

ABSTRACTS**1. HOW FALLING EXCHANGE RATES HAVE AFFECTED THE U.S. ECONOMY AND TRADE DEFICIT**

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ABSTRACT

Falling exchange rates reduce the purchasing power of the dollar, increasing import prices. Higher import prices have two effects. (1) A substitution effect that shifts demand from imported to domestically produced goods. (2) An income effect that reduces the total amount of real income available for spending on domestic goods and foreign goods. Based on U.S. 1960 - 2000 data, this paper estimates an econometric model that finds that the income effects of falling exchange rates, when evaluated using the Federal Reserve's nominal "Broad" exchange rate, overwhelms the substitution effects, causing a net negative influence on the GDP and income. Results indicate demand for both imported and domestic consumer and investment goods is adversely affected because the income effect is so dominant. For investment goods, there was a 2.52 billion substitution effect out of imported goods when import prices rose due to a one point drop in the nominal Broad exchange rate. Declining real income also caused decreased demand for domestically produced investment goods. For consumer goods, the substitution effect stimulated domestic demand, but was more than offset by the negative effect of declining income. The decrease in demand for domestic goods and services was 2.0 times as large as the decrease in demand for imports. Therefore, the trade deficit fell less in dollars (\$198B) than the GDP (\$321B) in real dollars. The study estimates that, other things equal, the trade deficit would fall from 4.3% to 2.3% of the GDP as a result of a large 16.1 percent drop in the nominal Broad exchange rate index, such as occurred 2000-07. Had the exchange rate not fallen during this period, we estimate the average annual growth rate of the U.S. economy would have been 3.2%, not the 2.7% it has actually averaged, assuming sufficient capital and labor availability to do so. Finally, we find that a falling trade deficit induced by falling exchange rates (\$12.31B per point drop in the rate), reduces the size of the annual transfer of U.S. assets to foreigners needed to finance the deficit by the same amount, but does not result in an equally large change upward by the end of the period in U.S. ownership of assets, because about 2/3 of this gain is offset by an income – decline related drop in savings (\$8.28B per point decline in the index) during the same period.

Keywords: *Macroeconomics, International Trade, Imports, Exports, Exchange Rate*

2. DIFFERENTIAL ROLES OF VENTURE CAPITALISTS BETWEEN THE U.S. AND KOREA

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ABSTRACT

Collecting and analyzing the survey data from US and Korean venture capitalists, we find that the roles of venture capitalists of both countries are somewhat different especially in growth assistance. We observe that the performance of US venture capital industry is relatively stronger than that of Korean venture capital industry. There may be several possible explanations to the above fact including economic, social or regulatory differences between the two countries. We offer an explanation that the better performance of US venture capital industry is due to the extensiveness in its monitoring role based on the survey findings. This paper emphasizes that it is not the funding role itself but the monitoring role of venture capitalists that makes the venture capital business successful.

Keywords: *Venture capital, Monitoring role, selection role*

3. THE EFFECT OF CROSS-BORDER MERGERS AND ACQUISITIONS ON SHAREHOLDER WEALTH: EVIDENCE FROM GERMANY

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ABSTRACT

This paper examines whether cross-border mergers and acquisitions create value and whether the value effect differs from domestic transactions for a sample of German acquirers over the period 2000-2007. This study focuses on the effects to shareholder wealth of the acquiring firms. The findings suggest that cross-border transactions result in significant wealth destruction for shareholders while domestic transactions result in value generation for shareholders of German acquirers. Legal, economic or cultural obstacles to cross-border transactions, information imperfection and difficulties in post-merger integration due to cultural differences may have contributed to the negative cumulative abnormal returns to shareholders of cross-border transactions. European Union (EU) membership of targets results in significant negative cumulative abnormal returns to shareholders while non-EU membership results in positive cumulative abnormal returns to shareholders of acquiring firms. Significant negative abnormal returns are observed for targets located in countries that have not adopted Euro compared to less negative returns for targets located in countries that have adopted Euro. The higher bid premiums paid for U.K. targets result in significant negative cumulative abnormal returns to shareholders of German firms acquiring U.K. targets, while the returns to shareholders are positive for acquiring targets located in Continental Europe.

Keywords: Cross-Border Mergers and Acquisitions, Domestic Mergers and Acquisitions, German mergers and Acquisitions, German Acquirers, Acquirer Shareholder Returns, Shareholder Wealth Effect

4. INTERNATIONAL WEEKEND-EFFECT: 1998-2007

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ABSTRACT

The presence of a weekend-effect has attracted interest since its revelation in 1973. This paper investigates the presence of a weekend-effect during the last ten years in various international markets. The findings of this paper suggest that the markets in Europe, North America, Japan, and Hong Kong have not experienced significantly negative returns on Mondays during this time period, but Brazil, Singapore, Malaysia, and Taiwan markets have significantly negative returns on Mondays.

Keywords: weekend-effect, day-of-the-week-effect, international markets

5. CUSTOMER MAGAZINES: AN EFFECTIVE WEAPON IN THE DIRECT MARKETING ARMORY*

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ABSTRACT

In a crowded communication environment, media have to prove their effectiveness and accountability in reaching their goals. Although marketing analytics are more important than ever in modern marketing programs, hardly any research is available on the effectiveness of customer magazines. This research focuses on answering the question: "Are customer magazines accountable in reaching their goals?"

Previous research on the effectiveness of relationship magazines has been commissioned in the UK by the Association of Publishing Agencies (APA) and Royal Mail, in cooperation with Millward Brown. The research shows that readers have a sophisticated understanding of the role of customer magazines; they welcome them, spend time reading them, have a more positive view of the company image and are more inclined to continue using the company than non-readers.

In order to find out whether the results of the APA study can be extended to the Dutch market, and verify the likelihood that the customer magazine is accountable for the differences between readers and non-readers, we started our own research, consisting of nine magazines from three different sectors.

Our findings confirm the effectiveness of customer magazines as a medium for building and retaining loyalty. Based on our results the customer magazine has definitely moved away from the public relations exercise towards the strategic communication device. Customer magazines have an effective role to play as part of the marketing mix. A role that is even more effective, if the intermediate function of a customer magazine is taken into account. Customer magazines are the ideal means to mention a company's website, to refer to exhibits, stimulate (web)store visits, link to the company's catalogue, and explore market research. Customer magazines, therefore, should be integrated into the mainstream marketing (communication) strategies.

Keywords: *Custom(er) Magazine, Customer Loyalty*

6. ATTITUDES TOWARDS COUNTERFEITING AND COUNTERFEIT PRODUCTS: HAVE THEY CHANGED?

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ABSTRACT

It is estimated that over \$512 billion in world trade goes towards counterfeits and that the counterfeit market continues to grow. This research studies the attitudes of 253 college students towards counterfeiting. Attitudes are evaluated and compared to those measured ten years earlier. Results suggest that overall measure of attitudes towards counterfeiting today are similar to those measured ten years ago, however differences on individual attitude items exist. Results further suggest significant differences in the attitudes held by individuals that have purchased counterfeits in the past and those that have not. Results are evaluated and recommendations for future research are presented.

Keywords: *Counterfeit Products, Counterfeiting, Knock-offs, Attitudes, Buyer Behavior, Buyer Attitudes*

7. QUANTITATIVE ANALYSIS OF THE INFLUENCE OF POVERTY ON MORAL DEVELOPMENT

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ABSTRACT

This quantitative study of the significance of poverty as a factor influencing moral development of individuals was based on the evaluation of Kohlberg's theory of moral development, including the application of cultural and situational influences that are country specific. This research was based on Nigerian case study. Despite all efforts of the Nigerian government, corruption and money laundering continue to rise to a level yet unseen in the history of the country. Nigeria is ranked one of the most corrupt nations in the world, after Bangladesh and Haiti. Multiple regression analysis was used to investigate the correlation between poverty and the high level of corruption, using data collected through random sampling of 100 of the 806 employees of Ifedore Local Government in Nigeria. The researcher also explored how extended family structure of the Nigerian society has created economic dependency, which has contributed to poverty. Variables of the study were measured using composite scores from

survey instrument developed by the researcher and the result indicated there was significant correlation between poverty and moral judgment. Poverty items scored 4.56 on Likert scale of 1 to 5 while moral development items scored 1.32, indicating that more poverty resulted in less moral development. Hence, the implications for positive social change will be the use of the outcome: (a) to strengthen poverty alleviation programs of governmental and non-governmental agencies; (b) to promote awareness on the effect of poverty on moral development; and (c) to launch campaigns against corruption and money laundering inside and outside of government establishments.

Keywords: Poverty, moral development, Leadership, organizational development

8. ROMANIA'S ADHERENCE TO EUROPEAN DIRECTIVES AND INTERNATIONAL STANDARDS FOR FINANCIAL ACCOUNTING IN INSURANCE COMPANIES

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ABSTRACT

"For a better understanding and analysis of evolution tendencies of Romanian accountancy in the economical, political, juridical, financial and cultural context, as well as in the context of harmonization with international accountancy standards, will present a few aspects concerning the attempts made by Romanian. Normalization accountants to elaborate and implement a set of rules and standards meant to "head", the Romanian accountancy system (inspired by the French one), standards that are aligned with the requirement of the 4th and 7th European Directives and with the International Standards for Financial Accounting (I. F. R. S).

To better explain what normalization represents, and to see whether Romanian accountancy was able to follow these rules we will analyze the contemporary evolution of accountancy by discussing three phenomena which characterize it, namely: normalization, harmonization and internationalizing.

Accountancy is different from one country to another, concerning its content and practices and any accountancy system is determined by the economical, political, juridical, financial and cultural environment of the country in which it functions. It develops according to the changes that appear in this environment and according to the development tendencies of accountancy at the global level."

Keywords: international accountancy standards, Romanian accountancy system

9. MONEY MOTIVES, ACHIEVEMENT ORIENTATION, AND MOTIVATION TO WORK AMONG YOUTHS

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ABSTRACT

Hierarchical regression analysis of survey data from 185 college students in Singapore and 177 college students in the U.S. found support for the hypothesized relationship between the three major money motives (positive, freedom of action, and negative) and motivation to work. The results were less consistent for the subscales of achievement orientation. Specifically, competitiveness was not significantly related to youths' motivation to work for both samples, while intellectual mastery was only significantly associated with motivation to work for youths in the U.S. sample. Implications of our findings are discussed.

Keywords: Money motives, youths, motivation to work

10. STOCK MARKET AND EXCHANGE RATE DYNAMICS: AN EMPIRICAL INVESTIGATION ON BRAZIL AND USA

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ABSTRACT

In this research we compare the stock market and exchange rate dynamics of Brazil and USA using Multivariate Exponential General Autoregressive Conditional Heteroskedasticity (EGARCH) framework. We find evidence that some significant spillovers from the foreign exchange market to the stock market exist for both countries. In these countries, it is conceivable that with currency depreciation, the export sector expands and stock prices increase. A result that has significant implications for policy markets and corporate and portfolio managers.

Keywords: stock market, exchange rate dynamics

11. AN AGENT-BASED MODEL FOR IMPROVED RECOMMENDATIONS USING A RELATION LIST

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ABSTRACT

Most recommender systems are designed to find relevant information on the web and generally use the statistical analysis or filtering approaches. However, individually these methods hardly reflect users' behavior patterns precisely and are not able to provide valuable information in many cases. This paper presents a novel and effective method for improved recommendations. We propose an intelligent agent-based hybrid recommender system that incorporates mining association rules and mining sequential patterns using a relation list with weighted value to indicate correlation rates among items. Experimental results clearly show how the proposed methods can lead to improved recommendations, and show the execution on a mobile device so as to provide convenience to users, regardless of time and place.

Keywords: E-business, Web Mining, Data Mining, Recommender Systems, Intelligent Agents

12. IMPROVING DECISION MAKING AND CRITICAL THINKING SKILLS USING INTERNATIONAL BUSINESS WEB-BASED TOOLS

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ABSTRACT

The twin engines of global economic development, Information technology and globalization, have accelerated the growth of web base pedagogical resources and revolutionized the teaching and learning methodologies through the use of the internet. However, there is diverge of opinion as to whether internet based learning tools, used by business schools and business professionals for training purposes, enhance the students decision making and critical thinking skills. This paper seeks to confirm whether students using the Global Marketing Management System Online (GMMSO) software (Coventry University and Minnesota State University International Marketing and Global Strategy courses) enhanced their international business research, strategic management decision and critical thinking skills. The GMMSO addresses one of the most important challenges faced by international business

faculty; that is, how to bring the real world into the classroom or training environment. More specifically, the GMMSO provides the platform needed to support students and business practitioners alike in their roles as managers and decision makers in a global setting. The purpose of this study is to share teaching experiences based on the use of the system and provide feedback from student surveys. The findings should indicate that the GMMSO enhanced the students' understanding of international business and improved their team working, research and critical thinking skills.

Keywords: International Business, Strategy, Technology, Innovation, Teaching, Learning

13. BOARD LEADERSHIP AND FIRM PERFORMANCE

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ABSTRACT

We examine the effects of internal and external corporate governance and monitoring mechanisms on the value and performance of firm choosing various leadership structures. Employing a large and extensive sample during the 1995-2005 period, we find that after correcting for the endogenous treatment effect, our results show that while CEO dualities, i.e., CEO-chair of the board or CEO-nomination committee member, positively influences firm value and performance, too much CEO power measured by CEO pluralities, i.e., CEO-chair of the board, and a chair or a member of the nomination committee, adversely influences firm value and operating performance. In addition, while the impact of board independence and institutional ownership on firm value and performance is positive, the impact of blockholders' ownership, and managerial entrenchment is inversely related to firm value and profitability.

Keywords: Board leadership; corporate governance; firm value and performance

14. FROM MADE IN CHINA TO GLOBAL CHINESE BRAND

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ABSTRACT

China is known for its inexpensive manufacturing of products distributed world wide as brands of well-known non-Chinese global companies and well-known successful foreign retailers. Chinese companies' ability to develop successful global brands is affected by elements related to country of origin. China is not known for its high quality, originality or innovativeness. One of the major limitations of the current state of affairs is that the Chinese are functioning as "order takers" from global companies that are in close relation with end users. These foreign global companies have full understanding of the end users' values and preferences. In order to progress toward achieving leadership in the world market, Chinese companies need to move to the front line in the value chain, to develop a relationship and build a partnership with the end user, and to answer directly to the end users' need and aspiration: starting from marketing research; moving to original, innovative, competitive strategy development; and finally being responsible for distribution and the service components of their offering.

Keywords: Chinese Global Brands, Marketing Strategy, Country of origin effect, Long term strategy for global leadership

15. CONSUMER ADOPTION OF THE INTERNET FOR NICHE APPAREL: IMPLICATIONS FOR ENTREPRENEURS AND MANAGEMENT

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ABSTRACT

An extension of the theory of reasoned action and select components of the theory of innovation adoption were integrated into a model consumer adoption for internet apparel of a niche market, customized hospital gowns. This is an extension of Yoh, Damhorst, Sapp, and Laczniaik (2003) where in the model was devised that included psychological, social and experience factors to investigate the intention of purchasing apparel via the internet. As the apparel marketplace evolves, more and more companies are vying for a presence in specific niche categories. This growth and evolution toward niche markets indicates that this should be an area of academic and practitioner concern and research. This niche marketplace behavior is evident in the growth of the catalogue, direct marketing, and especially the evolution of e-commerce via the internet. To address the customized hospital gown apparel niche, a snowballing data collection technique was utilized to efficiently and effectively reach a more ideal market for such garments. Many hypothesized variables were significant. Specifically, prior experience with the internet, attitudes toward the niche apparel, and attitudes were significant. These variables were hypothesized to be significant based on the Yoh et al. (2003) model of apparel.

Keywords: Consumer Adoption; Internet, Apparel, Niche Market, Direct marketing

16. EXPLORATORY RESEARCH CONCERNING ORGANIZATIONAL CONSUMERS' BEHAVIOUR IN A TRANSITION ECONOMY – ROMANIA

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ABSTRACT

The transition of the Romanian economy from the economic system based on an accentuated centralism to one based on the market economy in 1990, along with the major growth of the role and contribution played by the activity of buying material resources lead up to the organizations' proper functioning and profitability. The awareness degree of this activity's importance for businesses has progressively grown during the transition period, the outcomes becoming more obvious particularly in the last years. The purpose of the research is to emphasize the extent to which Romanian organizations, especially small and medium-size enterprises succeeded, during these almost two decades of transition to adapt their behaviour to purchase inputs (material resources and services) to the requirements of a private ownership based economy. The authors are interested in the extent to which the managers of these organizations came to understand that is the behaviour they are expected to have in the field of purchase in a market economy.

Keywords: Transition, Input Quality, Evaluation Criteria, Suppliers' Selection, Competition, Cooperation, Negotiation, Cost Analysis

17. BANK REGULATION AND THE INTERNATIONAL LOCATION CHOICE OF BANKS

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ABSTRACT

In recent years, the internationalisation of banks has increased rapidly. Looking for profit opportunities, banks evaluate different markets by taking various determinants into account. Among them, host country regulation is of significant importance. Despite Basel II, regulations still differ significantly across countries, with the sub-prime based discussion further highlighting international variations. Although regulation generally contributes to financial stability, it also imposes considerable costs on banks, depending on the particular regulatory standards. This paper develops a theoretical framework to examine the impact of bank regulation on the international location choice of banks. Drawing on transaction costs theory, we show that location choice is strongly influenced by the risk preference of banks, with risk affine banks being much more international. Furthermore, deposit insurance predominantly attracts risk affine banks, while risk averse banks prefer markets with high capital requirements and low activity restrictions in our model. Additionally, we look at general regulation policy and find that rule-based and transparent regulation is more desirable for banks than volatile policy. Our results contribute to the understanding of banks' internationalisation and point out the impact of regulatory differences on the location choice of banks.

Keywords: Bank Regulation, Location Choice, Transaction Costs, Cross-Border Banking

18. ADVERTISEMENT IMAGES OF MEN AND WOMEN IN CULTURALLY DIVERGING SOCIETIES: AN EXAMINATION OF IMAGES IN U.S. AND JAPANESE FASHION MAGAZINES

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ABSTRACT

This paper examined the representations of men and women in advertisements appearing in American and Japanese fashion magazines. Researchers have long noted the importance of advertising images in gender-role stereotyping. It has been found that advertising reflects social and cultural beliefs regarding gender and contours individual beliefs and behaviors through its various textual and visual messages (Frith, Shaw, and Cheng, 2005; Lazier-Smith, 1989; Pollay, 1986; Schudson, 1986). While a notable amount of research has been conducted on women in American advertisements, researchers have recently shifted their focus to examine advertising images of men as well. In addition, in an increasingly global society, one must wonder if both increasing gender equality in some aspects and continued gender stereotypes in other aspects of American advertisements extend beyond national borders. In an examination of advertisements in American and Japanese fashion magazines, this study found that several differences were present in the portrayals of men and women in the two culturally diverse nations, which speaks to evolving gender roles, particularly in the Japanese culture. It was also found, however, that some gender stereotypes surpassed the nations' borders. This research project has contributed to the understanding of gender stereotypes in advertising images by providing insight into such stereotypes present in advertisements in Japanese and American fashion magazines and by presenting a model for future cross-cultural analyses of men and women in advertisements.

Keywords: Advertising, Magazines, Gender, Gender Stereotypes, Japan

19. THE ACCOUNTING INFORMATION RECEIVED, ITS UTILIZATION TO ENHANCE THAI EXECUTIVE DECISION MAKING AND THE EFFECT OF PERSONAL CHARACTERISTICS

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ABSTRACT

This research aims to explore Thai executive AIS information received and used and to investigate the relationship between the information received and information used. Further, we incorporate personal characteristics in this study according to the suggestion of prior studies that it might have an effect on the relationship, i.e. the same available information might be used differently among users depends on their personal characteristics. Data were collected by survey questionnaires administered to executives of non-listed manufacturing firms in Thailand. A cross-sectional sample of 400 organizations was randomly selected and 109 completed questionnaires were returned for a response rate of 36.33%. Multiple regressions are applied to the data analysis. The results reveal that executive personalities do have an effect on information received and the use of accounting information to support decision making and have an effect on the relationship between information received and information used to support decision making. The empirical evidence suggests that accounting information from AIS and personal characteristics of users affect decision making. This information should be considered in developing AIS in order to improve its effectiveness.

Keywords: Accounting information systems, Decision making, Personal characteristics, use of accounting information, manufacturing firms

20. THE ROLE OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM) TO DEVELOP LIFETIME CUSTOMER PROFITABILITY ANALYSIS MODEL (LCPAM): A CASE STUDY OF AUSTRALIA

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ABSTRACT

The paper examined the role of customer relationship management (CRM) to develop lifetime customer profitability analysis model of a major multinational Australian retail bank using case study research approach. The current system limits the bank to use effectively customer profitability information to support its marketing strategy which the paper suggests to be based on market segmentation, extensive use of activity based costing (ABC) and calculating customer relationship revenues and relationship costs. A hypothesized LCPAM model was developed after reviewing the existing literature and the model was revised based on the comments from the participants. The revised model has contributed to the literature with the discovery of some new drivers of revenues and costs. The revised model if implemented will improve the lifetime customer profitability analysis system in retail banks. The model has also implications for further research by other researchers in the new area of amalgamating relationship management and management accounting.

Keywords: Customer relationship management, Lifetime customer profitability model, retail bank, Australia, case study research
