Corporate Image in the Context of Organizational Transformation: An Integrative Theoretical Model

Nguyen Thi Hoang Yen
Posts and Telecommunications Institute of Technology, Vietnam
Email: yennth@ptit.edu.vn

Abstract
Contemporary researchers often study the concepts of corporate image and organizational transformation from different perspectives: the first in marketing and the second in management. Yet there are opportunities to link these two concepts in the field of marketing. Basing on attribution theory, this paper proposes a new analytical framework for identifying corporate image determinants and consequences in the context of organizational transformation. This approach provides interesting implications for companies looking to enhance their image in such a context.

Keywords: Corporate image; organizational transformation; attribution theory; customer response; communication.
1. Introduction

Corporate image, which can be defined in the literature as a company’s image or an institutional image, plays an important role in company’s success. Indeed, it is seen as a strategic asset (Dowling, 1993) or as a source of competitive advantage for a company (Hall, 1993; Gray and Balmer, 1998). Due to this importance, corporate image is the subject of a large number of marketing researches.

In the research concerning corporate image, academic works regularly focus on its process of formation (Kennedy, 1977; Mazursky and Jacoby, 1986) and its management (Dowling, 1986; Abratt, 1989; Barich and Kotler, 1991). A large number of empirical studies have also been conducted to explore the effects of corporate image dimensions (corporate associations) on consumer responses toward a company’s product (Neadle, 1964; Yeoh, 1994; Brown and Dacin, 1997; Madrigal, 2000; Gürhan-Canli and Batra, 2004; Berens et al, 2005) or toward the company itself (Moorman et al, 1993; Donney and Cannon, 1997). However, researchers generally examine corporate image in relatively stable contexts. There is, as yet, no research which focuses attention on corporate image in the context of organizational transformation, in which there is a major change of a company’s main components (Romanelli and Tushman, 1994). Whereas in recent years, organizational changes within firms which are often considered as a fundamental motivation to allow modern companies to respond to market demands and to remain their competitiveness (Ye et al., 2007) were numerous, no research has sought to analyze the impact of these changes on company image. For this reason, it seems necessary to pay special attention to this issue.

Indeed, under the process of organizational transformation, changes may occur in the relationship between companies and their customers. In fact, customers may abandon a company and the company might absolutely lose customers already acquired. It is possible that this loss relates to a negative image of the company after organizational transformation. For this reason, in this article, we discuss both corporate image and organizational transformation concepts. Our main objective is to initiate a discussion on corporate image in the context of organizational transformation in order to define its effects on the transformation’s acceptance or rejection by customers. Specifically, in this present research, we are interested in inter-firm relationships. In other words, this research aims to propose an integrative model of corporate image in organizational transformation in B2B relationship.

2. Literature review

2.1. Corporate image

For a long time, the concept of image has often been used in marketing and other related disciplines. It is applied to organization, brand, product, geographical locations, events, and also individuals. Image is defined as a set of meanings by which an object is known and through which people can describe and memorize (Dowling, 1986). Among these types of image, corporate image, which is sometimes called organizational image (Hatch and Schultz, 1997; Gioia et al., 2000; Schuler, 2004) or institutional image (Kazoleas et al., 2001; Arpan et al, 2003) is the subject of a large number of researches not only in marketing field, but also in other disciplines (Brown and Da-
cin, 1997) since its appearance in the 50s of the last century (Kennedy, 1977). The history and development of this concept are widely reported in literature review, such as those made by Kennedy (1977), Abratt (1989), Brown (1998), Hatch et al (2003) and recently by Furman (2010). Despite the rich literature on this subject, a consensus on the conceptualization of corporate image still seems difficult to achieve (Gioia et al, 2000; Balmer, 2001).

In marketing, there are three approaches to define corporate image (Brown and Dacin, 1997). In the first approach, the authors define corporate image as perception (Enis, 1967; Grönroos, 1984), or the mental picture or portrait of a company (Gray and Balmer, 1998; Schuler, 2004). The authors of the second approach integrate evaluation, feelings, and attitudes towards a company into their conceptualization of corporate image (Dowling, 1986; Barich and Kotler, 1991). Elbeck (1998) uses a definition of corporate image which includes feelings toward the company. Similarly, Pharoah (1982) and Barich and Kotler (1991) suggest an affective component of corporate image. It is clear that for the theorists of the second approach, corporate image means more than descriptive beliefs of a company (Brown and Cox, 1997) and includes both descriptive and evaluative components (Brown, 1998). According to Brown and Cox (1997), this reference of corporate image leads to the differences between the two first conceptualizations. Being different from the first and second perspectives, the third approach considers corporate image as associations and meanings that customers attach to a company (Martineau, 1958; Dowling, 1986; Keller and Aaker, 1992).

For other authors, conceptualization of image concerns strictly the study of its formation process. For example, for Mazursky and Jacoby (1986), image is a set of cognitions and/or affects educated from current perceptions and/or inputs of memory related to a phenomenon (object or event) representing its meaning for the individual. This definition, which is based on an image’s formation seems not to conflict with definitions of corporate image suggested by other authors. In fact, corporate image can contain cognitive and/or affective components. It also refers to knowledge about the studied phenomenon that an individual holds. However, Mazursky and Jacoby (1986) note that, in many cases, image is purely cognitive and does not contain affective components.

By integrating the above different perspectives of defining corporate image, we understand corporate image as expectations, perceptions and attitudes which are reflected by corporate associations that customers hold toward a company. Corporate associations are defined here as the generic label of any information about a company that an individual holds (Brown and Dacin, 1997; Madrigal, 2000). These associations can contain perception, beliefs, mood and experienced emotions, an individual’s overall and specific evaluation of a company (Brown and Dacin, 1997).

Because corporate image is a complex and multidimensional concept (Pina et al., 2006), it is often operationalized in terms of different types of corporate associations. Each type of association is seen as a dimension of the corporate image. Although marketing researchers have sought to measure the corporate image for a long time, it seems that they have not reached
a consensus on the operationalization of this concept. By contrast, for each context, the authors used different corporate associations (Berens and Van Riel, 2004).

As mentioned, this research is interested in the industrial customer. The literature on the buying behaviour of this kind of customer highlights the fact that customer purchase decisions are often influenced by a supplier’s image or reputation (Kauffmann, 1994; Shaw et al., 1989). Based on this observation, Mudambi et al. (1997) suggest that generally, the industrial customer considers company attributes perceived as corporate image associations. Two types of corporate associations are highlighted in this context: product offering and support service offering. The emphasis on these types of associations is credible because the customers’ main concern is the supplier’s ability to produce and deliver product of good quality which can satisfy their needs (Brown and Dacin, 1997). For the reasons above, in the present research, we pay attention to two types of corporate image associations: company expertise and service quality. Company expertise refers to the ability of a company to manufacture and sell its products or services (Keller and Aaker, 1992). Service quality refers to the ability of a company to meet a customer’s needs and expectations, and it is seen as the difference between expected service and service perceived by the customer (Parasuraman et al., 1985).

2.2. Organizational transformation

Until now, research on organizational transformation is located mostly in the management field. According to the temporary equilibrium theory proposed by Romanelli and Tushman, organizations often proceed with small-scale changes (organizational changes) to maintain or to reinforce their internal consistency as well as to adapt to demands of the environment for the purpose of improving their effectiveness. In addition, these changes are added to each other in a progressive manner (Romanelli and Tushman, 1985, 1994). The evolution process alternates between two different types of periods: long periods of stability which are interrupted by short periods of radical change establishing new bases of activity for the next period of stability. These short periods of major (or radical) discontinuous change are called organizational transformation.

Other researchers in management field seem to share this understanding of organizational transformation. For example, Wischnevsky (2004) and Wischnevsky and Damanpour (2006) define organizational transformation as the transition between organizational states, such as revolutionary or major changes in key fields of organizational activities. However, for some authors, the concept of organizational transformation is associated with radical change (Greenwood and Hinings, 1996), change of deep structures (Gersick, 1991) or second-order change (Bartunek and Moch, 1987). For other researchers (Hannan and Freeman, 1984; Romanelli and Tushman, 1994; Old, 1995; Mintzberg et al., 1999), organizational transformation is described, on one hand, as a major, deep, fundamental or generalized change which amounts to a rupture, and on the other hand as a modification that affects main or essential components of an organization. Therefore, when we talk about organizational transformation, two aspects should be explicit: importance and magnitude of change (Bras-
Regarding the importance of modified elements, organizational transformation touches the main aspects of an organization. However, the identification of these aspects depends on the representation model of organization and the underlying theory used by authors. With authors who are interested especially in organizational strategy, radical or revolutionary change and transformation, the main components are mainly structure, strategy, operations or critical processes, system of governance, of management, and of culture (Romanelli and Tushman, 1985, 1994; Barnett and Carroll, 1995; Old, 1995).

It’s clear that organizational transformation has a strong impact on the operating model of a company. For this reason, many studies have focused on the effects of organizational change on employee perception (Lau and Woodman, 1995; Huy, 1999; Oreg, 2003; Armenakis and Harris, 2009; Ahearne et al., 2010; Jaros, 2010). Nevertheless, in this research, we are interested in the effects of organizational change on company image as perceived by its customers. Thus, attribution theory is mobilized in our research.

3. Theoretical framework analysing corporate image in organizational transformation: attribution theory

Attribution theory is understood as a set of theories dealing with how individuals interpret the environment, as well as how these interpretations affect their evaluation and behavior (Martinko and Thomson, 1998; Swanson and Kelley, 2001). As founder of this theory, Heider (1944) is the first author to point out that people feel a deep motivation to understand their environment by asking several questions about causes of events or behaviors they observe. The answers to these questions (attributions) help them understand, organize and form patterns, which provide them with a chance to make sense of their environment.

The research on the concept of attribution has dramatically increased from the 70s (e.g., Settle et al., 1971; Mac Arthur, 1972; Sparks and Locander, 1980; Scott, 1982; Weiner, 2000; Dixon et al., 2001). Since then, attribution theory has been developed through a great deal of research. Through work review on attribution theory, Kelley and Michela (1980) proposed that research on this theory can be classified into two main streams: one consists of the work focusing on the process leading to attribution formulation (Jones and Davis, 1965; Kelley, 1972, 1973) while the other consists of work focusing on attribution consequences (Weiner, 1979, 1980, 1985a, 1985b). Attribution theory is seen as a primary paradigm used to explain the phenomena of social interaction in social psychology. It is also widely adopted in marketing research (Swanson and Kelley, 2001).

Research on attribution theory shows that people can make attributions in various situations. But few studies have focused on identifying specific situations in which people produce attributions (Vallerand and Bouffard, 1985). According to Wong and Weiner (1981) and Weiner (2000), individuals produce more attributions when they face unexpected events or failures. Weiner (1985b) confirms this conclusion. In addition, he finds that the event’s importance influences whether attributions are produced or not. However, for Lord and Ma-
her (1990), attribution theory can be applied in other contexts. In fact, the attribution search of customers can also follow success or positive outcome (Morales, 2005). Indeed, in his work, Morales (2005) shows that customers’ attribution occurs when they face a firm’s effort, even when this effort has no impact on product quality and is not personally directed toward an individual consumer. Furthermore, he finds that there is a direct link between the customers’ perception of a supplier’s motivation to make effort and their reward action (willingness to pay, store choice, general evaluation). The research of Bitner (1990) on customers’ responses to a company’s marketing mix activities and Swanson and Kelley’s research (2001) in the context of carrying out activities to recover service errors of a company, seem to support Morales’s point of view.

The research of Morales (2005) appears interesting because it allows us to assume that attribution theory can be applied, in our research context, to understand customer’s responses to organizational transformation. Indeed, even if radical change (organizational transformation) can have complex objectives, it is often aimed at the adaptation or the development of a company (Brassard, 2003). Thus, organizational transformation regularly shows a company’s efforts to adapt to its market. Even when these efforts have no direct influence on its product quality, it may have significant effects on the recognition (appreciation) of its customers (Morales, 2005).

In our research, attribution theory is used to explore customer responses to a company’s organizational transformation. To do this, we use several perspectives of attribution theory, especially the research of Kelley (1972), which is in the first stream of attribution theory, and Weiner’s (1979, 1980, 1985b), which is in the second one. The examination of these theories allows us to assume that the attributions customers make when facing a provider’s organizational transformation are as cognitive responses, and their affective and conative responses are as consequences of these attributions.

3.1. Attributions as cognitive response to organizational transformation

The central theme underlying attribution theory is that causal analysis is inherent in an individual’s need to understand social events. In fact, individuals seek to develop explanation of their own actions and those of others, and to make attributions (causal inferences). It is assumed that individuals make attributions to achieve a greater level of understanding of their life and environment (Dean, 2004). Attributions are the result of a cognitive process by which individuals assign an underlying cause or explanation for an observed event (Kelley, 1973; Kelley and Michela, 1980), for example, a supplier’s activities of organizational transformation. In this sense, attributions are then a perception (Calder and Burnkrant, 1977; Dean, 2004) or cognitive response of individuals (customers in our research) to another’s action (supplier’s organizational transformation).

Within the attributional research field, several studies, including those of Kelley (1972) aim to explore different attributions produced by individuals. These researches can help us to better understand a customer’s cognitive response to a supplier’s organizational transformation. In particular, for Kelley, an individuals’ attribution is a process that allows them to per-
ceive environmental entity properties, which means to infer causes from effects. However, individuals have limited capacity to produce attribution for two reasons: either they satisfy themselves with a minimum of information, or they have access only to this minimum of information. Attributions produced by individuals are generally made in the simplest and most economical way. This is essentially when the situation is new or unusual and when the attribution seeks to mobilize cognitive resources: individuals explore a number of possible attributions and eliminate the less relevant based on elements they have known.

For researchers, customer cognitive response involves not only memory elements, knowledge structure, beliefs, thoughts, and protocols (Bettman and Park, 1980), but also includes imagery sensory elements, associations and fantasies (Holbrook and Hirschman, 1982). In our research, customer cognitive response to supplier’s organizational transformation is seen as the interpretations (attributions) a customer makes. These interpretations, which can be considered as customer cognitive understanding (Lau and Woodman, 1995), are guided by a causal diagram (Kelley, 1972) or a cognitive map (Lau and Woodman, 1995) representing customer knowledge structure towards a supplier’s organizational transformation.

3.2. Affective and conative responses to organizational transformation as consequences of attributions

Because attribution theory predicts the relationship between attributions, attitude and subsequent behavior of individuals (Kelly and Michela, 1980), we assume that customers’ affective and conative responses to organizational transformation are consequences of attributions they make about this. The theory developed by Weiner (1979, 1980, 1985b) helps to support our assumption.

In his work, Weiner (1979, 1980, 1985b) studied mainly attributions, essentially causal attributions, made by individuals following success or failure at an achievement task. After determining an outcome’s cause, the individual evaluates that cause along three dimensions: locus of causality, controllability, and stability (Tomlinson and Mayer, 2009). The locus of causality makes the distinction between causes generated internally or externally, indicating who or what is to blame for the outcome. Controllability refers to the degree of volitional control an individual has over the outcome, or how much to hold another accountable for the negative outcome. Stability is the degree to which the cause is perceived to either fluctuate or remain constant (Jones and Davis, 1965). Stability thus indicates what to expect in the future under similar circumstances. According to Weiner, these dimensions determine the individual’s emotional and behavioral consequences following success or failure. The finding of Weiner is also shared by other researchers in social psychology (Krishnan and Valle, 1979; Folkes, 1984, 1988, Folkes et al, 1987) and in marketing (Bitner, 1990; Swanson and Kelley, 2001; Morales, 2005). Indeed, the authors confirm that the nature of attributions that people produce can influence both their affective and behavioral responses.

However, Weiner (1985a) noted that the pertinence of a particular attributional dimension depends on the nature of the situation. In the case of the company’s efforts, an important
property is causal controllability which addresses whether a cause is subject to volitional alteration or not (Morales, 2005). Controllability is a key element of evaluations because it leads to inferences of responsibility for subjects (Weiner, 2000). In his empirical research, Morales (2005) finds that consumers recognize that the company’s effort is a controllable behavior. As a result, they feel gratitude toward firms that uphold their moral responsibility to work hard. In this case, customers’ affective and behavioral responses are favorable (Weiner, 2000; Morales, 2005). These suggestions enable us to justify our assumption that affective and conative responses of customers are consequences of attributions they produce towards a supplier’s organizational transformation.

Customer affective response

In research on information processing, emotional response involves two categories: attitude and preference (Batra and Ray, 1986; MacKenzie and Lutz, 1989). In research on sensory response system, researchers add two other categories: emotion and feelings (Holbrook and Hirschman, 1982). Because our research focuses on a customer’s information process concerning supplier’s organizational transformation, our attention is turned to two categories of customer emotional response: attitude and preference. However, we find that preference seems to be an emotional response category which is often taken into account in research on the influence of marketing stimuli. By contrast, attitude (i.e. emotional evaluation or judgment) is most often studied in research on attribution (Morales, 2005) and organizational change (Lau and Woodman, 1995).

Customer conative response

Customer conative response relates to intent and action (Robertson, 1968). It often describes consumer purchase intentions and actual purchase behavior (Shim et al., 2001) or customer commitment to brand (Olivier, 1999) or supplier (Shi et al., 2009). In the research in the B2B field, customer commitment, which is a psychological sentiment of the mind, which is basically forming an attitude concerning continuation of a relationship with a business partner (Wetzels et al., 1998), is an essential element for the success of the relationship in the long term (Dwyer et al., 1987; Morgan and Hunt, 1994; Garbarino and Johnson, 1999). As a result, authors seem to focus their attention on customer commitment when investigating customer’s conative response.

4. Proposal for an integrative model of corporate image in the context of organizational transformation

Several marketing researchers (Lavidge and Steiner, 1961; Holbrook and Hirschman, 1982; Park et al., 2008) find that a customer’s response system (cognitive, affective and conative responses) can be activated when they face a company’s marketing stimulus. As discussed above, such a system can be manifested when customers face a supplier’s organizational transformation. It also appears that a supplier’s corporate image has a certain position in this system. In fact, if customers have positive cognitive and affective responses to organizational transformation, associations they have towards a supplier can be improved. As a result, the supplier’s corporate image becomes more positive. This more positive corporate image may lead to more favorable conative responses of customers. Thus, firstly, we examine
the relationship between customers’ responses to organizational transformation and corporate image. Secondly, we discuss the role of objective knowledge that customers have about this organizational transformation as well as company communication activities. Finally, we clarify the moderating influence of customer’s motivation to process information about organizational transformation.

4.1. Customer responses to organizational transformation and corporate image

There are several factors which can influence corporate image: company messages, customer experiences, and other factors such as the media. Thus, corporate image formation depends not only on the company but also on customers. Indeed, MacInnis and Price (1987) note that image is a way in which information is processed and that its vocation and vividness is likely to depend on the level of knowledge development. Mazursky and Jacoby (1986) also agree that the corporate image formation process is a subjective phenomenon taking place in the perceived reality field. This process is believed to occur in a sequential fashion. The authors show that customers base their development of different aspects of corporate image on various attributes of the company. For example, consumers attend to some cues in the environment about a store (word-of-mouth or messages sent by the store), this information is then interpreted in a relatively direct manner. Then, they begin to assimilate these interpretations under some broader rubric. These impressions are further integrated under even broader categories. At their broadest, these categories may be considered as the major facets of store image which represent that store’s image to consumers. The above suggestions lead us to question the relationship between corporate image and customer perception (cognitive response) toward company activities, including its organizational transformation.

In reality, the idea of studying customer cognitive response and its relationship with the corporate image is not completely new in marketing. We can find implicitly these elements in the research of MacInnis and Price (1987). Following the point of view of Yuille and Catchpole (1977), the authors conceptualize the image as a mode of processing information. According to them, image is a knowledge structure toward an object, person, event or action. It refers to a diagram or a script that generates image. The authors cite Smith et al. (1984) to say that individuals with well-developed scripts reported that their imagery experiences were significantly more vivid than did individuals without well-developed scripts. Besides, Sjovall and Talk (2004) show that a strong, highly visible program of corporate citizenship prior to a potentially damaging crisis can protect the company from a lasting negative image resulting from the crisis.

In our research, the activities of organizational transformation can be seen as the supplier’s efforts. As a consequence, the customer is motivated to produce causal attributions toward these efforts (Morales, 2005) and these attributions can help the customer to better understand the justification of the efforts. The research of Dean (2004) and Morales (2005) on customer’s attributions to the provider’s efforts show that the understanding of the provider’s efforts can positively influence the image that the customer holds of the supplier. Based on
the above reasons, we believe that the customer’s understanding of the provider’s organizational transformation could directly influence the corporate associations they have vis-à-vis the supplier. The following proposition can then be formulated:

**P1. Customer cognitive response to organizational transformation has a direct influence on corporate image**

Several academic researches have focused on the role of customers’ emotional responses to stimulus created by a company in the formation of their attitude toward brand or company. Among these studies, Park et al. (2008) show that consumers’ affective responses to online product presentation can directly affect their attitude toward a brand in a positive way. Other researches find that customers’ affective responses to a company’s advertising may positively influence their attitude (Derbaix, 1995) or preference (Batra and Ray, 1986) toward a brand. Customers’ emotional responses to service failure also influence their evaluation of a supplier’s recovery efforts (Smith and Bolton, 2002). Areni et al. (1996) note that consumers’ affective responses to retail environments influence their specific perception about a store. In the context of organizational change, according to Dunham et al. (1989), people manifest an overall attitude toward change with different strengths, depending on the specific issues and contexts involved. For example, they can be generally supportive of the overall thrust of an organizational change program yet vary in their enthusiasm about specific changes being undertaken (Lau and Woodman, 1995). These suggestions allow us to assume that there is also a relationship between the customer’s attitude towards the supplier’s organizational transformation and the corporate image, and this relationship is expressed through corporate associations. Thus, we formulate the proposition below:

**P2. Customer affective response to organizational transformation has a direct influence on corporate image**

Above, we presented the propositions on the relationship between the two types of customer responses (cognitive and emotional) to the supplier’s organizational transformation and corporate image. However, there is probably a direct relationship between these types of customer responses. Research in attribution theory, for example that of Kelley and Michela (1980) and that of Lau and Woodman (1995), support the prediction of this relationship. Indeed, according to Kelley and Michela (1980), attribution explains individuals’ behavior. The results of the Lau and Woodman (1995) research also provide support for the assertion that an individual’s attitude toward change is an outcome of a cognitive understanding of change, guided by the person’s change schema. The authors show that an individual’s cognitive understanding of change tends to directly and positively influence his attitude toward change. Specifically, Morales (2005) shows that the consumer’s perception of a supplier’s effort can directly influence their emotional responses. Thus, we formulate the following proposition:

**P3. Customer cognitive response to organizational transformation has a direct influence on customer affective response to this organizational transformation**

There are several arguments that allow us to infer that corporate image can influence cus-
customer conative response. For example, Belch and Belch (1987) find the effect of corporate image on a customer’s intention to purchase or use of product. Goldsmith et al. (2000) also show that company credibility and the consumer’s attitude toward brand have a significant impact on the customer’s intention to purchase. Recently, in their empirical research, Hu et al. (2009) conclude that corporate image has a positive impact on customer behavioral intentions. Moreover, Andreassen and Lindestad (1998) and Hart and Rosenberger III (2004) find that corporate image can influence customer loyalty. Specifically, in their research, Andreassen and Lindestad (1998) found that a favourable corporate image can increase a company’s sales through its direct and positive influence on customer satisfaction and loyalty.

Many researches in the marketing field also show the direct influence of corporate associations (e.g. corporate ability and service quality) on customer conative response (e.g. customer commitment). For example, Zeithaml et al. (1996) find that there is a positive and direct effect between the performance of basic services provided and customer intention to stay with supplier. Morgan and Hunt (1994) show more or less explicitly that a supplier’s ability to provide superior products has a direct and positive influence on customer commitment in the relationship between them. Besides a high perceived quality could lead to a high level of customer retention (Fornell, 1992) or customer loyalty (Bitner, 1990). Boulding et al. (1993) also found that service quality has a direct and positive effect on customer behavioural response (in particular, their loyalty).

Some inferences noticed above on the influence of corporate image and corporate associations on customer conative response allow us to introduce the following proposition:

\[ P4. \text{ Corporate image has a direct influence on customer conative response } \]

We discussed above the relationship between customer responses to organizational transformation and corporate image. We discuss now several thoughts on the role of customer objective knowledge in the formation of corporate image in an organizational transformation context.

4.2. Determinant role of customer objective knowledge

Marketing researchers are interested in customer cognition for better understanding of its impact on customer behavior, such as customer information search (Brucks, 1985; Rao and Sieben, 1992) or their information processing (Bettman and Park, 1980; Johnson and Russo, 1984; Alba and Hutchinson, 1987; Rao and Monroe, 1988). Thus, researchers’ attention is focused both on the content of knowledge (Philippe and Ngobo, 1999; Friedman and Brown, 2000), its typology (Park and Lessig, 1981; Brucks, 1985; Park et al., 1994) and its origin (Smith, 1993).

Engel et al. (1995) propose a simple and often retaken definition (Flynn and Goldsmith, 1999) of knowledge. According to this definition, people’s knowledge is considered as information stored in their memory. According to some researchers (Park and Lessig, 1981; Brucks, 1985; Park et al., 1994), two dimensions of knowledge are distinguished: objective knowledge and subjective knowledge. Objective knowledge refers to the amount of information stored on a specific subject. It is ac-
curate information on this subject. Subjective knowledge refers to the extension of knowledge. Subjective knowledge concerns people’s perception about what they know or how they know about a subject.

In another approach, many marketing researchers, for example Alba and Hutchinson (1987, 2000), agree that objective knowledge is related to people’s ability to process information. Thus, it can directly and positively influence people’s cognitive efforts and enhance their cognitive structures (Philippe and Ngobo, 1999). This conclusion seems to be justified by the research conducted by Meeds (2004) which shows that a consumer’s objective knowledge about a product has a direct influence on their perception of the product’s difficulty of use and durability. The above observations lead us to formulate the following proposition:

**P5. Objective knowledge has a direct influence on customer cognitive response to organizational transformation**

4.3. Moderating influence of motivation to process information

Located in the field of research on attribution in social psychology, the general model of the attribution process proposed by Green et al. (1985) suggests that the attention of an observer can activate the attribution process. There are three types of factors that may simultaneously or separately influence this attention: motivational factors, factors related to stimulus and cognitive factors.

Customer motivation to process information is also widely explored by researchers interested in the influence of marketing stimuli on consumer behavior (Petty et al., 1983; Batra and Ray, 1986; Celsi and Olson, 1988). According to Maclnnis et al. (1991), customer motivation may appear in the literature under different terms such as readiness (Bumkrant, 1976; Bumkrant and Sawyer, 1983; Moorman, 1990), willingness (Roberts and Maccoby, 1973), interest (Celsi and Olson 1988), and desire (Petty and Cacioppo, 1986) to process information in a persuasive communications context. Despite this difference between those terms, each suggests heightened arousal to process stimuli created by a company (Maclnnis et al., 1991).

Strong motivation implies that customers are willing to allocate resources for processing information they hold. The effects of present information in the consumer’s mind about the subject are stronger. This conclusion is empirically justified. Indeed, in their ELM model (Elaboration Likelihood Model), Petty and Cacioppo (1981) show that customers tend to spend more cognitive effort to evaluate the merits of a product when their involvement is high (Petty et al, 1983). Celsi and Olson (1988) seem to share this observation by showing that the customers’ involvement plays a motivational role in their attention and comprehension process of the marketing stimulus created by the supplier (e.g. product or advertising). Maclnnis et al. (1991) also find that when motivation to process brand information is low, attention is voluntarily allocated to other stimuli.

The role of involvement in customer perception and affective response to organizational change is more or less justified in the field of management research. For example, in their empirical research, Lau and Woodman (1995) demonstrate that a highly committed individual might more readily identify with and accept organizational change efforts that are perceived
as beneficial.

The above research allows us to introduce a proposition on the moderator role of customer motivation to process information held on a supplier’s organizational transformation:

*P6: The motivation to process information moderates the influence of objective knowledge on customer cognitive response to organizational transformation*

We have previously presented the propositions on corporate image in organizational transformation. Figure 1 summarizes and illustrates these propositions.

5. Conclusion and implications

Corporate image is a strategic marketing concept that always attracts researchers’ attention. However, corporate image in the context of organizational transformation is a subject which is still little exploited or not enough, although it becomes more and more frequent for any type of company. This research aims to build a theoretical model of corporate image in organizational transformation by identifying its determinants and consequences.

In this model, the strategic role of corporate image is highlighted. Indeed, in our view, corporate image may affect a customer’s conative response (e.g. their commitment) to a company. It means that when a company is in a situation of organizational transformation, it must focus attention on its corporate image in order to change its customer’s behavior in the right direction. In fact, customers can be destabilized...
in the context of the radical change of a company. Then, in the phase of organizational change, the company must focus on its information to enhance its image.

When a company is in the context of organizational transformation, for strengthening its corporate image, it must act on the customer’s cognitive (e.g. their cognitive understanding) and affective responses (e.g. their attitude) to this organizational transformation. Indeed, these types of customer responses are antecedents that may directly influence the company image. To do this, the company must allow customers to have sufficient objective knowledge of the organizational transformation. In fact, our approach shows that this knowledge has a direct effect on a customer’s cognitive understanding of organizational transformation. Finally, our research shows that motivation to process information could lead to the differences between customers. It means that the company must pay more attention to certain groups of customers.

Thus, the developed model allows us to increase the theoretical understanding of the corporate image role in an organizational transformation context and to know how a company should manage its corporate image in this context. However, in order to develop a solid theory of corporate image in organizational transformation, this model requires empirical verification. In other words, future research should further examine and verify the propositions that we have developed in different research settings. Researchers have two problems to solve in future research: they must firstly make critical evaluations of our propositions on corporate image in an organizational transformation context, and secondly they must carefully define the dimensions of the corporate image, as well as operate other concepts of the proposed model.

In our opinion, the operationalization of corporate image is the main challenge for future research. In fact, corporate image is a complex and multidimensional concept (Pina et al., 2006). It is defined as expectations, perceptions and attitudes that customers have toward a company, which are reflected by corporate associations. For this reason, corporate image is often operationalized in terms of different types of corporate image associations. Each type of association is seen as a dimension of corporate image. Although marketing researchers have sought to measure corporate image for about 50 years, they have not reached a consensus on the operationalization of this concept. Indeed, several different types of corporate associations are identified in the marketing literature. It seems that for each specific context of research, the authors operationalize corporate image differently. However, if future researchers are interested in exploring corporate image in a B2B relationship, they could pay more attention to corporate associations, such as company expertise and service quality, as we have mentioned.

To make original contributions to entrepreneurs who are interested in these issues, future empirical research could investigate corporate image with other stakeholders in the context of organizational transformation: current customers, potential customers, investors or prospective employees. In order to make good managerial decisions, companies should seek to control their image as perceived by different
stakeholder groups. Future empirical research also needs to choose a suitable methodological approach for measuring corporate image in the context of organizational transformation. A before/after study could be an appropriate choice. Thus, the implementation of such an approach depends heavily on the reality of study fields. Researchers should then be close to a company’s decisions to perform the measurement of corporate image.

References


MacInnis, D.J., Moorman, C and Jaworski, B.J (1991), ‘Enhancing and measuring consumers’ motivation,


