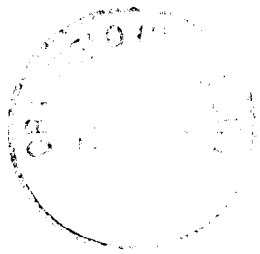
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A FOUR NATION STUDY OF THE RELATIONSHIP BETWEEN MARKETING EFFECTIVENESS, CORPORATE CULTURE, CORPORATE VALUES AND MARKET ORIENTATION

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David Norburn, Sue Birley, Mark Dunn, and Adrian Payne

ABSTRACT

The aim of this study was to establish the ways in which senior executives in four countries which shared a common language - United Kingdom, United States, Australia, and New Zealand - characterised both their firm's marketing effectiveness, and corporate culture and beliefs. Results give support to those theorists who advance cultural specificity as the primary moderator of top managerial attitudes, but also emphasise that the best predictor of marketing effectiveness is similar in all four nations - the primacy of the importance of People, and with Quality.

A FOUR NATION STUDY OF THE RELATIONSHIP BETWEEN MARKETING EFFECTIVENESS, CORPORATE CULTURE, CORPORATE VALUES, AND MARKET ORIENTATION

Since the early work of Haire, Ghiselli, and Porter (1966), scholars active in the field of International Management have sought to determine the extent of similarity between managers from different cultures. Despite the fact that the results from their initiatives gave a degree of support to both the schools of convergence theory (managerial universality) and to cultural specificity, the majority of investigation during the last two decades has assumed the former position. Indeed, the reliance upon American teaching material in Western European and Antipodean business schools has served to legitimize this focus and has established, some would argue, a form of pedagogical colonialism. Supporting this direction, Adler's (1983a) analysis of articles concerning international management revealed that of the 11,000 manuscripts published in 24 management journals within the last decade, 80% were studies of American corporations written by American authors. She later warns of the dangers of ethnocentric interpretation (Adler, 1983b), a caveat similar to that of both Ajiferuke and Boddewyn (1970), of Roberts (1970), and of Peterson (1986).

Nevertheless, as the economies of Great Britain and the older Commonwealth countries of Australia and New Zealand gradually

declined as percentage of OECD output, top managers from each of these countries focussed their attention upon successful companies within the United States in an attempt to improve strategic effectiveness, a managerial consideration of potential advantage by adopting the premise of American symbiosis. This study, therefore, investigates the extent of common beliefs amongst top management across four English-speaking nations.

RESEARCH DEVELOPMENT

The progression of research in Strategic Management has followed a course along a path which has changed from an inanimate to an animate focus. Early emphasis concentrated upon what constituted appropriate strategy formulation in terms of content, but, as knowledge advanced, typologies were developed and related to measures of both financial and organisational performance (see Galbraith and Nathanson, 1978, for a comprehensive review). Progressing via those mechanisms through which strategy is affected - appropriate organisational structures (see Hofer and Schendel 1978) - more recent research has grappled with the implementation of the strategic process itself (Saunders and Wong, 1985; Miller and Norburn, 1986). The unit of analysis has thus shifted to animate subjects, the manager.

The corporate culture which welds these managers into an

effective cadre - the "organisational glue" (Smircich, 1983) - has therefore become the subject of much debate. Lack of congruence from managerial perception is considered dysfunctional (Adler and Morris, 1982; Killing 1983), particularly in conditons of strategic re-alignment (Hall, 1984; Harrigan, 1986; Perlmutter and Heenan, 1986). Positive promulgation of the corporate culture is thought to encourage all employees to embrace the goals of the enterprise (Athos and Pascale, 1981; Deal and Kennedy, 1982; Peters and Waterman, 1982; Martin et al, 1983). Further, the use of culture as a form of control is argued by Wilkins and Ouchi (1983), and as a means of increasing productivity by Ray (1983). Corporate culture, defined succinctly by Deal and Kennedy (1982) as "the way we do things around here", is therefore distinct from a "numerative rationalist approach" advanced as best managerial practice (see Peters and Waterman, 1982): it is essentially an interpretive paradigm in understanding the behaviour of organisations (Wilkins 1983; Kilman, 1985; Schein, 1985).

In parallel with this research direction from strategic management, scholars of marketing have developed their predominant emphasis upon a consumer orientation, a philosophy which became the very foundation of their theoretical advance. As knowledge was gained, their focus of attention also shifted from inanimate factors to encompass the human aspects of successful implementation, a direction

supported by Kotler's (1977) observation that "...of the Fortune 500 Corporations, it seems to me that only a handful really understood and practised sophisticated marketing".

From both schools of scholarship, therefore, identification is made of the constraints in implementing that which may be optimal in the strategic sense by inherent boundaries of human behaviour, thus suggesting a relationship between the beliefs and values of the managers, and strategic effectiveness in the market place. In support of this view, Buzzell, Gale, and Sultan (1975), drawing from their PIMS database, warned that the characteristics and beliefs of top management were a major explanatory factor in determining financial variability.

At the international level, contributions to theoretical development have emanated from three different perspectives - contextual, behavioural, and environmental. Within the first category, Neghandi (1983) warns of the dangers in assuming cultural specificity, considering such factors as corporate size, location, and market complexity to be at least equal, if not more important, than national culture. Within the second category, a behavioural approach is adopted which contends that managerial attitudes, values and beliefs are functions of national culture (see Nath, 1969: Davis, 1971), a view supported by Hofstede's (1980) empirical investigation into employee attitudes within a single giant multinational

corporation across 50 countries. Within the third category, Farmer and Richman (1965) emphasise the constraints upon managerial influence by socio-economic, political, legal, and technological factors. To them, managerial practices are a function of external forces, although Boddewyn's (1966) warning of "letting the environment crowd the comparative analysis" appears a prudent observation.

PURPOSE OF THE STUDY

The purpose of this study is to investigate the potential barriers to the implementation of marketing strategies by considering the human component and its relation to the operationalising of the marketing concept in differing cultural environments to be found in different countries. The study draws upon the work of two major pieces of research conducted in the United States, but accepted and used throughout the Western world by many companies as the basis for prescriptive plans for the implementation of corporate strategies. The scales used to measure marketing effectiveness are drawn from the work of Kotler (1977), (see Figure 1), whilst empirical evidence from Peters and Waterman (1982) as to the common characteristics of America's "excellent" companies has been used to construct scales relevant to this study. Peters and Waterman concentrated upon managerial attitudes, beliefs, and behaviour, and highlighted three elements which are relevant to those

concerned with the implementation of marketing strategies -

1. The importance of "consumer closeness" - a service orientation, an innovative spirit, an obsession with quality, and a view of the organisation from the perspective of the customer.

2. The need for a distinct and identifiable set of corporate values - the organisational culture - represented by "a belief in being the best", and the importance of people.

3. An external, or market oriented, focus as distinct from an internal, or company oriented, focus. This broad philosophy emphasises the importance of the market-place as a key determinant for corporate action.

Building upon the above, an earlier study conducted in the United States, Dunn, Norburn, and Birley (1985) had found support for the following hypothesis:

> Those companies demonstrating superior marketing effectiveness, as defined by Kotler, will also be those companies which Peters and Waterman characterise as close to their customers, which show an identifiable set of corporate values, and have an

external focus.

This study therefore extends the above hypothesis to a comparison across national boundaries, and puts forward the proposition that the hypothesis will hold irrespective of national origin.

CAVEATS

Peterson's (1986) excellent commentary on the research design of studies in International Management advances four caveats pertinent to this research. The first of these refers to differences in linguistic interpretation of the English language (see, for example, Haire, Ghiselli, and Porter, 1966, whereby the Japanese attribute a completely different meaning to the word democracy to that used in the United States). In this case, English is the primary language in each of the four countries chosen. Moreover, the questionnaire was not altered to take account of the more subtle national language differences since one of the implied aims of the study was to test the extent to which both the concepts, and the attendant language, from Kotler (1977) and from Peters and Waterman (1982) was accepted in other countries. This was felt to be an important and acceptable choice in this case since Kotler's Marketing Text (1967) has been used extensively in management training for many years, and Peters and Waterman's "In Search of Excellence" (1982)

has been a best seller in all four countries chosen.

The second warning refers to the danger of ethnocentricism (Sekaran, 1983; Adler, 1983b; Johnstone, Kaynak and Spartman, 1987) whereby an implicit assumption is evident as to the inherent superiority of the Western, usually American, model. The multi-national design of this experiment, being drawn from three continents, combined with the arguements discussed above, should mitigate against this.

The third warning highlights the issue of the comparability of samples of convenience - possibly emanating from the increased incidence of Visiting Professors of International Business! In this study, the surveys were sent to a sample of senior company executives by domiciled academics in each country, and the responses received showed no evident bias with respect to company size, or mix of Standard Industrial Classification (SIC).

The fourth warns of a lack of theoretical underpinning. This study builds not only upon theoretical advance from the two disciplines of Strategic Management and Marketing, but also upon the empirical support for the central research proposition at the pilot stage.

METHODOLOGY

Data Collected: A self-administered questionnaire was designed and a pilot study conducted in the summer of 1984 on 54 firms in the Mid-West of the United States. Results of this study are reported in Birley, Norburn, and Dunn (1985). The revised questionnaire, which included additional questions regarding market orientation, was mailed in the Spring of 1985 to senior executives of 650 randomly selected firms in the same geographic area. Useable replies were received from 177 firms giving a response rate of 27%. Results of this study are reported in Dunn, Norburn, and Birley (1985), and Dunn, Birley and Norburn (1987). In the Fall of 1985, the study was then extended by one of the authors resident in each of three other countries to senior executives. The following response rates were obtained:

Country	Executives Surveyed	Useable Replies	Response Rate
United States	650	177	27%
United Kingdom	500	104	21%
Australia	500	133	27%
New Zealand	150	64	43%

Scales and Measurements: Executives' perceptions as to the

level of marketing effectiveness in their organisation was measured using the fifteen three point scales developed by Kotler (see Figure 1).

Insert Figure 1 About Here

The items were grouped according to five different aspects of marketing effectiveness - customer philosophy, integrated marketing organisation, marketing information, strategic orientation, and operational efficiency. Respondents were asked to record, on a five point scale, the extent to which they felt that each condition existed within their organisation.

Eight statements were constructed to measure customer closeness, and seven for corporate values or beliefs. These statements, shown in Figure 2, were drawn from the results of Peters and Waterman (1982). Respondents were asked to indicate, on a five and seven point scale respectively, the extent to which these values existed within their organisation. Six statements were developed to test for market orientation, three each for internal and external orientation, and respondents were asked to indicate on a five point scale the extent to which these statements represented their organisations.

Insert Figure 2 About Here

ANALYSIS AND DISCUSSION

In order to test whether the data supported the use of the four scales constructed from the literature - marketing effectiveness, customer closeness, corporate values, and market orientation - data for each country was subjected to principal component analysis using orthogonal rotation. The objective of this technique is to explore the underlying dimensions of the data by representing the set of variables in terms of a smaller number of hypothetical variables.

Factors which had an eigenvalue greater than 1 were used in further analysis. Aggregate scores for each factor were computed by summing the individual scores, and subjected to a test of reliability. Factors which failed to score Cronbach's Alpha greater than 0.5 were omitted from further analysis.

Inter-Country Analysis:

The first aim of this study was to ascertain whether the data from each of the four countries indicated similar patterns among the variables. Although the raw data was available, it

was not appropriate to pool the matrices and to add a dummy variable indicating group membership, since the assumption that the groups are homogenous (Przeworski and Teune, 1970) was not considered to be supportable across nations. Moreover, this technique does not give separate factor structures, and thus, in this case, would lose much of the richness of the data. However, care was taken to use the same scaling procedures, associational statistics, and factor extraction procedures, in order that the degree of dissimilarity amongst the samples could be attributed to differences in interdependencies, rather than differences in methods (Rummel, 1970).

Beyond this, the available discussion concerning appropriate comparison techniques is confined to the comparison of two factor matrices (see, for example Cattell and Baggaley, 1960). In this study, since four countries, and thus four factor matrices, are to be compared, the interpretation of multiple bi-partite analyses would be extremely difficult. Moreover, this study is concerned to ascertain whether the variables share the same latent structure - "the pattern similarity is the crucial issue" (Levine, 1977) and, therefore, the criteria laid down by Tabachnik and Fidell (1983) seemed the most appropriate and were used to compare the four data sets, viz.

1. "When the same criteria were used, did both (all)

groups generate the same number of factors? If not, is there an obvious difference in overall structure?"

2. "Do almost the same variables load highly on the different factors for the two (four) groups?"

3. "Could you reasonably use the same labels to name factors for both (all) groups?"

Taking into account the guidance of Tabachnik and Fidell, the data was first inspected for common patterns overall. It is clear from observation of the results of all the scales that a number of different factors emerge in executives' perception in each country. Although no clear pattern of similarity exists across the four countries, detailed inspection of each of the scales highlighted interesting bi-partite results.

Marketing Effectiveness: The results are presented in Table 1 below, grouped by the five marketing effectiveness items proposed by Kotler. Despite the fact that these originated from an American source, the results of the American study show only three factors, none of which fall tidily into the Kotler categorisations. Moreover, although the United Kingdom and Australia show the same number of factors, the comparative results are mixed. Thus, ME1, ME2 and ME3 form the basis for common agreement as to the importance of a

CUSTOMER PHILOSOPHY (MEBS, MEBK, MECK). For the remaining items, although all scored in the analysis, there would appear to be marked differences in emphasis. For example, the most important factor for the United States, as reflected in the percentage variance, we have termed MARKETING EFFICIENCY (MEAS), for the United Kingdom, ORGANISATION and EFFICIENCY (MEAK) and for Australia, MARKETING ORIENTATION AND EFFICIENCY (MEAA).

The results for New Zealand show a clearly different pattern from those of the other three countries. Four factors emerge, none of which fall neatly into the Kotler categorisations. Factor 1 includes two elements which Kotler terms customer philosophy plus items for product opportunities and management flexibility, all of which reflect a PRODUCT/MARKET ORIENTATION (MEAZ). We have termed factor 2 STRATEGIC MARKETING ORIENTATION (MEBZ). Factor 3 includes two of the elements which comprise Kotler's MARKETING ORGANISATION (MECZ) and we have, therefore, chosen to retain this term. Equally, factor 4 retains the term OPERATIONAL EFFICIENCY (MEDZ).

Insert Table 1 About Here

<u>Customer Closeness:</u> Despite the fact that there would appear to be general agreement that customer closeness is important,

the grouping of the items into common factors is clearly different (see Table 2 below). Thus it would appear that the four countries do not share the same latent structure. Nevertheless some agreement does emerge. For example, the United States, Australia, and New Zealand concur on the importance of CUSTOMER SERVICE (CCBS, CCBA, CCBZ); Australia and New Zealand agree on the importance of QUALITY and VALUE (CCAA, CCAZ).

Insert Table 2 About Here

Corporate Values: We consider this analysis to demonstrate the greater robustness since the highest percentage of variance is accounted for in the factors extracted for all of the four countries. Moreover, there is clear agreement between the United States, the United Kingdom, and Australia on two factors - PEOPLE and QUALITY (CVAS, CVAK, CVBA), and INFORMALITY and INNOVATION (CVBS, CVBK, CVAA). Once again, however, New Zealand demonstrates a distinctly different pattern from that of the other three countries, only one factor emerging, that being a common set of CORPORATE BELIEFS (CVAZ). See Table 3 below.

Insert Table 3 About Here

Market Orientation: This analysis proved to be the weakest for all the countries studied, due to the apparent weakness of the scales constructed. Thus, although two factors emerged in each of the analyses, none survived the test of reliability for the United States and Australia, and only one of the two for the United Kingdom and New Zealand. Interestingly, however, the latter, termed PRODUCT CONCERN (MOAK, MOAZ) are identical. See Table 4 below.

Insert Table 4 About Here

Intra-Country Analysis:

The second aim of this study was to determine whether those firms which were perceived to be marketing effective were also those which were close to customers, had a common set of corporate values, and demonstrated an external market orientation, and whether this held true across national boundaries. Therefore, Pearson Correlation Coefficients were computed for each of the four countries to examine relationships between the factors identified (see Tables 5 below).

Insert Tables 5a,5b,5c and 5d About Here

The results show strong support for the hypothesis within the national analyses, despite the fact that the previous analyses had identified varying factors for each of the countries. Thus, it would appear that evidence exists of subtle differences within countries as to the ways in which marketing effectiveness, and corporate values and beliefs interact.

The above analysis prompted a further question. Since "marketing effectiveness" was taken to be a measure of the performance of the company in the market-place, whilst the scales of customer closeness, corporate values, and market orientation were measures of corporate behaviour, and, since the two were correlated, which of the corporate behaviour scales were the <u>best predictors</u> of marketing effectiveness? The data was, therefore, analysed further using the stepwise multiple regression technique. Notwithstanding earlier differences, these results show interesting similarities (see Tables 6 below).

Insert Tables 6a, 6b, 6c, 6d About Here

Despite the substantial anecdotal acceptance of the Peters and Waterman message in the United States and United Kingdom,

customer closeness does not emerge at all as a predictor of marketing effectiveness in these two countries. Conversley, the concept would appear to be a very important predictor of all three marketing effectiveness factors in Australia, whilst in New Zealand quality and value (CCAZ) are important predictors of both product/market orientation (MEAZ) and marketing organisation (MECZ).

The data in Tables 6 shows general agreement on the importance of a common set of corporate values or beliefs, and that these are concerned with both people and quality, and with informality and innovation. However, they predict varying types of marketing effectiveness in the different countries. For example, in the United States people and quality (CVAS) is the only predictor of marketing efficiency (MEAS); in the United Kingdom the same factor (CVAK) predicts organisation and efficiency (MEAK); in Australia, MEBA, which fits closely to Kotler's "marketing organisation" includes people and quality (CVBA) as an important predictor, but strategic marketing efficiency (MEAA) is a function of both customer closeness (CCAA, CCBA) and informality and innovation (CVAA); in New Zealand, corporate beliefs (CVAZ) is the only factor which predicts a strategic marketing orientation (MEBZ).

Despite the poor scoring of the scales of marketing orientation, the one factor which does emerge from the

screening process, product concern (MOAK, MOAZ), is clearly an important predictor of marketing effectiveness in both the United Kingdom and New Zealand.

CONCLUSIONS

In the review of the theoretical development within the field of International Management, three different perspectives were advanced - contextual (Neghandi, 1983), behavioural (Nath, 1969; Davis, 1971; Hofstede, 1980), and environmental (Farmer and Richman, 1965). To these three, it is pertinent to add a fourth perspective which we term situational - the views expressed from those scholars mindful of the dangers of single explanations (Boddewyn, 1966; Haire, Ghiselli, and Porter, 1966; Adler, 1983b; Peterson, 1986).

In reverse order of support, the results from these data fail to endorse the theory propounded by the environmentalists. However, since the research design deliberately attempted to compare attitudes at the same level of management, this should not be unexpected. The four nations are very similar in socio-economic patterning, in legal systems, in technological transfer through both the University system and in business intercourse, and in their respective political systems. Each nation demonstrates its political will through essentially a two-party system, swinging through the axis between middle-left and middle-right -- the embodiment of

Hegelian dialectic.

The contextualists also receive little support from these data. Whereas New Zealand certainly appeared atypical, demonstrating Neghandi's (1983) concern with the influence of contextual dissimilarity, a much greater degree of similarity between the United States and the United Kingdom should have emerged from these results, given the research design.

The caveats of the situationalists, emphasising the need to search for both similarities and differences (Adler, 1983b) is borne out by these results, thus endorsing the earlier findings of Haire, Ghiselli, and Porter (1966).

However, it is within the fourth perspective - that of the behaviouralists who emphasise the conditioning of managerial attitudes and beliefs by national culture - that the greatest support is evidenced. This research considered four constituencies - Marketing Effectiveness, Closeness to Customers, Market Orientation, and Corporate Values. In each of the first three, dissimilarity across the four nations is evidenced.

In the first - Marketing Effectiveness - despite the fact that Kotler's Marketing Text is the most utilised in each of the four nations, the scales were given dissimilar emphasis, even within the United States. In the second - Customer

Closeness - the scales again fail to exhibit the same latent structure across the four nations, even though Peters and Waterman has been the business book best-seller, and their film has achieved massive coverage in the four countries. In the third, the scales of Market Orientation fail to be supported, although here it is probably a function of the scaling procedures and therefore this negative support for universality should be considerd inadmissable evidence. Conversely, the category which does demonstrate the strongest evidence for convergence towards universality is Corporate Values, explaining the greatest degree of variance.

In summary, across each of the four categories, variations in managerial attitudes, beliefs, and values are to be observed, suggesting to these authors that national culture shapes individual behaviours into kaleidoscopic formats - each different in subtle patterning.

Yet, when considering the best predictors of Marketing Effectiveness, however subtly this may vary in definition, convergence theory is supported as a common set of corporate values and beliefs - the primacy of the importance of PEOPLE, and with QUALITY. This emphasis is quintessentially animate in all its aspects: it stresses a managerial pre-occuptation with personal empathy and with fostering a customer response of perceived quality. Moreover, this linkage leads to the next stage in developing our line of research. We believe

that a relationship will exist between managerial perceptions of Marketing Effectiveness and output measures of profitability and growth. We therefore hypothesise that the top managers of those companies which demonstrate superior marketing effectivenes, as defined by Kotler in terms of PEOPLE and QUALITY, will be those which demonstrate superior financial profit performance and market share growth. We therefore believe that across all four nations, top management wishing to improve the likelihood of achieving effectiveness in the market-place should encourage and emphasise the importance of the human focus.

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FIGURE 1: MARKETING EFFECTIVENESS

Customer Philosophy

ME1. Does management recognise the importance of designing or providing products or services which serve the needs and wants of chosen markets?
ME2. Does management take into account suppliers, competitors, customers, and its operating environment in planning its organization?
ME3. Does management develop different strategies for different segments of the market?

Marketing Organization

ME4. Is there marketing integration and control of major marketing functions [i.e. advertising, product development, marketing research, and personal selling]?
ME5. Do employees responsible for marketing activities work well with employees in other functional areas?
ME6. How well organised is the process for assessing new product or service opportunities?

Marketing Information

ME7. When was the last systematic study of the marketplace conducted?
ME8. How well does managment know the sales potential and profitability of different market segments?
ME9. What effort is expended to measure the cost-effectiveness of different marketing expenditures?

Strategic Orientation

ME10. What is the extent of formal marketing planning?
ME11. What is the quality of the current organization strategy?
ME12. What is the extent of contingency planning?

Operational Efficiency

ME13. How well is marketing thinking communicated and implemented down the line?
ME14. Is management doing an effective job with the marketing resource?
ME15. Does management react quickly and efficiently to on-the-spot marketing changes?

FIGURE 2: CUSTOMER CLOSENESS, CORPORATE VALUES, AND MARKET ORIENTATION

Customer Closeness [CC]

CC1 - My company thinks of itself as providing a service rather than selling a product.
CC2 - Employees of my company view the business through the eyes of their customers.
CC3 - My company feels the key to attracting and holding customers is to keep improving product quality.
CC4 - Employees of my company would take a quality complaint as a personal insult.
CC5 - My company constantly seeks to improve its total offering defined in terms of more value for their customers.
CC6 - An important objective of my company is to provide a reliable high value-added service.
CC7 - My company encourages feedback from its customers.
CC8 - My company feels that innovation and change come directly from the customer.

Corporate Values [CV]

CV1 - A belief in being the "best".
CV2 - A belief in the importance of the details of the execution, the nuts and bolts of doing the job well.
CV3 - A belief in the importance of people as individuals.
CV4 - A belief in superior quality and service.
CV5 - A belief that most members of the organization should be innovators.
CV6 - A belief in the importance of informality to enhance communication.
CV7 - Explicit belief in and recognition of the importance of economic growth and profits.

Market Orientation [MO]

MO1 - Customers will probably buy again, and even if they don't, there are many more customers.
MO2 - The organization concentrates its attention on the task of producing good products that are fairly priced.
MO3 - The main task of the organization is to satisfy the needs and wants of its customers.
MO4 - Customers will not normally buy enough on their own.
MO5 - The organization constantly searches for better products defined in terms of appeal and benefit to customers.
MO6 - The main task of the organisation is to get sufficient sales from its customers.

TABLE 1

FACTOR STRUCTURE OF MARKETING EFFECTIVENESS ITEMS

	United States Factors			United Kingdom Factors			Australia Factors			New Zealand Factors			
	1	2	3	1	2	3	1	2	3	1	2	3	4
	(MEA/B/CS)			(MEA/B/CK)			(MEA/B/CA)			(MEA/B/C/DZ)			
ME1	-	.66	-	-	.64	-	-	-	.85	.71	-	-	-
ME2	-	.70	-	-	.65	-	-	-	.51	.79	-	-	-
ME3	-	.58	-	-	.77	-	-	.56	.51	-	-	.74	-
ME4	-	-	.65	.54	-	-	-	.64	-	-	-	.78	-
ME5	-	-	.81	.71	-	-	-	.80	-	-	-	.76	-
ME6	.62	-	-	.59	-	-	-	.80	-	.59	-	-	-
ME7	-	.63	-	-	-	.82	.55	-	-	-	-	-	-
ME8	.61	-	-	-	.73	-	.74	-	-	-	.78	-	-
ME9	.57	-	-	-	-	.71	.76	-	-	-	.72	-	-
ME10	-	.67	-	-	.59	-	.67	-	-	-	.77	-	-
ME11	-	-	-	-	-	-	.80	-	-	-	.64	-	-
ME12	.66	-	-	-	-	-	.59	-	-	-	-	-	.59
ME13	.61	-	-	.66	-	-	.60	-	-	-	-	-	.71
ME14	.67	-	-	.76	-	-	-	-	-	-	-	-	.75
ME15	-	-	-	.59	-	-	.66	-	-	.55	-	-	-
Cronbach	.77	.73	.56	.78	.79	.59	.87	.78	.61	.75	.83	.79	.56
Percentage of Variance	50.5%			57.8%			57.9%			65.1%			

TABLE 2

FACTOR STRUCTURE OF CUSTOMER CLOSENESS ITEMS

	United States		United Kingdom	Australia		New Zealand		
Factor	1 CCAS	2 CCBS	1 CCAK	1 CCAA	2 CCBA	1 CCAZ	2 CCBZ	3 CCCZ
CC1	-	.81	.60	-	.88	-	.85	-
CC2	-	.61	.69	-	.83	-	.88	-
CC3	.74	-	.62	.71	-	.52	.50	-
CC4	-	-	.53	.74	-	.78	-	-
CC5	.65	-	.72	.77	-	.80	-	-
CC6	-	-	.71	.75	-	.62	-	-
CC7	.66	-	.71	-	-	-	-	.91
CC8	.60	-	-	-	-	-	-	-
Cronbach	.60	.57	.77	.76	.64	.73	.72	-
Percentage of Variance	45.7%		43.6%	58.4%		72.5%		

TABLE 3

FACTOR STRUCTURE OF CORPORATE VALUE ITEMS

Factor	United States		United Kingdom		Australia		New Zealand
	1 CVAS	2 CVBS	1 CVAK	2 CVBK	1 CVAA	2 CVBA	1 CVAZ
CV1	.83	-	.86	-	-	.81	.72
CV2	.79	-	.79	-	-	.87	.61
CV3	.58	-	.51	.60	.67	-	.77
CV4	.78	-	.77	-	-	.77	.82
CV5	-	.76	-	.72	.86	-	.78
CV6	-	.85	-	.90	.87	-	.81
CV7	-	-	-	-	.51	-	.69
Cronbach	.79	.61	.82	.73	.77	.83	.87
Percentage of Variance	61.3%		65.3%		66.9%		57.3%

TABLE 4

FACTOR STRUCTURE OF MARKET ORIENTATION ITEMS

	United Kingdom MOAK	New Zealand MOAZ
MO1	-	-
MO2	.76	.50
MO3	.80	.86
MO4	-	-
MO5	.79	.86
MO6	-	-
Cronbach	.70	.67
Percentage of Variance	35.2%	32.1%

TABLES 5

CORRELATION COEFFICIENTS AMONG STRATEGIC MARKETING EFFECTIVENESS, CUSTOMER CLOSENESS, AND CORPORATE VALUES SCALES

TABLE 5a - UNITED STATES

	MEAS	MEBS	MECS	CCAS	CCBS	CVAS	CVBS
MEAS	-						
MEBS	.559**	-					
MECS	.472**	.325**	-				
CCAS	.221*	.066	.257**	-			
CCBS	.216*	.100	.216*	.336**	-		
CVAS	.474**	.329**	.393**	.293**	.397**	-	
CVBS	.312**	.103	.366**	.345**	.396**	.450**	-

* Significant at 1% SL

** Significant at 0.1% SL

TABLE 5b - UNITED KINGDOM

	MEAK	MEBK	MECK	CCAK	CVAK	CVBK	MOAK
MEAK	-						
MEBK	.581**	-					
MECK	.402**	.481**	-				
CCAK	.492**	.416**	.387**	-			
CVAK	.593**	.420**	.464**	.468*	-		
CVBK	.420**	.230*	.248**	.522**	.698*	-	
MOAK	.548**	.536**	.417**	.485**	.446*	.218**	-

* Significant at 1% SL

** Significant at 0.1% SL

TABLE 5c - AUSTRALIA

	MEAA	MEBA	MECA	CCAA	CCBA	CVAA	CVBA
MEAA	-						
MEBA	.567**	-					
MECA	.508**	.674**	-				
CCAA	.596**	.434**	.537**	-			
CCBA	.016	-.019	.165	.259**	-		
CVAA	.519**	.332**	.438**	.582**	.101	-	
CVBA	.520**	.458**	.500**	.608**	.285**	.526**	-

** Significant at 0.1%

TABLE 5d - NEW ZEALAND

	MEAZ	MEBZ	MECZ	MEDZ	CCAZ	CCBZ	CCCZ	CVAZ	MOAZ
MEAZ	-								
MEBZ	.581**	-							
MECZ	.578**	.556**	-						
MEDZ	.535*	.485**	.429**	-					
CCAZ	.682**	.528**	.491**	.433**	-				
CCBZ	.500**	.348**	.168	.300**	.620**	-			
CCCZ	.114	.081**	.023	-.021	.198	.181	-		
CVAZ	.643**	.584**	.440**	.472**	.736**	.688**	.267*	-	
MOAZ	.654**	.403**	.343**	.492**	.644**	.462**	.263**	.577**	-

* Significant at 1%

** Significant at 0.1%

TABLES 6

STEPWISE REGRESSION ANALYSIS

TABLE 6a - UNITED STATES

	Dependent Variable - Marketing Effectiveness		
	MEAS	MEBS	MECS
Standardised Regression Coefficients			
Customer Closeness:			
CCAS	-	-	-
CCBS	-	-	-
Corporate Values:			
CVAS	0.4838	0.3276	0.3147
CVBS	-	-	0.2397
Constant	-1.5008	1.3397	-0.4024
Adjusted r	0.2290	0.1015	0.2202
F-Value	46.4544	18.2747	22.6042
Significance	0.0000	0.0000	0.0000

TABLE 6b - UNITED KINGDOM

	Dependent Variable - Marketing Effectiveness		
	MEAK	MEBK	MECK
Standardised Regression Coefficients			
Customer Closeness			
CCAK:	-	-	-
Corporate Values			
CVAK	0.5695	-	0.0951
CVBK	-	-	-
Market Orientation			
MOAK	0.7472	0.7744	0.1342
Constant	2.1854	11.1551	1.9182
Adjusted r	0.4158	0.1662	0.1896
F-Value	32.3232	18.1843	10.9444
Significance	0.0000	0.0000	0.0000

TABLE 6c - AUSTRALIA

	Dependent Variable - Marketing Effectiveness		
	MEAA	MEBA	MECA
Standardised Regression Coefficients			
Customer Closeness:			
CCAA	0.8032	0.3138	0.2492
CCBA	-0.4314	-0.3751	-
Corporate Values:			
CVAA	0.4806	-	-
CVBA	-	0.5198	0.2684
Constant	9.7253	6.1563	5.3319
Adjusted r	0.3842	0.2568	0.3029
F-Value	25.3316	15.1636	27.7252
Significance	0.0000	0.0000	0.0000

TABLE 6d - NEW ZEALAND

	Dependent Variable - Marketing Effectiveness			
	MEAZ	MEBZ	MECZ	MEDZ
Standardised Regression Coefficients				
Customer Closeness:				
CCAZ	0.5068	-	0.4730	-
CCBZ	-	-	-	-
CCCZ	-	-	-	-
Corporate Values:				
CVAZ	-	0.3269	-	0.0987
Market Orientation				
MOAZ	0.3700	-	-	0.3301
Constant	0.8917	4.8722	3.5771	2.9931
Adjusted r	0.5164	0.3225	0.2196	0.2582
F-Value	37.8378	34.3185	20.7030	12.8329
Significance	0.0000	0.0000	0.0000	0.0000