Keller Center Research Report

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Keller Center Research Report

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Communication Climate and Organizational Identification: The Keys to Change Management?

Marlene Neill, PhD, Linjuan Rita Men, PhD, and Cen April Yue, PhD Candidate

In a dynamic marketplace, change is inevitable for long-term organizational sustainability. When approached proactively, successful organizational change can serve as an asset, producing creative industry leaders and distinct competitive advantages. However, for managers and change champions, it is disheartening to discover that more than 70% of change programs fail.[1] With such a daunting statistic in mind, change management is commonly viewed as a difficult endeavor that often mitigates the positive value of organizational change.

To contribute to a growing body of change management and communication understanding, our team conducted research with a specific focus on employees' attitudinal and behavioral reactions to change endeavors. We effectively identified two key factors that merit managerial attention in the context of change management: communication climate and organizational identification.

Defining Communication Climate and Organizational Identification

A sound communication climate and robust organizational identification among employees can increase the probability that your organization succeeds in its change initiatives, allowing you to remain among the 30% of successful change programs. Communication climate is formally defined as "the perception of employees with regard to the quality of the mutual relations and the communication in an organization."[2,3] These perceptions are influenced by the quality and amount of workplace communication employees perceive.[4,5,6] Second, organizational identification references the degree to which employees define themselves by the characteristics they attribute to their organizations.[7,8] When employees' organizational identification is high, they are likely to engage in positive behaviors that support the interests of their organization, which also serves to "maintain their positive self-concept derived from their organizational membership."[9]

Our Research and Findings

Our research team attained survey-based research responses from over 1,000 employees of firms of varying industries, all of which are currently undergoing a significant organizational change endeavor (or have in the past two years). Utilizing this data, our team tested seven hypotheses and produced seven statistically significant results in support of our hypotheses.

First, past research demonstrates a clear connection between an employee's affective (or emotional) commitment to their organization and ability to cope with organizational change.[10,11] Grounded in this research, our first hypothesis sought to establish a connection between employees' affective commitment to change and their tangible behavioral support for change. This behavioral support included actions such as working additional hours to help champion change and advocating the change's merit to their friends and colleagues. Analysis verified this relationship, affirming that employees who are committed to the value and beneficial outcomes of organizational change were also more likely to support the change initiative with their behavioral actions.

Next, we assessed the effect of a sound communication climate on employees' affective commitment to and behavioral support for change. Particularly, our second and third hypotheses proposed that employees would offer their commitment and support in exchange for an open, honest, reciprocal, and engaging communication climate. Empirical evidence suggests a communication climate defined by openness in communication and employee engagement in the change decision-making process will foster both affective commitment to and behavioral support for the organizational change. Ultimately, this open climate assures legitimacy and encourages positivity, which work together to increase the likelihood that change endeavors are successful.

Further, existing research indicates open, trusting candor facilitates information flow, and engaging employees in the change management process creates a sense of belonging and ownership during the change process.[12] Thus, our fourth hypothesis proposed communication climate positively influences employee organizational identification. As we hypothesized, evidence strongly suggests that a strong communication climate in an organization creates employee sense of belonging and strong ties to the organization.

Our fifth and sixth hypotheses proposed that organizational identification positively influences employee affective commitment to and behavioral support for change. Our research offers strong support for this claim—specifically, that when employees feel identification with and belonging to the organization, they are likely to believe in the value of organizational change and offer support for change endeavors.

Finally, our team recognized the positive feedback relationship between communication climate and organizational identification. We discovered that, when faced with an open and empowering environment, employees are more likely to strongly identify with their organization, which elicits

further commitment and cooperation. This finding suggests that organizational identification acts as a partial mediator in explaining how communication climate impacts employees to drive their support for change.

Fostering an Open Communication Climate and Improving Organizational Identification

Our study results support an open and participative communication climate that builds organizational identification, which positively influences employee affective commitment to and behavioral support for change. But how do managers foster such an environment? The most important consideration is recognizing that employees are active participants in the change process—they are more than passive recipients.[13,14] Thus, managers should proactively consider emotional and process disruptions employees might experience when faced with change. Suggestions are to communicate change carefully and attempt to reduce any anxiety or uncertainty brought on by change. Moreover, workplace communication must be open and transparent; employees must feel like their voices are being heard; and employees need ample opportunity to freely voice potential concerns without fear of facing repercussions. Further, managers must offer candor in all interactions, which will promote sincere, credible, and consistent communication across vertical and horizontal organizational silos. Specifically, this open environment can be fostered with town hall meetings, skip-level meetings, employee ambassador programs, open-door policies, and culture committees. Finally, although organizational identification will be strengthened with these positive investments in communication climate, employee identification can be further enhanced by using we/us language, commonality, community, and togetherness.

Real Estate Implications

It is no surprise that the success of a real estate brokerage and its agents are vulnerable to fluctuations in the macroeconomy and current geopolitical climate at large. Organizational success amidst unprecedented, trying times is dependent upon change and adaptation. Our research indicates that proactively fostering an open communication climate and robust organizational identification will enhance employees' affective and behavioral responses to change. Then, when change lies before your organization, employees will trust management and support the endeavor, both affectively and behaviorally.

To cultivate a sound communication climate and strong organizational identification, our research recommends action steps that advocate for a stakeholder approach. Nurturing relationships with employee stakeholders is essential for developing long-term, engaged, and dedicated relationships and success. Second, a sound communication climate creates an open, trusting, collaborative, and participative atmosphere. This environment promotes creativity, critical thinking, and teamwork—characteristics that are all vital to a real estate agent's success. Finally, an open and empowering environment allows workplace relationships to flourish, enhancing overall employee optimism, which is outwardly reflected in interactions with potential clients. Therefore, the answer is clear—communication climate and organizational identification serve as universal keys to successful organizational change, keys that open doors throughout any change endeavor, regardless of the form in which change presents itself.

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Using Images to Increase Social Media Engagement

Yiyi Li, PhD and Ying Xie, PhD

As a real estate professional, you likely manage social media for your properties. You've probably wracked your brain to come up with ideas day after day to improve consumer engagement. However, with so many posts popping up on different platforms every day, the goal of catching your audience's attention has become unprecedentedly difficult. Luckily, you still have one powerful tool that has not been overused by your competitors—images. But because not all images are created equal, you need to use them in the right way to ensure maximum consumer engagement.

Our Research and Findings

Our paper, "Is a picture worth a thousand words? An empirical study of image content and social media engagement," published in the *Journal of Marketing Research* is one of the first scientific studies aiming to quantify the impact of image content on social engagement. We collected three large data sets—two from Twitter and one from Instagram—to examine whether including images in a social media post helps to increase engagement. More importantly, what kind of images increase audience engagement?

We first find a robust "mere presence" effect of image content on Twitter, a platform where image and text content coexist . Including an image in a tweet increases the number of retweets by 119% on average for tweets related to air traveling and 213% for tweets about SUVs. The effect on the number of likes is similar, with an 87% increase for air-travel related tweets and 151% increase for SUV-related tweets. However, our results also suggest that posting a "linked" picture—tweeting with picture hyperlinks—is not a good idea. These tweets receive less engagement even when compared to text-only tweets.

We further look at the role of specific image characteristics. To process large quantities of image content, we employ Google Cloud Vision API to extract information from image data and augment that with manual coding for more complex characteristics. The analytics to ensure causal relationship are pretty complex, but ultimately we show that image characteristics are quite important. Interestingly, the effects of some characteristics may be context specific, depending on product categories.

We find that high-quality and professionally shot images consistently lead to higher engagement regardless of platform or product category. As one can imagine, it is hard to come up with an objective definition for picture quality. We solved the problem by hiring research assistants to rate picture quality manually. The pictures rated as "high quality" generally have a clear-cut theme subject, follow composition rules, and have proper lighting and high resolution. In terms of picture source, we have considered photos shot by professional photographers, amateurs, and screenshots. Among the three sources, screenshots attract the least engagement while professionally shot photos are the most preferred.

What (or Who) Should be in Your Photos?

Another factor that we focus on is the presence of human face in pictures. Selfies are very common on social media, but is it a good idea to use selfies to increase engagement? As revealed by our analysis, it depends on which platform you post the pictures. While pictures with human faces can increase engagement measures by 38% to 291% on Twitter, such an effect is absent on Instagram. We think this is because selfies or other human images are more common on Instagram than on Twitter and therefore may not be unique enough to attract additional engagement on the former.

Our analysis also reveals that the effect of picture colorfulness depends on product category. While colorful pictures increase engagement for air-travel-related posts, monotonic pictures with less color variation are better received when the posts are related to Sport Utility Vehicles, a utilitarian product.

Lastly, we wondered whether a text-image fit effect exists. For example, do only relevant images to the text content increase the popularity of a social media post? Again, the answer depends on where you post the pictures. We find that relevant pictures lead to more engagement on Twitter but do not have such an effect on Instagram. Furthermore, we find that none of the text content features, such as topics, emotion tones, or post length, matter much for posts on Instagram, a platform designed to share visual content.

Real Estate Implications

Unsuprisingly, in real estate, social media posts with an image will perform better than posts relying solely on text. Our findings, while applicable to all social media platforms, will be particularly helpful when considering how you market properties on Twitter. For example, a focus on professional, well-composed photographs with a thoughtful tweet describing the images may increase engagement. Of course, the ultimate interaction with a tweet showing your property would involve the viewer clicking a link to your listing. Assuring that there is an easy-to-find link separate from the image may increase engagement. Our findings show that including the link as an image preview is not effective; users want to be able to maximize the image before leaving Twitter.

When considering how to apply these findings to real estate, it is important to be intentional about which images make your posts. It may be worth the time or money to increase the quality of your listing images. Your social media audience will engage better with quality photographs. Adding a personal touch, such as a model enjoying the house, may increase engagement. With careful planning and quality, your images can drive social media engagement.

Recommended Reading

Li, Yiyi and Ying Xie (2020), "Is a Picture Worth a Thousand Words? An Empirical Study of Image Content and Social Media Engagement," *Journal of Marketing Research*, 57, 1-19.

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Dr. Yiyi Li (PhD – University of Texas at Dallas) specializes in quantitative marketing, applied econometrics, and empirical industrial organization. Li's research seeks to measure and quantify two related issues: the impact of multi-channel advertising on consumer's search and purchase decision, and the impact of content strategy on social media marketing effectiveness.

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Effects of Emotional Exhaustion on Ethical Behavior
Bruno Lussier, PhD, Nathaniel N. Hartmann, PhD, and Willy Bolander, PhD

All sales professionals—not just real estate professionals—face temptations to behave unethically when there are deadlines and sales goals to meet. However, unethical sales behavior jeopardizes the integrity of the salesperson and the firm. Eventually, people will notice and avoid doing business with a salesperson who has a reputation for unethical tactics. Our research suggests that unethical behavior decreases overall sales performance and emotional exhaustion increases the likelihood of those unethical behaviors.

Consequently, emotional exhaustion is another factor that negatively impacts sales performance. We define emotional exhaustion as a state of depleted emotional resources for coping with job demands. Because salespeople encounter a higher-than-average number of rejections and disappointments in their work, emotional exhaustion is a very real hazard for salespeople.

Based on our survey data from 123 matched B2B salesperson-manager dyads, we conclude that ethical behaviors and perceived supervisor support can decrease emotional exhaustion. A surprising discovery is that grit—defined as a stable resource salespeople can draw upon that represents perseverance and determination to meet long-term goals—accentuates the effects of emotional exhaustion on unethical behaviors. We suggest 1) managers who are intentional about providing support and attentive to their salespersons' emotional reserves will see better sales results and fewer unethical behaviors, 2) managers should be wary of "gritty" salespeople, and 3) ethical selling leads to better sales performance.

What Causes Unethical Behavior

Firms spend about $20 billion annually on sales training[1], but only about 50% of salespeople in those firms meet their performance goals.[2] Salespeople live in a world where they always have a goal and half of them are never reaching it. This is a recipe for emotional exhaustion that leads to unethical behaviors. We define unethical behaviors as actions that are considered morally (un)acceptable to the larger group.[3] Emotional exhaustion is "the feeling of being emotionally overextended by one's work."[4] Sales managers might be tempted to solve the problem of unethical sales behavior by implementing strict controls on salesperson activity. However, despite technological enhancements that increase transparency, it has been shown that sales

managers still have difficulty identifying and managing the unethical behaviors of their salespeople.[5] Since salespeople live in such goal-driven environments and income is often seasonal, emotional exhaustion is a constant danger. Negative reinforcement alone—i.e. increased supervision and consequences—are not enough to decrease unethical behaviors or increase sales performance.

Self-control is defined as "the ability of an individual to self-regulate his or her urges, behavior, or desires despite temptations and impulses."[6] When a person has no self-control, they tend to do what momentarily feels good. They are motivated by short-term rewards. We believe that self-control is a limited emotional resource. Once it is depleted people are unable to objectively regulate their behaviors. Salespeople are tempted to engage in unethical behaviors such as dishonesty, manipulation, and cheating when they are in an emotional state of exhaustion. The good news is individuals can replenish their emotional resources. Specifically, for our purposes, supervisors can help salespeople replenish these resources.

Perceived Supervisor Support

Prior to our study, we hypothesized that work-related social-support resources mitigate the negative effect of emotional exhaustion on ethical behaviors. Other work in this field suggests that these resources help salespeople achieve work related goals, reduce job demands, and stimulate personal development.[7] When salespeople perceive support from their supervisors through emotional assistance (e.g. positive feedback), it can strengthen employee motivation. Coaching can also be perceived as support and can help salespeople with task fulfillment, which decreases emotional exhaustion. Salesperson perception is not the only thing influenced by support activities, though. There is evidence to suggest that if an individual has support from his/her supervisor, it is likely that the supervisor's appraisal of the employee's work demands will be more favorable.[8] Strengthening the salesperson/supervisor bond attenuates the depletion of emotional resources. In this way, it is a strategy for better sales performance.

After testing our hypothesis, we found that sales managers who encourage a positive work environment by giving feedback and recognizing success witness less emotional exhaustion in their salespeople. Since emotional exhaustion often leads to unethical behaviors, it is likely that managers who employ this kind of positive reinforcement will witness fewer breaches of ethical conduct. Fewer breaches in ethical conduct results in better long-term sales performance. Since perceived supervisor support increases sales performance through the effect that emotional resources have on ethical behaviors, supervisors should not triage recipients of support activities based on the magnitude of a salesperson's accounts/clients. Rather, supervisors should prioritize those salespeople who appear to be experiencing the most emotional exhaustion and preemptively provide support to mitigate the temptation to behave unethically.

Grit

Grit is a "stable individual resource for salespeople that is constant over time."[9] In theory, grit would ameliorate the effects of emotional exhaustion because these "tough" salespeople would get the job done no matter the challenge. Their superior willpower is an unlimited resource for finishing tasks and maintaining focus. Much of the psychological literature that addresses the topic of grit asserts that it is a "higher order personality variable" (what we call a resource) that enables a person to be successful.[10] It seemed to us that, since "gritty" salespeople were both tenacious and passionate, they would experience less emotional exhaustion and therefore would be involved in less unethical behavior. Since they participated in less unethical behavior, we hypothesized that they would exhibit better sales performance.

Our research surprisingly revealed the opposite truth. Grit actually amplified the negative effects of emotional exhaustion on ethical behavior! We anticipated that grit would be a stable resource with which salespeople could replenish their depleted emotional resources. Instead, grit was a resource that caused salespeople to "double-down." They persisted in their sales efforts longer than their less "gritty" peers without replenishing their emotional resources. Their involvement in unethical behaviors to meet performance goals were amplified because their "grittiness" committed them to their activities. There was no point where the prospect of unethical behavior acted as a deterrent of continued selling efforts. Our findings suggest that supervisors, contrary to popular opinion, should be wary of salespeople who exhibit overly passionate character traits. "Gritty" salespeople actually lead to worse sales performance because they often commit themselves to whatever is necessary—or what *seems* necessary in the moment—to achieve their goals. The ends justify the means.

Conclusion

Our research has shown that there is a negative association between emotional exhaustion and ethical behavior and that there is a positive association between ethical behavior and sales performance. Emotional exhaustion occurs when a salesperson's emotional resources have been depleted. Those resources are vital for resisting temptation to behave unethically when selling a product or service to a customer. Unethical behavior may result in temporary short-term gains, but long-term sales performance—the metric that truly matters—is decreased when unethical behaviors permeate an office. The best thing sales supervisors can do is identify those

salespeople who exhibit signs of depleted emotional resources and engage them with coaching and positive reinforcement. This will increase the supervisor's perception of the salesperson's work demands and will increase the salesperson's perceptions of supervisor support. Supervisors should keep a close eye on "gritty" salespeople, because their tenacity and passion may make them susceptible to unethical selling tactics. If you want better sales performance in your office, then you must encourage ethical selling. If you want to encourage ethical selling, then you must address emotional exhaustion. If you want to address emotional exhaustions, sometimes you must step away until those resources can replenish. You need to give yourself a chance to think long-term.

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Avoiding Burnout to Preserve Performance

Richard G. McFarland, PhD and Andrea L. Dixon, PhD

Salespeople are subjected to high levels of stress on a day-to-day basis, which, over time, can lead to burnout if they lack sufficient coping resources. Given the major problems associated with burnout, managers and scholars are interested in discovering factors that help salespeople cope with stress and reduce burnout. In our research, we propose that *interpersonal mentalizing* (IM) skills may be effective in reducing salesperson stress and its negative outcomes. Salespeople with greater IM skills are better at regulating their emotions, building work relationships, and understanding what others think. We propose that these skills help salespeople to cope with stress and reduce burnout through a process mediated by active and avoidance coping strategies. Moreover, we believe that those with better IM skills oscillate between active and avoidance coping strategies, a process resulting in more optimal coping.

Professional Selling is Stressful

A professional salesperson fulfills many roles: prospecting, selling, leading team selling efforts, providing after-sales service and support, handling complaints, etc. Given the presence of so many potential stressors in the salesperson's work environment, salespeople can be overwhelmed. This, in turn, can result in physical and mental symptoms of stress, increasing the likelihood of burnout.[1] Burnout resulting from the presence of stressors overwhelms one's coping ability.

The Interplay Between Interpersonal Mentalizing and Burnout

Interpersonal mentalizing involves "putting yourself in the shoes of others" in order to understand their points of view.[2] A global entrepreneur and Shark Tank panelist, Mark Cuban, highlights the role of interpersonal mentalizing in dealing with customers: "It is much easier to be nice, to be respectful, to put yourself in your customers' shoes and try to understand how you might help them before they ask for help, than it is to try to mend a broken customer relationship." The preliminary research on interpersonal mentalizing suggests that those with stronger interpersonal mentalizing skills may cope with stress better by managing their social environment, operating with better self-awareness, and regulating their own emotions.[3]

People who have stronger interpersonal mentalizing skills anticipate others' behaviors and read their intentions because information is less ambiguous and better managed. Stronger interpersonal mentalizing skills help salespeople offer and receive social support from colleagues, which reduces work-related stressors. Thus, we argue that salespeople with better interpersonal mentalization skills are better able to reduce the level of stressors that exist and the level of strains that they feel in their environment, which in turn reduces the chances of burnout occurring.

Coping Responses

Two broad categories of coping strategies to minimize stress are *active coping* and *avoidance coping*. Avoidance coping involves efforts to avoid experiencing the negative emotions associated with the stressful event and can involve actions such as distractions (e.g., watching TV or playing video games), distancing, wishful thinking, tension reduction (e.g., consuming alcohol), self-isolation, and denial.[4] Avoidance coping is defined as diminishing stressors by avoiding dealing with either the problem situation or the associated negative emotions arising from the problem situation. Active coping strategies focus on actively resolving stressful situations and/or minimizing the harm that stressful situations cause.

Scholars have discussed another approach to coping, *oscillation,* which appears to shape employees' responses to negative situations in the workplace.[5] Specifically, *oscillation* involves moving between active and avoidance coping strategies, which allows employees to secure the advantages and minimize the disadvantages of each coping strategy. Those with a strong oscillation orientation can switch between active and avoidance coping strategies and use the increased capacity to problem-solve more effectively.

Our theoretical framework predicts that a salesperson's interpersonal mentalizing skills have a direct negative effect on burnout (reducing it), and an indirect effect, mediated by the greater use of *active coping* strategies and the lower use of *avoidance coping* strategies. In the long-run, after working through a thought process and coming up with a plan, the salesperson may feel "back in control" and more able to move forward with this situation as well as other situations on the job.[6]

Research Process

To test our hypotheses, we completed two studies. In Study 1, we collected data from 149 business-to-business salespeople from a U.S. *Fortune* 500 transportation services company operating in both business and consumer markets. When we collected the data, the economy and industry were in a major downturn, reducing the opportunities to escape to a less-stressful job. In Study 1, we tested the direct effects of interpersonal mentalizing on active and avoidance coping and burnout and included a non-self-reported measure of sales performance. We also tested the indirect effects of interpersonal mentalizing through active and avoidance coping on burnout.

In Study 2, we retested the Study 1 model with the addition of oscillation coping. To expand the generalizability of our results, Study 2 involved 215 B2B salespeople representing a broad cross-section of U.S. industries: Financial Services, Health Care, Information Technology, Retailing, Food/Beverage, Manufacturing, Construction, Electrical, Advertising, Automotive, Consulting, Apparel, Engineering, Entertainment, Telecommunications, Energy, Real Estate, Government, Transportation, Chemicals, Careers, Maintenance, Non-profit, Office Equipment, Scientific Equipment, Travel, Education, Furniture, Marine, and Sports.

What We Found

Unexpectedly, in Study 1 we found that interpersonal mentalizing skills had a positive effect on avoidance coping but that avoidance coping had a non-significant effect on burnout. These findings may, however, be indicative of emergent theory that suggests that avoidance coping might not be a universally maladaptive coping strategy. While adaptive coping is likely to be maladaptive if used as a consistent, dominant strategy, when one is overwhelmed with negative emotions and/or ruminating excessively on negative thoughts, temporarily escaping from those negative emotions and/or thoughts may help individuals calm down and keep themselves from otherwise being overwhelmed.[7] Thus, a more adaptive strategy could be to oscillate between active and avoidance coping strategies, actively working to reduce stressors when coping resources are high, but avoiding those negative thoughts and emotions when individuals become overwhelmed. Thus, we posit a positive relationship between salesperson interpersonal mentalizing skills and the practice of oscillating between active and avoidance coping strategies.

Thus, in Study 2, we also measured the level of oscillation between active and avoidance coping strategies to test this novel theory. The empirical findings from Study 2 support this theory, finding that the relationship between interpersonal mentalizing and avoidance coping is fully mediated by oscillation.

Study 1 reveals that the mechanism by which interpersonal mentalizing skills reduce burnout appears to be both direct and indirect (being mediated through active coping). As we expanded this research in Study 2 to incorporate oscillation (dual-processing coping), we found that the impact of interpersonal mentalizing on burnout is mediated entirely by active coping, avoidance coping and the oscillation process.

We found support for the logic that interpersonal mentalizing helps salespeople cope more effectively with stress, and reduce burnout. Our theory posits that this is the case because interpersonal mentalizing skills help salespeople to better regulate their emotions and have a better understanding of what others think.

Implications for Practice

Hiring salespeople is an expensive proposition. Because burnout can increase turnover, when burnout and therefore turnover are higher, hiring costs occur more frequently. Moreover, when there is turnover, sales territories may be unserved for long periods of time, resulting in higher opportunity costs. In addition, burnout leads to lower levels of customer-oriented selling and lower sales performance. Burnout also takes a harmful mental and physical toll on salespeople causing personal anguish and suffering; thus, burnout is harmful even when it does not lead to turnover. Consequently, hiring salespeople who possess individual characteristics that make them less susceptible to burnout is valuable to sales-based organizations.

Because our study finds that salespeople with better interpersonal mentalization skills experience lower levels of burnout, firms may wish to assess the level of interpersonal mentalization skills that prospective hires possess during the hiring process. Assessing interpersonal mentalization skills is relatively easy since Dietvorst et al.'s (2009) measure has been well validated across a number of studies and is available to be used freely (see end of article reference for access to the scale items). Including the assessment of interpersonal mentalization skills may be important for many sales positions, and particularly important in very high stress selling environments, like residential and commercial real estate.

Sales training programs also have high direct costs and require a significant investment of time by participants. Given that salesperson interpersonal mentalization skills are positively related to the practice of adaptive selling and resulting sales performance, training programs centered on improving one's interpersonal mentalizing skills may have a double benefit: helping salespeople perform better within the buyer-seller interaction and helping salespeople to better cope with stress and reduce burnout. Thus, our research suggests that these types of training programs are likely to be even more beneficial than previously anticipated.

The impact of purposefully oscillating between active and avoidance coping strategies has interesting implications for sales managers. When sales professionals are dealing with stressful selling situations, sales leaders may need to recommend that salespeople actually avoid dealing with some situations for a short period of time. By allowing these representatives to replenish cognitive and emotional resources, they are then better prepared to actively cope with such

situations later. Increased use of "mental health" days among practitioners, coupled with the findings of this research suggests that practitioners may already be signaling the importance of oscillation strategies for coping with work-related stressors.

Recommended Reading

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Dr. Richard G. McFarland (PhD – Georgia Institute of Technology) is on the permanent faculty as a Full Professor of Marketing at ESSEC Business School. Previously, he was a tenured faculty member at West Virginia University and at Kansas State University where he held the L. L.

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Dr. McFarland has won numerous awards for his research and teaching, including the Ralph Reitz award for the single best teacher of the year in the Business College at Kansas State University, the best single researcher award in the Business College at Kansas State University on two occasions, The Louis Stern Award in 2016 for the most long-term, impactful research in inter-organizational research, the 2020 James M. Comer Award for best contributions to selling & sales management theory, among other awards.

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Dr. Andrea Dixon (PhD – Indiana University) has an industrial background in research, planning, and advertising, and her research interests embrace behavioral issues related to sales, service, and client satisfaction. Dr. Dixon has published in the *Journal of Marketing, Harvard Business Review, Organizational Science, Journal of the Academy of Marketing Science, Leadership Quarterly*, *European Journal of Marketing,* the *Journal of Personal Selling and Sales Management, Journal of Marketing Education,* and other journals. Dixon's research in the *Journal of Marketing* was the 2002 award-winner. She co-authored *Strategic Sales Leadership,* and her work on customer selection appears in *The Oxford Handbook of Sales Management and Sales Strategy*. Dr. Dixon serves on the Editorial Review Boards for the *Journal of Personal Selling and Sales Management,* the *Journal of Marketing Theory and Practice*, the *Journal of Business-to-Business Marketing* and the *Journal of Marketing Education.* She is also an Ad Hoc Reviewer for the *Journal of Marketing* and the *Journal of the Academy of Marketing Science.*

Dr. Dixon has won numerous teaching awards, including the Excellence in Teaching Award from the American Marketing Association Sales SIG, the Hankamer School of Business Teaching Excellence award, and Baylor University's Cornelia Marschall Smith award. In addition to teaching PhD, master- and undergraduate-level students, she shares her research

through both keynote addresses and executive trainings. As a member of Duke University's Global Learning Resource Network for Executive Education, Dr. Dixon has addressed executives in London, Hong Kong, Mumbai, Mexico City, Dubai, Hyderabad, Paris and throughout the United States. Dr. Dixon currently serves as President of the University Sales Center Alliance.

Visual Summary of Study Relationships
(Study 1 & Study 2)
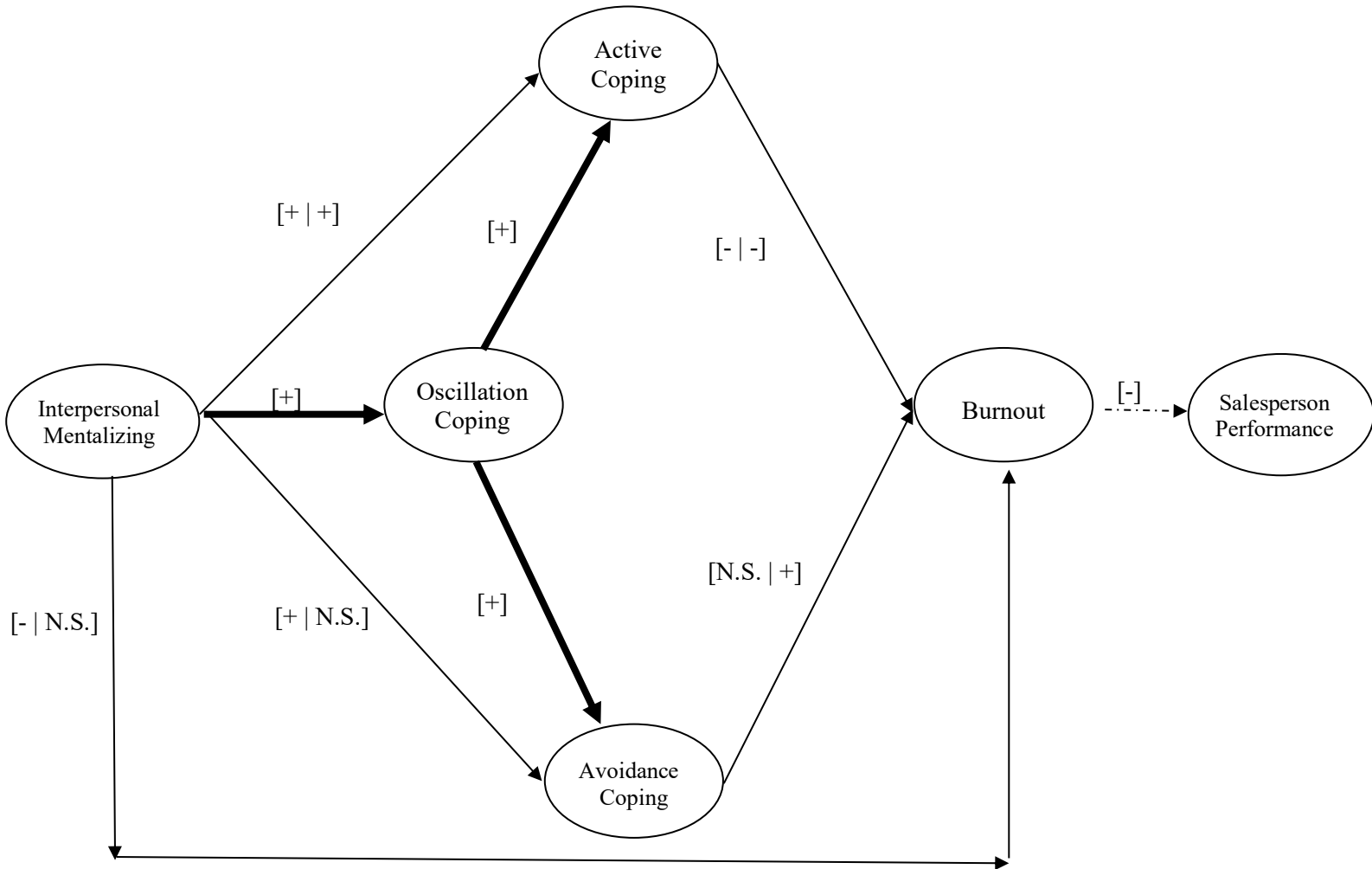
Study 1 and Study 2 Hypothesized relationships

Study 1 only relationship

Study 2 only Hypothesized relationships

[Study 1 Std. Loading | Study 2 Std. Loading; N.S.=Not Significant]

What Drives Customer Engagement on Instagram?
Robert Rietveld, PhD Candidate, Willemijn van Dolen, PhD, Masoud Mazloom, PhD, and Marcel Worring, PhD

Visual social media platforms are rapidly growing in popularity; consumers collectively upload on average 42 million images and 1.65 billion likes each day on Instagram alone. Brands are a large part of this visual exchange as 80% of consumers follow at least one brand, and 70% of brands have an active Instagram account.[1]

Platforms like Instagram allow brands to create their own media and to engage with their followers by creating posts using elements of both visual and text. Advertisers can reach a large audience at relatively low cost compared to paid media activity. For example, Nike attracted 83 million followers over the last seven years (at the time of writing in 2019) and published 700 unique posts leading to different levels of likes and comments per post on social media sites.

Understanding what drives customer engagement across these posts is important for advertisers, since engagement initiatives have a proven positive impact on the bottom line. Our study explores how emotional and informative message appeals in visual and textual content influence customer engagement in terms of likes and comments.

Emotional Appeals

Emotional appeals are defined in our research as visual and textual posts designed to make the consumer feel good about the brand or product and which lead to positive reactions and higher levels of recall compared to informative appeals. Emotions motivate and persuade consumers and often guide attitude formation and subsequent behavior. Images play an important role in this process as they capture the direct experience of objects they physically resemble and activate mental representations associated with strong emotional responses.

Emotional responses can be described in two main dimensions: arousal and valence (see Table 1 below). Arousal is the type of stimulus a viewer derives from the information encoded in the image. Valence refers to the positive or negative feelings incited by the information encoded in the image. Based on arousal and valence, there are four types of emotional appeals: Positive High Arousal, Negative High Arousal, Positive Low Arousal, and Negative Low Arousal.

Consumers are especially influenced by emotions if they do not have any specific goal-directed basis for evaluation, as might be the case when engaging in hedonic browsing on social media. Because consumers process large numbers of posts in their social media streams, high-arousal visual appeals (compared to low-arousal visual appeals) can be a way to cut through the

	High arousal	Low arousal
Positive	Ecstasy	Interest
	Amazement	Serenity
	Admiration	Acceptance
	Vigilance	Distraction
Negative	Rage	Boredom
	Loathing	Annoyance
	Terror	Apprehension
	Grief	Pensiveness

Table 1: Plutchik emotion classification divided according to valence and arousal

competitive social media clutter and get noticed. Visual emotional appeals were scored in this study by having subjects respond to a variety of adjective-noun pairs, such as "smiling children" or "young kids."

Informative Appeals

Informative appeals focus on influencing consumers' beliefs using arguments highlighted in the message context. For this reason, informative appeals tend to be fact-based and lean toward a more rational than emotional emphasis. Informative visual and textual appeals provide relevant information and reduce uncertainty; however, informative appeals can also entail an unwanted persuasion attempt or provide no new information to followers.

Visual informative appeals focus on the centrality of brand and product elements present in the visual content of the post. Visual product features displayed in images, for example, offer more concrete information than brand logos, as these logos can be attached to promotional activities or campaigns without displaying products. Visual brand elements facilitate recall of memories by attracting attention and activating positive or negative brand associations in memory. Textual informative appeals can be separated into eight groups: brand, product, deal, price, price comparison, segment, product availability, and product location. For example, a caption on Instagram may contain brand-generated text, including hashtags.

Findings

Customer response to visual social media is in large part contingent upon emotional content residing in the visual image as well as message content. Specifically, we distill four main findings from our results.

First, emotional appeals influence customer engagement more than informative appeals for both visual and text content. Second, the intensity level of arousal should be considered together with valence. Consider using positive high arousal appeals and negative low arousal to stimulate likes

and comments. Findings suggest that effective facial expressions enjoy an unusual advantage compared to other visual stimuli. Third, apart from informative brand appeals, we find a negative influence of informative appeals on customer engagement. As consumers follow brands primarily for entertainment reasons, informative appeals, especially around the product, can signal an unexpected persuasion attempt and be considered manipulative. Fourth, an exception to the negative effect of informative appeals are visual brand centrality and textual brand mentions which positively contribute to comments and likes. Visual and textual brand elements may serve as a point of recognition for consumers which can activate positive brand associations consumers have established given prior brand experiences.

Managerial Insights

Managerial implications of this work for real estate agents and brokers include insights about how visual emotional and informative appeals might drive customer engagement. Our results provide some guidelines for what appeals are likely to impact likes and comments.

In advertising on social media, an agent or broker should focus on arousal and negative or positive psychological value assigned by viewers to another person, event, dream house, job, object, outcome, etc. in visual content. Positive high-arousal appeals such as ecstasy, amazement, admiration, and vigilance can enhance the contribution of consumers in terms of likes and comments. Negative low-arousal appeals, driven by the presence of faces, leads to higher customer engagement. Understanding how to elicit emotional arousal in marketing appeals is a prerequisite for successful real-estate customer engagement on Instagram.

Do not treat visual social media as primarily an informational channel. Informative appeals have less impact, and our results show that promoting products on Instagram does not increase customer engagement. Informative appeals lead to a diminished number of likes and could increase annoyance and result in unfollowing of the agent or broker's posts. Results highlight the opportunity to connect viewer emotions to the brand by emphasizing posts with brand mentions in the text.

Platforms like Instagram can reach large audiences at virtually zero cost, which has contributed to the popularity of social media among advertisers. Nevertheless, we recommend real estate professionals take advantage of more recent research findings to apply best practices in getting the desired results from social media.

Recommended Reading

Rietveld, Robert, Willemijn van Dolen, Masoud Mazloom, and Marcel Worring (2019), "What You Feel, Is What You Like Influence of Message Appeals on Customer Engagement on Instagram," *Journal of Interactive Marketing*, 49, 20-53.

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Robert Rietveld's research examines how brand and user-generated content impact consumer decision making. He is an advocate of using the scientific method to answer business questions and realize growth. He was previously co-founder and managing director of a social media analytics agency that specialized in creating insights from digital consumer behavior.

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Dr. Willemijn van Dolen (PhD – Maastricht University) focuses her research and teaching on online consumer communication, corporate social responsibility, and social media. She also has ample knowledge and experience in the area of big data, fintech, and behavioral economics. In addition to her current position, van Dolen is also a member of the Supervisory Board of Stichting Amsterdam Marketing, member of the NIMA (Netherlands Institute for Marketing) Scientific Advisory Council and member of the Supervisory Board of Starbucks Coffee EMEA B.V.

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Dr. Marcel Worring (PhD – University of Amsterdam) is a professor in data science for business analytics at the Amsterdam Business School and director of the Informatics Institute at UvA. During his PhD work he focused on image analysis both from a theoretical point of view to more applied shape analysis. From there he moved to document and video analysis. Currently, he is taking this a step further into multimedia analytics, multimedia analysis, multimedia mining, information visualization, and multimedia interaction.

INSIDER: The Ride of a Lifetime: Lessons Learned from 15 Years as CEO of the Walt Disney Company
*Corrie A. H. Penraat, MBA Candidate*

In Robert Iger's "The Ride of a Lifetime," he shares the lessons he learned leading Disney's more than 200,000 employees as CEO for nearly 15 years. Through this journey, he explores the principles necessary for effective leadership including optimism, courage, focus, decisiveness, curiosity, fairness, thoughtfulness, and integrity. This memoire was not just written for aspiring CEOs of the world but for "anyone wanting to be less fearful, more confident in themselves, as they navigate their professional and even personal lives."

THINK POINT #1: Optimism

One of the most important qualities of good leaders is optimism—a passion for what *can* be achieved. Bob Iger reminisces on his time as COO through the 2001 NYC Twin Tower terrorist attack. The stock market fell sharply, and Disney lost nearly a quarter of its value within days. The company's challenges began to pile up and stockholders began looking at Michael Eisner, the CEO at the time, and began criticizing his tenure. Iger recalls Eisner began caving into pessimism and soon, paranoia, as stress increased while the company crumbled around him. Iger would receive calls from Michael in the shower, on the plane, or during lunch convinced that something was going to fail. Soon this overwhelming pessimism began to permeate the entire company. Four years later Iger replaced Eisner as CEO. Looking back, he emphasizes heavily the importance of optimism even when navigating challenging times and concurrently rising above defensiveness and self-preservation. He states bluntly, "No one wants to follow a pessimist."

Even in the face of tough choices and less than perfect results, an optimistic leader cannot give in to pessimism. Similarly, the real estate market can be touch and go and discouraging at times. Within your real estate firm, have faith in your co-workers, leaders, and subordinates, and trust that together your abilities can help overcome difficult circumstances. Through uncertain economic times, shifting markets, and whatever challenges may come your way, decide now to have an optimistic outlook. Projecting anxiety onto your team is counterproductive. It's not about saying things are good when they're not or flippantly hoping that "things will work out." It's about believing in your and others' capabilities. There is a difference between
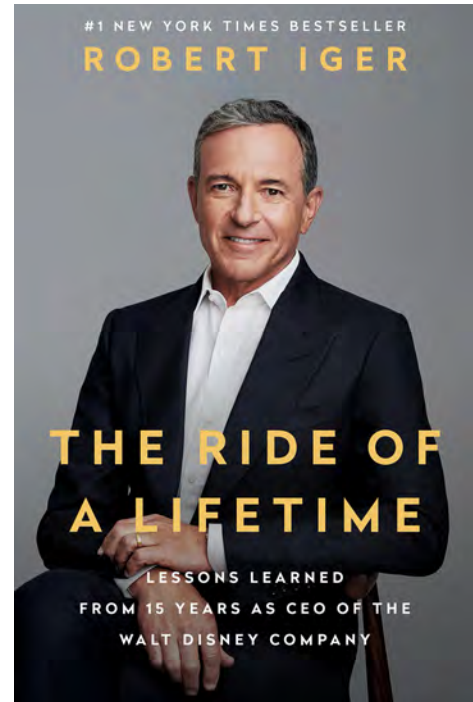
communicating stress that, as a team, will be overcome and communicating that success must be achieved in order to alleviate your stress.

THINK POINT #2: Courage

The foundation of risk-taking is courage, and in every shifting business, risk-taking is crucial. When Iger took over as CEO, Disney was in a precarious situation; in the last decade animation had lost nearly $400 million. At his first board meeting as CEO, Iger reminded the board, "as Animation goes, so goes the company." Disney Animation was the brand that fueled other businesses, including consumer products, television, and theme parks. Iger, with only a few days of being CEO under his belt, suggested to the board that Disney buy Pixar, which was producing success after success and high ratings in key market sectors. The daring proposal was met with intense pushback from the board. Undeterred, Iger called Steve Jobs, the current CEO of Pixar, the next day to discuss the possibility. Iger recalls "nerves caused me to break out in a sweat," and he expected Jobs to immediately shut him down. Jobs, however, responded, "You know, that's not the craziest idea in the world." Iger's step of courage eventually led to Disney acquiring Pixar and producing some of the 21st centuries most beloved animations including Ratatouille, Wall-E, Up, Cars, and others.

As Iger showed time and time again, do what you need to do, despite being scared. Change is inevitable and necessary. True change occurs only when a person is willing to step out with courage into the unknown. Don't settle for continuing to do what has always been done; instead be in the business of "creating possibilities for greatness." As a real estate agent, you will often be faced with situations outside of your comfort zone—reaching out to new clients, liaising between buyers and sellers, negotiating and closing sales. People often steer away from "taking big swings" because they convince themselves not to swing before they even step up to the plate. Iger posits that with enough thoughtfulness and commitment, the boldest ideas can be executed. Take a few moments to think about what bold ideas you have that might just need a little boost of courage to execute.

THINK POINT #3: Curiosity

Iger formulates, "the path to innovation begins with curiosity." After three major acquisitions, including Pixar, Marvel, and Lucasfilm, under the leadership of Iger, Disney began shifting its focus to a new frontier. The landscape of media business was changing quickly with the introduction of Netflix and other streaming services. The company had no choice but to innovate or be left behind. The obvious question was: Should Disney build its own tech streaming platform or buy one? Iger pivoted and chose to purchase BAMTech, which would be used to launch the company's first ever Disney and ESPN direct-to-consumer media streaming platform. The Disney+ streaming service consumers know and love today would not have been possible without a fierce commitment to curiosity and pursuit of innovation.

Be a lifelong learner. Curiosity is what enables the discovery of new people, places, and ideas, as well as creating awareness and understanding of the marketplace. Too often people lead from a place of holding on to the past, stubbornly trying to guard old models and maintaining the status quo, which won't survive the external changes in progress. It's hard to adjust models to which you have become accustomed and even harder to adjust the profitable ones, but change is necessary to embrace the future. Iger stresses that firms must innovate or die. As a real estate agent, stay up to date with the latest trends and shifts in your marketplace. Anticipate changes so you can approach them proactively rather than retroactively, as doing this will save you time and money in the long run. Don't be afraid to try something new.

Conclusion

Begin taking small steps each day to pursue invaluable leadership lessons in your real estate business. Optimism, courage, focus, decisiveness, curiosity, fairness, thoughtfulness, and integrity will take time to build, but the pursuit is worth it. Iger explains that these principles guided him as he led one of the most iconic companies today, but these principles can be applied to anyone who is ready to be less fearful and to take on the world with more confidence.

Recommended Reading

Iger, Robert (2019), *The Ride of a Lifetime: Lessons Learned From 15 Years as CEO of the Walt Disney Company*, Random House: New York, New York.

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Corrie Penraat earned her Bachelor of Science in International Business from Grove City College. Her past work experience includes roles for The Walt Disney Company as well as non-profits such as World Vision and Samaritan's Purse. Corrie is currently pursuing an MBA with a certification in Data Analytics at Baylor University and plans to further her career within supply chain management.

INSIDER: Company of One: Why Staying Small is the Next Big Thing for Business

Jacob Brenton, MDiv/MBA
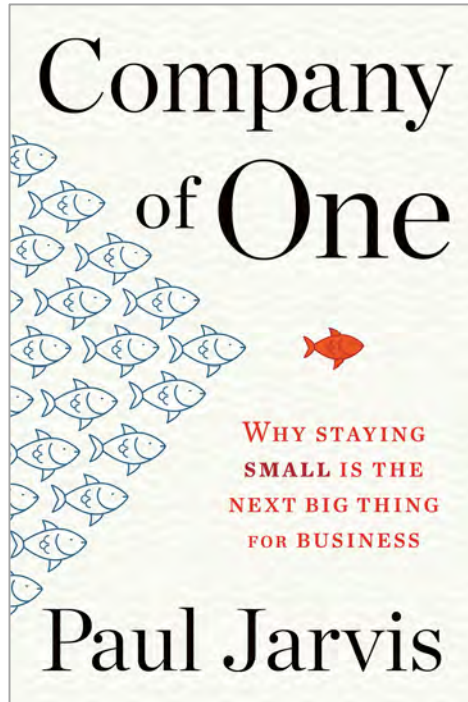
Does your firm have an overarching goal? You might be able to recite a mission or vision statement full of buzzwords and corporate jargon, but at the end of the day, what is the driver that keeps pushing your company forward? The answer for many companies worldwide often comes down to two factors: profitability and/or growth. For many businesses, these two beacons light the way forward, leading managers to ask what decisions will be the most profitable, or in more recent startups, how can the most growth be achieved in the least amount of time.

Some are beginning to question the usefulness of only these goals, however, and are redefining business success. For example, an entrepreneur may decide that for her family, she wants to bring in net earnings of $100,000 a year. While it may take several years for her business to reach this point, she may one day be faced with the opportunity to make business decisions that would potentially amplify growth and profitability well beyond this point. Traditional business wisdom would tell this entrepreneur to keep growing and profiting. Instead, she may choose to stay small, be content with growing just enough to keep up with inflation, and focus more on improving her product and customer relations. What if business leaders focused more on sustainable success, pleasing customers, and producing quality products?

Entrepreneur Paul Jarvis explores these questions and more in his book *Company of One: Why Staying Small is the Next Big Thing for Business*. The author covers a variety of perspectives in how small business owners, entrepreneurs, and even people working within a traditional corporate structure can redefine success in business, focusing on quality over quantity.

THINK POINT #1: Set the Right Goals

In defining a *company of one*, Jarvis explains that companies resist and question "some forms of traditional growth, not on principle, but because growth isn't always the most beneficial or financially viable move." A company of one is not necessarily the work of a lone entrepreneur (though many companies of one are). A company of one can even be an individual within a large corporation willing to lead a department or project in a way that refuses to be defined by incessant calls for growth and unending profitability.

Whether these companies of one find themselves as entrepreneurs or so-called "intrapreneurs," working within the structure of an existing corporation, they may find themselves pursuing goals that vary from traditional business goals. Those working in a company of one may be more interested in pursuing quality: both product and customer relationship quality. Jarvis asserts that companies of one will become relentless and passionate about creating a quality product or service in response to actual customer needs.

In today's business environment, however, many competitors offer high-quality products and services. Jarvis explains that the *quality* of the customer relationship is key to a company of one. By growing slowly and organically, companies of one can replace resources traditionally assigned to advertising and marketing with a quality customer relationship. Once a company has found its personality and cultivated deep customer relationships, clients may be more willing to pay a premium for the company's product or service.

When working at the pace of a company of one, these shifted priorities from growth and profitability to quality product and relationships will not only continue to turn a profit for the company but build a more fulfilling and pleasing work environment. Jarvis reminds readers that companies of one should not be based on pursuing a simple hobby, hoping it becomes profitable; rather, it should be the result of hard work and focus on quality to the point that quality becomes one's passion.

THINK POINT #2: Create a Scalable Infrastructure

It is not enough to merely hope for better business by setting better goals and focusing on quality. If one wishes to capitalize on the freedom a company of one may offer, an entrepreneur must work to create the kind of infrastructure that can support this business and reach the goals. Though many companies of one work within complex existing structures, it is important for entrepreneurs and intrapreneurs to build more efficient processes for carrying out traditionally time-consuming business tasks.

For example, companies focused on relationship quality over producing products must work to cultivate their market segment. With limited resources and no desire to grow wildly, these companies cannot possibly mass-create the kind of generic products or services that appeal to a broad customer base. Companies of one, then, must harness the power of segmentation to better understand their target market and the specific needs of their consumers. By understanding their core customers, managers can then hone their corporate personality, helping others understand who they are and why they exist. This customer understanding and company personality then effectively replace much of the marketing function with relationships and customer support.

Though companies of one are not focused on boundless growth, many of them will need seasonal capabilities or systems that can take on increased work. For example, if a company of one sells a digital product, they may want to consider using cloud services which can scale up or down

capacity as needed, rather than trying to host servers on their own. In order to keep supply and demand in check and at the level the company desires, managers may want to employ artificial intelligence which can respond to demand and set prices to deter or increase interest in the product.

Conclusion

Perhaps the most important lesson Jarvis shares in his book is that companies of one are not just comprised of daring entrepreneurs who happen to hit it rich by following a whim of passion. Companies of one take hard work, a focus on quality, and a scalable supporting infrastructure. The fruit of this work, focus, and infrastructure, however, lead to a quality of life rarely found in the relentless pursuit of profit. Jarvis envisions an attractive future of small companies of one, each perfecting their craft for its target market, each satisfied to grow slowly while maintaining a work-life balance. It is no wonder so many find this vision compelling.

Recommended Reading

Jarvis, Paul (2018), *Company of One: Why Staying Small is the Next Big Thing for Business*, Houghton Mifflin Harcourt: Boston, Massachusetts.

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Jacob Brenton graduated with his Master of Divinity/Master of Business Administration from Baylor University in 2020. He earned his Bachelor of Science in Computer Graphic Design from the McLane College of Business at the University of Mary Hardin-Baylor in 2014 and then worked in a non-profit before returning to school. Jacob enjoys studying the intersections of faith, business, ethics, and technology, and he currently serves as Acting Interim Pastor of St. John United Church of Christ in Robinson, Texas.

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