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TABLE OF CONTENTS

	Page
<p style="text-align: center;">LUCK VERSUS SKILL IN INDIAN MUTUAL FUNDS</p> <p>S.P. Uma Rao, University of Louisiana at Lafayette, U.S.A. D. Boudreaux, University of Louisiana at Lafayette, U.S.A. D.R. Adhikari, University of Louisiana at Lafayette, U.S.A.</p>	5
<p style="text-align: center;">PORTFOLIO FIRM RESPONSES TO INSTITUTIONAL INVESTOR ACTIVISTS AND THEIR TACTICS</p> <p>Jason Cavich, Nova Southeastern University, U.S.A. Ravi Chinta, Nova Southeastern University, U.S.A.</p>	15
<p style="text-align: center;">THE PURSUIT OF OPPORTUNITIES FOR CERAMIC ENTREPRENEURS FOCUSING ON DESIGN ACTIVITIES: LAMPANG THAILAND</p> <p>Aphichat Tannitisuphawong, Zhejiang Gongshang University, China Hu WeiWei, Zhejiang Gongshang University, China</p>	27
<p style="text-align: center;">BLOCKCHAIN APPLICATION IN DIGITAL MUSIC MARKET AND A CASE STUDY</p> <p>Liang-Chieh (Victor) Cheng, University of Houston, Houston, Texas, U.S.A. Yunpeng (Jack) Zhang, University of Houston, Houston, Texas, U.S.A.</p>	39
<p style="text-align: center;">WOMEN IN THE LIVE POKER ROOM, WHERE ARE THEY? THE MARKET SEGMENT THAT HAS YET TO BE REPRESENTED</p> <p>Kristie Ogilvie, Meredith College, U.S.A. Darren Masier, Meredith College, U.S.A.</p>	47
<p style="text-align: center;">EMPATHICALLY-RESPONSIBLE CONSUMPTION: MODEL AND SCALE DEVELOPMENT</p> <p>Parimal S. Bhagat, Indiana University of Pennsylvania, U.S.A. Eun Hwang, Indiana University of Pennsylvania, U.S.A.</p>	57
<p style="text-align: center;">THE IMPACT OF OUTLIERS ON STOCK AND BOND RETURNS</p> <p>Ronald W. Best, University of West Georgia, Carrollton, Georgia, U.S.A. Charles W. Hodges, University of West Georgia, Carrollton, Georgia, U.S.A. James A. Yoder, University of West Georgia, Carrollton, Georgia, U.S.A.</p>	69

EMPATHICALLY-RESPONSIBLE CONSUMPTION: MODEL AND SCALE DEVELOPMENT

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ABSTRACT

Individuals spend a lot of their resources – time, money, and intellect – on consumption activities ranging from necessities (consumer staples) to non-necessities (consumer discretionary). While the consumer has rights when it comes to engaging in commerce, he has responsibilities as well when participating in the exchange. Such people-oriented behavior is complementary to the respective pillar in the “triple bottom line” model of sustainability. This paper seeks to measure the impact of three antecedents in the model: (1) Cultural Sensitivity, (2) Empathic Acuity, and (3) Social Efficacy, on the consequence Empathically-Responsible Consumption.

Several hypotheses are forwarded and example of items included in each scale to operationalize the model variables provided. Survey methodology was used to collect data. Reliability and internal consistency of each scale were tested. The fit of the model was tested using multiple regression analysis.

Most of the hypotheses were confirmed except for one. While the impact of antecedents Empathic Acuity and Social Efficacy on the consequence Empathically-Responsible Consumption was found to be positive and statistically significant, Cultural Sensitivity was found to attenuate the impact on the consequence.

While extensive research exists on the relationships within the supply-side (service-provider side) of the triple-bottom-line (Planet, People, Profit) framework, this is the only research which examines one the three reciprocal concepts – People-oriented – from the demand-side (customer-side). This paper acknowledges the responsibilities of the consumer/customer in the relationship with the service-provider.

Keywords Sustainable consumption; empathy quotient; cultural intelligence; social intelligence; trust.

1. INTRODUCTION

The role of the consumer in American society cannot be understated with personal consumption expenditures as a share of gross domestic product at over 70% (Federal Reserve Bank of St. Louis). Individuals spend a lot of their resources – time, money, and intellect – on consumption activities ranging from necessities (consumer staples) to non-necessities (consumer discretionary). While the consumer has rights when it comes to engaging in commerce, he has responsibilities when participating in the exchange. Sustainable shopping behaviors such as green consumption have been addressed by researchers (de Groot and Steg, 2009; Andreassen *et al.*, 2015). However, with over 80% of our economy being services-oriented, the exchange relationship between the customer and service provider and the responsibilities of the customer in the exchange deserves scholarly scrutiny. Often, the impact of the service relationship on the consumer and provider is not studied while the satisfaction of the consumer is given paramount attention.

The purpose of this study is to understand the individual as a responsible consumer in the exchange when it comes to interpersonal relationships in the consumer marketplace and society. The choice of this factor patterns one of the three pillars of sustainability popularly in the academic and practitioner literature as the “triple bottom line” – *People-orientation* (Norman and MacDonald, 2004; Hart and Milstein, 2003; Hart, 1996). However, the focus of the concept of sustainability has been on the “supply-side” – the organizations, industries, and governments fulfilling their obligations to communities, employees, customers, and suppliers (Norman and MacDonald, 2004).

We study the impact of the “demand-side” – of the consumer and consumption activities. There are more studies in the area of green consumption in general and linking green consumption to sustainable lifestyles and quality of life (Gilg, Barr and Ford, 2005; Schroeder and Anantharaman, 2017). However, “green”

marketing is only one of several dimensions included in broader, comprehensive models of sustainability (see Bhagat, 2013 for a review) such as the Gross National Happiness or GNH model (Center for Bhutan & GNH Studies, 2017) based on Buddhist spiritual values such as kindness, equality, and humanity.

2. REVIEW OF LITERATURE

While sustainable shopping behaviors such as green consumption (or even anti-consumption) have been addressed by many researchers (de Groot and Steg, 2009; Andreassen *et al.*, 2015) as well as impact on consumer's social, financial, and mental well-being (Sirgy, Lee, and Rahtz, 2007), an "enlightened" consumer considers his actions on all "stakeholders". While CSR may often be wrongly regarded as the panacea for global poverty gap, social exclusion and environmental degradation (van Marrewijk, 2003), an enlightened consumer may play a positive role in his immediate human environment for the betterment of society.

Gilg *et al.* (2005) is especially pertinent to our research as it links purchase decisions and consumer habits to social values such as altruism. While Gilg *et al.* (2005) focus on the impact of green consumption on a sustainable lifestyle, parallels can be drawn from their work. They propose four levels of environmental consumerism with the *committed environmentalists* at the top of the scale. While they focus on the relationship between humans and nature, they found certain human values and psychological factors that define a committed environmentalist.

For example, they confirm Karp's (1996) findings that committed environmentalists are more likely to have altruistic values (e.g., "equality", "social justice", and "helpful"). They also found psychological factors such as perceived effectiveness and efficacy of their actions on environmental issues impacted the commitment of individuals to environmental consumerism. Our paper parallels the premise of the consumer-environment relationship Gilg *et al.* (2005) makes with our premise of a positive consumer-provider human relationship.

Rokeach (1968) makes a distinction between attitudes ("enduring organization of several beliefs focused on a specific object") and values ("an enduring belief that a particular mode of conduct or that a particular end-state of existence is personally and socially preferable to alternative modes of conduct or end-states of existence"), transcending specific objects or situations.

In effect, values are standards that consumers live by consistently. Rokeach (1973) proposed two sets of values: 18 terminal ("end-states") and 18 instrumentals ("modes of conduct"). Several of these values (e.g., "equality", "social recognition", "true friendship", "helpful", "cheerful", "loving", or "polite") may influence a consumer's behavior in a typical buyer-seller relationship. Munson and McQuarrie (1988) address the applicability of the Rokeach Values Survey to consumption behavior in marketing and conclude that not all thirty-six sets of values are relevant to consumption activities. However, their focus is on the acquisition of tangible (material) goods applying the values instrumentality approach of linking values and behavior. Based on self-reported measures, they retain 24 values and reject 12 values from the inventory.

Schwartz (1992) proposes two value dimensions: self-transcendence v. self-enhancement and conservative v. open to change. The former dichotomy especially has to bear on this research since a self-transcendent consumer would tend to be pro-social and hence participate in meaningful interpersonal relationships with the seller.

Specific values among his inventory of ten values that may bear on building a positive relationship with the seller may include "benevolence" and "universalism" (these have been shown to characterize altruistic behavior) while the impact of others like "hedonism" or "tradition" may not be clear. Another structure for values is the distinction between extrinsic (focused on external rewards such as financial success or social praise) and intrinsic (focused on internal rewards such as growth, self-actualization, and affiliation) values. The latter category may lead to a consumer to focus on positive marketing interpersonal relationships and make the world a better place. Perhaps this pursuit provides the rationale for the model of empathically-responsible consumer defined in the next section.

3. RESEARCH MODEL

We seek to measure the impact of three antecedents in the model: (1) Empathic Acuity (EA), (2) Cultural Sensitivity (CS), and (3) Social Efficacy (SE) on the consequences (a) Empathically-Responsible Consumption (ERC). In this section, we define each of the variables in the model and provide a relevant rationale for each (see Figure 1).

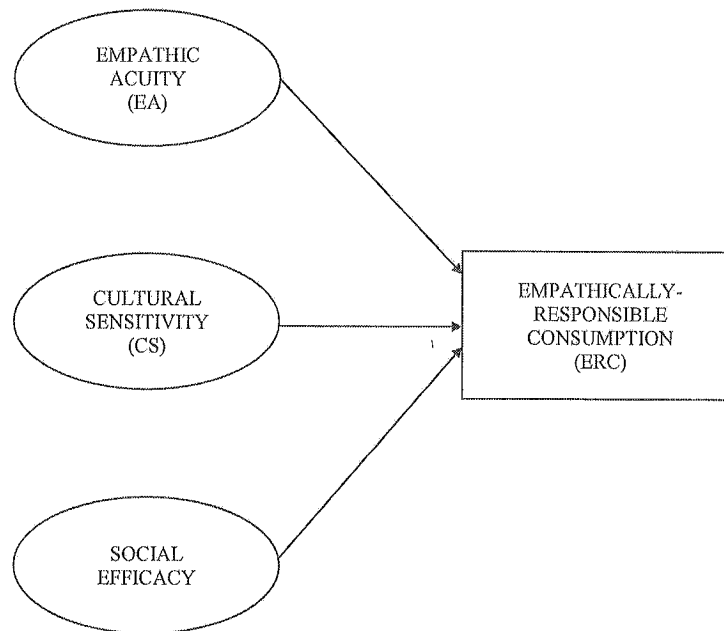
3.1 Empathic Acuity

Definition: A deep intra-personal emotional feeling toward the partner based on an internalized understanding of the content and context of the relationship.

Empathy, as defined in the Random House dictionary, is “the psychological identification with or vicarious experiencing of the feelings, thoughts, or attitudes of another.” Baron-Cohen and Wheelwright (2004) studied the concept in the medical investigation of autism since empathy (or lack thereof) “allows us to understand the intentions of others, predict their behavior, and experience an emotion triggered by their emotion.” They tested a 60-item Likert scale called EQ (or Emotional Quotient) (p. 171-173) having both an affective and a cognitive component. Further, they provide some distinction between empathy and sympathy, considering the latter to be some subset of the former. Chismar (1988) echoes this structure when he sees sympathy as “also entails having a positive regard or a non-fleeting concern for the other person.” Scheler (2008) considers sympathy as a “fellow-feeling ‘about something’; rejoicing in his joy and commiseration with his sorrow.”

A person with empathic acuity is finely tuned to and has a keen interest in the relational character of the interpersonal exchange – both the person and the context or situation. Further, the feelings are based on a vicarious internalization. The phrase “emotional feelings” used in the definition is based on an argument presented by Machleit and Wilson (1988) where they considered alternative words or phrases such as “affect”, “affective response” and “feelings”, mainly as a contrast to the measure of “cognitive” attitudes, which, in our research, are captured by other dimensions of our model. Empathic acuity, then, would lead to actions, behaviors, or behavioral intentions that reflect the people-orientation of the consumer.

Figure 1. Model of Empathically-Responsible Consumption



3.2 Cultural Sensitivity

Definition: The ability of a consumer to respond appropriately to stimuli presented to him in an interpersonal group-level relationship that is culturally diverse.

Cultural (Intelligence) Quotient or CQ is defined by Earley and Ang 2003 (p. 59) as "a person's capability to adapt effectively in new cultural contexts." The authors distinguish their individual-level conceptualization and research on cultural groups (e.g., masculine v. feminine), societies (e.g., east v. west), or nations. The authors further assert that their conceptualization is distinct from the two related constructs of emotional intelligence and social intelligence, which themselves have overlapping characteristics. Van Dyne *et al.* (2012) define CQ as "an individual's capability to detect, assimilate, reason, and act on cultural cues appropriately in situations characterized by cultural diversity. Salovey and Mayer (1990) see emotional intelligence as "the subset of social intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions." Goleman (1995), in his book *Emotional Intelligence*, draws on neuroscience to propose the amygdala as the "seat" of our emotions.

Earley and Mosakowski consider three components of cultural intelligence: cognitive, physical (related to behavior in interactions), and emotional/motivational – head, body, and heart. Van Dyke *et al.* (2012) provide a richer operationalization based on Sternberg's (1986) into four categories: metacognitive, cognitive, motivational, and behavioral. We operationalize our construct *Cultural Sensitivity* similarly:

Awareness (of the need to acquire culture-based information and knowledge),

Knowledge (of structures unique to cultures and differences therein),

Interest (or motivation to direct and sustain resources towards an optimal understanding of and response to intercultural situations), and

Behavior (flexible and effective overt actions in cross-cultural interactions).

3.3 Social Efficacy

Definition: Capacity to understand, respond, and influence positively interpersonal relationships with the marketing service provider.

This construct focuses on the interpersonal interactions observed in the economic exchange. Goleman and Boyatzis (2008) extend the concept of emotional intelligence, based on individual psychology, to a relationship-based construct called social intelligence, defining it as "a set of interpersonal competencies built on specific neural circuits (and related endocrine systems) that inspire others to be effective." For instance, a subset of mirror neurons may be to detect and respond to positive emotions such as smiles and laughter, while others may respond to pain and hurt. The authors also suggest the use of another type of neurons called spindle cells – extra-long branched cells that make it easier to attach and transmit thoughts, feelings, emotions, beliefs, and judgments quicker. Their operationalization of the concept from a managerial/leadership perspective is along the following dimensions: Empathy; Attunement; Organizational Awareness; Influence; Developing Others; Inspiration; and Teamwork. This construct focuses on two characteristics of positive social interactions: Collectivism and Prosocial behaviors.

Hofstede (1983) defines his first dimension of cultural differences as Individualism versus Collectivism based on the relationship an individual has with his fellow individuals. An individualistic person looks after his own (and, perhaps his immediate family) self-interest whereas a collectivistic person has strong ties between other individuals in the community who are not part of his immediate kin. Trompenaars, Hampden-Turner, and Fons (1998) propose a similar dichotomy they term "individualism-communitarianism" or one who has a primary orientation to the self or common goals and objectives. They found individuals who consider individual freedoms or opportunities as driving their quality of life to be individualistic, whereas those who "continuously take care of fellow human beings ... even if it obstructs individual freedoms and individual development" as defining their quality of life to be communitarian. However, a significant

difference in the conceptualizations of Hofstede and Trompenaars is that the latter considers the constructs as being complementary, not opposing, individual preferences.

Communitarian behavior where the highest good is in harmonious relationships can be linked to the concept of prosocial behavior. The four characteristics of prosocial behavior – helping, altruism, cooperation, and sharing (Dovidio et al. 2006; Belk 2009) - may be considered to have distinct psychometric properties. Caprara *et al.* (2005) addresses the complexity of this construct and proposes a 16-item scale of “prosocialness” for Adults. The scale captures the following four types of actions: sharing, helping, taking care of, and feeling emphatic with others and their needs or requests. While this scale considers three of the characteristics of prosocial behavior discussed in the previous paragraph, altruism is not specifically measured. However, if any of the actions involved do not provide any obvious or tangible rewards for the helper, they may be subsumed to be altruistic. One additional factor captured in the Prosocial Scale for Adults (p. 80) is feelings of empathy – specifically, four items. We are intent to consider the role of empathy as a unique and separate factor to distinguish between emotional feelings and behavioral intentions or actions. Further, the authors show the scale has a single latent dimension of prosocialness with high construct validity.

3.4 Empathically-Responsible Consumption

Definition: The behavior of a person who participates in an exchange fully aware of his relational responsibilities in a consistent manner that enhances his life satisfaction.

The purpose of consumption is to satisfy needs. Maslow’s Hierarchy of Needs, a taxonomy of needs widely accepted in psychology and marketing, suggests the following beginning with the lower-order ones: survival, security, social, self-esteem, and self-actualization. Each level may be seen as having an interpersonal or group aspect to it. This construct focuses less on the satisfaction based on an acquisition of material or tangible objects and more on the intangible value gained from a positive, personally-enriching relationship in the economic exchange. Such value may have more impact on the person’s well-being, quality of life, and life satisfaction in general. Herzberg’s (1971) two-factor theory of needs, applied to the marketing context, show that consumers consider *hygiene* factors with which if not satisfied would cause dissatisfaction with the marketer while *growth* needs, factors intrinsic to the consumption experience such as acquisition achievement, responsibility, advancement, and relationships, are the actual motivating factors that drive satisfaction with the provider. Material acquisition or purchase of products or services may perhaps lead to the maintenance of satisfaction while the satisfaction in the relationship may drive feelings of personal growth or life satisfaction. A healthy relationship (social or business) is necessary for a stress-free fulfilling life. Just as dissatisfaction is a state marketer do not want to see in their customers, they recognize that drivers of satisfaction may be different. Ryff (1989) proposed a six-factor scale of psychological well-being by considering the positive psychological states explicitly recognizing the disparate concentrate on psychological dysfunction by researchers in developmental psychology, clinical psychology and mental health (Ryff, 1995). Of the six factors she forwards – self-acceptance, personal growth, autonomy, purpose in life, environmental mastery, and positive relationships – the last factor has a direct bearing on our model. She operationalizes “positive relations with other people” as one who “has warm, satisfying, trusting relationships with others; is concerned about the welfare of others; is capable of strong empathy, affection, and intimacy; understands the give-and-take of human relationships.” Ryff and Keyes (1995) attempted to relate these factors with other factors of well-being such as happiness, life satisfaction, and depression and found the not all factors (including “positive relations”) had strong correlations with general factors of well-being.

4. METHODOLOGY

A survey questionnaire with the four scales representing each of the variables in the model was constructed. After appropriate review and certification by our institutional review board for ethical and legal considerations, it was sent out to a panel of randomly-selected students of a moderate-sized mid-Atlantic university. We received two-hundred and fifty-six responses of which two-hundred twenty-eight were complete and usable cases. The response was skewed toward female (149 students) for reasons

attributable to student demographics. Seventy-eight percent of respondents were over twenty-one years of age.

5. SCALE DEVELOPMENT

In this section, we discuss the development of each of the scales, provide sample items, and analyzing the internal consistency based on the Cronbach's (1951) coefficient alpha statistic. We report if any items were deleted in the final scale to improve the internal consistency statistics.

5.1. *Empathic Acuity (EA)*

Sample items selected for this scale included "I can tell if someone is masking their true emotions" and "I can tune into how someone else feels rapidly and intuitively." The initial scale consisted of sixteen items and resulted in Cronbach's Alpha of 0.848. This value is well above the accepted value of 0.7 (DeVellis, 2016). On closer examination of the mean inter-item correlation of the items, we found four items to inter-item correlations of close to zero or negative, even after accounting for reverse-coding items. Further, each of these four items had corrected item-total correlations around 0.3 or less, indicating these items may be measuring something different from the scale. The Cronbach's Alpha, if an item was deleted did not seem to indicate a substantial improvement in the statistic, though. Nevertheless, on dropping these four items, the new Cronbach's Alpha improved somewhat to 0.875 for the twelve-item scale. Three of these deleted items were part of a sub-scale measuring emotional reactivity in the broader scale for Empathy Quotient (Lawrence et al. 2004). The final scale will have the remaining twelve items.

5.2. *Cultural Sensitivity (CS)*

Ang *et al.* (2007, also see 2008, 2012) developed a measure of Cultural Intelligence and studied its impact on cultural judgment and decision-making, cultural adaptation, and task performance. Sharma *et al.* (1995) tested a seven-item scale of Cultural Openness. Sample items selected from the Cultural Intelligence scale along each of the four sub-dimensions included "I am conscious of the cultural knowledge I apply to cross-cultural interactions" (Metacognitive sub-dimension), "I know the rules of other cultures" (Cognitive), "I enjoy interacting with people from different cultures" (Motivational) and "I change my verbal behavior when a cross-cultural interaction requires it" (Behavioral). The scale in this research included twenty items and resulted in Cronbach's Alpha of 0.938. The inter-item correlation matrix did not show any low or negative values. None of the corrected item-total correlations were low, and Cronbach's Alpha did not improve if any of the items were deleted. Hence, we accepted the twenty-item scale of Cultural Sensitivity to be our final version.

5.3. *Social Efficacy (SE)*

This sixteen-item scale was arrived at after reviewing the research of Goleman & Boyartiss (2008), Schwartz & Howard (1984), Singelis *et al.* (1995), and Caprara *et al.* (2005). Specifically, Caprara *et al.* (2005) developed and tested a measure of Adult Prosocialness. Singelis *et al.* (1995) developed a rather elaborate thirty-two item measure of Individualism and Collectivism, which we considered for our scale but decided against it given the focus of our construct. Hofstede (1984) provides a measure of collectivism which we adapted for our purposes. Sample items selected for our scale of Social Efficacy included "I am pleased to help my friends/colleagues in their activities" and "I would always cooperate to keep group harmony." The reliability measure for this sixteen-item scale, Cronbach's Alpha, was a robust 0.936. None of the inter-item correlations were negative. None of the corrected item-total correlations were small, and the Cronbach's Alpha did not improve on deleting any of the items. Hence, we kept the initial sixteen-item scale as our final multi-item measure.

5.4. *Empathically-Responsible Consumption (ERC)*

This nine-item scale was drawn from Ryff's (1989, 1995) 54-item measure of Scales of Psychological Well-being (SPWB) used here as the surrogate indicator of Empathically-Responsible Consumption. More recently, Espinoza *et al.* (2018) investigated a bifactor structure of the scale using confirmatory factor analysis showing that while the full scale is a good measure of overall psychological well-being, a specific-factor solution with certain items loading on specific factors may hold value as well. Espinoza *et al.* (2018) further suggested a truncated nine-item scale, which was replicated in our research. Sample items selected

for our scale of Empathically-Responsible Consumption included “I enjoy personal and mutual conversations with family members or friends” and “I know that I can trust my friends, and they know they can trust me.” The nine-item scale of ERC provided a Cronbach’s Alpha of 0.83. All inter-item correlations were positive as expected with all corrected item-total correlations were strong (see Table 1). The reliability score could not be improved by deleting any of the items.

Table 1. Cronbach’s Coefficient Alpha of Scale

Scale	Number of items in scale	Number of items in scale AFTER deletion	Cronbach’s Alpha
Empathic Acuity (EA)	16	12	.848
Cultural Sensitivity (CS)	20	20	.938
Social Efficacy (SE)	16	16	.931
Empathically-Responsible Consumption (ERC)	9	9	.830

6. ANALYSIS

As reported earlier, each of the four scales indicated high levels of reliability. Only a few items in each scale needed to be deleted based on item-to-total correlations (see Table 1 above). Cronbach’s Alpha as the reliability statistic was better than 0.80, a widely-accepted norm in academic literature.

Based on review of the literature, operationalization of the variables, and the relationships in our model given in figure 1, the following hypotheses were tested using ANOVA statistics within Multiple Regression Analysis:

Hypothesis 1: Empathic Acuity positively impacts the level of Empathically-Responsible Consumption.

Hypothesis 2: Social Equity positively impacts the level of Empathically-Responsible Consumption.

Hypothesis 3: Cultural Sensitivity positively impacts the level of Empathically-Responsible Consumption.

Hypothesis 4: Overall, the collective causal relationship of Empathic Acuity, Social Equity, and Cultural Sensitivity to Empathically-Responsible Consumption is statistically significant.

Given the psychometric and statistical properties of the four variables in the model, we used multiple regression analysis statistical tool to test the model relationships. With Empathically-Responsible Consumption (ERC) as our dependent variable and Empathic Acuity, Social Equity and Cultural Sensitivity as the independent variables, we found the model to be statistically significant with the model R Square at 0.201. Each of the predictor variables was significant at a 99% confidence level. The collinearity diagnostic measure, Eigenvalue, for the first dimension was 3.935, indicating that multicollinearity was not an issue.

The standardized coefficient Beta was 0.29 for EA and 0.28 for SE with high statistical significance thereby supporting hypotheses 1 and 2. However, the model indicated a negative standardized coefficient of 0.194 for CS. This indicates that Cultural Sensitivity may be an attenuating factor in the model. We expected the value to be positive – cultural sensitivity of the consumer should enhance the empathically-responsible consumption behavior.

The possible reason for this effect is perhaps the highly homogeneous population which was predominantly Caucasian and young with limited cross-cultural experience. Hence, hypothesis 3 was not support by our data. The collinearity statistic VIF was significantly higher than 1.0. Table 2 below summarizes the results of multiple regression analysis.

Table 2: Results of Regression Analysis

	R Square	Durban-Watson	ANOVA significance	Std. Beta coeff	t	Significance	Collinearity Statistics VIF
Model	0.201	2.104	0.000				
EA				0.290	3.328	.001	1.659
SE				0.276	2.874	.005	2.004
CS				-0.194	-2.426	.016	1.396

Dependent variable: ERC

Predictor variables: EA, SE and CS

7. DISCUSSION

As mentioned, the focus of our model is on the demand-side factors in a buyer-seller relationship: The buyer perspective. One of the pillars of the typical triple-bottom-line model of sustainability (see the 1987 Brundtland Commission report of the United Nations) proposes that organizations and governments should consider the short-term and long-term (or generational) needs of key stakeholders – be people-oriented. This paper has a narrow focus on the responsibility of the *consumer* in commerce relationships. *Empathic Acuity* has an intrapersonal focus on the psychological characteristics of the consumer. *Social Efficacy* has an interpersonal focus on predominantly a dyadic relationship the consumer has with the boundary-spanning member of the marketing organization. *Cultural Sensitivity* focuses on the relationship of the individual consumer with a group – a cultural, social, or professional outgroup. Empathically-responsible consumption is an essential characteristic or pillar of a *consummate consumer*. While none of the variables in this paper are directly accessible in prior studies, background research cited here showed that validated scale variables or items from previous studies might assist in creating a composite set of items operationalizing the model variables. A logical extension of this model would be to incorporate the reciprocal pillars under the demand-side chain: Environmental-orientation and Economic-orientation. This approach would result in a comprehensive model of a sustainable or consummate consumer, one who consumes responsibly and contributes positively to society.

Further research on operationalizing each of the variables and empirically testing for construct validity, nomological validity, and model relationships are needed.

8. LIMITATIONS AND MANAGERIAL IMPLICATIONS

One of the limitations of the study is the highly homogeneous nature of the population. The lack of cultural diversity of the sample and its experience with culturally diverse life situations made it difficult to measure a key variable in the study – Cultural Sensitivity. In a cross-cultural world, the impact of cultural intelligence on empathic interpersonal relationships would have been insightful. On the other hand, the results may just indicate that cultural sensitivity does not impact empathic relationships in a culturally homogeneous context and this would not be a surprising finding.

Managerial implications for sales and human-resource training on one hand and publics at large are similar – be sensitive to the human interactions in consumption situations. Training for boundary-spanning employees can go a long way in engendering empathy in your salesforce. The challenge is expecting such empathic responses from customers at large.

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