

Leveraging affiliations by marketing to and through associations

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Abstract

Associations offer a wide range of benefits to their members and thus offer a rich source for understanding relationship marketing practices. Yet, the marketing academic literature is devoid of any frameworks that help us understand the process of marketing to and through associations at the firm level. What are the appropriate dimension(s) of characterizing associations, and how might they be best classified? What are organizational factors that foster or hinder such characterizations, and, what are their consequences and implications?

Based on literature review and field interviews with association executives and related exploratory research, we uncover “affinity strength,” or members’ attachment to the association, as the key dimension distinguishing associations. We then test to determine antecedent factors (association systems characteristics) that foster or hinder affinity strength as well as its consequences and implications. The major study involved a survey of executives of a wide range of associations, selected from the *Encyclopedia of Associations*.

Certain association systems characteristics do predict affinity strength. Also, affinity strength’s relationship with some of the antecedents as well as consequential variables was shown to be stronger or weaker, contingent upon the type of association (i.e., Professional, Cause-based, Common Interest, or Demographic) being considered. Overall, however, attributes of associations (e.g., association systems and outcomes), rather than association types, were more critical in explaining several phenomena pertaining to marketing to and through associations.

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1. Introduction

“Americans of all ages, all conditions, and all dispositions are constantly forming associations” Alexis de Toqueville, “Democracy in America,” 1840.

Even as far back since the early 19th century, as Toqueville had observed, associations played a significant role in the lives of many Americans. The importance of civic associations playing a critical role in sustaining democracy have continued to be documented throughout the 19th and the 20th (e.g., Schlesinger, 1945) to now the 21st century (Smith, 2000). James Madison once wrote, “Interest groups are the instruments through which American pluralism is expressed” (The Federalist Papers 1787). Today, as many as 1000 new associations are being formed each year represent-

ing nearly every industry, profession, charity, hobby, cause, and interest (American Society of Association Executives (ASAE), 2003).

There are over 158,000 associations in the United States today (Encyclopedia of Associations, 2003). Over 70% of adult Americans belong to at least one association, and about 25% belong to four or more (ASAE 2003). McPherson and Rotolo (1996) found an exceptional proliferation of small groups, particularly in urban and suburban areas. They estimated that roughly 100,000 or more such small groups operated in a typical U.S. city of over 1 million people, although not all of these groups were formal associations.

These groups offer a myriad of benefits to their members and thus offer a rich source for understanding relationship marketing practices. Is *Green Peace* or the *American Automobile Association* able to attract members with group-based rates or customized products? How can members of *AARP* or the *American Medical Association* engender enhanced trust and satisfaction among its members? Will members of *Ducks Unlimited* or the *Stamp Collectors*

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Association have a greater incentive to give back to their respective associations? These are some of the intriguing types of questions worth investigating.

Knoke (1986) offers a minimal definition of the term, association, as “a formally organized named group, most of whose members – whether persons or organizations—are not financially compensated for their participation”.² These criteria help us distinguish associations from primary groups, such as families, on one hand, and bureaucratic organizations, such as businesses and government bureaus, on the other hand (Knoke and Prenskey, 1984). Since they generally operate under the philosophy of egalitarian and voluntary participation, they are also sometimes referred to as “voluntary associations” (e.g., Putnam, 1995). “Civic associations” (Skocpol, 1997), “collective action organizations” (Knoke, 1988), “grassroots associations” (Smith, 1996), “intentional communities” (Kanter, 1972), “membership-based organizations” (>Bhattacharya, Rao & Glynn, 1995; Gruen, 1994), “mutual benefit associations” (Self, Kline, & Coleman, 1988), “third sector” (Drucker, 1992), and “affinity groups” (Macchiette & Roy, 1992) are also either synonymous or largely overlap with this term. When associations attempt to influence governmental decisions, they are said to be acting as “interest groups” or “special interest groups” (King & Walker, 1992). Our review of the literature found the simple term “associations” to be the most popular way of describing such organizations. Thus, this word will be used throughout the paper to refer to the wide variety of names referred to above.

Associations and their members are involved in a wide variety of relationships across a number of sectors or categories. The range includes occupational and professional, special interest or activity, cause-based, demographic and alumni associations amongst others (Smith, 1996). Within any association, and more importantly across these types of associations, there is likely to be a great variance in how they are organized, their structural characteristics, member dynamics, motivations and behavior.

Yet, despite the pervasiveness of such organizations and their marketing activities, there is a paucity of research on this topic in the marketing discipline (see Bhattacharya, 1998; Bhattacharya et al., 1995; Gruen, Summers, & Acito, 2000 as some examples of more recent work in this area). Surprisingly, association management issues have yet to be addressed at the firm level. Companies marketing to associations, as well as executives managing the associations, need to have a keen understanding of their members’ unique needs if they are to utilize the full assortment of relationship building tools available to them.

What are the appropriate dimension(s) of characterizing associations, and how might they be best classified? What are organizational factors that foster or hinder such characterizations, and, what are their consequences and implications? We begin by describing the methods employed in attaining our objectives.

2. Framework

In developing our framework, we began by conducting experiential field interviews with a diverse group of individuals having expertise on associations. In the absence of a well defined stream of research on a topic (such as this one), and as such a lack of theory in the area, a qualitative practitioner oriented approach is recommended (Zaltman, Lemasters, & Heffring, 1982), and used (see Kohli & Jaworski, 1990 as an example). Using a discovery-oriented approach (Glasser & Strauss, 1967; Wells, 1993), and augmenting it with a practitioner-based approach, we draw on academic and trade literature in marketing and related disciplines and supplement them with affinity marketing managers in diverse industries and organizations.

The field research consisted of experiential interviews with 32 individuals located across the United States.³ Of the 32, 9 were business school faculty members with a sound knowledge of associations, 5 were consultants who have professional relationships with associations, 4 were executives or office holders of associations, while the remaining 14 were professionals with association-related experience in specific industries (e.g., credit card, insurance, financial services, long distance telephone and travel). Various types of professionals were chosen because it was equally important to get multiple perspectives on the same phenomenon. Most interviews lasted about an hour, while two of them lasted nearly two hours. After a brief description of the research project, each interviewee was asked about appropriate ways of classifying associations, dimension(s) used in characterizing associations, and organizational factors that they believe potentially fostered or hindered the bonding that members had with their association. Positive and negative consequences of such bonding, as well as implications of such consequences, were also discussed.

Next, the alternative conceptualizations in the literature (from *ABI/INFO*, *Sociological Abstracts*, *PsychLit*, and *ERIC* databases) were compared with the results of the field data and contrasted to provide a rationale for selecting dimension(s) on which associations can be differentiated, a typology of associations, as well as our proposed hypotheses.

2.1. Affinity strength

Based on these exploratory research efforts, what we call “affinity strength” was chosen as the most significant dimension on which associations can be distinguished. According to the *Webster’s Collegiate Dictionary*, Tenth Edition, the term “affinity” is defined as “an attractive force between two parties that causes them to enter into and remain in combination”.

³ Our sample size ($n=32$) was not particularly large, yet Mintzberg (1979) has argued how small sample approaches should not be precluded in the study of organizations, since it “has often provided superior” insights than have large sample studies. In the same vein, March, Sproull and Tamuz (1991) also make a strong argument for learning from small samples of experience.

² Note that the memberships can be based on individual people or businesses.

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