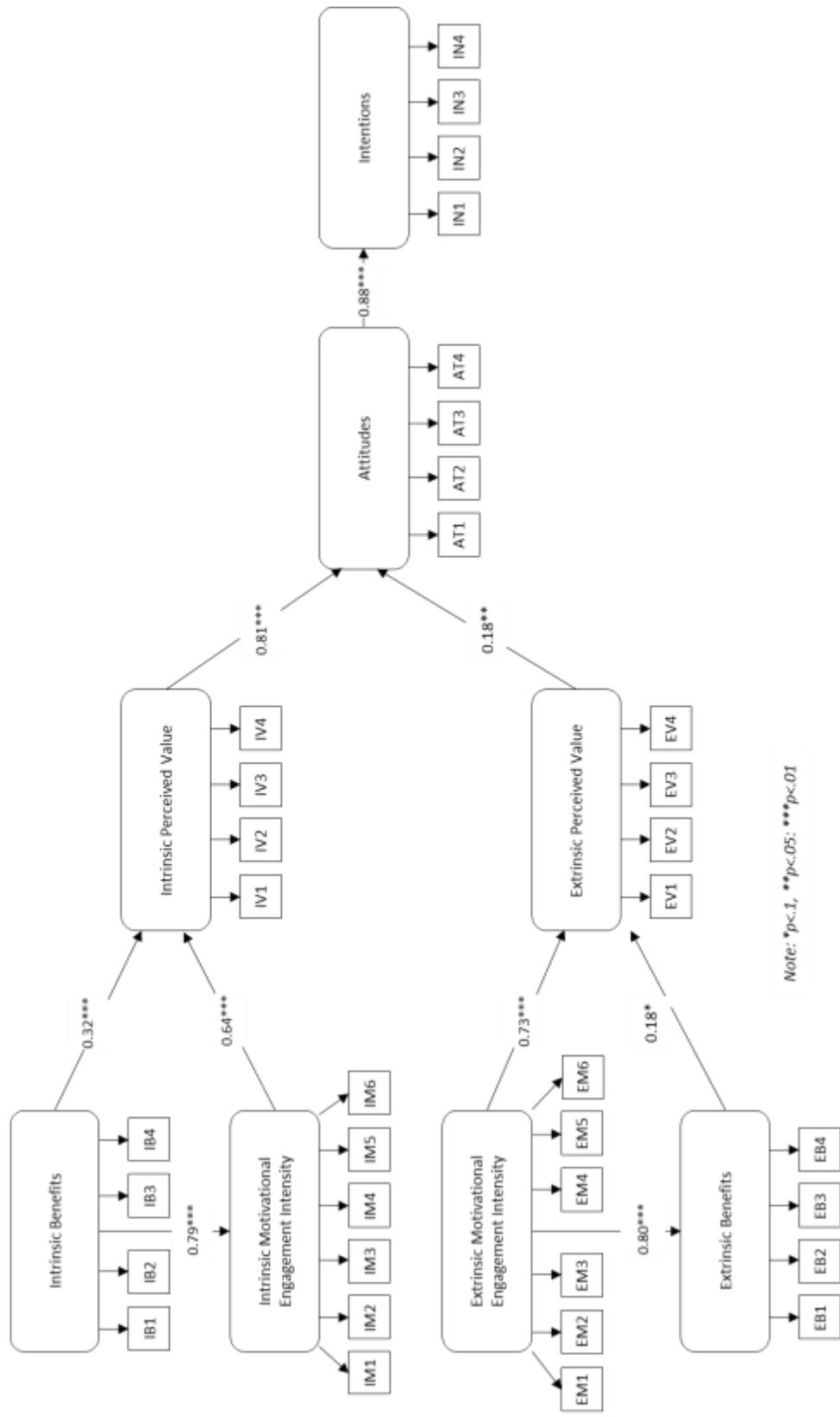
Structural Equation Modeling (SEM) is useful in testing causal relationships between latent variables based on multiple measurement items (Bagozzi, 1977). A latent-variable structural equation model is preferable to an observed-variable path in this instance, because the path analysis assumes error-free item measurement, which is unlikely. To assess the overall fit of structural equation models, Bagozzi and Yi (1988) recommend a normed χ^2 to test the ratio between χ^2 and the degrees of freedom in the model. The normed χ^2 for the model was 2.95 ($\chi^2 = 1724.68$, $df = 585$), which is below the threshold of 3 recommended by the authors, thus indicating a fair fit of the overall model.

The structural model provides a causal test of the relationships between the latent constructs specified in the model. Internal customer attitudes toward information sharing were hypothesized to predict information sharing intentions. Intrinsic and extrinsic internal customer perceived values of information sharing were hypothesized to predict information sharing attitudes. Intrinsic and extrinsic internal customer perceived values were each predicted by their relative constructs of perceived benefits and motivational engagement intensity. Intrinsic and extrinsic motivational engagement intensities were predicted by intrinsic and extrinsic benefits respectively.

The results of the structural equation model analysis are shown in Figure 3. All relationships hypothesized in the conceptual model were strongly supported by the structural model, with the exception of hypothesis 3b, which was only marginally supported. Not surprisingly, results of the SEM analysis indicate that internal customer

information sharing attitudes have a strong effect on information sharing intentions ($\beta = 0.877, z = 37.16, p < 0.01$), providing support for H1. As predicted, both intrinsic and extrinsic internal customer perceived value of information have a positive effect on information sharing attitudes. The analysis shows a positive relationship between intrinsic perceived value and attitudes ($\beta = 0.814, z = 18.20, p < 0.01$) and between extrinsic perceived value and attitudes ($\beta = 0.176, z = 1.96, p = 0.05$), providing support to hypotheses H2a and H2b. The third set of hypotheses predicted a positive influence of information sharing benefits on perceived value. Intrinsic benefits had a positive influence on intrinsic perceived value ($\beta = 0.317, z = 4.36, p < 0.01$), providing support for H3a. However, only marginal support was found for H3b ($\beta = 0.182, z = 1.85, p < 0.1$), indicating a relatively weak influence of extrinsic benefits on extrinsic perceived value. The fourth set of hypotheses predicted a positive influence of motivational engagement intensity on perceived value. Intrinsic motivational engagement intensity positively influenced intrinsic perceived value ($\beta = 0.637, z = 9.32, p < 0.01$), providing support for H4a. Extrinsic motivational engagement intensity positively influenced extrinsic perceived value ($\beta = 0.733, z = 7.91, p < 0.01$), providing support for H4b as well. Finally, the model also predicted a positive influence of information sharing benefits on motivational engagement intensity. Intrinsic benefits positively influenced intrinsic motivational engagement intensity ($\beta = 0.790, z = 21.61, p < 0.01$), and extrinsic benefits positively influenced extrinsic motivational engagement intensity ($\beta = 0.797, z = 19.99, p < 0.01$), providing support for both H5a and H5b.

Figure 3: Study 1 Final Structural Equation Model



Study 2

Research Overview

Thus far, I have developed a conceptual model of the psychological underpinnings of internal customer perceived values. The model provides insight into the factors that lead to intrinsic and extrinsic value perceptions, as well as the independent role that these factors play in shaping employee communication decisions. Intrinsic and extrinsic perceived values of customer-directed information sharing activities are determined by perceived benefits and motivational engagement intensity and are also shown to affect information sharing attitudes and intentions.

A crucial job for internal marketers operating in service markets is to enable internal customer value experiences while advancing the objectives of the organization. As Service-Dominant Logic literature suggests evolving to models that focus on customers as *operant resources* utilizing their knowledge and skills to coproduce value in interactions (Vargo & Lusch, 2004), progress toward this perspective of *internal* customers is similarly important. It is important to know that employees are motivated to share brand information with external customers based on their value perceptions and that each type of value plays a role in shaping attitudes and behavioral intentions. To change the way brand message communication is perceived by internal customers, however, internal marketers must gather evidence of the influence that external value stimuli have on employees' internal information sharing perceptions. By understanding the environmental drivers of internal customers' information sharing value consumption

choices, internal marketers will be better equipped and informed to enable value creation in their organizations.

To this end, I designed and executed a field study investigation of front line employees to determine the effect that key environmental variables have on perceived values and intentions to engage in customer-directed information sharing. I was interested in exploring the relative effects of external factors that are directly and indirectly influenced by internal marketers. This investigation is of particular importance to internal marketing literature, in which it is critical for marketers to understand the effects of external value stimuli on internal customer perceived values (Grace & Iacono, 2015). Ultimately, the intention for this study is to probe the proposed relationships between environmental value stimuli and internal customer value perceptions through an initial and exploratory application in a brand message communication context.

Hypotheses

Monetary compensation is generally believed to be an important motivator of employee job performance. Lock et al. (1980) conducted a meta-analysis and found that introduction of pay incentives to individual employees resulted in an average increase of 30% in productivity. More recently, a large scale meta-analysis conducted by Jenkins et al. (1998) found that financial incentives shared a strong correlation with production quantity. Job pay has been shown to have inconstant impact, however, depending on the specific outcome employers measured. For example, in a large scale survey of more than 35,000 American employees, competitive base pay ranked second in importance for

attracting employees, but sixth in terms of retention. Performance-based payments ranked eighth for employee attraction, and pay was not ranked at all in terms of increasing employee motivation (Towers Perrin, 2003). Despite indications that financial incentives play an important role in motivating employees to perform work tasks, expected organizational rewards had no significant effect on employees' stated attitudes and intentions to share knowledge with coworkers (Lin, 2007).

Recent conceptual developments have helped inform the factors influencing salespeople to engage in customer-directed sales activities (Fu, Richards, Hughes, & Jones, 2010). The Job Demands-Resources model contends that job resources like rewards, managerial support, training, and other forms of compensation have a direct effect on engagement in work tasks (Bakker & Demerouti, 2007; Demerouti, Bakker, Nachreiner, & Schaufeli, 2001). This effect has more recently been shown to be mediated by personal resources, revealing a combined impact on employee willingness to engage in brand promotion and selling activities (Sousa, Coelho, & Guillamon-Saorin, 2012; Zablah, Chonko, Bettencourt, Allen, & Haas, 2012)

Grace and Iacono (2015) provide several key insights into the effect of external value stimuli on the internal customer value co-creation process. As with other capital resources, it is not the absolute expenditures that determine perceived value, but instead the allocation of the resource within the employee's social structure that influences the value experience (Adler & Kwon, 2002). This stimulus—one element of a broader set of socio-structural and social exchange elements—may have direct impact on the gratification of individual needs, which in turn affect perceived values. Hence, an

employee who believes the organization spends inadequate resources on supporting brand initiatives may still experience value from the exchange to the extent that his or her needs have been met. Thus I hypothesize that

H1: Firm monetary resource allocation has a direct and positive relationship with internal customer need satisfaction.

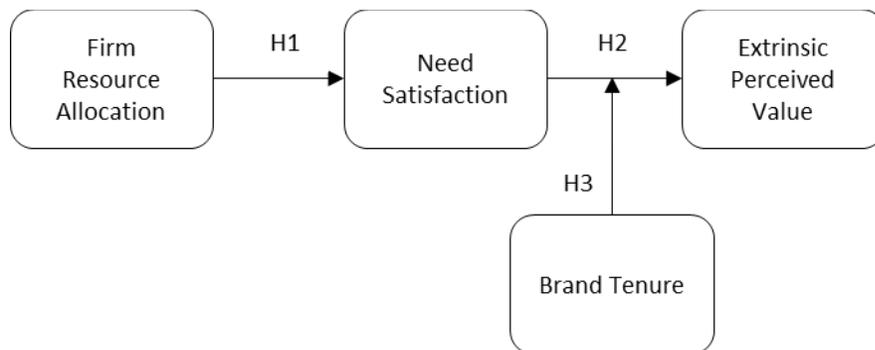
H2: Internal customer need satisfaction has a direct and positive relationship with extrinsic internal customer perceived value of brand message delivery.

Although the satisfaction of needs is an important precursor to internal customer perceived value, temporal aspects of the evaluation of the message delivery exchange may be an important moderator of the relationship. As a subjective phenomenon, perceived value is created in the mind and is experienced through an individual's unique psychological construction. Perceptions of the value experience differ depending on the temporal status of the subject, as individuals' value judgments and sense making are based on current evaluations, previous understanding, and imaginations of the future (Helkkula, Kelleher, & Pihlström, 2012). These evaluations, then, are likely to be influenced by the point in time in which the judgments are made, relative to other important life events. For internal customers evaluating communication job tasks, these temporal influences may moderate the relationship between internal customers' need satisfaction from external value stimuli and their perceived value of job engagement (Grace & Iacono, 2015). Therefore, I hypothesize

H3: The relationship between need satisfaction and extrinsic internal customer perceived value is moderated by job-related temporal influences, such that greater job status (tenure promoting brand) will decrease the impact of need satisfaction on perceived value.

Figure 4 presents the model for the proposed relationships between external value stimuli, need satisfaction, job status, and extrinsic internal customer perceived value of customer-directed information sharing.

Figure 4: Study 2 Proposed Conceptual Model



Alternative Models

To provide a fuller context of the key relationships presented, two additional models will be examined for their fit to the underlying data and overall explainability of variables.

A second conceptual model was developed in order to account for the variations inherent in the unique context of the current study; i.e. understanding the effects of capital resource allocation and brand tenure on extrinsic perceived value of delivering brand messages. The model includes three important additions to the base model. First, a direct path between the exogenous organizational resource allocation and EICPV of brand message communication was included. Grace and Iacono (2015) propose need satisfaction as a conduit between environmental value stimuli and perceived value in order to achieve a more “level playing field” between objective measures of organizational factors and subjective value perceptions (p. 565). Front line representatives generally view the appropriate and effective allocation of funds to support their personal promotion efforts to be a positive motivating factor, however, and thus only a partial mediation of the need satisfaction variable is expected. Extant literature provides evidence that job resources may have a direct effect on task engagement, even when mediated by personal resources (Xanthopoulou, Bakker, Demerouti, & Schaufeli, 2007). Additionally, the length of time an employee has represented a brand is added as a direct positive influence the extent to which he or she is extrinsically motivated to promote it. It is more likely that the representatives with a longer history of promoting a brand are more like to reflect on the work-for-compensation exchange positively, due to either the cognitive dissonance felt trying to hold two opposing ideas in the same time (that much time was spent doing and activity and that it was not an equitable exchange) or the increased feeling of value derived from a task that has required more energy to accomplish (Scholer & Higgins, 2009). Finally, highly correlated errors within the latent

structure of the EICPV variable will be correlated as required. The correlation of residuals within latent factors is recommended during the respecification process when meaningful (Kenny, 2011). In particular, items 1 and 2 (focus on compensation) and items 3 and 4 (focus on job quality) have shown particularly high correlation previously.

The third model extends upon the second model by including several additional control variables of potential interest. The first set of control variables include several alternative measures of compensation. Overall perceived amount spent by the company on brand personal promotion, salary amount, and bonus amount were included in the to control for the effects of perceived brand support of personal promotion efforts. Current status as an employee of the focal company and the number of months since the representative last promoted the brand were included to control for the potential effects of changes in perceptions since leaving the company. All control variables are added to the model as potential predictors of both endogenous model variables, need satisfaction and EICPV.

Method

A nonexperimental research design was used to investigate individual employee perceptions of the relevant factors set in their natural work environment. Measurement instruments were taken from the literature and lightly adapted to fit the current study. These instruments were then integrated with additional demographic survey items into a questionnaire using the Qualtrics research platform. Overall, the survey questionnaire

consisted of four main modules and was designed to take approximately 15 minutes to complete.

To facilitate field data collection, a partnership with a company operating in the pharmaceutical industry was developed. This organization is in a unique position to offer services to multiple companies in the pharmaceutical and biotechnology industries through a network of sales representatives with various affiliations. This employee sample frame consisted of approximately 600 individuals, each with current or previous experience representing a range of pharmaceutical companies. Each participant was required to have personal experience promoting healthcare products to physicians in order to participate, making this an ideal group for assessing the influence of contextual factors on message delivery. The individuals in this sample also varied significantly in their duration of experience, allowing for the analysis of brand tenure impact.

A power analysis was conducted using a conservative estimate of 1.5 for the standard deviations of key measures, according to data collected in previous lab studies. To assess significant changes to one-twentieth of a point in accuracy, a sample size of 120 was targeted. Due to the limited size of the sample frame used for this study, each respondent from the sample list was invited to participate in the study. Although a sample size of only 120 limits the explanatory power of the model, the sample is sufficient to fulfill the intent of this study – to provide exploratory evidence as the first step in a larger research program.

Measures

The survey questionnaire consisted of five sets of items used in the model development and analysis. In order to remain consistent with prior research, the measures were taken or adapted from earlier studies. A complete list of the items measured in this study can be found in Appendix F. Each of the key variables measured focuses on the respondents' experiences promoting a single brand on behalf of the company, in particular the brand promoted in the most recent physician interaction that he or she had promoted for the longest period of time.

Firm resource allocation was assessed by using two 7-point Likert measures recommended by Grace and Iacono (2015) for determining internal customer value stimuli. These two questions measured employees' perceived company resource support toward the personal promotion of the focal brand. Representatives answered the extent to which they agreed that the "amount spent was appropriate" and that the "resources were spent effectively. A single indexed variable of Promotional Support was created by averaging these two scores together and then standardizing to the mean.

Need satisfaction was measured using a 15-item index created by Porter (1961) for assessing the fulfillment of needs related to one's job role. Peter, Brown and Churchill (1993) recommend avoiding the use of difference scores without a compelling reason to do so because of potential drawbacks in reliability, discriminant validity and adequate variability. In this case, however, the scale was chosen despite these potential drawbacks for three key reasons. First, the scale offers the ability to investigate a specific job role, rather than perceptions of the employment experience overall. Second, the scale is

backward looking in nature, allowing subjects to orient their responses to the previous interaction. Third, the index provides a holistic picture of overall satisfaction across a number of need dimensions. Porter's scale offers a Needs relate roughly to Maslow's hierarchy, including security, social, esteem, autonomy, self-actualization, and other needs. Each item score was first calculated as the deficit between the amount that a need should be filled by the role of promoting the brand and the amount of fulfillment the brand representative actually experienced. Scores were then reversed to create a single score representing the relative amount of satisfaction experienced, ranging from 1 (lowest amount of need satisfied) to 7 (need fully satisfied). The final measure of overall need satisfaction was then created by averaging the 15 item scores together and standardizing to the mean.

Extrinsic internal customer perceived value (EICPV) of sharing brand information was assessed through the 4-item scale used in the previous study. This scale was originally adapted from Sweeney and Soutar's (2001) perceived value of external consumers when making purchase decisions, using Grace and Iacono (2015) for translation to internal customers. Items measured the extent to which employees agree (on a 1-7 scale) with each of 4 statements regarding the perceived functional reward gained by promoting the product. Each item was mean-standardized in order to create a normalized observed variable reflected by the latent EICPV construct.

Tenure is measured as the duration (in months) the employee had spent promoting the brand to physicians at the time of survey completion. Observed promotion durations were mean-standardized for normalization.

Additional variables were collected to control for potential spurious effects. Overall perceived amount spent by company on brand personal promotion, approximate salary amount, and approximate bonus amount were collected to control for the effects of perceived brand support of personal promotion efforts. Current employment with the focal company was asked as a binary yes or no question. The number of months since the representative last promoted the brand was also measured to control for the potential effects of memory lost since job performance.

Results and Discussion

The survey questionnaire was administered to 127 field-based pharmaceutical sales representatives (current or former) in order to empirically test the proposed conceptual model. Employees in this role were responsible for personally communicating messages on a set of brands to physicians, making this an ideal population of interest for study purposes. Respondent data was collected in three phases. The first phase of data collection was administered to a randomly selected sample of 100 individuals in order to assess response rate. Following this collection, the remaining participants were recruited using modified email subject lines, contents, and distribution times in order to increase the rate of response. Finally, a third phase of recruitment was conducted with an increased stated honoraria for participation in order to exceed the required sample size threshold. Regression analyses were conducted to ensure no significant impact on key study variables resulted from group differences.

As noted, all respondents answered retrospectively to the items in the survey, referring to their most recent relevant experience. 68% of respondents were employed at the time of survey completion. The median length of time since promotion of product to physicians was 14 months. The mean number of brand promotion months observed equaled 38 months among pharmaceutical representatives in the study. Brand promotion tenures ranged from 1 month to 210 months. 30% of respondents completed their most recent promotion to physicians through a Contract Sales Organization (CSO). The average age of respondents was approximately 50, and 57% were female.

Following a review of a Confirmatory Factor Analysis performed to test the validity of the variables used in the survey instrument, three generations of the conceptual model were tested in order to provide a holistic picture of the model validations. First, the conceptual model as directly translated from previous theoretical groundwork is tested. This model provides the most immediate representation of the hypothesized relationships in the model based on a purely theoretical perspective, without accounting for the inherent variability embedded within the context of the current study. The second model addresses the complete picture of posited relationships, allowing for the integration of model variations predicted through current and prior research in the context investigated. Finally, a third model is presented including a range of ancillary control variables in order to examine their (non-hypothesized) effects on key model variables and relationships.

Confirmatory Factor Analysis

Theoretical and empirical considerations for formative and reflective variables recommended by Coltman, Devinney, Midgley, and Venaik (2008) were used to guide the validation of the variables measured in the model. Stata version 13.1 was used for all model estimates.

A Confirmatory Factor Analysis was used to assess the sole latent variable used in the model, extrinsic internal customer perceived value of brand message communication. Each of the four items used to estimate EICPV exceeded a factor loading of 0.6, indicating good convergent validity. Each of the remaining observed variables fell below the threshold, indicating poor estimators for the EICPV construct. The construct also displayed acceptable Average Variance Extraction (0.71) and Cronbach's alpha reliability (0.91). Details are displayed in Table 9. Inter-item correlations for the reflective construct shown in Appendix G were also higher within factors than across other items, establishing discriminant validity from the other variables used in the model (Churchill, 1979).

When assessing the validity of observed and indexed variables in the model, several considerations help determine the quality of the measures used (Coltman et al. 2008). Although items used to form composite measures need not share a common theme or display (high or low) intercorrelation, items should have the expected impact on the construct of interest and should all possess the same directional relationship. Each of the 15 items used to derive the need satisfaction score were positively correlated with one another and each had a positive directional impact on the construct. Likewise, both items

Table 9: Study 2 Item Descriptions and Confirmatory Factor Analysis

Results of Confirmatory Factor Analysis			
Constructs		Factor loading	Reliability coefficient
Extrinsic Internal Customer Perceived Value <i>"Promoting [Brand Name] to physicians..."</i>	EICPV1 is something I am reasonably compensated to do	0.79	0.91
	EICPV2 is a good exchange for what I am compensated in return	0.88	
	EICPV3 is a good job activity for the money	0.91	
	EICPV4 is a good way to make a living	0.79	

Note: N = 127, all items were administered using 7-point Likert scales

used to create the Firm Resource Allocation score shared a positive directional intercorrelation and relationship with the construct.

Structural Equation Model Assessment

Four fit indices were used to help determine the goodness of fit of the structural model (Hooper, Coughlan, & Mullen, 2008; Kenny, 2015; Kline, 2015). The chi-squared ratio test and Root Mean Square Error of Approximation (RMSEA) are commonly used and provide fair evaluations based on the degrees of freedom present in the tested model. A chi-squared ratio below 3 and RMSEA below 0.08 are generally considered good fits to the model. The Comparative Fit Index (CFI) has been shown to perform well at estimating models with low sample sizes (Hooper, Coughlan, & Mullen, 2008), and will therefore be particularly useful in this model development process. Values greater than 0.90 to 0.95 are considered acceptable in the literature. Finally, the Standardized Root

Mean Square Residual (SRMR) index measures the difference between predicted and observed correlations. Acceptable ranges for the SRMR range below 0.08 and 0.06.

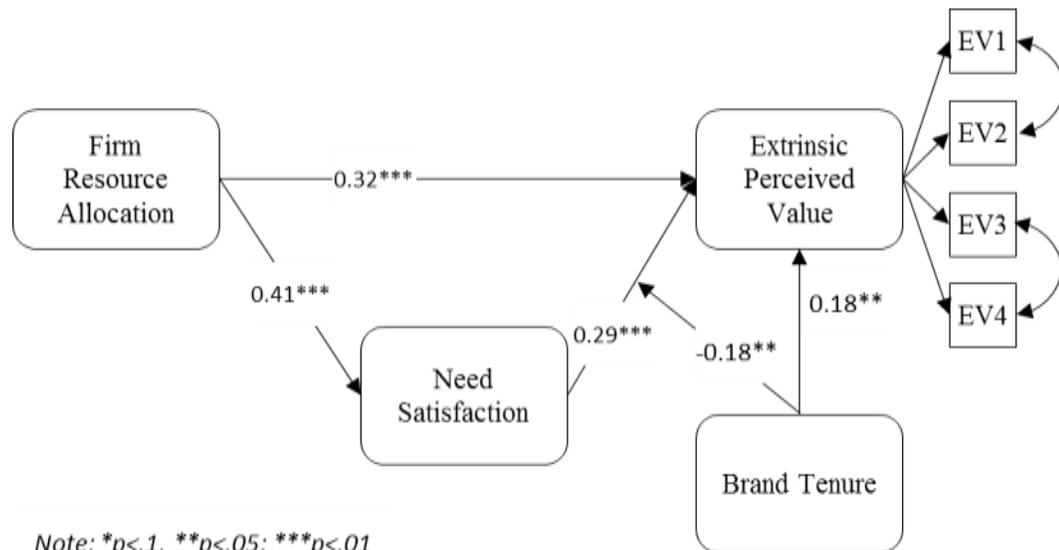
The originally proposed model displayed a poor fit to the underlying data ($\chi^2 = 70.03$, $df = 13$, $\chi^2/df = 5.39$, $RMSEA = 0.19$, $CFI = 0.87$, $SRMR = 0.10$). Although all path coefficients in the model are significant, interpretation of the model parameters is inappropriate due to a mismatch between the proposed model and the underlying data. Given the unique aspects of this conceptual model as applied in the context of brand message delivery to external customers, the simplified model is insufficient for a comprehensive explanation of the model. As this investigation is exploratory in nature, however, the lack of fit observed in the base model should not be interpreted as inadequacy or invalidity of the theorized model relationships. Rather, the model must be adjusted to account for context-specific variations, which are detailed in the following model.

The second conceptual model tested provides a full picture of the relationships expected within the context of this study. Three modifications to the base model are as follows: 1) direct effect between FRA and EICPV, 2) direct effect between Brand Tenure and EICPV, and 3) correlated residuals between latent variable items 1 and 2 ($r = 0.79$) and items 3 and 4 ($r = 0.78$). This model showed an overall acceptable fit to the data ($\chi^2 = 30.44$, $df = 14$, $\chi^2/df = 2.17$, $RMSEA = 0.10$, $CFI = 0.96$, $SRMR = 0.04$), and is displayed in Figure 5.

The final model tests the full context-specific conceptual model while also controlling for potentially spurious compensation and temporal variables. Overall

perceived amount spent by company on brand personal promotion, salary amount, bonus amount, current employment and the number of months since the representative last promoted the brand were added as potential predictors of both endogenous model variables, need satisfaction and EICPV. This model showed overall acceptable fit to the data ($\chi^2 = 51.45$, $df = 29$, $\chi^2/df = 1.77$, $RMSEA = 0.08$, $CFI = 0.95$, $SRMR = 0.03$), and is displayed in Appendix H.

Figure 5: Study 2 Full Structural Equation Model (Without Controls)



Three hypotheses regarding the impact of firm resource allocation on employee need satisfaction and subsequent extrinsic perceived value of communicating brand messages were tested. Although the third conceptual model tested provides a comparable level of fit to the underlying data, the second conceptual model (full evaluation of context-dependent relationships) is primarily used to analyze the relationships in the

model due to parsimony and model explainability with fewer variables. Each of the three paths predicted in the model was significant and in the expected direction. Firm monetary resource allocation was predicted to have a direct and positive influence on internal customer need satisfaction. This relationship was supported by the model (H1: $\beta=0.41$, $SE=0.07$, $z=5.87$, $p<.01$). This effect remained ($\beta=0.43$, $SE=0.09$, $z=4.57$, $p<.01$) when multivariate regression was used to test the influence of compensation control variables annual salary amount ($\beta=0.13$, $SE=0.09$, $z=1.45$, $p>0.10$), annual bonus amount ($\beta=0.89$, $SE=0.09$, $z=1.00$, $p>0.10$), and the employee's perceived overall amount of resources allocated by organization toward brand personal promotion ($\beta=-0.79$, $SE=0.10$, $z=-0.81$, $p>0.10$). The effect remained significant in the SEM control model ($\beta=0.40$, $SE=0.08$, $z=4.78$, $p<.01$).

Hypothesis 2 predicted a direct and positive relationship between need satisfaction and EICPV of brand message delivery. This relationship was supported by the full conceptual model (H2: $\beta=0.31$, $SE=0.09$, $z=3.28$, $p<.01$). This path was significant despite the modification to the model which included a significant main effect path between firm resource allocation and EICPV ($\beta=-0.32$, $SE=0.09$, $z=-3.79$, $p<.01$). A separate mediation analysis was conducted in Stata 13, revealing that 27% of the total effect of resource allocation on EICPV was mediated by need satisfaction. The effect remained in the SEM control model ($\beta=0.23$, $SE=0.09$, $z=2.42$, $p<.05$).

Hypothesis 3 predicted that an indirect conditional effect existed in the model relationships, such that the positive influence of need satisfaction on EICPV was negatively moderated by brand tenure. This moderating influence was supported by the

model (H3: $\beta=-0.18$, $SE=0.08$, $z=-2.17$, $p<.05$). The weakening effect that brand tenure had on the NS-EICPV relationship remained when controlling for potentially spurious factors ($\beta=-0.16$, $SE=0.08$, $z=-2.01$, $p<.05$).

Beyond the three hypotheses tested above, several additional findings provide theoretical support for extant research and avenues of further investigation for future research. A positive and direct relationship was observed between firm resource allocation and EICPV. The statistical significance of this relationship was robust across the full conceptual model ($\beta=0.32$, $SE=0.09$, $z=3.79$, $p<.01$) and the control model ($\beta=0.29$, $SE=0.09$, $z=2.42$, $p<.01$). A direct path between tenure of brand promotion and EICPV was included in the full conceptual model to account for the effects between duration of brand involvement and the perception of rewards gained as a result. This relationship was significant and positive in the full conceptual model ($\beta=0.18$, $SE=0.08$, $z=2.25$, $p<.05$), but insignificant when controlling for other compensatory and temporal factors ($\beta=0.11$, $SE=0.08$, $z=1.27$, $p>.10$). Finally, several significant relationships were observed between 5 control variables, need satisfaction and EICPV. Respondents' reported overall bonus amount had a direct and positive relationship with EICPV ($\beta=0.22$, $SE=0.08$, $z=2.72$, $p<.01$), indicating an overall higher perceived level of extrinsic value in promoting pharmaceutical brands when bonus payments were higher. Both current employment status ($\beta=0.20$, $SE=0.09$, $z=2.18$, $p<.05$) and time since promotion ($\beta=0.20$, $SE=0.09$, $z=2.22$, $p<.05$) had a significant and positive relationship with need satisfaction. This indicates that those representatives currently employed by their respective pharmaceutical companies perceived an overall higher satisfaction of

needs by the job, and those who were most recently separated from the company perceived the lowest level of need satisfaction by the job. Although not formally hypothesized, these relationships support an agenda for further investigation.

General Discussion and Conclusions

Given the impact of employee interactions on customer experiences in service settings, companies invest billions of dollars annually in order to train employees on key message delivery and communication of brand value proposition (Association for Talent Development, 2013). Since customer satisfaction is closely connected with employee satisfaction, service marketers have adopted an internal marketing approach to align employee and external customer value co-creation. This research advances understanding through an “immersion in the ‘consumption’ experience of the employees” (Ahmed & Rafiq, 2003 p. 1183), yielding insights on employees as operant resources who apply their knowledge and skills in customer interactions while simultaneously advancing the needs of the organization (Vargo & Lusch, 2004). For service companies, the information that employees choose to share with customers and their belief that the discussion has value constitute the benefits of the service and are the main source of competitive differentiation from substitute services. To ensure organizational alignment and communication quality across employees, firms are increasingly seeking new methods to ensure processes that enable coordination of employee-customer interactions around a common corporate mission.

In the first study I examined the psychological determinants of employees' attitudes and intentions to share information with customers by developing and testing a conceptual model among 179 service employees. I found that customer-directed attitudes and intentions to share information were determined by the perceived intrinsic and extrinsic value that sharing such information provides to employees. These value measures were, in turn, predicted by the perceived intrinsic and extrinsic benefits of sharing information with customers, as well as each employee's relative intrinsic and extrinsic motivational engagement intensities. These findings contribute directly to services marketing literature by validating multiple dimensions of internal customer value perceptions and their influences on external customer communication intentions (Grace & Iacono, 2015).

In the second study, I found that the extrinsic value that internal customers have of communicating brand messages was influenced by the effectiveness and appropriateness with which their companies allocated their limited resources. For those who did not believe promotion funding was spent effectively and appropriately, perceived extrinsic value of promoting the pharmaceutical product to physicians was not as strong. This influence was mediated by the extent to which sales representatives felt their needs were being satisfied by the job. This indirect effect was conditionally influenced by representatives' tenure with the brand, such that the longer their experience, the less impact need satisfaction had on their perceived extrinsic value of brand communication. This study helps contribute to burgeoning internal marketing literature by providing quantitative evidence on the effects of organizational stimuli on

extrinsic internal customer perceived value of engaging in customer-directed brand communications. As observed in Study 1 and in previous literature, these perceptions have important implications on employee attitudes and intentions to communicate product information to customers (Fu, Richards, Hughes, & Jones, 2010).

These findings provide a new avenue of investigation for research in the marketing of services. In service marketing, interactions between employees and customers constitute an important but understudied branch of research (Kotler, 2000). Marketing scholars have identified the relatively large impact that interactions with service representatives have on customer perceptions. This research aids understanding of why employees engage in a particular customer-directed communication approach. In particular, this essay sheds light on the integral role that employees' perceived value of information sharing plays in attitudes and intentions to engage customers in targeted communication. To provide additional focus and attention on the role that they play as the gatekeepers of a firm's operant resources (Vargo & Lusch, 2007), I refer to employees as *internal customers* holding unique value exchange relationships within the organizations that they serve.

This research also has direct implications to the practice of managers. First and foremost, organizational leaders will benefit from understanding the psychological processes that contribute to employees' decisions to share important brand information with customers. Importantly, these communication choices are influenced by multiple types of values. These various value perceptions are based on the attractiveness of the related benefits (which can be crafted strategically by managers) and on the unique

degree to which each employee is motivated by the particular type of value. The likelihood that employees will communicate on a particular topic with customers is broadly determined not only by their perception of whether they will receive adequate job outcomes for doing so, but also whether they expect to have a positive experience during the interaction itself.

Employees constantly choose to engage in customer interactions in ways that satisfy a range of personal needs. Employees should be regarded as active participants in their value experiences at work, rather than passive agents in a labor work force. Thus, it's important for managers to be aware that employees find motivation to share information with customers beyond financial compensation and job security. Managers should work to understand the array of value experiences employees gain from customer interactions, and develop methods for enhancing the value gained from key exchanges.

In addition to improving the quality of customer service interactions, study 2 illustrates that employee motivations to engage in communication tasks can be stimulated by firm strategic choices. The extent to which reps are motivated by rewards of job duties depends on their belief that the company does a good job of supporting those activities monetarily. This partially depends on whether employee needs are being satisfied by the job. Therefore, managers who want to create value for external customers should first ensure that their internal customers believe that fulfilling job duties create valuable experiences. The influence that firm activities have on driving money-based motivations are likely to decrease over time, so managers should deploy a variety of tactics for

stimulating perceived value of engaging in communication tasks that align with company objectives.

Ultimately, if managers wish to increase employee attitudes and intentions to share a particular type of information with customers, they may investigate doing so through several paths. These paths include: identifying employees with already high intrinsic or extrinsic motivation to engage customers on a particular topic, making efforts to increase the perceived enjoyment of engaging in communication, or influencing the perceived benefits that employees will receive as an outcome. It is important to note that the scope of this research is limited by the lack of observation in actual employee interaction behaviors. Although prior research indicates a strong correlation between employee behavioral intentions and actual behaviors, this research is constrained to the psychological domain. Similarly, this study does not examine the impact of specific managerial tactics on employee perceptions. This is important, because prior studies have indicated that implementation of extrinsic incentive programs can actually result in lower information sharing activities, presumably because of negative effects that such programs may have on employee intrinsic motivation (Connelly, Zweig, Webster, & Trougakos, 2012).

Several limitations of the second study must be considered due to the exploratory nature of the investigation. A sample size of 127 respondents represents the low end of an acceptable quantity to draw conclusions of this kind, and the exhaustive, iterative method of data collection does not provide the same reliability in data integrity as a randomly sampled population. Future research in this area will benefit from larger and more robust

samples. In relation to the challenges created by the minimal sample size, this study also provides limited reliability in the conceptual models presented. By testing a base model equivalence from extant literature, a full model with context-dependent relationships, and a full model including control variables, my aim was to paint a holistic picture of the robustness of the relationships investigated. Further research is needed to provide conclusive evidence for a best-fitting model.

Study 2 addresses the impact that organizational decisions have on employee perceptions by using an internal marketing perspective. Throughout this essay, employees are referred to as “internal customers” to aid in the process of evolving to a logic that views employees as operant resources that cocreate value with external customers by applying skills and knowledge during interactions that advance company goals. Critically, managers tend to believe that increasing compensation packages is the only way to incentivize brand promotion behaviors. However, this research illustrates that internal customer perceived extrinsic value of information sharing is driven largely by employees’ belief that resources are being allocated wisely and whether their own needs are being satisfied. Further research is needed to understand the effects of environmental value stimuli on multiple dimensions of internal customer value perceptions.

CHAPTER 4

CONCLUSION

Given the effect of employee performance on firm strategic advantage in a service marketplace, it is not surprising that companies allocate billions of dollars annually to increase employee capabilities and competencies toward achieving corporate goals (Association for Talent Development, 2013). One potential way to do so is to deploy effective internal marketing tactics that align external customer, internal customer, and firm objectives around information exchanges that facilitate progress toward a common mission. It is important for business firms to measure and improve the value that employees derive from “purchasing job products,” so that they may properly incentivize their internal audience of employees to consistently engage in job activities that provide value to other stakeholders throughout the organizational network and, consequently, to the firm itself (Grace & Iacono, 2015). As this research illustrates, employee values and the resulting communication outcomes can be measured and influenced at the micro level. Insight into driving factors behind internal customer communication choices gives internal marketers and human resource managers a foundation for discovering value enablers in specific contexts.

This dissertation advances service marketing literature by investigating the value creation activities behind the communication choices of one of the firm’s most important customer segments—its employees. Much work has been done previously to advance the concept of marketing from a goods-dominant perspective characterized by money-for-

product goods exchanges between organizational entities, to a service-dominant perspective characterized by value-for-value service exchanges within and between market entities. Currently, however, the majority of this work remains conceptual and theoretical (Grönroos, 2011; Grönroos & Voima, 2013). This dissertation contributes to the literature by providing empirical evidence in support of these theoretical advances. Specifically, this work integrates theoretical frameworks from marketing, organizational behavior, and management literature in order to build conceptual models of informational value-exchanges. These models are empirically tested using multiple methodologies. The findings provide support to the conceptual models and the underlying value creation theories.

In Essay 1, I presented a model of employee-employer information exchanges as determined by economic, social, contextual, and personal factors. The research was conducted by recruiting temporary workers to complete a review task with built-in performance incentives based on communication choices. By controlling the experimental conditions and measuring individual responses, two studies supported predictions of communication behavior changes resulting from economic, social, contextual, and personality variants across workers and job situations. Employees were more likely to perform the task of communicating coworker misconduct when doing so increased chances of earning a bonus or enhancing social self-concept. Communication decisions also depended on the worker's relationship strength with other internal service beneficiary groups, and on the degree to which the worker's personality was oriented toward providing social value vs. obtaining personal benefit. This essay contributes to

knowledge on whistleblowing and internal marketing information exchanges by predicting communication behaviors using a consumption values framework from marketing literature (Sheth, Newman, & Gross, 1991).

In Essay 2 I developed two models of internal customers' perceived value of sharing brand information with external customers. This research was conducted by developing conceptual models from extant literatures, validating the scales through an online lab setting, and testing hypothesized relationships between contextual job factors and value perceptions. Analyses of the models offered support for the hypotheses that brand message communication are independently influenced by intrinsic and extrinsic value perceptions and that perceived values are influenced by environmental stimuli under organizational control. This essay advances internal and interactive marketing literature by validating psychological dimensions underlying frontline employee product communications with external customers.

Several managerial implications can be inferred from this dissertation. This research offers guidance to internal marketers, human resource managers, and service providers interested in identifying and enabling communication opportunities that originate within the organizational boundaries of the service value chain. Carefully deployed tactics that address the economic, social, and emotional needs of employees may be effective in motivating engagement in important work communication activities.

When viewed from a service perspective, marketing's role goes from value distribution to value enablement, "not only to create a value proposition based on the information gleaned from others, but also to ensure that the entire network of resource-

providing stakeholders (such as customers, employees, and partners) understand it and what role they play in fulfilling it” (Bettencourt, Lusch, & Vargo, 2014, p. 56).

Therefore, marketers must observe and communicate effectively internally in order to help each organizational stakeholder create positive value experiences externally. This research extends knowledge on understanding these values and offers empirical evidence for their effects on internal customer communication decisions.

It’s important to note that in this research I study the transference of explicit knowledge (information). However, these behaviors are just a small subset of the services that may be rendered by internal customers. Service is defined as the application of skills and knowledge to help get a job done (Bettencourt, Lusch, & Vargo, 2014; Vargo & Lusch, 2004). Although knowledge is understood to be organized information, and information is the “product of communication,” knowledge applications are not constrained to direct verbal and digital communication channels. For example, a security expert may apply skills and knowledge toward the development of a company firewall, and it may take months or even years before the quality of his service is indirectly “communicated” to his employers after an attempted hack into the system. Although speculation might lead one to the conclusion that an increase in perceived consumption values would lead to greater engagement in the craftsmanship of products, it should not be assumed but rather studied as an empirical question in the appropriate context.

I also caution that although values may provide independent influence on direct internal customer information sharing choices, one should not assume that interactions between values could not result in negative, multiplicative, or curvilinear outcomes.

Several studies in the economic and social psychology fields, for instance, detail the negative effects that increased extrinsic reward provisions can have on intrinsic perceptions and behavioral outcomes (Bénabou & Tirole, 2006; Mellström & Johannesson, 2008).

This research adds to the growing body of research on internal marketing and internal customers (e.g. Hauser, Simester, & Wernerfelt, 1996; Huang & Rundle-Thiele, 2015) by studying the impact of value drivers and their psychological underpinnings on employee communication choices. In their *European Journal of Marketing* commentary, Ahmed and Rafiq (2003) expressed the need for internal marketers to improve internal communication strategies, which “requires an immersion in the ‘consumption’ experience of the employees” (p. 1183). Indeed, achieving a better understanding of customer experiences in general is a 2014-2016 Marketing Science Institute tier 1 research priority (Marketing Science Institute, 2014). Research on internal customers helps fill an important gap in service marketing and integrate two important complementary disciplines, because “organizational behavior literature has generally paid little attention to the customer, whereas the marketing literature has largely ignored the employee” (Mindak & Folger, 1990, p. 1). This research addresses specific internal marketing needs by substantiating dimensions of internal customer perceived value and empirically testing relationships between environmental stimuli, psychological processes, and behavioral outcomes (Grace & Iacono, 2015).

More broadly, this dissertation extends existing literatures on value creation in the service economy (Grönroos & Ravald, 2011; Grönroos & Voima, 2013; Payne,

Storbacka, & Frow, 2008) that have advanced the perspective that value is best understood as something experienced by the individual in the context of the moment. Counter to traditional economics-based marketing thought, tangible and intangible resources do not possess stable inherent value and can only make value propositions (Vargo & Lusch, 2004). While variable social and economic value propositions may result in systematic changes to internal customer information sharing outcomes (as shown in Essay 1), the realization of actual value remains undefined until the customer experience is understood. Essay 2 illustrates the psychological building blocks of value perceptions and the role that these value perceptions play in determining internal customer attitudes and intentions to share brand information with external customers.

By integrating research across organizational behavior, strategic management, service marketing, and communication literatures, I develop conceptual models based on theoretical frameworks of customer consumption decisions to model the employee process of engaging in information sharing tasks. Although much of the current research on employee internal communications assume an initial motivation to help the organization (Morrison, 2011), studying these behaviors from an internal customer perspective reveals a range of potential motivational forces that may influence information sharing choices.

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APPENDIX A

ESSAY 1: EXPERIMENTAL STIMULUS

	Teammate 1	Teammate 2
Points earned	2	7
Score reported	2	10

Please click **Flag** only if you want Study Admins to review this round. Otherwise, just click next to proceed

Flag for Review (forfeit team tickets)

NEXT

APPENDIX B

ESSAY 1: BALANCED EXPERIMENTAL DESIGN

Number of Round Stimuli per Condition Set				
	Economic Outcome of Voicing			
	Net Loss	No Change	Net Gain	Total
0 cheaters	2	1	2	5
1 cheater	3	2	3	8
2 cheaters	3	2	3	8
Total	8	5	8	21

APPENDIX C

ESSAY 1: AUTHORITY GROUP DESCRIPTION STIMULI

High Social Identification with Authority Group Description:

Please read the following information closely, since the following rules are specific to the portion of the simulation you are about to take

After all surveys are completed, the study administrators will review every round that has been flagged.

If cheating is confirmed, no one on your team will receive any lottery tickets for that round. Instead, the designated virtual lottery tickets will be allocated to a separate account and the Amazon gift card will be given to the **American Cancer Society Nonprofit Organization** if selected.

As a reward for reporting the infraction, 5 lottery tickets will also be provided to the person who flagged the round.

APPENDIX C

ESSAY 1: AUTHORITY GROUP DESCRIPTION STIMULI

Low Social Identification with Authority Group Description:

Please read the following information closely, since the following rules are specific to the portion of the simulation you are about to take

After all surveys are completed, the study administrators will review every round that has been flagged.

If cheating is confirmed, no one on your team will receive any lottery tickets for that round. Instead, the designated virtual lottery tickets will be allocated to a separate account and the Amazon gift card will be given to the **Study Administrators** if selected, and we will keep the Amazon gift card for ourselves.

As a reward for reporting the infraction, 5 lottery tickets will also be provided to the person who flagged the round.

APPENDIX D

ESSAY 1: TEAMMATE DESCRIPTION STIMULI

High Social Identification with Teammate Description:

I am the program director for an open-source workshop of web developers. We volunteer to work on a bunch of different projects for the community. Recently we have also been teaching people in retirement homes how to get free and safe online access.

Low Social Identification with Teammate Description:

I am 57 years old and live in Karachi, Pakistan. I don't work, I inherited a large amount of money from my elders so am free to do as I please.

APPENDIX E

ESSAY 2: STUDY 1 CONSTRUCT ITEM CORRELATIONS

Correlations Among 4-item Constructs

	IB1	IB2	IB3	IB4	EB1	EB2	EB3	EB4	EICPV1	EICPV2	EICPV3	EICPV4	IICPV1	IICPV2	IICPV3	IICPV4	AT1	AT2	AT3	AT4	INT1	INT2	INT3	INT4	
IB1	1																								
IB2	0.73	1																							
IB3	0.63	0.55	1																						
IB4	0.63	0.50	0.78	1																					
EB1	0.31	0.32	0.43	0.42	1																				
EB2	0.34	0.36	0.47	0.43	0.84	1																			
EB3	0.60	0.62	0.64	0.60	0.40	0.43	1																		
EB4	0.64	0.62	0.63	0.62	0.40	0.39	0.79	1																	
EICPV1	0.51	0.47	0.50	0.48	0.55	0.56	0.44	0.49	1																
EICPV2	0.49	0.49	0.52	0.46	0.51	0.56	0.50	0.47	0.83	1															
EICPV3	0.43	0.42	0.55	0.44	0.60	0.63	0.45	0.43	0.74	0.74	1														
EICPV4	0.48	0.41	0.61	0.55	0.61	0.64	0.49	0.55	0.74	0.72	0.81	1													
IICPV1	0.53	0.40	0.68	0.65	0.61	0.60	0.59	0.65	0.63	0.59	0.60	0.77	1												
IICPV2	0.50	0.40	0.68	0.61	0.60	0.62	0.52	0.61	0.66	0.66	0.63	0.79	0.86	1											
IICPV3	0.53	0.42	0.75	0.69	0.58	0.62	0.61	0.64	0.64	0.64	0.64	0.78	0.88	0.89	1										
IICPV4	0.54	0.44	0.74	0.67	0.58	0.61	0.63	0.64	0.67	0.68	0.64	0.76	0.88	0.89	0.93	1									
AT1	0.47	0.37	0.66	0.64	0.44	0.48	0.49	0.52	0.54	0.56	0.52	0.66	0.72	0.70	0.79	0.77	1								
AT2	0.53	0.42	0.62	0.62	0.41	0.47	0.57	0.58	0.52	0.54	0.50	0.63	0.64	0.63	0.68	0.69	0.78	1							
AT3	0.48	0.39	0.59	0.53	0.37	0.42	0.62	0.56	0.35	0.54	0.51	0.57	0.57	0.58	0.64	0.67	0.67	0.79	1						
AT4	0.45	0.33	0.56	0.57	0.40	0.45	0.53	0.50	0.50	0.51	0.45	0.57	0.63	0.61	0.66	0.69	0.76	0.79	0.78	1					
INT1	0.57	0.50	0.67	0.65	0.48	0.52	0.57	0.60	0.59	0.60	0.58	0.63	0.69	0.67	0.72	0.75	0.68	0.70	0.67	0.63	1				
INT2	0.54	0.43	0.68	0.65	0.54	0.53	0.61	0.62	0.61	0.62	0.59	0.70	0.73	0.74	0.78	0.80	0.70	0.76	0.67	0.70	0.81	1			
INT3	0.51	0.46	0.69	0.66	0.53	0.59	0.55	0.57	0.58	0.65	0.59	0.71	0.71	0.79	0.78	0.79	0.69	0.72	0.65	0.64	0.80	0.86	1		
INT4	0.51	0.44	0.68	0.65	0.53	0.54	0.59	0.58	0.57	0.60	0.58	0.66	0.70	0.67	0.73	0.74	0.72	0.75	0.68	0.66	0.87	0.86	0.84	1	

APPENDIX E

ESSAY 2: STUDY 1 CONSTRUCT ITEM CORRELATIONS

Correlations Among 6-item Motivational Engagement Intensity Constructs

	IME1	IME2	IME3	IME4	IME5	IME6	EME1	EME2	EME3	EME4	EME5	EME6
IME1	1											
IME2	0.68	1										
IME3	0.54	0.58	1									
IME4	0.77	0.76	0.53	1								
IME5	0.58	0.69	0.43	0.65	1							
IME6	0.55	0.62	0.57	0.56	0.48	1						
EME1	0.51	0.50	0.33	0.50	0.57	0.35	1					
EME2	0.45	0.47	0.26	0.42	0.59	0.36	0.66	1				
EME3	0.45	0.56	0.54	0.41	0.47	0.40	0.57	0.54	1			
EME4	0.52	0.60	0.42	0.54	0.64	0.52	0.49	0.44	0.47	1		
EME5	0.42	0.56	0.53	0.48	0.57	0.47	0.38	0.38	0.52	0.56	1	
EME6	0.53	0.57	0.59	0.52	0.60	0.50	0.49	0.51	0.57	0.53	0.58	1

APPENDIX F

ESSAY 2: STUDY 2 FIELD SURVEY

Firm Resource Allocation (Grace & Iacono, 2015)

- Amount spent by CurrentCompany1 toward promoting PromotedBrand1 was appropriate (1 = strongly disagree, 7 = strongly agree)
- CurrentCompany1 allocated resources effectively toward promoting PromotedBrand1 (1 = strongly disagree, 7 = strongly agree)

Needs Satisfaction (Porter, 1961)

The following questions will list several characteristics or qualities connected with your job as a promoter of PromotedBrand1 to physicians. For each such characteristic, you will be asked to give three ratings: a. How much of the characteristic you experienced in connection with your job as a promoter of PromotedBrand1 to physicians, b. How much of the characteristic do you think should be (or should have been) connected with the job of promoting PromotedBrand1 to physicians, and c. How important is this job characteristic to you?

- The feeling of security in my job as a promoter of PromotedBrand1
- The opportunity, as a promoter of PromotedBrand1, to give help to other people
- The opportunity to develop close friendships as a promoter of PromotedBrand1
- The feeling of self-esteem a person gets from being a promoter of PromotedBrand1
- The prestige of my job, as a promoter of PromotedBrand1, inside the company (that is, the regard received from others in the company)
- The prestige of my job, as a promoter of PromotedBrand1, outside the company (that is, the regard received from others not in the company)
- The authority connected with my job as a promoter of PromotedBrand1
- The opportunity for independent thought and action in my job as a promoter of PromotedBrand1
- The opportunity, in my position as a promoter of PromotedBrand1, for participation in the setting of goals
- The opportunity, in my position as a promoter of PromotedBrand1, for participation in the determination of methods and procedures
- The opportunity for personal growth and development as a promoter of PromotedBrand1
- The feeling of self-fulfillment a person gets from being a promoter of PromotedBrand1 (that is, the feeling of being able to use one's own unique capabilities, realizing one's potentialities)
- The feeling of worthwhile accomplishment as a promoter of PromotedBrand1
- The pay for my job as a promoter of PromotedBrand1
- The feeling of being-in-the-know in my job as a promoter of PromotedBrand1

APPENDIX F

ESSAY 2: STUDY 2 FIELD SURVEY

Extrinsic internal customer perceived value (Grace & Iacono, 2015).

Promoting PromotedBrand1 to physicians...

- Is something I was reasonably compensated to do
- Is a good exchange for what I was compensated in return
- Was a good job activity for the money
- Was a good way to make a living

Job Status

- Approximate # of months you have promoted [longest promoted brand]

APPENDIX G

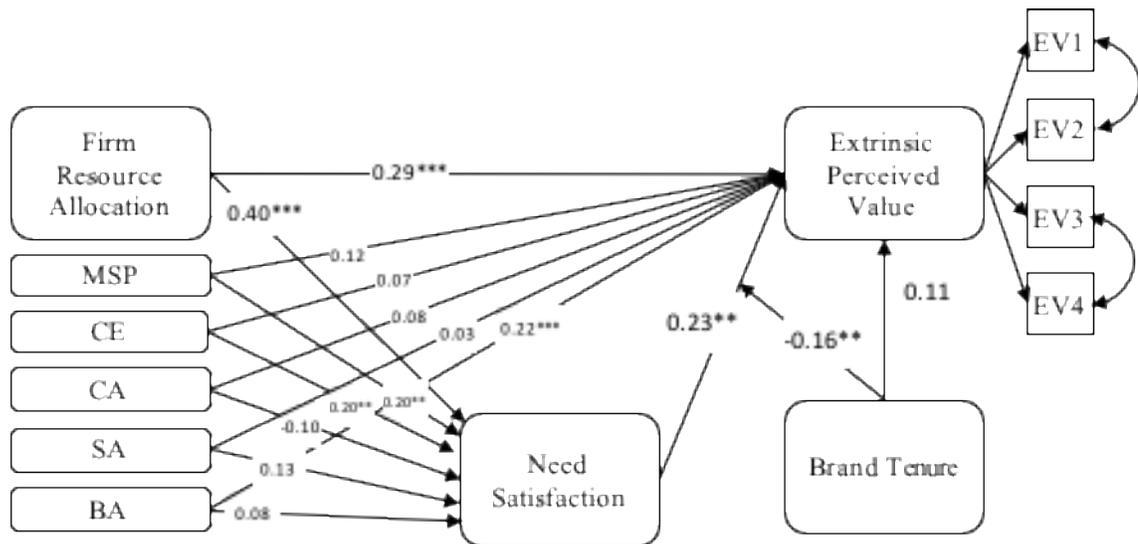
ESSAY 2: STUDY 2 CONSTRUCT ITEM CORRELATIONS

Correlations Among Single-Item and Composite Observed Constructs

	EICPV1	EICPV2	EICPV3	EICPV4	FRA	NS	BT
EICPV1	1						
EICPV2	0.79	1					
EICPV3	0.66	0.80	1				
EICPV4	0.60	0.61	0.78	1			
FRA	0.39	0.41	0.45	0.48	1		
NS	0.46	0.46	0.36	0.33	0.41	1	
BT	0.24	0.19	0.19	0.20	0.14	0.15	1

APPENDIX H

ESSAY 2: STUDY 2 SEM MODEL WITH CONTROL VARIABLES



Note: * $p < .1$, ** $p < .05$: *** $p < .01$
MSP = Months Since Promotion, CE = Currently Employed by company, CA = Capital allocation by company, overall Amount, SA = Salary Amount, BA = Bonus Amount