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Customer Responses to Service Providers' Assertiveness

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Abstract

The study investigates customer responses to service encounters characterized by a high degree of service providers' assertiveness, and the individual factors moderating the resulting responses. The first of two formal experiments examines the effects of service providers' assertive behavior on participants' satisfaction. The second examines the extent to which the level of product knowledge moderates the effect of such assertive behavior on customer reactions. The results suggest that, assertive behavior may be detrimental when it is unexpected. However, product knowledge constitutes an important boundary condition, in that the negative effect of over-assertive behavior on customer satisfaction is limited to customers with high product knowledge.

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Introduction

Control is among the key human motivations and has often been defined as the need to demonstrate one's competence, superiority, and mastery over the environment. Empirical evidence has shown that increased perceived control exerts a significant positive impact on human physical and psychological well-being (e.g., Burger, 1987; Sherrod, Hage, Halpern, & More, 1977). Extending the notion of perceived control to service settings, Hui and Bateson (1991) and Cranage and Sujan (2004) show that giving more choice to the consumer leads to enhanced emotional responses during the consumption experience. Perceived control also has been discussed in the service encounter literature as important to satisfaction with an encounter (Bitran & Hoech, 1990).

However, it is well within the compass of most consumers' real-life experiences that, the service providers employed hard influence tactics to limit the right to act on one's own and thereby threatens expected freedom to exercise self-governance; for example, the sales assistants in a clothing store actively offers comments on a selection of possible choices, or even brings different garments to try instead. Pressure tactics, such as assertiveness, which is characterized by an attempt to force compliance (Yagil, 2001), are likely to be associated with perceived threat to freedom, and may affect the success of the service encounter and customers' evaluation of the service quality.

While much research has been done to identify behaviors and the personal interaction components that consumers use to evaluate service encounters, surprisingly little is known about the role of service providers' assertiveness in the service encounter. The literature would imply that a service provider should anticipate customer's needs and be helpful (Lloyd & Luk, 2011; Winsted, 2000). However, they do not offer any insight into what this means to consumers, that is, what consumers want service providers actually to do. If suggestive attempts are interpreted as entailing a threat of reduced control and a loss of freedom, which may in turn result in a negatively charged state of mind (Clee & Wicklund, 1980) and uncomfortable feelings about the service encounter (Söderlund, 2013). It is thus imperative to know how to handle the scale.

The present article seeks to bridge this gap in the relevant literature by investigating service encounters characterized by a high degree of service provider's assertiveness, hypothesizing a potential counterproductive effect on customer satisfaction. To contribute to the understanding of possible negative consequences of assertive behavior, this study identifies and subsequently tests the individual factor which may moderate the resulting responses. Service providers will be helped to better understand the role of influence process and consumer choice in service encounters. Customers want to be treated respectfully and to know that the service provider cares about their rights to act on one's own. To train people to provide high quality, it is first necessary to understand and manage the crucial intangibles in server-customer interaction.

Theoretical Background and Hypotheses Development

Service Providers' Assertiveness and the Impact on Customer Satisfaction

Service providers' behaviors, more specifically their assertive behaviors, gain salience in relating to consumers' control perception. Prior research has suggested that a consumer's perceived control can have considerable impact on the service experience (Bitran & Hoeh, 1990). Yagil (2001) argued that influence tactics that employed by service providers affect the success of the service encounter and customers' evaluation of the service quality.

Unexpectedly high levels of assertiveness could be perceived as undue attempts to influence choice and thereby limit customers' freedom to exercise self-determination, in effect, to do as they please. Such assertive performance could be construed as pushy and aggressive, threatening individual freedom of choice, with potentially negative effects on overall customer satisfaction. A service provider's assertive behavior might also be interpreted by the customer as reflecting a lack of respect; it may convey a degradation of the customers' status and thus lead to a general sense of dissatisfaction with the service (Yagil, 2001). Accordingly, the first hypothesis is formulated as follows:

H1. Customers are less satisfied with service providers' assertiveness.

The Moderating Effect of Product Knowledge

One variable that is associated with confidence in decision-making ability, subjective product knowledge (Park & Moon, 2003), is an indicator of an individual's orientation to react defensively to the attempts at influence. Brucks (1985) notes that a consumer's subjective knowledge is related to a consumer's self-confidence regarding decision making. Selnes and Gronhaug (1986) argue that subjective knowledge is preferred when the focus is given to the motivational aspect of product knowledge. Feelings of confidence represent the subjective counterpart of objective evidence of task competence. Personal self-confidence reflects consumers' perceived ability to protect themselves, including their apprehending persuasion tactics used by marketers (Bearden, Hardesty, & Rose, 2001), and leads to a decreased likelihood that the individual will confirm to influence attempts.

In pursuing personal independence, individuals with high subjective product knowledge are thus especially likely to resist external influence. Compared to their low-knowledge counterparts who felt they had to trust the judgment of others, such consumers are consequently less tolerant of service providers' assertiveness and less ready to accept the attempts to influence. Hence, extremely assertive behavior is likely to have an adverse effect on satisfaction in the case of consumers with higher product knowledge, and the following hypothesis is accordingly proposed:

H2. Product knowledge will moderate the impact of service providers' assertiveness on satisfaction. Specifically, service providers' assertiveness will have a more negative impact on the satisfaction scores of consumers with higher product knowledge as opposed to those with lower product knowledge.

Study 1

Research Design and Procedure

The objective of this study was to test the proposition that service providers' assertiveness exerts a negative effect on the satisfaction rating. A one-factor, three-level between-subjects experimental design manipulated the level of assertive behavior, in written descriptions of a hypothetical service encounter, as 'normal', 'moderately assertive' or 'extremely assertive'.

Participants in the study were 117 undergraduate students at a large university in Taiwan. The average age of the sample was just under 21 and the female-to-male ratio was 62.4%: 37.6%. In small-group sessions, they were randomly assigned to one of the three levels of assertive behavior and asked to read a brief written scenario, in which they were shopping around in a clothing store. Those allocated to the normal service condition read that a sales assistant would show greeting, explain the clothes which are new arrival, and invite them to try on at their pleasure. In the 'moderately assertive' condition, the sales assistant would show greeting, explain the clothes which are new arrival, and actively bring different garments to ask them to try, however those are not the styles they prefer. In the 'extremely assertive' condition, participants were told that the sales assistant would not only bring different garments they actually don't prefer to ask them to try, but offer comments on a selection of possible choices and pick accessories to fit. Once the written descriptions in the scenarios had been read, participants answered a series of structured questions.

The three levels of assertive behavior described were established by a pretest, in which 50 students responded on a seven-point Likert scale to three statements adapted from a study by Rains and Turner (2007) for each scenario: The service provider's behavior described 'threatened my freedom to choose' and 'tried to make a decision for me', and 'tried to pressure me'. The average scores were 3.07 for the normal level, 5.82 for moderately assertive and 6.47 for extremely assertive. The average ratings for the normal condition were found to be significantly lower than those for either moderately assertive ($t = 11.47, p < 0.0001$) or extremely assertive ($t = 13.56, p < 0.0001$). There was also a significant difference in mean scores between the moderately and extremely assertive scenarios ($t = 7.31, p < 0.0001$).

Measures

Customer satisfaction was assessed with five items adapted from Sierra, Heiser, and McQuitty (2009), scored on a seven-point Likert scale, with a higher score indicating stronger agreement: 'I am happy with the service I just received', 'The service that I received was pleasant', 'I am satisfied with the service I received', 'I am content with the service I received', and 'I had an enjoyable service experience'. The internal validity of this scale was high, at $\alpha = 0.96$.

Results and Discussion

To test the success of the manipulation of assertive levels, participants responded to the same statements on the same scale as in the pre-test. Both the moderately assertive behavior scenario ($M = 5.18$) and the extremely assertive alternative ($M = 5.72$)

generated a significantly higher opinion than the normal service condition ($M = 3.70$, $F(1, 76) = 22.13$, $p < 0.0001$ and $F(1, 77) = 56.59$, $p < 0.0001$ respectively). The inter-group difference between the moderate and extreme levels was also significant, at $F(1, 75) = 4.59$, $p < 0.05$.

ANOVA found that the service providers' assertiveness had a significant effect on customer satisfaction ($F(2, 114) = 16.53$, $p < 0.0001$). Contrast analysis found that participants who reacted to both the scenarios depicting moderately ($M = 3.58$) and extremely assertive behavior ($M = 3.07$) reported lower satisfaction than those responding to the normal-service scenario: $M = 4.37$, $F(1, 76) = 11.36$, $p < 0.01$, $F(1, 77) = 33.43$, $p < 0.0001$ respectively. There was also a significant difference between the satisfaction scores under the moderate and extreme assertiveness conditions: $F(1, 75) = 4.96$, $p < 0.05$. These results support H1.

The conclusion drawn from Study 1 is that customer satisfaction is decreased by the assertive behavior of the service provider. As assertive behavior comprises a situation in which customer contact person is trying to impose his or her will on the customer, it may convey a threat to self-determination and lead to a general sense of dissatisfaction with the service.

Study 2

Research Design and Procedure

The objective of Study 2 was to test the proposition that assertive behavior exerts a negative effect on the satisfaction rating of an individual with higher, but not lower product knowledge. The hypothesis was tested by means of a quasi-experimental design based on a 2×2 between-subjects factorial design. The experimental variables are the level of assertiveness (normal versus extremely) and of product knowledge (low versus high). The former was manipulated and the latter measured. A new sample was drawn from the same sampling frame as in Study 1, comprising 146 participants with an average age of 21, of whom 69.2% were female.

The written scenarios instructed them to imagine being in a retail store, intending to buy a particular tablet PC. In the control condition of 'normal' service, the scenario explained that the sales assistant demonstrates how to use the tablet PC and recommends the alternatives for the customers' consideration. Those in the 'assertive' condition were to imagine that the sales assistant offers unfavorable comments on the item they intended to buy and forces them to consider the alternative he highly recommended. Once the written descriptions in the scenarios had been read, participants answered a series of structured questions measuring customer satisfaction ($\alpha = 0.94$), the assertiveness manipulation, and their subjective product knowledge ($\alpha = 0.89$). Participants were classified as high or low product knowledge on the basis of their position relative to the median split of all scores. Those who were around the median were eliminated from the dataset, leaving a total of 135 participants.

Measures

For product knowledge, the question invited agreement on a seven-point Likert scale with three statements adapted from Park and Moon (2003): 'Compared to other

students, I am very familiar with tablet PC', 'I know very precisely what attributes of a tablet PC decide the function of the computer', and 'I can make a satisfactory purchase of a tablet PC based on only my own knowledge, without another person's help'.

Results and Discussion

The manipulation of assertive behavior was successful: average scores for the same three statements on the same seven-point scale as before were 4.48 for the normal service condition and 5.25 for the assertiveness condition. The inter-group difference between the normal and assertive conditions was significant, at $F(1, 133) = 11.68, p < 0.001$.

ANOVA demonstrated that the main effect of the assertiveness was significant for satisfaction scores ($F(1, 131) = 15.82, p < 0.001$), but that product knowledge did not have a significant main effect on satisfaction ($F(1, 131) = 0.66$). The level of assertiveness and product knowledge interacted significantly in their effects on satisfaction ($F(1, 131) = 9.89, p < 0.01$).

Contrast analysis found no significant difference, in the normal-service condition, between the mean satisfaction scores of low-knowledge participants ($M = 4.28$) and those of their high-knowledge counterparts ($M = 4.70, F(1, 72) = 2.39$). By contrast, the satisfaction scores of participants exposed to the assertive behavior scenario were lower for those classified as high product knowledge ($M = 3.43$) than for those with low product knowledge ($M = 4.13, F(1, 59) = 10.38, p < 0.01$). Furthermore, the satisfaction scores of low-knowledge individuals were unaffected by the assertive level ($F(1, 62) = 0.37$). As expected, high-reactance participants who reacted to the scenario depicting assertive behavior reported lower satisfaction than those responding to the normal-service scenario ($F(1, 69) = 24.20, p < 0.0001$). These results support H2.

Study 2 found that product knowledge did influence participants' satisfaction scores for the two assertive levels tested. The negative impact of assertiveness is likely to be limited to individuals with greater product knowledge.

Conclusions

Despite the acknowledged importance of interpersonal interaction in the service encounter, there remain gaps for further investigation particularly on uncovering dimensions of service quality pertaining to behaviors during the interpersonal interaction and the resultant emotional responses from customers. This study focused on consumers' responses to service providers' assertive behavior, a line of research which offers practical guidance on influence attempts. The findings provide evidence that the keen attempts to influence may actually militate against customer satisfaction. The research findings also permit the identification of consumer factors moderating the resulting customer responses.

The empirical results presented here suggest that, assertive behavior may be detrimental when it is unexpected. However, product knowledge constitutes an important boundary condition, in that the negative effect of over-assertive behavior on

customer satisfaction is limited to customers with high product knowledge. Such individuals may react negatively to service providers' assertiveness as a way of boosting their sense of self-reliance.

The nature and findings of this study offer several recommendations for service management. Service providers can achieve to improve the service experience and satisfaction of customers by placing emphasis on the need for managing influence tactics. Staff may need to be more strategic in exerting suggestive attempts, so as to meet the needs of specific customers. Too great an increase may in fact be an obstacle to positive evaluations for customers with high product knowledge.

Limitations of this study warrant attention. The two experiments were paper-and-pencil studies with written descriptions. Consequently, the emotional content of the scenarios might have been minimal. Future studies should therefore replicate and extend our findings by using a field study or a more natural methodology, such as audio-visual presentations simulating service encounters. The latter have been found to evoke the same psychological and behavior responses as actual service settings (Bateson & Hui, 1992). Future work could also investigate how other consumer characteristics might moderate an individual's susceptibility to service provider's assertiveness, including the tendency to experience reactance, a personality variable that reflects the extent to which an individual is likely to resist external influence and the invasion of personal space.

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India-ASEAN Trade Relations

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Abstract

Regional Trading Blocs are established on the premise that free trade leads to greater efficiency and higher growth. Regional Trade Agreements vary widely, but the fundamental objective is to reduce or eliminate trade barriers between member countries in order to reap the benefits of increased economic co-operation and strengthen regional solidarity. It is considered to be especially vital for developing countries to form regional trading blocs in order to take advantage of globalisation and to protect their interests. The ASEAN-India partnership holds ample potential for a successful future. India understands that the ASEAN grouping consists of countries which have achieved significant development in the past 20 years. It is in its interest to establish beneficial linkages with the countries to benefit from their past experience and current standing. There is large potential in the synergies between its economy and that of the ASEAN countries and is keen to strengthen its economic ties with them. ASEAN's strategic location makes its stability crucial for India's energy and economic security, and it looks to develop its influence in the region by forging vital ties with ASEAN. With large potential for India and ASEAN countries to develop trade relations, it is one of the primary areas of concentration on both sides. This paper studies the trade relationship among India and ASEAN in recent past and the benefits India & ASEAN going to get of trading ties between two.

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Introduction

Trade Blocks

A trade block can be defined as a 'preferential trade agreement' (PTA) between a subset of countries, designed to significantly reduce or remove trade barriers within member countries. When a trade block comprises neighboring or geographically close countries, it is referred to as a 'regional trade (or integration) agreement'. It is sometimes also referred to as a 'natural' trade bloc to underline that the preferential trade is between countries that have presumably low transport costs or trade intensively with one another. The two principal characteristics of a trade bloc are that: (1) it implies a reduction or elimination of barriers to trade, and (2) this trade liberalization is discriminatory, in the sense that it applies only to the member countries of the trade bloc, outside countries being discriminated against in their trade relations with trade bloc members. The integration of countries into trade blocs is commonly referred to as 'regionalism', irrespective of whether the trade bloc has a geographical basis or not. The first waves of PTAs appeared in the 1930s leading to a fragmentation of the world into trade blocs. This 'old (first) regionalism' is also associated with regional initiatives involving developing countries in the 1950s and 1960s.

Based on the objective of import-substitution industrialization, the rationale was that developing countries could reap the benefit from economies of scale by opening up their trade preferentially among themselves, hence reducing the cost of their individual import-substitution strategy while the trade bloc became more self-sufficient. More successful experiences followed with the recent proliferation of trade blocs, the so-called 'new (second) regionalism', which involve mostly countries from the North with the South (the North-South trade blocs).

ASEAN

Establishment of ASEAN

The Association of Southeast Asian Nations, or ASEAN, was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration) by the Founding Fathers of ASEAN, namely Indonesia, Malaysia, Philippines, Singapore and Thailand. Brunei Darussalam then joined on 7 January 1984, Viet Nam on 28 July 1995, Lao PDR and Myanmar on 23 July 1997, and Cambodia on 30 April 1999, making up what is today the ten Member States of ASEAN.

ASEAN-India

India has been following a "Look East Policy" since 1990s. India became a sectoral dialogue partner of ASEAN in 1992, which was upgraded to full dialogue partnership in 1996. In August 2009, India signed a Free Trade Agreement (FTA) with the ASEAN members in Thailand. Under the ASEAN-India FTA, ASEAN member countries and India will lift import tariffs on more than 80 per cent of traded products between 2013 and 2016, according to a release by the Ministry of Commerce and Industry. At the 7th ASEAN-India Summit in October, 2009, India announced a

contribution of US\$ 50 million to the ASEAN-India Co-operation Fund to support ASEAN-India projects across the range of sectors mentioned above. In addition, India has set up an ASEAN-India Science & Technology Development Fund with an initial corpus fund of USD 1 million and a USD 5 million ASEAN-India Green Fund for pilot projects to promote adaptation and mitigation technologies in the field of climate change. The ASEAN-India Trade-in-Goods Agreement signed in August 2009 at the ASEAN-India Economic Ministerial Meeting held in Bangkok, became fully operational from August 2011 when the process of ratification by all the ASEAN countries was completed.

An ASEAN-India Eminent Persons Group (AIEPG) has been set up to draft a new ASEAN-India Vision – 2020 document to be adopted at the Commemorative Summit. Three meetings of the AIEPG have been held in Phnom Penh from 2-3 August, 2011, New Delhi from 20-21 October, 2011 and Kuala Lumpur from 9-10 March, 2012. Delhi Dialogue IV on the theme “India and ASEAN: Partners for Peace, Progress and Stability” was held from February 13-14, 2012 in New Delhi which also flagged off ASEAN-India Commemorative Year celebration. The visit of the ASEAN Committee of Permanent Representatives (CPR)s to India from February 12-17, 2012 coincided with Delhi-Dialogue IV. India hosted the ASEAN-India Commemorative Summit on the theme “ASEAN-India partnership for Peace and Shared Prosperity” in New Delhi on December 20-21, 2012.

India and ASEAN are currently negotiating agreements on trade in services and investment. The services negotiations are taking place on a request-offer basis, wherein both sides make requests for the openings they seek and offers are made by the receiving country based on the requests. ASEAN-India functional cooperation is diverse and includes cooperation across a range of sectors, such as trade, science & technology, human resource development, space sciences, agriculture, new and renewable energy, information and communication technology, telecommunications, transport and infrastructure, tourism and culture. Co-operation between India and ASEAN is being intensified, including in the cultural, educational and academic fields, through the promotion of people-to-people contacts, and initiatives such as Youth Exchange Programmes, Special Training Courses for ASEAN Diplomats, Media Exchange Programmes and the ASEAN-India Network of Think Tanks Meeting. India has established Centres for English Language training (CELT) and Entrepreneurship Development Centres (EDC) in Cambodia, Lao PDR, Myanmar and Vietnam (CLMV countries).

Trade Data

INDIA – ASEAN TRADE & GROWTH %: (US\$ million)

YEAR	EXPORTS	% GROWTH	IMPORTS	%GROWTH
2000-01	2,913.78		4,147.48	
2001-02	3,457.01	18.64	4,387.22	5.78
2002-03	4,618.54	33.6	5,150.17	17.39
2003-04	5,821.71	26.05	7,433.11	44.33
2004-05	8,425.89	44.73	9,114.66	22.62
2005-06	10,411.30	23.56	10,883.67	19.41
2006-07	12,607.43	21.09	18,108.48	66.38
2007-08	16,413.52	30.19	22,674.81	25.22
2008-09	19,140.63	16.62	26,202.96	15.56
2009-10	18,113.71	-5.37	25,797.96	-1.55
2010-11	25,627.89	41.48	30,607.96	18.64
2011-12	36,744.35	43.38	42,158.84	37.74
2012-13	33,008.21	-10.17	42,866.36	1.68

SOURCE: India's department of commerce and industries (2013)

India's trade with ASEAN has shown an increasing trend in all these years. But Balance of Trade during this tenure has been negative as India is importing more as compared to exports to ASEAN nations. However the growth rate has shown fluctuating trend.. Export's growth rate has come down in 2003-04 and increasing very next year, but again decreased continuously for two years i.e. 2005-06 and 2006-07. In 2008-09 again it has decreased whereas in 2009-10 the exports have shown negative growth rate. Thereafter for two years the growth rate has shown increasing trend but again in 2012-13 it has shown –ve growth rate..likewise growth rate has shown + and increasing trend for first three years but in 2004-05 and 05-06 it has come down. The very next year imports have shown a drastic growth rate of 66.38 but thereafter continuously decreased for three years showing –ve growth rate in 2009-10 which was overall a lean year for whole world. The imports growth rate improved in next two years but again came down in 2012-13 to just 1.68.

INDIA'S TRADE RELATIONS WITH ASEAN AND WORLD: A COMPARISON

Table 2.2.1 INDIA'S TOTAL TRADE & Trade with ASEAN

YEAR	ASEAN		WORLD
	Trade	% Share	
2000-01	7061.26	7.42	95096.74
2001-02	7844.23	15.25	51417.96
2002-03	9768.71	8.56	114131.57
2003-04	13254.82	9.33	141991.66
2004-05	17540.55	8.99	195053.37
2005-06	21294.97	8.44	252256.26
2006-07	30715.91	9.8	312149.29
2007-08	39088.33	9.42	414786.19
2008-09	45343.59	9.27	488991.67
2009-10	43911.67	9.4	467124.31
2010-11	56235.85	7.45	620905.32
2011-12	78903.19	9.92	795283.41
2012-13	75874.57	9.59	791137.33

Source: CIA Fact Book 2013

Table 2.2.2 Trade Indices

Base year 2005-2006= 100

YEAR	ASEAN	
	TRADE	Indices
2000-01	7061.26	33.16
2001-02	7844.23	36.83
2002-03	9768.71	45.8
2003-04	13254.82	62.24
2004-05	17540.55	82.37
2005-06	21294.97	100
2006-07	30715.91	144.22
2007-08	39088.33	183.55
2008-09	45343.59	212.9
2009-10	43911.67	206.2
2010-11	56235.85	264
2011-12	78903.19	370.5
2012-13	75874.57	356.3

Source: CIA Fact Book, 2013

India's trade with World has continuously shown an increasing trend since 2000-01. Simultaneously India's trade with ASEAN also has shown an increasing trend during all these years. However India's trade with ASEAN's percentage share has shown fluctuating trend but over all its varying in between 9% to 10% except in 2000-01, 2002-3 and 2010-11. To calculate the Trade Indices 2005-06 has been taken as base year. The trade indices has shown an increasing trend since 2000-01 to 2008-09; however in 2009-10 it has come down and thereafter for two years subsequently shown an increase but again decreased in 2012-13.

Conclusion & Suggestions

Conclusions

The more than twenty years of relationship between India and ASEAN in the past and the prospects that India and ASEAN nations share today means that there is lot of potential for the development of a dynamic partnership. But it requires bold decisions, innovative policies and smart politics on the part of India and ASEAN leaders in order to get rid of past potential obstacles as well as push through initiatives that provide opportunities for enhancing the relationship and not to concentrate on common interests only. India and ASEAN need to consider as to how they can continue to work in tandem to fulfill potential of their partnership and ensure the India-ASEAN relations getting fortified as one of the cornerstones in the evolving regional architecture. Together, they can create a vibrant and dynamic region that will elevate, prosper and improve the lives and livelihoods' of their peoples

Challenges Ahead

Both India and ASEAN must display vision and courage to cop-up with challenges to their relationship and fully reap the benefits of mutual cooperation. The greatest challenge to India-ASEAN relations particularly in the economic aspect, has been and will continue to be protectionism nature of partnering nations. So both India and ASEAN leaders must continue to resist protectionism in the future if they wish to improve bilateral economic cooperation.

Lack of economic structural reforms in India and ASEAN could also limit prospects for future cooperation. However sustaining the robust economic growth warrants bilateral cooperation in both major institutional fiscal and bold policy changes in pursuit of enhancing Indian economic resilience and boosting export competitiveness as well as improving the business environment for ASEAN investment. Infrastructure programs need to be improved for boosting foreign interest in investing besides allowing foreign investment in certain sectors like defence.

Another challenge is the relative lack of development in the human dimension compared to other aspects for the relationship. Without robust people-to-people interactions at the grassroots level, it will be difficult to develop the consciousness necessary for creating a strong and lasting bond between India and ASEAN. It does require not just developing people-to-people exchanges through traditional methods like business exchanges, trade fairs, media entertainment etc. but far beyond the practice in vogue. It also means more measures like exchange programs involving youth, academics, artists and literati, initiating dialogue among civil society organizations and non-governmental organizations on issues such as public health, and twinning programs involving cities and universities. Concentrating on the human dimensions of the relationship provides a firmer foundation critical for its development in the long run.

The Opportunities ahead for Future Cooperation

For improving the relationship and making it more firm it requires not only addressing future challenges, but also capturing new opportunities and initiating new ideas for future cooperation.

ASEAN for its part, could seriously consider the matter of joining the United States, Japan and Australia in supporting India's bid for entry into the Asia Pacific Economic Community (APEC). Practically speaking, India the fourth largest economy in the APEC region (after China, Japan and the United States), and as others have argued, it makes no sense for it to be excluded when it is already a member of important institutions such as EAS and the G-20 (Wendy 2009). India-ASEAN FTA has a potential to create a huge market for services like banking, information technology, telecom, education and tourism. The investment agreement is expected to attract FDI from the ASEAN members and provide opportunity for Indian companies to invest in the ASEAN region in areas such as pharmaceuticals, coal mining and automobiles.

India should also focus on renovating and reinvigorating existing sub-regional initiatives that have not lived up to their promise. Despite some early successes, the MGC (Mekong Ganga Cooperation) has been bogged down by multi-year meeting delays, petty arguments over acronyms and ad-hoc projects that lack any sort of vision (Swaran, 2007). This is despite the fact that India's close cultural and civilization links with the sub-region that could afford a great opportunity for cooperation and that strengthening bilateral ties helps serves key Indian interests such as developing its poor north-eastern region and balancing China's influence in Mekong (Julien, 2007).

India's other sub-regional initiatives, BIMSTEC, also needs to be reinvigorated. BIMSTEC certainly has had its fair share of successes. Despite meeting delays and implementation drags, priority areas of cooperation have broadened from six in 1997 to thirteen in 2006 and fourteen in 2009, while the grouping has signed agreements to set up an energy center in India to promote grid interconnection in March 2010 and cooperate in combating international terrorism, transnational crime and illicit drug trafficking in 2009 (Feng, 2010). But other measures such as free trade pact have not been realized, although a framework agreement was inked in 2004. In addition to providing a forum for functional cooperation, BIMSTEC-FTA is also under negotiation.

India needs to think strategically about long-term avenues for boosting cooperation beyond BIMSTEC and MGC. To start with, maritime security was at the top, since most of the future common challenges India and ASEAN would be facing were maritime based- from climate change to piracy or China's naval buildup. India could consider taking an even more robust role in helping maintain security along the waterway, particularly in terms of joint policing with neighbouring countries.

India should also accelerate the process of converting the annual 13-nation Milan joint naval exercises it hosted – which includes Indonesia, Malaysia, Myanmar, Brunei, Singapore, Thailand and Vietnam – into a full-fledged joint taskforce for the Asia-Pacific region. The move would help further enhance interoperability between navies in the region on issues such as piracy and disaster relief as well as boost India's leadership role in the maritime domain. A more connected region, besides

contributing to the economic growth and stability of India and ASEAN, would enhance the flow of people, ideas, culture and a sense of affinity that has connected us for thousands of years.



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***Imperatives of Globalization on Growth of Emerging Economies:
Evidence From Nigeria (1980-2013)***

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Abstract

This study investigates the impact of globalization on Nigeria's economic growth. This study covers the periods between 1980 to 2013. Quantitative research methodology was adopted using Augmented Dickey- Fuller unit-root test, to test for stationarity of the variables. The result of the stationarity (unit root) test shows that, the variables were all stationary at first difference. Co-integration test was conducted; likelihood ratio (L. R) test indicates 3 co-integrated equations at 5% significance level. L.R was compared to the critical values at 5%. Findings show that, there were three co-integrating equations (vectors) in the set of normalized co-integrating vectors. Result of study also shows that, export, total trade, balanced of trade, foreign direct investment played major impact on Nigerian's economic growth; while import has no significant effect on the Nigeria economy. Based on the research finding, study rejects the null hypothesis and concludes that, there is significant relationship between export, total trade, foreign direct investment, balance of trade and gross domestic product of Nigeria; while import plays no significant impact on gross domestic product of Nigeria. Findings show that, there is strong relationship between globalization and gross domestic product (GDP). Study recommends that, Nigeria should implement strong macroeconomic and structural policies to be able to reap the gains of globalizations. On the other hand, government should also diversify from mono-cultural dependency of oil production to agricultural production. This will help the country to achieve high export potentials, increase profitability resulting from economies of large scale production and location economies.

Keywords: Globalization, Economic Growth, Gross Domestic Product, Co-integration, Nigeria.

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Introduction

The process of globalization has been going on for the past decades, but it has considerably accelerated since the end of the Soviet Union in 1991. According to Tehranian (1998) elements of globalization include trans-border capital, labor, management, news, images, and data flows. The main engines of globalization includes the following; the transnational corporations (TNCs), transnational media organizations (TMCs), intergovernmental organizations (IGOs), non-governmental organizations (NGOs), and alternative government organizations (AGOs).

Westhuizen (2003) emphasizes that “globalization involves the process by which most of the world's developed countries and some of the developing countries aim to improve *inter alia* the free flow of information, money, ideas, cooperation, detection, exchange, technology, and trade between nations.”

Khor (1995) argue that globalization is “what the third world (developing) countries have for several centuries called colonization.” The author further argue that globalization favors one side of the world called ‘stronger countries’ more than the other side of the world called ‘weaker countries’. Ogboru (2004) concludes that globalization results to uneven distribution of benefits and losses on economic growth of emerging economies and the Nigeria’s situation is not quite different. As a result of this, it favors developed countries more than developing countries because of their weaker macroeconomic and structural policies adopted. As studies of Obadan (2001) argue that, it leads to polarization between the developed countries that gain, and the developing countries that lose out.

Apart from its polarization effect, it also influences economic growth and expansion in some developing countries like Nigeria due her poor social infrastructure and domestic economic capacity; thereby resulting to low commodity prices and debt, as well as preventing the country from benefiting from export opportunities as pointed by (Obadan, 2001 & Ogboru, 2004).

The effect of globalization has resulted to wide gap between rich countries and poor countries and this is evidence of a fast growing gap between the two economies. The distribution of its gains and losses are controlled by the developed nations over developing nations. According to United Nations Development Program (UNDP, 1992) publication about 20% of the world’s population in the developed countries receive 82.7% of total world income; while 20% of the world’s population in the developing countries receive only 1.4% of total world income vis-à-vis. Comparing the two economies, there is a difference of 81.3% showing a level of marginalization in the distribution index between developed and undeveloped nation. This margin is a clear indication why some countries are richer than others. In order to address these problems, research purpose is formulated which aims to investigate impact of globalization on economic growth of Nigeria.

Several researches have been identified in this area of study. However, very little or no research has been identified on: “imperatives of globalization on economic growth of emerging economies; evidence from Nigeria” from (1980-2013). The above gap demarcates this research from previous studies thus leading to main study objective, which investigates impact of globalization on economic growth of Nigeria’s

economy. To explore this study further, the relevant question that calls to mind is; what impact does globalization play on economic growth of Nigeria? In other words, this study links globalization and gross domestic product (GDP) (as evidenced to have any relationship on Nigeria economy between the periods of 1980 to 2013).

Globalization came into existence in 15th century. It is often used to describe global relationship and the increasing interaction among nations and the integration of economic activities of human societies around the world as pointed by (Ajayi, 2001). Recent study by International Monetary Fund (1997) state that “globalization is the growing economic interdependence of countries worldwide through the increasing volume and variety of cross-border transactions in goods and services and of international capital flows, and also through the more rapid and widespread diffusion of technology.”

In view of this, Obaseki (2000) also observe that increase in foreign direct investment (FDI) flow facilitates growth in world trade and global output through increase in mobility of capital and other resources in the production process. FDI also facilitates technological innovation and efficient use of resources to achieve lower cost of production. This process helps to increase global wealth, standard of living, poverty reduction and among others. Globalization is responsible for economic growth and development across the globe.

Studies of Obaseki (2000) also note that, globalization has positive and negative effect. Positive effects of globalization include: increase in specialization and efficiency, better quality products at reduced prices, economies of scale in production, competitiveness and improvement, and increase in managerial capabilities. According to this author, increase in specialization and efficiency brings about increase in world trade and output due to globalization. Apart from that, it helps to maintain high quality products at lower cost due to increase in competition. Economies of scale is also maintained as a result of increase in production of goods and services at reduced price.

Furthermore, globalization also counters inflationary growth, and fiscal imbalances with approved real interest rates, that is, it brings good prospects for investment and structural reforms especially in transition economies. Loto (2011) stress that globalization opens and stabilizes the economy through export strategy. Structural adjustment program (SAP) is one of the measures adopted as liberation strategy to open up the economy and penetrate international market.

However, globalization has negative effect. One of these effects of globalization is that it does not improve global welfare as noted by (Obaseki & Ojo, 1998). Differences in macroeconomic, sectoral and structural policies of countries have resulted to varying degrees of benefits and losses of the rapid integration of goods, services and financial sector across the globe.

With regards to this, globalization does not favor countries that have weak macroeconomic policies towards financial and exchange rate stability. Policy measures should be applied to prevent banking crises to be able to achieve current account convertibility through removal of non-tariff barriers to trade to allow free flow of goods and services and factors of production. Sequel to this, Ogboru (2004)

admits that globalization tends to favor countries that have adopted strong macroeconomic and sectoral policies. The same author referred to this situation of unequal distribution of benefits and losses between two economies of strong and weak nations as “marriage of unequal”.

In view of this, Obaseki and Ojo (1998) note that developed nations (such as; Europe, Japan, North America and others) are favored while developing countries such as (Nigeria, Ghana, Cameroon and others) are not favored. Schneider and Enste (2002) observe that many other countries suffer because their economic regimes were not properly managed, and this weakness unsavory reduces their global competitive edge. The authors stress that, international flow of capital, technological improvement in information and communication and liberalization of financial markets are strategies to get rid of market forces.

UNCTAD (2001a) report also point that liberalization of the world economy is geared towards frustrating opportunities for growth of developing countries. Not only that, as developing countries have increased their ability to produce and export goods, the developed countries have become active in promoting tariff peaks and escalations. Such measures can neither solve the South’s development problems nor allow for a narrowing of the North–South divide.

For a long time now, the growth of gross domestic product (GDP) of Nigeria is very unsatisfactory. With regards to this, the standard of living is also poor as a result of improved condition of living. In the 19th century, globalization has led to more open doors of market economy (domestic market). Market economy is a modern way of reviving the economy especially in developing world, which is not different from Nigeria’s experience (Loto, 2011).

Theoretical Framework

Globalization has been used extensively to describe the increasing internationalization of financial markets and of markets for goods and services. Recent report by OECD (2005) states that globalization is a dynamic and multidimensional process of economic integration whereby national resources become more and more internationally mobile while national economies become increasingly interdependent.

It is defined as the process of the integration of economic, political, social and cultural relations across international boundaries; aimed at “making global being present worldwide at the world stage or global arena” (Akindele, Gidado, & Olaopo, 2002). According to the same authors, the process of globalization is driven by the following; increasing international division of labor; the global distribution of economic and political power; global finance in the operation of national states; the decline of the Keynesian welfare state; and the established social contact between labor and government. Apart from that, globalization is also characterized of free market capitalism which facilitates changes within the functioning of global political community in current times.

Giddens (2006) also add that globalization is an economic phenomenon derived from the role of transnational corporations, whose operations extend across national borders, influencing global production processes and the international flow of global

capital. With respect to this, Hills (2009) stress that, most transnational corporation's focus on cost reduction to leverage subsidiary skills (that is, transfer core competence and skills within the company and pay outside attention to pressures from local responsiveness and cost.

Onwuka and Equavon (2007) also point that other benefits of globalization include the following; exposure to new ideas and products; greater specialization and expanded opportunities for mergers and acquisitions; leading to growth in size and power of corporation. It also improves competitiveness and efficiency in the utilization of productive resources and major improvements in social development and human welfare of nations.

The authors stress that; globalization promotes trade and investment flows which have positive impact on economic growth. When such flows are in the form of foreign direct investment (FDI), they improve access to international best practices in areas of; marketing, managerial and technology, acquisition of skills among others. Apart from its benefits, a recent report of UNCTAD (2002a) also show that the stock of outward foreign direct investment (FDI) increases from 1.7 trillion dollars to 6.6 trillion dollars between 1990 to 2001; while in 2001; sales of 19 trillion dollars were recorded. This estimate is more than twice as high as world export of that year.

According to (UNCTAD, 2002a) report, globalization is driven by the following; technological changes, improved transportation and competition. Improvement in information technology and communication (ICT) promotes trade and reduces risk of doing business between nations. On the other hand, improved transportation such as containerization (both in-land and sea-based) also reduces lead time (that is, transit time) by approximately 67%. Competition also allows firms to compete favorably by increasing efficiency and cost reduction. Most government policies have removed barriers to trade and control international mobility of capital and services, thus creating market equilibrium in a closed economy.

Model of Closed Economy

Study of Obaseki and Ojo (1998) point that closed economy is one whose state of equilibrium is attained. The authors further stress that in such an economy the aggregate demand (A^d) must be equal to aggregate supply (A^s). Aggregate demand comprises of government fiscal operations such as, expenditure, marginal productivity of capital, income, consumption, capital stock, interest rates and among others. The authors also note that, aggregate demand or supply has relationship with adsorption which is represented mathematically as:

$$A^d = A^s$$

$$A^d = A \dots \dots \dots \text{equation (1)}$$

A^d = aggregate demand; A^s = aggregate supply; A = adsorption

According to Obaseki and Ojo (1998), equation (1), indicate that aggregate demand grows through absorption, and by implication it constitutes a major problem to that economy thus limiting the extent of its economic growth. In the case of open economy, additional savings from other countries is used for investment purposes in that economy. The authors also point that, in an open economy, import from other countries helps in the production purposes. Apart from that, resources can also be

exported to other countries to earn foreign currencies necessary for economic growth.

This is further explained in equation (2) as follows; where

$A^d = A = Cab$ equation (2)

Where, Cab = Current account balance

In view of this, Obaseki and Ojo (1998), further stress that aggregate demand is also a function of current account balance. Current account balance comprises of several factors such as; domestic absorption, foreign absorption and real exchange. In principle, aggregate demand represents a function of both domestic and foreign influences and factors. Based on this assumption, equation (3) is formulated.

$Y = A + Cab + Tr_{ft}$equation (3)

Where, Y = Aggregate growth rate of output or GDP

Tr = Transfers

N_{ft} = Net Foreign Indebtedness

Mundel-Fleming Model of Open Economy

It is based on the notion of one price. Obaseki and Ojo (1998) note that the more an economy is open, the higher the rate of economic growth. The authors highlight that an economy is liberalized and fully opened when it contains the following factors; the competitiveness of the external sector, the level of the exchange rate, domestic gross capital formation, among other things. Mundel-Fleming model of open economy is derived from growth rate of gross domestic product (GDP). It is mathematically stated as follows:

$Y = f(t/y, r, mg, f/y, In)$ equation (4)

$t/y > 0, r > 0, m > 0, f/y <, In < 0$

Where

Y = GDP; t/y = Total trade /GDP)

r = Measure of real exchange rate,

mg = Measures of real growth rate of money supply; f/y = Ratio of fiscal deficit /surplus over GDP; In = Inflation

Obaseki and Ojo (1998) further conclude that a positive sign is expected to show in an index for openness variable and real exchange rate; while a negative sign is also expected for money supply variable, ratio of fiscal deficit /surplus over GDP and inflation. The outcomes are based on a priori expectation.

Research Methodology

Study adopts quantitative research methodology using Augmented Dickey-Fuller (ADF, 1989) unit-root test, to test for stationarity of the variables. Secondary data were also used for the purpose of data analysis and is sourced quantitatively from (CBN Statistical Bulletin, 2011 & UNCTAD, 2012). Discussion of this section is divided into three sub-sections in the following; model specification, unit-root test and estimation model.

Model Specification

In order to capture the precise relationship between globalization and economic growth, study adopts an empirical model that incorporates the effects of import,

export, total trade, foreign direct investment inflows and balance of trade on the Gross Domestic Product of Nigeria between 1980 and 2013. GDP was also used as a parameter for measuring economic growth. Based on the specification above, a functional model was stated as follows: $GDP = f(IMP, XPT, TLD, FDI, \text{ and } BDE)$

Where: GDP= Gross Domestic Products,

IMP = Import; XPT = Export,

TLD = Total Trade; FDI = Foreign Direct Investment Inflows; BDE= Balance of Trade.

$$GDP = b_0 + b_1IMP + b_2XPT + b_3TLD + b_4FDI + b_5BDE + U$$

Unit Root Test

In this section, study adopted the testing procedure for the ADF test to the equation below;

$$\Delta y_t = \varepsilon + \gamma t + \gamma y_{t-1} + \delta_1 \Delta y_{t-1} + \dots \dots \delta_{p-1} \Delta y_{t-p+1} + \varepsilon_t$$

Where ε is a constant, γ is the coefficient of time trend and ρ is the lag order of the autoregressive process. Using the constraints where, $\varepsilon = 0$ and $\gamma = 0$ corresponds to modeling a random walk and using the constraint where, $\gamma = 0$ corresponds to modeling a random walk with a drift.

By including lags of the order ρ , the ADF (Augmented Dickey-Fuller) formulation allows for higher-order autoregressive processes. This means that the lag length p is determined when applying the test. One possible approach is to test down from high orders and examine the t-values on coefficients. Secondly, another alternative is to examine information criteria such as the Akaike information criterion, Bayesian information criterion or the Hanna-Quinn information criterion.

Sequel to this, the unit root test is carried out under the null hypothesis, at $\gamma = 0$ against the alternative hypothesis of $\gamma > 0$. Once the value for the test statistic, for $DF_T = \gamma / SE(\gamma)$ is computed, it is compared to the relevant critical value for the Dickey-Fuller Test. If the test statistic is less (that is, if the test is non symmetrical it means that, it is not consider an absolute value) than the critical value (larger negative) then the null hypothesis of $\gamma = 0$ is rejected, which implies that no unit root is present.

Estimation of Model

Study applied VAR (Vector Auto-Regressive) model for multivariate analysis of GDP on the globalization variables to determine the long-run relationship and to test the significance effect of globalization on economic growth between the years (1980-2013). To further investigate the influence (effect and causes) of globalization on economic growth, Unit root test procedure was used to find out the order of time series variable stationarity. Test of significance of parameter estimates for (t-statistics) was also carried out at the level of 5% significant. The essence is to compare the probability of computed t-statistic or f-statistics at various situation of empirical analysis with the critical value at 5% to establish significance. When the computed t-statistic probability associated with it is greater than the critical value at 5%, the parameter is statistically significant, if the parameter is less than the critical value, it is not significant.

Presentation of Data Analysis

This section presents the data collected and interprets the results obtained from quantitative research. Independence variables such as import, export, total trade, foreign direct investment (in-flows), balance of trade and dependent variable (Gross domestic product, GDP) was presented against time period of 1980 to 2013. The table is shown below.

Table 2.2.1: Data on globalization variables (import, export, total trade, foreign direct investment in-flows, and balance of trade) and gross domestic product) against time periods.

Year (Year)	Import (IMP)	Export (XPT)	Total Trade (TLD)	Foreign Direct Investme nt (FDI)	Balance of (BDE)	Gross Domestic Pr (GDP)
1980	9,095.6	14,186.7	23,282.3	739	5,091.1	49,632.32
1981	12,893.6	11,023.3	23,862.9	542.0	1,816.3	47,619.66
1982	10,770.5	8,206.4	18,976.9	431.0	2,564.1	49,069.28
1983	8,903.7	7,502.5	16,406.2	364.0	1,401.2	53,107.38
1984	7,178.3	9,088.0	16,266.3	189.0	1,909.7	59,622.53
1985	7,062.6	11,720.8	18,783.4	486.0	4,658.2	67,908.55
1986	5,983.6	8,920.6	14,904.2	193.0	2,937.0	69,146.99
1987	17,861.7	30,360.6	48,222.3	611.0	12,498.9	105,222.84
1988	21,445.7	31,192.8	52,638.5	379.0	9,747.1	139,085.30
1989	30,860.2	57,971.2	88,831.4	1,884.0	27,111.0	216,797.54
1990	45,717.9	109,886.1	155,604.0	1,003.0	64,168.2	267,549.99
1991	89,488.2	121,535.4	211,023.6	1,124.0	32,047.2	312,139.74
1992	143,151.2	205,611.7	348,762.9	1,157.0	62,460.5	532,613.83
1993	165,629.4	218,770.1	384,399.5	1,878.0	53,140.7	683,869.79
1994	162,788.8	206,059.2	368,848.0	2,287.0	43,270.4	899,863.22
1995	755,127.7	950,661.4	1,705,789.1	1,271.0	195,533.7	1,933,211.55
1996	562,626.6	1,309,543.4	1,872,170.0	2,191.0	746,916.8	2,702,719.13
1997	845,716.6	1,241,662.7	2,087,379.3	1,642.0	395,946.1	2,801,972.58
1998	837,418.7	751,856.7	1,589,275.4	1,210.0	85,562.0	2,708,430.86
1999	862,515.7	1,188,969.8	2,051,485.5	1,178.0	326,454.1	3,194,014.97
2000	985,022.4	1,945,723.3	2,930,745.7	1,310.0	960,700.9	4,582,127.29
2001	1,358,150.3	1,867,953.9	3,226,134.2	1,277.0	509,773.5	4,725,086.00
2002	1,512,695.2	1,744,177.7	3,256,873.0	2,040.0	231,482.3	6,912,381.25
2003	2,080,235.3	3,087,886.4	5,168,121.7	2,171.0	1,007,651.1	8,487,031.57
2004	1,987,045	4,602,781.	6,589,826.	2,127.0	2,615,736	11,411,066.

	.3	5	8		.3	91
2005	2,800,856 .3	7,246,534. 8	10,047,391 .1	4,978.0	4,445,678 .5	14,572,239. 12
2006	3,108,519 .3	7,324,680. 6	10,433,200 .0	4,898.0	4,216,161 .3	18,564,594. 73
2007	3,911,952 .6	8,309,758. 3	12,221,711 .0	6,087.0	4,397,805 .7	20,657,317. 67
2008	5,189,802 .6	10,161,490 .1	15,351,292 .7	8,249.0	4,971,687 .5	24,296,329. 29
2009	5,102,534 .4	8,356,385. 6	13,458,920 .0	8,650.0	3,253,851 .2	24,794,238. 66
2010	8,005,374 .2	11,035,794 .5	19,041,168 .8	6,099.0	3,030,420 .3	29,205,782. 96
*2011	6,099,237 .1	9,851,223. 4	15,950,460 .5	7,666.0	37,519,86 .3	26,098,783. 60
2012	6,402,381 .9	9,747,801. 2	16,150,183 .1	7,471.7	33,454,19 .3	26,699,601. 7
2013	6,835,664 .4	10,211,606 .4	17,047,270 .8	7,078.9	33,759,42 .0	27,334,722. 8

[Source: CBN Statistical Bulletin 2011 & UNCTAD Statistics 2012]; *Source: Data Based On Authors' Computation

Empirical Findings

Prior to estimation of the growth model, standard econometric tests like stationarity test and co-integration test were conducted in order to avoid the generation of spurious regression results. Empirical findings is discussed in the following sub-sections; result of stationarity unit-root test, Johanson co-integration test, un-normalized co-integration co-efficient, regression result, and test of hypothesis. The result of stationarity (unit-root) test is shown in the table below.

TABLE 2.3.1 Results of Stationarity (Unit Root) Test.

Variables	ADF-Statistics	Critical values	Order of integration
GDP	-4.722242 (0.0001)	1% = -4.3082 5% = -3.5731 10% = -3.2203	Stationary at First difference
IMP	-6.476267 (0.0000)	1% = -4.3082 5% = -3.5731 10% = -3.2203	Stationary at First difference
XPT	-6.822522 (0.0000)	1% = -4.3082	Stationary at First

		5% = - 3.5731 10% =- 3.2203	difference
TLD	-8.442686 (0.00000)	1% = - 4.3082 5% = - 3.5731 10% =- 3.2203	Stationary at First difference
FDI	-5.113016 (0.000090)	1% = - 4.3082 5% = - 3.5731 10% =- 3.2203	Stationary at First difference
BDE	-4.052541 (0.00004)	1%=- 3.6752 5%=- 2.9665 10%=- 2.6220	Stationary at First difference

The results of the stationarity (Unit Root) test summarized above indicate that the variables were all stationary at first difference. Based on this, study rejects the null hypothesis and concludes that there is no unit root. Hence the variables were all stationary at first difference the test for co-integration test were also performed and the result is shown below:

Table 2.3.2 Johanson Co-integration test

Eigen value	Likelihood Ratio	5% Critical value	1% Critical value	Hypothesized no. of CE (s)
0.920938	143.9662	68.52	76.07	None **
0.746687	70.37790	47.21	54.46	At most 1 **
0.464213	30.55716	29.68	35.65	At most 2 *
0.298719	12.46062	15.41	20.04	At most 3
0.072099	2.170080	3.76	6.65	At most 4

() Denotes the rejection of the null hypothesis at 5%, significant level. Likelihood ratio (L. R) test indicates three (3) co-integrating equations at 5% significance level. The likelihood ratios were compared to the critical values at 5%. The hypothesis of no co-integrating or the existence of at most one co-integrating vector was rejected. The result shows that there are three co-integrating equations (Vectors) in the set of normalized co-integrating vectors.

Table 2.3.3 Unnormalized Cointegrating Coefficient

Import (IMP)	Export (XPT)	Balance of Trade (BDE)	Total Trade (TLD)	Foreign Direct Investment (FDI)
-0.002691	-0.002695	1.81E-06	0.002692	9.36E-05
-0.024937	-0.024935	-8.60E-07	0.024936	7.18E-05
-0.003322	-0.003338	7.83E-06	0.003330	-2.80E-05
0.000676	0.000678	-1.30E-06	-0.000677	0.000301
-0.000445	-0.000437	-4.43E-06	0.000441	-0.000260

The test also revealed the existence of equilibrium condition that keeps the variables in proportion to each other in the long run.

Table 2.3.4 Regression Result

The regression result is presented in the table below:

Dependent Variable: GDP

Method: Least Squares

Date: 07/08/13 Time: 23:24

Sample: 1980 2013

Included observations: 31

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-313148.5	2.377066	-1.317374	0.0097
IMP	2797.526	0.395107	-2.0524	0.8027
XPT	2795.674	0.151511	8.00391	0.0428
TLD	-2795.144	0.395108	0.00353	0.0052
FDI	460.3460	0.886508	2.44002	0.0021
BDE	0.883660	0.154978	17.0149	0.0053
R-squared	0.991960	Mean dependent var.		8.971026
Adjusted squared	R- 0.990352	S.D. dependent var.		19.95059
S.E. of regression	1.840596	Akaike info criterion		30.32537
Sum squared resid.	1822.33	Schwarz criterion		30.60292
Log likelihood	-464.0433	F-statistic		616.8992
Durbin-Watson stat	2.664066	Prob. (F-statistic)		0.000000

From the result above, GDP equation is stated as;

$$\text{GDP} = -313148.5 + 2797.53_{\text{imp.}} + 2795.7_{\text{xpt}} - 2795.144_{\text{tld}} + 460_{\text{fdi}} + 0.883660_{\text{bde.}}$$

The regression result shows that import, export, foreign direct investment and balance of trade contributed positively to economic growth while total trade made negative contribution to economic growth during the period of analysis.

Test of Hypotheses

Hypothesis 1

Ho : There is no significant relationship between import and Economic growth

To test this hypothesis, study is focused on the explanatory variable (Import). The t-cal. Value of -2.0524 (Prob. 0.08027) greater than 0.05, it imply that the variable is not significant. So we accept the null hypothesis and conclude that import has no significant effect on Nigerian economic growth.

Hypothesis ii

Ho: There is no significant relationship between export and Economic growth

In testing this hypothesis, study focus on the variable export (XPT) in the table above. The T. cal value of 8.00391 (Prob.0.0428), less than 0.05. This implies that the variable is significant and the null hypothesis is rejected. Based on this, study concludes that export has a positive significant effect on the Nigerian economy.

Hypothesis iii

Ho: There is no significant relationship between total trade and economic growth

In testing this hypothesis, study focus on the variable total trade (TLD) in the table above. The T.cal. value of 0.00353 (prob. 0.0052), less than 0.05. This implies that the variable is significant and null hypothesis is rejected. Based on this, study concludes that total trade is not significant and the null hypothesis is accepted. Based on this, study concludes that total trade has no significant effect on the Nigerian economy.

Hypothesis IV

Ho: There is no significant relationship between balance of trade and economic growth

In testing this hypothesis, study focus on the variable balance of trade (BDE) in the table above. The T.cal.value of 17.0149 (Prob.0.0053), less than 0.05. This implies that the variable is significant and null hypothesis is rejected. Based on this, study concludes that balance of trade has significant effect on the Nigerian economy.

Hypothesis v:

Ho: There is no significant relationship between foreign direct investment and economic growth

In testing this hypothesis, study focus on the variable foreign direct investment (FDI) in the table above. The T.cal. value of 2.44002 (prob. 0.0053), less than 0.05. This implies that the variable is significant and null hypothesis rejected. Based on this, study concludes that foreign direct investment has significant effect on the Nigerian economy.

Interpretation and Discussion of Results

The estimation results reveal that 99 percent relationship exist between the dependent variable (GDP) and the independent variables (Import, Export, Total trade, Balance of trade and foreign Direct Investment). The explanatory variables jointly account for approximately 99 percentage changes in the Gross Domestic Product. The Durbin Watson statistic (2.66) illustrates the absence of auto correlation. With the Prob. (F-Statistics) of 0.00000 at 5% level of significance, it means that the model is significant and can be used for meaningful decision. The results show that export (XPT), Total Trade (TDE), foreign direct investment inflows (FDI) and balance of trade are statistically significant at 5% significance level in explaining changes in the economy; while import (IMP) is not statistically significant in explaining changes in the economy.

Conclusion

As mentioned before that, study focus on impact of globalization on Nigeria economy between the periods of 1990 to 2010. Result of study shows that, export, total trade, balanced of trade, foreign direct investment played major impact on Nigerian's economic growth. Result of study rejects the null hypothesis and concludes that, there is significant relationship between export, total trade, foreign direct investment, balance of trade and gross domestic product of Nigeria; while import plays no significant impact on Gross domestic product of Nigeria economy. Based on this, the result of study concludes that, there is strong relationship between globalization and Gross domestic product (GDP).

Recommendations

Study recommends that Nigeria should implement strong macroeconomic and structural policies required to gain confidence of foreign investors so as to boost country's productivity, growth and competitiveness. Doing this breaks the jinx of 'unequal marriage' attributed to why some countries gain or loss from globalization.

Related to this, research also recommends diversification of the Nigerian economy from mono-cultural dependency of oil production to agricultural production vis-à-vis. Doing this, helps the country to achieve high export potentials, increase profitability resulting from economies of large scale production and location economies.

Nigeria should confront the challenges on globalization by revolutionizing its social infrastructure in every key strategy area in the economy, especially in the areas of; transportation and electricity to attract foreign investors.

Also, borrow a leaf from newly industrialized nations like four tiger Asian Countries (South Korea, Thailand, Singapore, and Hong Kong).

Finally, study recommends further research on impact of globalization on Nigerian economy between the periods of 1960 to 2011 or impact of globalization on other African countries like Ghana, Cameroon among others.

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Appendix

Result of Unit Root Test

ADF Test Statistic	-3.471152	1% Critical Value*	-2.6522
		5% Critical Value	-1.9540
		10% Critical Value	-1.6223

*MacKinnon critical values for rejection of hypothesis of a unit root.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(GDP,3)

Method: Least Squares

Date: 07/08/13 Time: 07:45

Sample(adjusted): 1984 2010

Included observations: 27 after adjusting endpoints

Variable	Coefficient	Std. Error	t-Statistic	Prob.
	t			
D(GDP(-1),2)	-1.417200	0.408280	-3.471152	0.0019
D(GDP(-1),3)	-0.368449	0.249497	-1.476766	0.1522
R-squared	0.875039	Mean dependent var	144853.6	
Adjusted R-squared	0.870041	S.D. dependent var	2160747.	
S.E. of regression	778946.2	Akaike info criterion	30.04046	
Sum squared resid	1.52E+13	Schwarz criterion	30.13645	
Log likelihood	-403.5462	Durbin-Watson stat	1.872028	

ADF Test Statistic	-11.70304	1% Critical Value*	-4.3382
		5% Critical Value	-3.5867
		10% Critical Value	-3.2279

*MacKinnon critical values for rejection of hypothesis of a unit root.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(IMP,3)

Method: Least Squares

Date: 07/08/13 Time: 07:49

Sample(adjusted): 1984 2010

Included observations: 27 after adjusting endpoints

Variable	Coefficient	Std. Error	t-Statistic	Prob.
	t			
D(IMP(-1),2)	-4.186139	0.357697	-11.70304	0.0000
D(IMP(-1),3)	1.199020	0.215163	5.572618	0.0000
C	-208683.6	129023.2	-1.617412	0.1194
@TREND(1980)	21563.36	6984.585	3.087279	0.0052
R-squared	0.947564	Mean dependent var	110735.2	
Adjusted R-squared	0.940725	S.D. dependent var	1141099.	
S.E. of regression	277817.5	Akaike info criterion	28.04327	
Sum squared resid	1.78E+12	Schwarz criterion	28.23525	
Log likelihood	-374.5841	F-statistic	138.5440	
Durbin-Watson stat	1.614236	Prob(F-statistic)	0.000000	

ADF Test Statistic	-7.062317	1% Critical Value*	-4.3382
		5% Critical Value	-3.5867
		10% Critical Value	-3.2279

*MacKinnon critical values for rejection of hypothesis of a unit root.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(XPT,3)

Method: Least Squares

Date: 07/08/13 Time: 22:45

Sample(adjusted): 1984 2010

Included observations: 27 after adjusting endpoints

Variable	Coefficient	Std. Error	t-Statistic	Prob.
	t			
D(XPT(-1),2)	-2.760387	0.390861	-7.062317	0.0000
D(XPT(-1),3)	0.711691	0.273052	2.606428	0.0158
C	53496.39	444288.7	0.120409	0.9052
@TREND(1980)	1450.480	23922.99	0.060631	0.9522
R-squared	0.829078	Mean dependent var	166014.	

Adjusted R-squared	0.806784	S.D. dependent var	2172424
S.E. of regression	954919.2	Akaike info criterion	30.5125
Sum squared resid	2.10E+13	Schwarz criterion	30.7045
Log likelihood	-407.9200	F-statistic	37.1880
Durbin-Watson stat	1.856892	Prob(F-statistic)	0.00000

ADF Test Statistic	-3.770118	1% Critical Value*	-4.3226
		5% Critical Value	-3.5796
		10% Critical Value	-3.2239

*MacKinnon critical values for rejection of hypothesis of a unit root.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(TLD,2)

Method: Least Squares

Date: 07/08/13 Time: 07:53

Sample(adjusted): 1983 2010

Included observations: 28 after adjusting endpoints

Variable	Coefficient	Std. Error	t-Statistic	Prob.
	t			
D(TLD(-1))	-1.538394	0.408049	-3.770118	0.0009
D(TLD(-1),2)	-0.166179	0.289579	-0.573863	0.5714
C	-984388.0	522891.1	-1.882587	0.0719
@TREND(1980)	115809.2	37732.94	3.069181	0.0053
R-squared	0.747257	Mean dependent var	199540.5	
Adjusted R-squared	0.715664	S.D. dependent var	1984565.	
S.E. of regression	1058233.	Akaike info criterion	30.71366	
Sum squared resid	2.69E+13	Schwarz criterion	30.90398	
Log likelihood	-425.9913	F-statistic	23.65270	
Durbin-Watson stat	2.044822	Prob(F-statistic)	0.000000	

ADF Test Statistic	-3.818861	1% Critical Value*	-4.3226
		5% Critical Value	-3.5796
		10% Critical Value	-3.2239

*MacKinnon critical values for rejection of hypothesis of a unit root.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(FDI,2)

Method: Least Squares

Date: 07/08/13 Time: 07:54

Sample(adjusted): 1983 2010

Included observations: 28 after adjusting endpoints

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(FDI(-1))	-1.647984	0.431538	-3.818861	0.0008
D(FDI(-1),2)	0.299037	0.264698	1.129731	0.2698
C	-294.7265	463.2198	-0.636256	0.5306
@TREND(1980)	41.11552	29.27969	1.404233	0.1731
R-squared	0.536079	Mean dependent var	-	87.14286
Adjusted R-squared	0.478089	S.D. dependent var		1389.976
S.E. of regression	1004.167	Akaike info criterion		16.79327
Sum squared resid	24200423	Schwarz criterion		16.98358
Log likelihood	-231.1057	F-statistic		9.244305
Durbin-Watson stat	1.655428	Prob(F-statistic)		0.000303
ADF Test Statistic	-6.241774	1% Critical Value*		-3.6959
		5% Critical Value		-2.9750
		10% Critical Value		-2.6265

*MacKinnon critical values for rejection of hypothesis of a unit root.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(BDE,3)

Method: Least Squares

Date: 07/08/13 Time: 07:56

Sample(adjusted): 1984 2010

Included observations: 27 after adjusting endpoints

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(BDE(-1),2)	-1.991247	0.319019	-6.241774	0.0000
D(BDE(-1),3)	0.583048	0.234846	2.482680	0.0204
C	-21751.22	135630.2	-0.160371	0.8739
R-squared	0.709698	Mean dependent var		55419.12
Adjusted R-squared	0.685507	S.D. dependent var		1251493.
S.E. of regression	701833.7	Akaike info criterion		29.86522
Sum squared resid	1.18E+13	Schwarz criterion		30.00920
Log likelihood	-400.1805	F-statistic		29.33631
Durbin-Watson stat	1.890392	Prob(F-statistic)		0.000000

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***Is There Any Connection/Relation Between Ad Creativity and "Old Brain"?
Analyzing Awarded Advertisements through Neuromarketing***

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Abstract

Creativity is a central component of advertising success and in a close relation with the other components like getting interest and attention. Many awards in the advertising business focus on creativity, only a few focuses on the effectiveness of advertising. Neuromarketing is a new field of marketing and advertising research, which tries to understand consumer's mind. It's getting increased attention because to know how people make decisions, buy products or vote for someone etc. can be helpful for your persuasion effort to understand and reach the parts of the brain that decide. Brain can be defined as a "black box" of the consumer. Advertising professionals need to understand this "black box" to produce more appealing and convincing ads. The brain is divided into three primary areas. The neocortex is the brain's analytical computer, which processes data. The limbic system is where all emotions reside. The brain stem and other brain structures are responsible for your survival. This part of the brain is described by psychologist Robert Ornstein as the "Old Brain". The Old Brain quickly assesses situations to determine if you are at risk or danger. And, your Old Brain decides what gets noticed – what gets your attention. Therefore, you need to appeal to the Old Brain. According to Renvisé & Morin, (2007) old brain can be stimulated by six ways (and another stimulator is added to the model by corporatevisions.com). With this study, awarded print advertisements in Contest of Kristal Elma, Turkey in 2013 will be content analyzed according to seven categories.

Keywords: Neuromarketing, old brain, advertising, creativity

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Introduction

“Brain: an apparatus with which we think we think.”

Ambrose Bierce, Author

In recent years, human brain's based studies have been increased with the excitement arousing among academicians, practitioners and also consumers. Those studies are seen important because they open the black box of consumer's mind, which is a mystery. With a marketing viewpoint, human brain is the most responsible part of consumer behaviors. Understanding this “black box” can affect the consequences of marketing effort. So, marketing tries to benefit from neuroscience with emerging importance of brain based studies. For the last decade, there has been a new branch in the tree of marketing called “neuromarketing”. “The combination of neuro and marketing implies the merging of two fields of study (neuroscience and marketing). The term neuromarketing cannot be attributed to a particular individual as it started appearing somewhat organically around 2002.” (Morin, 2011:132). Du Plessis (2011:8) explains the term neuromarketing is “a very recent discipline - the word was only coined in 2002. It really is about the border between neuroscience and marketing. It forces marketers to review what they believe about the consumer's brain, and how this might affect their marketing activities.”

In fact, whole the story for getting attention to the brain from all over the world started with a book, *Descartes' Error* by Antonio Damasio in 1995. He was telling us human being couldn't decide rationally without emotions saying the opposite of Descartes. Damasio criticized Descartes' view “I think, therefore I am” which means “I am rational, therefore I am”. Damasio's book set a fire for a new discussion about brain, emotions and mind. After Damasio, lots of books were written and studies have been conducted related with brain, emotions, neuroscience, neuromarketing and so on. Renvoisé & Morin's *Neuromarketing* (2007) and M. Lindstrom's *Buy-ology* (2008) were leading books related with consumer behaviour published in marketing and advertising. Increasing attention and interest about brain may give the name for last decade!

What is “Old Brain”?

According to neuroscience human's brain has three primary parts despite the general belief about the left and the right brains. Human has three different brains, which work independently but in a balanced way. The new brain (neocortex) processes data, which means it's responsible for thinking. The middle brain (the limbic system) controls our emotions. The old brain (the reptilian brain) is the part that judges the data coming from the new and the middle brains and decides what to do. Old brain is called as “the true decision maker”. “Exciting new findings in brain research suggest that speaking to the true decision-maker, the old brain, will raise your effectiveness in communicating an idea or selling a product” (Renvoisé & Morin, 2007:5).

Brain is the most complicated organ and has a very complex system. There is a general distinction about human brain often made between the left and the right brain. The left one is linked to logic abilities and the right one has specialized centers for creativity. But, this organ also be categorized into three distinct parts which have a

specialized function. Renvoisé & Morin (2007:6) explains brain's parts as the followings:

- The new brain thinks*. It processes rational data.
- The middle brain feels*. It processes emotions and gut feelings.
- The old brain decides*. It takes into account the input from the other two brains, but the old brain is the actual trigger of decision.

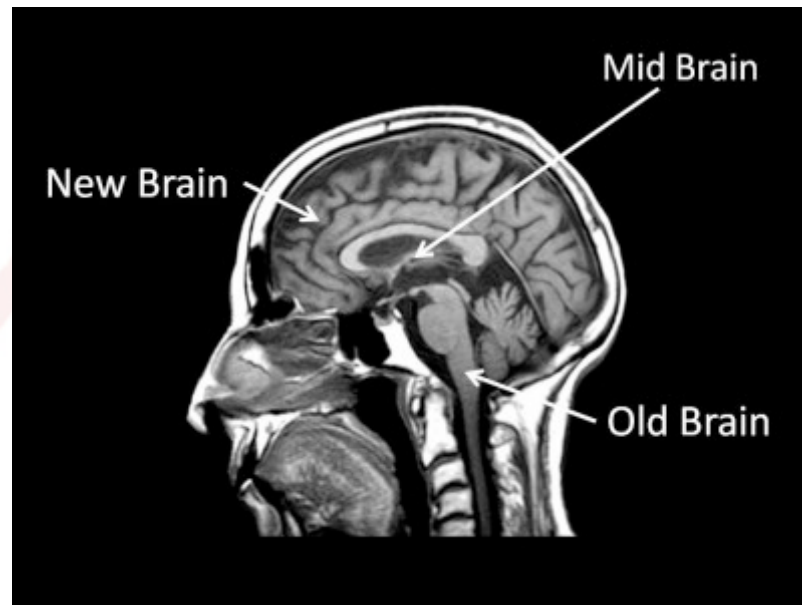


Figure 1: Brain and it's parts
(www.zihinselpazarlama.com/2012/02/27/eskibeyin/)

The old brain is called as “old” because it dates back to about 450 million years ago. “According to leading neuroscientist Robert Ornstein in *The Evolution of Consciousness*, our old brain is concerned solely with our survival, as it has been for millions of years” (Renvoisé & Morin, 2007:7). The old brain just works for its well-being. It searches around for danger, food, to feel safe, etc. and decides what to do.

Lots of studies shows the importance of the old brain in the decision-making process. Human brain scientist Leslie Hart states in his book *How the Brain Works*, “Much evidence now indicates that the old brain is the main switch in determining what sensory input will go to the new brain, and what decisions will be accepted.” (Renvoisé & Morin, 2007:7). Antonio Damasio underlines in his book, *Descartes' Error*, “Emotion, feeling, and biological regulation all play a role in human reason. The lowly orders of our organism are in the loop of higher reason.” In other words, survival-related functions play a role in the decision-making process (Renvoisé & Morin, 2007:7). Old brain is the main decision maker, can control your thinking and behaves according to the goal of surviving. In *Emotional Brain*, Dr. Joseph Ledoux points out that the amygdala-located in the old brain- “has a greater influence on the cortex than the cortex has on the amygdala, allowing emotional arousal to dominate and control thinking.” (Renvoisé & Morin, 2007:8). Recent studies showed that we decide with our emotions and then rationalize them. Actually, human beings hide the main reason behind his/her behaviors. They are dominantly emotion-based and triggered by our reptilian brain called “old brain”. Our emotions cause rationality. Old

brain decides instinctively to be alive like in the primitive ages and doesn't understand words. It processes visual stimuli.

“With all this scientific evidence, the challenge in marketing and also advertising becomes: how do you address a brain that is 450 million years old? Sales people, politicians, educators, advertisers, and even parents can testify how hard it is to convince people by simply using words. Words have been around for only about 40.000 years. Before that, man's communication was limited to a few grunts or gestures. It is even more difficult to try to influence your audience using written language. Why? Written words have only been around for about 10.000 years. That means the old brain is 45.000 times older than written words! There has not been enough time, in evolutionary terms, for written words to make an impact on our old brain.” (Renvoisé & Morin, 2007:8).

All around the world, there is a huge effort to persuade people to do something. In our standing point, marketing and advertising try to persuade people called consumers to buy products, services and ideas. In the related literature, you can see hundreds of books, researches about how can be consumers persuaded. Every year, too much money is spent on this effort. As it is summarized above, one of the new discovered ways is to speak to the old brain. Renvoisé & Morin (2007) suggest a new model to convince “old brain”, now it's recognized as the first Neuromarketing model. Model offers that if you speak to the old brain with six stimuli, you can reach the true decision maker. Renvoisé & Morin's (2007) model has six stimuli and seventh stimulator, simplicity, is added to the model by web site, corporatevisions (<http://corporatevisions.com/resources/article-archive/neuromarketing/>). So, to convince “old brain”:

1. Be Visual
2. Create Contrast
3. Use Firsts and Last
4. Use Emotion
5. Keep it Simple
6. Make it Concrete
7. Make it Personal.

As can be seen in the model suggested by Renvoisé & Morin (2007), it is not possible to convince old brain through using words. Rationality doesn't make sense for it. Complexity is the main reason for misunderstanding messages. People, who want to communicate with old brain, have to learn to speak new language. If you can reach the true decision-maker by using that seven stimulus, you can knock the doors of the decision-making process.

What is Creativity?

Creativity is a central component of advertising success and in a close relation with the other components like getting interest and attention. But, research on advertising creativity suffers from the common definition of the concept. Reinartz & Saffert explains creativity as (2013:4) “the extent to which an ad contains brand or executional elements that are different, novel, unusual, original, unique, etc.”.

Creativity has been described as “the main raison d’être (reason for existence) of the advertising agency and the shiny apples at the front when it puts out its stall” (Bernstein, 1989:18). Advertising creativity is also the most controversial topic for both academicians and practitioners. Which can be seen creative? “It is known fact that there should be an element of creativity in an advertisement. This creativity is to create something new, unique, extremely attractive and appealing to the consumers. In fact, advertising itself is a creative process.” (www.ojcm.net/articles/23/231.pdf). There are a few logical reasons why creativity is important in advertising which are listed below:

- “With good visual effects it will attract the target audience attention that creates interest by establishing feelings of desire to bring about an action to purchase.
 - It is a pillar to build the marketing mix - personal selling, sales promotion, direct marketing, public relations and sponsorship.
 - It differentiates the 'me too' products by influencing attitudes and feelings to position the brand in preference above a competitors brand.
 - It provides knowledge thereby stimulates thinking
 - It can persuade, be relevant and meaningful
 - It facilitates purchase and trial
 - It creates loyal customers
 - It transforms boring ads to interesting ads
 - Creative ads achieve objectives”
- (<http://www.redscommunications.co.za/resources/marketing-tips-blog/141-creativity-importance-in-advertising.html>).

Many awards in the advertising business focus on creativity, only a few focus on the effectiveness of advertising. Crystal Apple Contest is Turkey’s first creativity contest brings stakeholders of advertisement, marketing, media and communication industry together. Last year, it was organized for the 25th time and gave awards to the creativity.



Figure 2: Contest of Kristal Elma
(www.campaigntr.com/2013/04/16/40839/kristal-elma-kabuk-degistiriyor/kristal_elma_25-2/)

Every year, while Kristal Elma (Crystal Apple), a Turkish Association of Advertising Agencies organization and Turkey’s first creativity contest, is getting ready to meet sector representatives, it also regenerates and becomes a 4-day-festival in parallel with the change of the sector. They describe the organization as 4-day festival which

includes: “more than 60 events including conferences, seminars, panels, workshops, master class trainings, screenings and exhibitions organized, as well as more than 40 lecturers, who will give inspiring speeches in line with the Festival Theme, ‘To Make a Difference’.” Contest brings all the elements of the sector together: not only the advertisement professionals of the sector but also brands and customers (www.kristalelmfestivali.com/en/festival/hakkimizda).

Here, some examples of ads which were coded for this study. For example, in picture 1, there is an ad for Lipton After Meal Tea and has a message “whatever you eat, sleep well!”



Figure 3: One of the Awarded Ads (Brand: Lipton After Meal Tea)
<http://www.kristalelmfestivali.com/wp-content/uploads/2013/11/4900949f-100c-e311-8774-005056857981.jpg>

This ad is for CAN Hi-Fi system and has a message “feel the sound!” (Figure 4).

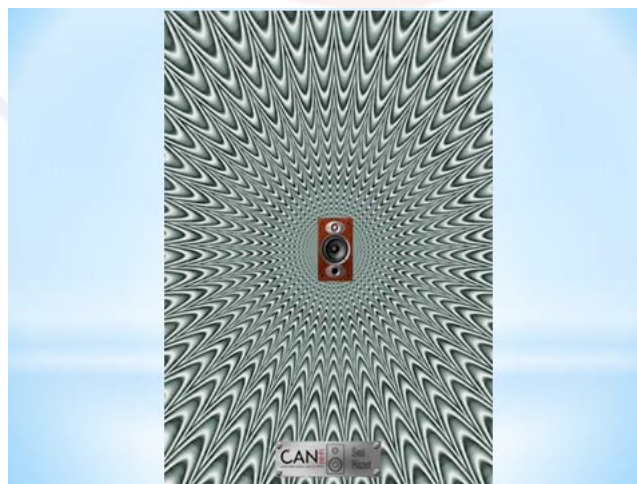


Figure 4: One of the Awarded Ads (Brand: CAN Hi-Fi system)
 (http://timeantalya.com/wp-content/uploads/2013/10/kristal_elma_ses.jpg)

And last ad example gives information for McDonald’s discount announcement between the hours 12 am and 3 pm.



Figure 5: One of the Awarded Ads (Brand: Mc Donald's)
(www.campaigntr.com/2013/09/29/55220/25-kristal-elmanin-kazananlari/)

In figure 6, ad is for dental floss and it says nothing can hide among your teeth.



Figure 6: One of the Awarded Ads (Brand: TePe Dental Floss)
(www.campaigntr.com/wp-content/uploads/2013/09/tepe-dis-eti-2.jpg)

Methodology

Aim of the study is to examine relation between ad creativity and “old brain” via seven stimulators described by Renvoisé & Morin (2007). Identifying similarities and differences between awarded ads considering seven stimulators is also one of the major objectives of this research.

Awarded print advertisements in Contest of Kristal Elma, Turkey in 2013 were chosen as sample and content analyzed. 21 print ads were awarded in 2013. 21 awarded print ads were coded and content analyzed according to seven categories described by Renvoisé & Morin (2007). With this study, if there is a relation between awarded ads and addressing to “old brain” will be examined.

Research Question: Are ads awarded due to addressing our “old brain”? Are there any differences between ads in terms of addressing “old brain”?

Coding Process: For coding procedure, two PhD students studying in the area of advertising were trained and they studied 21 advertisements together. When disagreement arose, the coders discussed their interpretations and a final, consensual decision was reached. All the categories were created in the nominal scale. Using Cohen’s formula, the reliabilities were determined for seven categories which are described as the stimulators of “old brain” by Renvoisé & Morin, (2007). Intercoder reliability was 85%.

Operational Definitions

1. *Be Visual:* The old brain is visual. Neurons connect with one another at the speed of one millisecond, so the visual processing capability of our brain is near the speed of neuronal transmission. This makes the brain both extraordinarily fast and dangerously hasty. Since humans cannot rely on the speed at which the new brain process information, we are hardwired to make decisions that are mostly based on visual input. Data means numbers, so it has no effect on the old brain.

2. *Contrast:* The old brain is sensitive to clear contrast, such as before/after, risky/safe, with/without, or fast/slow. Contrast allows the old brain to make quick, risk-free decisions. Without it, the old brain enters into a state of confusion leading to a delayed decision or no decision at all.

3. *Firsts And Last:* The old brain enjoys openings and finales and often overlooks what is in between.

4. *Emotions:* The old brain is only triggered by emotion. Scientific studies show that emotions create electrochemical responses in our brains. These reactions directly impact the way we process and memorize information. We remember events better when we have experienced them with strong emotions. As Antonio Damasio says in *Descartes’ Error*, “We are not thinking machines that feel, we are feeling machines that think.”

5. *Simple:* The old brain like simple things and avoids complications.

6. *Concrete:* Since the old brain is not qualified to process written language, the use of words-especially complicated ones-will slow down the decoding of your message and automatically place the burden of information processing onto the new brain. The old brain needs tangible input. It appreciates simple, easy-to-grasp, concrete ideas like “more money”, “unbreakable”, and “24-hour turnaround time”.

7. *Personal:* The old brain is responsive to anything pertaining to self. Why? It is completely self-centered.

According to Renvoisé & Morin’s (2007) model the “old brain” reacts to only those stimuli. Incorporating these seven stimuli will give you fast access to the old brain and will immediately improve your ability to convince.

Findings

As can be seen in Table 1, 11 ads have 4 and more stimulating score for “old brain”. Only last two ones have score 1.

Table 1: Awarded Ads’ Product Categories and Their Speaking Scores to the “Old Brain”

Category	Score
1 Beverage	6
2 Beauty and Personal Care	5
3 Chocolate/Candy/Snack	5
4 Cleaning Products	5
5 Food	5
6 Retail, e-commerce	5
7 Social Responsibility	5
8 Construction and Materials	4
9 Decoration	4
10 Electronic	4
11 Medicine	4
12 Automotive	3
13 Banking	3
14 Culture & Art	3
15 Household Appliances	3
16 Corporate image	2
17 Media and Broadcasting	2
18 Other	2
19 Tourism, Transportation and Entertainment	2
20 Fashion and Accessories	1
21 Services	1

And Table 2 gives frequencies of awarded ads, which were coded due to stimulators of “old brain”. As it’s said before, 21 ads were coded. 19 of the ads have a simple message, 16 of the ads were visual, 14 of the ads have a tangible input (which means concrete), 8 of the ads were self-centered and 7 of the ads created contrast with their claim. 6 of them were appealing to emotions. And only 2 of the ads used first and last to get attention.

Table 2. Frequencies of Awarded Ads Due to Seven Stimulators of “Old Brain”

	Frequency	Percent
Be Visual	16	76.2
Create Contrast	7	33.3
First and Last	2	9.5
Emotions	6	28.6
Simple	19	90.5
Concrete	14	66.7

Personal	8	38.1
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Conclusion

Advertisements appeal to the “old brain” can be seen creative. If an ad has at least 2 of 7 categories, which were described as stimulators of “old brain”, can be the key factor of getting attention for consumers.

If an ad is creative and also appeals to the “old brain”, it might have an award by the way it speaks to our “old brain”. Our brain is responsible for all our consumer behaviors, so advertising practitioners should be aware of this fact and design their ads which speak to our “old brain”.

It is important to note that the results of this study are not generalizable. This study was conducted in Turkey, with results of Crystal Apple Contest, 2013 awarded print advertisements. To obtain more accurate and generalizable results, it will be necessary to conduct further studies with more ads and from other contests and other cultures.

This paper covers only printed advertisements; thus, in future studies, content analysis could be conducted on other kinds of advertisements. The data analyzed in this study are also thought to guide future studies to be conducted to examine consumers' attitudes within the scope of the features mentioned. For future studies, using the same methodology for previous and next years' awarded ads in the same contest can be compared. In this way, it could be possible to answer the question “more creative ads appeal to old brain”.

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(02.14.2014)

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***The Synergy Of Poetic Leadership:
How Leading Poetically Bridges The Gaps***

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The European Business and Management Conference 2014
Official Conference Proceedings

Abstract:

I will not follow where the path may lead,
but I will go where there is no path, and I will leave a trail.
From Wind-Wafted Wild Flowers, Muriel Strode

We live in a world of volatility, uncertainty, complexity and ambiguity (VUCA), where the disparate needs of individuals, communities and society are at times in conflict. There is a growing recognition that traditional styles of leadership are no longer adequate for such a world. Interdisciplinary practices can give us a new perspective on our challenges; new ways to build synergy. This paper will consider how a poetic leadership can help us reach common ground, and find meaning in our place in our community or society.

Poetry deals in the currencies of passion and truth; its language is open and non-directive. Poetry connects emotionally whilst allowing us the freedom to make our own interpretations. It provides a space for reflection. These are vital skills for engaging with others in a noisy and complex world. The music of poetry can wake up our senses. It can develop our lateral thinking capabilities, and may help us to manage better in ambiguity and uncertainty. Poetry sits with not knowing. Leadership with these qualities can build resilience in a VUCA world.

Keywords: leadership; poetry; leadership development; metaphor; transpersonal; creativity

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LEADERSHIP AS POETRY

Leaders write organizational poetry
George Goens [1]

Leaders and their followers are increasingly searching for meaning in the workplace. Many seek models of leadership that are more articulate and quiet; that link to the self and humanity; that bring meaning and creativity; that are comfortable with ambiguity. Yet we continue to work in environments that prioritise self-sufficiency and fast results; that reward directive styles of leadership. Many would argue that there is a widening gulf between what people want from their leaders, and what traditional modes of leadership succession and management development deliver.

There is a plethora of authoritative advice about leadership. Rather than adding to this canon, I am offering a way of seeing leadership in the idea of the poetic leader. Poetic leadership is about a way of thinking and communicating that is beautiful, intelligent, complex, subtle, figurative, and questioning.

My premise is that:

- poetry has much in common with leadership and has something to offer on several levels
- poetry and poetic language can be powerful tools for leaders
- reading and understanding poetry can develop useful thinking skills for leaders
- using poetic devices and approaches (such as tone, rhythm, and narrative) can improve our leadership
- metaphor is useful not only in leadership but about leadership
- seeing leadership as a poetic activity can shift our relationship with our identity as leaders

Metaphors establish a mindset that affects the way we see the world. Using poetry as a metaphor for leadership provides us with a shorthand - an intuitive understanding. It may not only offer a framework for thinking about leadership, but also tell us something about the here-and-now of communicating as a leader.

MOVERS AND SHAKERS

When I say there's nothing sentimental about a poem, I mean that there can be no part that is redundant. Prose may carry a load of ill-defined matter like a ship. But poetry is a machine which drives it, pruned to a perfect economy.
William Carlos Williams

Why should we give attention to poetry? In a world where creativity and innovation are key differentiators; where people are increasingly looking for meaning in their work; and where clarity and truth can be hard to find, I believe that poetry has something to offer.

In *The Music-Makers*, Arthur O'Shaughnessy named poets as the original movers and shakers of the world. Poetry deals in the currencies of passion and truth; currencies that are vital in successful leadership.

The word poetry derives from the Greek "ποίησις", poiesis, a "making"). So a poem is a made thing; an artefact. Denotatively, poetry is literary work in metrical form or verse, with a purpose of exciting pleasure by beautiful, imaginative thoughts. The word poetic is also given connotative meanings, such as the characteristics of rhythm, beauty, spirit and feeling, and of being elevated or sublime.

One of poetry's features is its ability to balance or fuse elements that are in tension, for example: sound and symbol; rhyme and rhythm; head and heart. Like great leadership, poetry connects with us emotionally, and our response to it can be powerful, unconscious and physical. Housman famously described this physical response, suggesting that the seat of our sensation in response to poetry is the pit of the stomach.

Poetry does not exist in isolation but passes between the poet and the reader or listener. It evokes what Coleridge called 'a willing response', or what we might think of as a followership. We read poetry with an expectation of creative expression because we associate the two. There is a linguistic contract between poet and reader, just as there is an organisational contract between leaders and the led.

William Carlos Williams argued that a poem should be a field of action. Poetry, as a made thing, makes the bridge between doing and knowing. Poetry is increasingly brought into the boardrooms, training spaces and marketing strategies of a wide range of organisations. We use poetry in leadership development at my own company Different Development. And as well as focusing on poems themselves, thinking more broadly about the poetic qualities of leadership can add another dimension.

THE LANGUAGE OF LEADERSHIP

Lord, what an organ is human speech when employed by a master
Mark Twain

Language is power[ful]. We recognise great leaders in part from the language they use. Leaders concentrate on the meaning of events and decisions; they are sensitive to language. The language of leadership is colourful, peppered with symbolism and metaphor, laced with examples, and imprinted with a clear message or call for action.

There is particular strength in the language of poetry, and this was part of Plato's rationale for saying poets would be banished from his Republic. Poetry pushes language to its utmost. Philosopher Hans-Georg Gadamer claims that whereas 'ordinary language resembles a coin that we pass round among ourselves in place of something else, poetic language is like gold itself'. [2]

Leaders and teams who are able to draw on richer vocabulary and deeper descriptions of things, will broaden the language of their organisations and overcome the verbal monotony so common in the corporate world. A richer organisational vocabulary can increase the bandwidth of our connections, both interpersonally and intellectually.

SETTING THE TONE

Sentences are not different enough to hold the attention unless they are dramatic...All that can save them is the speaking tone of voice some how entangled in the words and fastened to the page for the ear of the imagination.

Robert Frost

More than in any other medium, poetry uses sound to convey meaning. Through the simple yet demanding act of combining consonants and vowels in certain ways, a poet can communicate emotions that are distinct from the words' denotations and connotations.

Sonic devices such as repetition, assonance, mimesis and rhythm enable the poet to overlay and stress certain sounds, with powerful and sometimes intoxicating effect. These aspects of poetic voice, alongside the images and events in the poem, work to create mood and enhance emotion; to make music from words.

A poem's tone is its overall mood or pervading atmosphere; the attitude towards the subject that its style implies; its emotional colouring. A poet uses tone to influence the readers' expectations and response.

When American poet laureate Robert Frost spoke and wrote about poetic tone, he meant the kind of eavesdropped vocal sound that comes through a closed door when people are speaking - the kind that gives us a sense of what is going on even though we can't hear the words exactly.

Likewise, people should be able to understand what is going on in an organisation (or a leader's mind) from the overheard tones in an organisations's conversational register. As they will inevitably hear something, it is important that they hear what we would want them to hear. The tone set by ongoing practices, habits and processes; the attitude implied by the things we pay attention to; the symbolism of the leader's daily decisions and choices - these may be more pervasive in setting the tone than formal communications and Board reports. Tone needs to be congruent, supporting the sense of what we are trying to say.

THE SHAPE OF THINGS

Listen: nothing. The sound of silence. The rustle of
air in the silence. The music of air touching itself -
silently.

Luce Irigaray

Form in poetry is the arrangement, manner or method used to organise and convey its content. Poets today are likely to draw on from - and even combine - diverse forms.

Form is a key part of the way said. The poet needs to make choices about shape and form carefully, as it should not only reflect the purpose and style of a poem, but will give the reader clues about meaning and tone. When a poem's tone and shape fits with its theme, it lends credence to its particular circumstance. Such a poem has an overall sense of congruence, showing rather than telling us its message.

Formality and Fluidity

Although structure and form are the enablers of rhythm, we should not get too hung up on them - the rhythm must have space; must live. One of the most common failings in organisational change programmes is too great a focus on structure and process, and not enough on the human factors of change.

Adaptability and flexibility are key. In typical organisations there is ongoing turnover of staff, frequent restructuring of teams and business units, and time limited task-and-finish or matrix-based activities. The structure that is fit for purpose one day will be antiquated the next. If we are to maintain motivation and engagement, processes must not become monotonous. A degree of variety in pattern - of deviation from form - will help to keep people's interest.

Structure

Poets use structural elements such as lines, stanzas and punctuation to help the reader follow their meaning. In management-speak, lines and stanzas can help to 'chunk the elephant'; to divide a complex process, problem or project into bite-sized pieces.

In poetry, minute marks of punctuation can have a big impact on our senses and understanding. These small things matter. So too do the punctuating gestures that we make as leaders: eye contact; a nod; a touch; saying "yes", and "thank you"; starting an email with a greeting. In such simple ways we signal our intentions and the tone of our connection.

Endings are crucial too. As well as its closing thought or sentiment, the final mark of a poem, and the space that follows, will usually signify clearly that it has come to an end. This sense of closure and completion is important. Neither a poem, a speech or a corridor interaction should just fizzle out.

Say That Again!

Poets often repeat themselves. Repetition of same or similar words, sounds, symbols, even lines, helps to create a sense of congruence and flow; a thread that we can follow through the labyrinth of a poem. As leaders, repetition can help us to create connection and resonance. It enables us to repeat or recast a point to ensure it has been heard and understood; to stress something important. We can use repetition to reflect and endorse what we hear from others too.

We know that our messages have been heard and understood when we start to hear them come, unbidden and rephrased, from others around the organisation.

Pausing for Breath

French poet Stéphane Mallarmé argued that "It is the job of poetry to clean up our word-clogged reality by creating silences around things". Poetry has many means of imposing pauses, often encouraging or requiring us to read slowly, to breathe, to stop and think, and listen. Much of its power lies in the relationship - the contrast - between the words and the white space of the page.

Just as a poem's life lies in the breath between the words, so is space - to rest, pause and think - a key tool in the leader's toolkit. We need respite from intensity; contrast between doing and not doing. Calm, white space is the realm of the imagination.

Effective leadership is both measured and spacious; it provides for down time and reflection. Even in a busy environment, when pressures to make decisions are great, we may need to buy a little time - to create a breathing space within which further information gathering and investigation can take place, in order, ultimately, to arrive at a better decision. We all need space and time to think our best thoughts.

LEADING WITH RHYTHM

Our biological rhythms are the symphony of the cosmos, music embedded deep within us to which we dance, even when we can't name the tune.

Deepak Chopra

We are immersed in a natural symphony of rhythms, and organisations, made up of people and the work they do, are no exception. Rhythmic movement is a natural consequence of the body doing physical work, and maximises muscular efficiency. Perhaps this increased efficiency is why physical work across the globe is often accompanied by singing or chanting, from the spiritual songs sung by ditch diggers in the Caribbean to the Hebridean waulking songs sung by women as they soften home woven cloth. Although more immediately apparent in physical work, rhythm is an important factor in productivity of any kind.

Rhythm is key in music and dance, and present in all language based arts, but it is in poetry that the driving beat of language meets meaning. Poetry mimics the waves of breath (or inspiration) that accompany speech. Indeed, poetic rhythms are sometimes ascribed to units of breath. In his essay *Projective Verse*, poet and critic Charles Olson suggests: "And the line comes (I swear it) from the breath, from the breathing of the man who writes, at the moment that he writes." [3]

William Carlos Williams described the movement of a poem as "intrinsic, undulant, a physical more than a literary character." [4] Prosody is the energy of that poem, the thumping cadence of the poem's engine that creates pace and momentum.

Effective leaders are aware of the rhythms at play within their organisation, and know how to read them, ride them, and shift them when necessary. They can interact with organisational rhythms to increase productivity and allegiance.

Rhythm can act as a powerful change agent. As Professors Bob and Janet Denhardt suggest in *The Dance of Leadership* : "The beats provide the obvious structure and constitute moments of stability, but, between each accent, there is an open space, an opportunity, begging to be filled." [5] Rhythm exemplifies the tension between stability and change that is the essence of life and of leadership. In the space that follows a moment of stability, one of a million things might happen. It is the leader's role to help the group navigate this space. A poetic leader will follow the breathing rhythm of ebb-and-flow; give-and-take; lead-and-follow.

TELLING THE TRUTH

All truths wait in all things
Walt Whitman

Ralph Waldo Emerson said that the poet writes “what will and must be spoken”. Poets are often watchdogs of the truth in the face of corruption and exploitation. In taking this role, many poets have carved a courageous and at times dangerous role for themselves. In today’s organisations, the quest for veracity has never been more vital, nor potentially so tricky.

Martin Heidegger regarded language as the ultimate reality, and poetry as the most authentic language. Poetry makes important truths accessible and tangible, in contrast with the vague promises made by remote regimes, and disempowering leaders. Kathleen Jamie suggests: “...if poetry is a method of approaching truths, and each of us with a human soul and ‘a tongue in oor heids’ can make an approach toward a truth, poetry is inherently democratic.”

A poetic leader will put truth in the hands of their people, overcoming the nagging sense that people often have; that somebody else is secretly running the show. The truth also has an impact on the bottom line. Professor Tony Simons found that organisations where managers have ‘behavioral integrity’ are substantially more profitable than those where they don’t. [6]

Leadership is authenticity, not style. Authentic leaders are originals. Many leadership development texts list the leadership characteristics we are supposed to adopt, and extols the virtues of particular leaders we are recommended to emulate. This is the antithesis of authenticity. It is about developing a persona or an image of a leader. The prospective leader who attempts to adopt prescribed leadership traits is destined to fail.

Poets make conscious choices about the voice in which they write and have a characteristic style, even though their tone may change from one work to another. Although we too will adapt our words and tone to fit the audience or situation, our unique leadership voice must remain recognisable. If a leader is to create trust and confidence, they must sound true; they must act and speak consistently.

SHOWING AND TELLING

If you want to build a ship, don't drum up people together to collect wood
and don't assign them tasks and work, but rather teach them to long for the
endless immensity of the sea
Antoine de Saint-Exupéry

“Show, don't tell” is common advice to fiction writers to write in a way that allows the reader to experience the piece through a character's action, words, thoughts and feelings rather than through the narrator's exposition. Rather than being heavy-handed, or overwhelming the reader with adjectives, they should allow the story to emerge from the text; leaving her to draw her own conclusions about what is going on from what she observes and understands.

Effective writers use detail to breathe life into their writing. Rather than naming emotions (she was afraid; he was angry) they use carefully chosen words alongside appropriate descriptions - stiff, sweaty, a snapped reply, a stammer - to paint a more vivid picture. As Anton Chekhov urged, "Don't tell me the moon is shining; show me the glint of light on broken glass."

FINDING MEANING; MAKING SENSE

While science may lead you to truth, only imagination can
lead you to meaning.

C.S. Lewis

One of the most important tasks of today's leaders, especially in times of uncertainty and change, is to help people make sense of things. A good leader is able to help others find meaning, by providing context and by helping people find a sense of what they do and where they fit. Leaders frame the issues in a way that the people in an organisation can respond to positively.

We need to transmit meaning, but we work with people who have divergent views and perspectives; who are motivated by unlike things, and may hold dear, values that are alien to us. We need to find somewhere for different values and beliefs to meet, and a language that helps to build and share meaning.

The language of poetry can guide us. Poets help us to define what it is to be human. They speak, implicitly or explicitly, of soul and spirit. They help us to find our place in the world, and in respect to other people in it. Poetry explores the unknown, raises questions and seeks meaning.

Poetry also spans the divide between the intellectual and the emotional; the known and the felt. Holding its content lightly, poetry is able to communicate both an idea and the feeling associated with that idea - the two entwined - with clarity and precision. In most organisational challenges, the interface between the rational and the emotional is the place where the leadership quest succeeds or fails.

George Santayana suggests that poetry's function is "to seize hold of the reality of sensation and fancy beneath the surface of conventional ideas; to build new structures.. fitter to the primary tendencies of our nature, truer to the ultimate possibilities of the soul." [7]

THINKING AND LEARNING

I have no axe to grind; only my thoughts to burnish.
George Santayana

How Poetry Helps Us Think

One of the most important qualities that champions of poetry for the workplace identify is its power to develop new thinking skills; skills that emphasise wisdom and learning over knowledge; creative over fixed ideas. According to Clare Morgan,

“Reading poetry generates conceptual spaces that may be different from the spaces usually available to (business) strategists”. [8]

Poetry uses relatively unpredictable language and surprising imagery; it arrests the ear and the mind with novelty, patterns, powerful metre and fresh ideas; it requires us to remain alert and pay attention. By doing all this, poetry reduces what is known as ‘automatic perception’ and helps us to question our assumptions. To read poetry requires us to claim that imaginative space, to live with uncertainty, rather than rush to conclude and summarise.

Traditional management approaches tend to follow inductive or deductive logic. Whilst this enables us to extrapolate from known facts and past experience, it is of limited value in anticipating the unknown consequences of something that has yet to be. We can’t create something that we can’t imagine. Poetry’s abductive thinking style may help us to develop the necessary skills.

Ambiguity

While facts are important, they are not enough. Lominger International’s research suggests that the most important competency in short supply today is dealing with ambiguity. [9] People who are tolerant of ambiguities cope relatively well where information is vague, incomplete or inconsistent, and where the solution and means of getting there are not immediately clear.

Curious exploration, and a willingness to sit with unresolved questions, mirror the creative structure of poetry rather than the concrete answers of prose. Keats called this tolerance ‘negative capability’: “that is, when a man is capable of being in uncertainties, mysteries, doubts, without any irritable reaching after fact and reason”. [10] Poetry is a country of no right answers; a land of light and shade, of paths that may lead somewhere or nowhere; a territory of lookout points and places to rest.

CREATIVITY & INNOVATION

Imagination is more important than knowledge. For knowledge is limited to all we now know and understand, while imagination embraces the entire world, and all there ever will be to know and understand.

Albert Einstein

IBM’s 2010 Global CEO Study identifies creativity as “the single most important leadership competency for enterprises seeking a path through this complexity.” [11]

Creative leaders are thought to innovate more. They have new ideas. They create new products. They come up with new ways to get things done. Artists have tools that enable them to move from intention to creation and expression, and we can develop similar approaches in leadership. Poetry has a grammar of possibility, and reading poetry can help to develop (amongst other things) creative thinking skills and tolerance of ambiguity. These are vital skills in today’s complex world.

Effective leaders work at a moving edge; a place of not knowing, of adventure and creativity, where current knowledge asymptotes to nothing. This place of the unknown is encountered in many fields. The physicist Niels Bohr observed that, 'When it comes to atoms, language can be used only as in poetry. The poet, too, is not nearly so concerned with describing facts as with creating images and establishing mental connections'. [12] Only by reaching this place of not knowing can we discover something new.

Leaders must be visionaries; as Shelley said (of poets): "the hierophants of an unapprehended inspiration; the mirrors of the gigantic shadows which futurity casts upon the present".

HEART TO HEART: MAKING THE CONNECTIONS

Only connect the prose and the passion, and both will be exalted, and human love will be seen at its height. Live in fragments no longer.
Only connect...

E.M. Forster, *Howards End*

Personal Connections

Effective leaders - poetic leaders - honour and nurture connections; in particular people's connection with the things that matter most to them. This is a powerful antidote to the continual erosion of meaning and passion that is common in the superficial churn and aesthetic muteness of many working lives. Poetic leadership helps a leader connect their own outer and inner worlds (integrally), and connects people with each other (transpersonally).

Poetry is the natural habitat of emotional intelligence. Poetry enables us to engage the emotions (what - Yeats called 'footsteps over our hearts') and helps us perceive what we may already know. It works through 'hot' rather than 'cold' cognition, involving the body and all its sensations.

Effective leaders are visible and open. They don't hide behind hierarchy and bureaucracy, but interact with people across the organisation and inspire them to achievement. They are able to put ourselves in others' shoes. The specific relationship between leader and followers is a key part of an organisation's pervading culture.

W H Auden famously said, "Put poetry on a pedestal and it ends up on the shelf". The role of the celebrity leader can be equally isolating - on top of a pedestal is a lonely place. It is also dangerous; worshipped leaders can become defended, invulnerable and arrogant. In healthy organisations, people are empowered to speak their own views, rather than serving as disenfranchised echoes to narcissistic leaders. Like the Emperor with no clothes, leaders need to be told the truth; they need to understand their failings and admit their mistakes; above all they need to connect with others and offer them realistic role models.

Leadership conversations

In an organisation that empowers people, there is good dialogue. The leader helps others to express themselves; they create the overall shape of conversation like curating the exhibits in a museum or the stanzas of a poem.

A poetic leader pays attention, treads lightly, and notices little things; they are full of care and care-ful; they want to see as well as be seen; they are a voice that listens, that asks questions. To listen well we must be genuinely curious about another's point of view; we must hold our own knowledge and authority in abeyance. As Winston Churchill said, "Courage is what it takes to stand up and speak; courage is also what it takes to sit down and listen."

As a grammar of ambiguity, poetry can strengthen our ability to sit with the questions rather than rush to conclusions. This makes it what Clare Morgan calls a "ground for surrender"; a place of opening up that can act as a basis for reframing seemingly intractable issues. Reframing and revisioning are essential in opening up the possibility of change of mind; and that possibility, in turn, can act as a catalyst in the trust process.

Common Ground

Part of poetry's relevance may be its universality and its enduring nature. It enables us to see ourselves and current circumstances as part of a continuum, a community extending across history. Philosophers such as Nietzsche and Schopenhauer describe how art helps us to set aside our sense of individuality and self, and to see life directly through timeless ideas.

Collaborative leaders seek out that which unifies, and direct their energy to that which brings and holds people together, rather than to anatomising their differences; yet they need to do this without imposing a impersonal world view.

Poets, too, search for universally understandable symbols that are nevertheless made personal. As Keith Holyoak [13] argues, "Poetry reflects the tension between what is personal and what is collective, individuality and the shared human core..."

According to Elizabethan courtier Sir Philip Sidney, in *An Apology for Poetry*, poetry surpasses history in that it tells us how life ought to be and surpasses philosophy in that it gives us the particular example.

Poetry works by connecting the general with the personal or individual. By writing very specifically, often at an emotional level, of one experience, a good poet can connect to the reader's own specific experience. I call this finding the highest common denominator. In this way, poetry - and poetic leadership - bridges the universal & the personal, so creating synergy between individual, community & society.

IN SUMMARY

- Poetry deals in the currencies of passion & truth; its language is open & non-directive.
- Poetry connects emotionally whilst allowing us the freedom to make our own interpretations.
- Poetry provides a space for reflection.
- These are vital engagement skills for leaders in noisy & complex environments.
- The music of poetry can wake up our senses and develop our lateral thinking capabilities.
- Poetry sits with not knowing and helps us live with ambiguity.
- Poetic Leadership can help build resilience in a VUCA world.
- Poetry connects individual, community and society.

The logo for the International Association for Business and Management (iafor) is centered on the page. It features the word "iafor" in a light blue, lowercase, sans-serif font. The text is enclosed within a circular graphic composed of two concentric, slightly irregular arcs. The outer arc is a light red color, and the inner arc is a light blue color, matching the text. The overall effect is a subtle, circular frame around the organization's name.

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***Role of Community in Strengthening Identity of Cultural
Tourism Resource in Nakhon Pathom, Thailand***

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Abstract

Nakhon Pathom has been considered an important historical, and Buddhist city in central Thailand. This culturally diverse city is known as the home of the biggest pagoda in Asia. Within this context, this research aimed to: 1) study the potential for cultural tourism at Klang Khu Wiang temple, and; 2) investigate participated role of community in strengthening identity of this cultural tourism resource. The samples of the study consisted of: 1) 370 people living in Sampatuan sub-district; 2) 7 other members of the community, including two community leaders, two civilians of Sampatuan sub-district, three vendors, and an academic representative. A questionnaire and focus group discussion were used for data collection during May-August 2013. The collected data were analysed by frequency, percentage, arithmetic mean, standard deviation, and content analysis.

The findings showed Klang Khu Wiang temple in Sampatuan sub-district had sufficient tourist resources and facilities as it was located near the main river of Nakhon Pathom province. The temple was also famous for the giant medical pot and herbal healing. The overall participated role of the community in strengthening identity of cultural tourism resources was found to be at a high level. The aspects of planning, implementation, and utilisation evaluation were at a high level, whereas the evaluation aspect was at a moderate level. The principal problems of strengthening identity of cultural tourism resources of the area were lack of knowledge and understanding of responsible people and lack of public relations. Recommendations for strengthening identity of cultural tourism resource were development of participation from the community, increasing attractive public relations for tourists, having a responsible team to implement improvement, and more cooperation from other people in the community.

Keywords: role of community/ participation/ identity/ cultural tourism

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1. Introduction

Currently, cultural tourism is more interesting since it is focused on study for knowledge of art, culture, tradition and way of life of people in a community; moreover, it is also aimed to emphasize knowledge and pride in culture, ancient buildings, art, architecture, and tradition (Chukiat Nopaket, 1999; Wanna Wongwanich, 2003; Boonlert Jittangwattana, 2005). Thus, development of cultural-based tourism resources agrees with the aims of the present National Economic and Social Development Plan (2013-2016), which focused on changes in economy, society, resources and environment, area and community development, and national security (Office of National Economic and Social Development Committee, 2011; Office of National Economic and Social Development Committee, 2010: 5-6). Thailand is one of the countries in East Asia, which have high potential for tourism, due to its rich and various tourist resources – natural and cultural tourist attractions. The country has yearly attracted millions of local and foreign tourists, and it has been ranked as one of the best tourist destinations in the world (Ministry of Tourism and Sports, 2011: 8).

2. Literature Review

Studies of tourism management of some national famous tourist attractions to raise them to the sustainable world-class level, for example, a study in Phuket province (Manas Chaisawat et.al., 2013: vii) showed the tourist attractions in Phuket could be developed to become qualified tourist place; however, they needed improvement in many aspects, especially in management. (Boosaba Sittikan and et al. 2001: 4-5) studied the tourist attraction management, based on community participation, of Baan Mae Klang Luang community on Mount Intanon, in Chiangmai province. The results showed the villagers had experience of being beneficial entrepreneurs; however, they also had problems in management. Moreover, the study of developing Kratumbaen Market in Samut Sakhon province to become an ecological tourist attraction (Niwat Matarat, 1998: a) showed the overall potential of tourist resources was at a moderate level, and revealed high levels of problems in all aspects of the development, particularly the aspect of responsible organisations for the management, and for the community's participation. The findings indicated Thailand has a lot of various tourist attractions; but some have not only lacked of potential for developing them to become well-known to draw revenue and better economy of the communities, but also for good management, especially participation of people in the community.

The problems affecting the development of the country's tourism industry and the review of the related literature can be concluded that cultural tourism is important for Thailand. The cultural tourism has to depend on the participation of the related people in the community. This study was conducted to examine the potential of the cultural tourist attraction at Klang Khu Wiang temple, Sampatuan sub-district in Nakhon Pathom, through analyses of its strength, weakness, obstacles, and chance; a survey of tourist resources and facilities was applied to investigate its potential; moreover, principles of Cohen and Uphoff (1980: 213- 217) were used to study the participating roles regarding planning,, operation, benefit receiving, and evaluation.

3. The Methodology and Model

This case study aimed to: 1) study the potential to become a cultural-based tourist attraction at Klang Khu Wiang temple; and 2) investigate participated role of community in strengthening identity of cultural tourism resource. The samples of the study consisted of: 1) 370 people living in Sampatuan sub-district; 2) 7 other members of the community, including: 2 community leaders, 2 civilians of Sampatuan sub-district, 3 vendors, and an academic representative. A questionnaire and focus group discussion were used for the data collection during May-August 2013. The collected data were analysed by frequency, percentage, arithmetic mean, standard deviation, and content analysis.

4. The findings

The findings of the study revealed that:

4.1 Klang Khu Wiang temple in Sampatuan sub-district had sufficient tourism resources and facilities as it was located near the main river of Nakhon Pathom province. The temple was also famous for its giant medical pot and herbal healing.



Picture 1 Big pot of herb



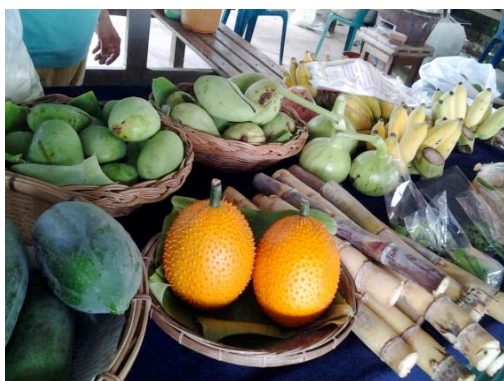
Picture 2 Herbal garden



Picture 3 Look Nimit



Picture 4 Giant charms



Picture 5 Various local agricultural products



Picture 6 The Thachine River

4.2 The overall participated role of the community in strengthening the identity of cultural tourism resources was at a high level. The aspects of planning, implementation, and utilisation were at high levels, whereas the evaluation aspect was at a moderate level. The main problems for strengthening the identity of cultural tourism resources of the area were lack of knowledge and understanding of responsible people and lack of public relations. The recommendations for strengthening the identity of cultural tourism resources included development of participation from the community, increasing effective public relations, having responsible teams to implement improvements, and more participation from people in the community.

5. Summary and Discussion

5.1 Klang Khu Wiang temple in Sampatuan sub-district has potential to become a cultural-based tourist attraction due to its location on the bank of the Thachine or Nakhon Chai Si river, which flows through many provinces in Central Thailand. The river makes the areas of Klang Khu Wiang temple attractive with natural shades. It is also a historical site relating to ethnic groups who migrated or caught from Vientien to this settlement. They have transferred their original culture and indigenous wisdom, which presently becomes their own uniqueness and can efficiently attract tourists' interest. The tourist attraction here has basic facilities to meet tourists' service standard, such as electricity, tap water, toilets, direction signs, food and beverage shops, and sufficient parking lots for visitors. The site also has areas that can be used for organising various cultural tourist activities since there are Lao ethnic group living here at present. Giving chance to people in the community to participate can help improve tourism, and cause the province to be developed in other aspects, which can lead to revenue increasing. Thus, the procedure agrees with the perception of Rachaphorn Chansawang (2003: 16-18) who stated that, "Tourism is developed to business and it can be expanded to industry, respectively. Actually, it can indeed affect the economy and society." Community people's participation helps the people to be proud of their own culture, ancient buildings, art, tradition, and historical inheritance (World Tourism Organization, 1997; Chukiat Nopaket, 1999; Wanna Wongwanich, 2003; Boonlert Jittangwattana, 2005: 283; Ranee, Isichaikul, 2003: 83).

The findings of the study show Klang Khu Wiang temple's unique identity is the local herbal indigenous wisdom in illness treatment, evidently confirm with its herbal

garden with lots of herbal plants, and a giant herbal pot easily seen as a landmark of the tourist site. It agrees with the perception of cultural uniqueness which causes the local people to acknowledge how they differ from others (Nattana Prasarnnam, 1999). Also, encouraging local people to participate in tourist activities agrees with the perception of community-based tourism which causes everyone to have senses of resource owning and beneficial share, and these senses can also lead to their awareness of conserving the local culture and environment (Pojana Suansri, 2003: 24; Terdchai Chuaybamrung, 1997: 110-111). The findings also support the study of Prapatchai Chainork (2011: abstract) who studied direction of cultural-based tourism development in Baan Daan Sai, Loey province and found the potential of the site which had unique identity in both natural and historical tourist resources with continually local inherited tradition.

5.2 The finding revealed participatory roles of the community in enforcing the uniqueness of the tourist resources at Klang Khu Wiang temple as a whole were at high levels; when each role was considered individually, three roles were found at high levels-, planning, operation, and utilisation, respectively, but the role of evaluation was found at a moderate level. The findings also yielded problems of the community participation in building cultural identity of the tourist site concerning lack of qualified people in cultural tourism to take management tasks, and lack of public relations for both domestic and foreign tourists. Recommended solutions were supporting cooperation in the tourism management among all the related organisations, particularly the community and the local. Increasing public relations of cultural-based tourism at Klang Khu Wiang temple to both domestic and foreign tourists was recommended. For participatory cooperation in enhancing the unique identity of Klang Khu Wiang temple, more responsible people obviously taking charge in managing the tourist site, opening more chance for the community people to have more cooperation. The findings supported the results of the study of Irawat Chomraka (1999: abstract) which found problems in promoting cultural-based tourism at Phailuang sub-district, in Lab Lae district, Utraradit province regarding little public relations, and solution was cooperation among relating organisations in the region. The findings also agree with the principles of actual roles of relating people and their participation in planning or making decision, operating activities, receiving benefit, and evaluation (Kannika Phumiwongpitak, 1997: 12; Santad Chuaputtan, 1998: 2; Somboon Amponpanarat, 1999: 18).

The findings of this study which supported the other studies' findings indicate that the major important problems found in tourist attractions around Thailand were: 1) lack of perception of tourist people about tourism, services, suggestions or giving information about tourism, and; 2) problems of management, lack of responsible people, tour guides, people's participation, and continuous public relations of the tourist attractions. Authorised people in both private and public organisations and the Ministry of Tourism and Sports should take charge by coordinating all the relating organisations. Thus, the development of tourist attraction at Klang Khu Wiang temple should take weakness, and threat of the site into consideration. The directive principles are establishing perception for the local people, increasing public relations of the tourist resources to domestic and foreign tourists, enhancing cooperation of all the private and public organisations including relating people, community and the local, organising more various activities in cultural-based tourism, and developing security for tourists. The public relations and tourist attractions' networking may be

able to develop Klang Khu Wiang temple as one of the major cultural tourist attractions in Nakhon Pathom province and it can make more jobs and revenue, strengthen the community and economy, and further national sustainable development.



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