ICT and Corporate Image: 
The Customer’s Perspective

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ABSTRACT
As new ICT products appear on the market, many managers choose to adopt them without clear evidence of the productivity benefits often claimed by vendors. Some may trust or hope that the promised benefits do eventually materialize, but others may adopt them because of ICT’s symbolic meaning. This article investigates the links between ICT, corporate image, and purchase decisions or other forms of support among prospective customers, a previously neglected external stakeholder group. This article presents an experiment testing the links between IT, corporate image, and support behavior among customers. The results show that there is a strong link between conspicuous use of IT artifacts and corporate image leading to support behavior among customers. Social meaning of IT indirectly affects customer support and firm survival. This explains why savvy managers adopt new IT products that are consistent with their desired corporate images without clear evidence of the productivity benefits. Implications for theory, practice and future research are discussed.

KEYWORDS
Corporate Image, ICT, Institutionalism, Social Cognition, Symbolic Meaning

INTRODUCTION
The criteria for adoption of new information and communication technologies (ICT) is based on the argument that new ICTs will provide functionality that improves productivity, efficiency, and profitability (Orlikowski & Iacono, 2001). However, Brynjolfsson & Hitt (1998) show that firms adopt new ICT before such evidence of productivity or efficiency emerges. When claims of new ICT cannot be objectively verified, social definition of reality will drive decision making and people’s behavior will be influenced by what ICT means to them (Schein, 1985). There is a rich tradition of research in the symbolic meaning of ICT and its use as a signal by various stakeholders (Feldman & March, 1981; Kling & Iacono, 1988; Orlikowski & Iacono, 2000, Winter, 1996, Winter, Saunders, & Hart, 2003). There have been investigations into the symbolism of ICT to internal stakeholders (employees) and how it impacts implementation of the computerization of work (e.g. Fichman, 2000; Jackson, et al., 2002; Moore & Benbasat, 1991; Prasad, 1993, Robey & Azevedo, 1994; Robey & Boudreau, 1999; Saga & Zmud, 1994). The literature has also covered the symbolic meaning of ICT to external stakeholders such as shareholders (Ranganathan & Brown, 2006) and to developers and special interest groups (e.g. Garud & Rappa, 1994; Swanson & Ramiller, 1997). However, there has been very little research on the symbolic meaning of ICT with customers. Winter, Gaglio & Rajagopalan

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(2009, 2010, and 2011) established a link between ICT signals to the external shareholders that are most directly involved in the firm, the customers using qualitative, interpretivist, inductive research method. This research focused business-to-business on customers who were also other businesses. There is no work yet done on business-to-customers who are consumers of the products.

Would customers who go to buy groceries or clothes from a retailer be influenced in the same way as a manager making decisions for his business?

If ICT’s symbolic meaning helps customers form impressions of an organization and these impressions then influence purchase behavior, firms would want to either adopt that ICT (if impact is positive) and avoid or obscure the use of ICT (if impact is negative). Therefore, customers’ perceptions of the symbolic meaning of ICT becomes an important component to the total business value of the firm.

This paper is a study of the symbolic meanings of ICT from a customer perspective, and how these meanings are related to corporate image and support of the firm. We address two research questions:

1. Do prospective customers infer organizational image-related meanings from the presence of ICT?
2. Do these meanings affect the likelihood that customers will make a purchase or engage in other support behaviors?

Winter, Gaglio and Rajagopalan (2009, 2010, and 2011) established the basic framework using qualitative, interpretivist, inductive research method. Different research methods have complementary strengths with each maximizing one of three desirable research goals (generalizability, precision, and realism), while inevitably sacrificing others (McGrath, 1981). Using multiple methods minimizes these sacrifices and allows us to integrate both interpretivist and positivist findings (Lee, 1991). Therefore, in this paper, to gain a complete picture of the symbolic meaning of ICT from the business-to-customer’s perspective, we use a positivist experimental method. We begin by briefly describing the existing corporate image literature with particular attention to identifying the potential role of ICT. We then describe the theoretical framework, which forms our paradigm model (Winter, Gaglio & Rajagopalan 2009, 2010, 2011). Then we describe the experiment to test the causal links between ICT, corporate image, and purchase decisions. Finally, we discuss the implications of this model for managers and directions for future theory and research.

BACKGROUND AND HYPOTHESES

The symbolic value of a firm’s ICT in forming a corporate image has not been explored in detail in the existing literature. However, the organizational literature explores the stakeholder firm’s perceptions and their effect on organization members (Gioia, et al., 2000). Drawing on this tradition, the ICT literature has considered employees and managers interpretation of ICT highlighting the role of metaphors and symbolic effects on the adoption and implementation of technologies (e.g. Fichman, 2000; Jackson, et al., 2002; Orlikowski & Iacono, 2000). The role of ICT and the customers’ perspective has not been considered. How a firm is perceived has been termed its corporate image and definitions of corporate identity and image have been extensively debated in the literatures on organizations, public relations and marketing.

Institutional theory emphasizes matching audience expectations and the importance of symbols in managing perceptions, particularly of legitimacy (Meyer & Rowan, 1977). ICT and perceptions of legitimacy have been explored from the perspective of regulators, employees and customers (e.g. Noir & Walsham, 2007; Prasad, 1993; Gaglio, et al., 1998), but other possible image dimensions have
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