

**Defining Organizational Purpose and Exploring the Concept's Implications for
Innovation:
How Perspective Affects Creative Idea Generation in the Innovation Process**

Charles Adam Ebert

Churchill College
University of Cambridge

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Doctor of Philosophy

This thesis is the result of my own work and includes nothing which is the outcome of work done in collaboration except as declared in the Preface and specified in the text. I further state that no substantial part of my thesis has already been submitted, or, is being concurrently submitted for any such degree, diploma or other qualification at the University of Cambridge or any other University or similar institution except as declared in the Preface and specified in the text. It does not exceed the prescribed word limit for the relevant Degree Committee.

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Abstract

In the last decade, organizational purpose has re-emerged as a prevalent topic in the practitioner world. However, a detailed academic understanding of the modern version of the concept and its implications has remained elusive within the Marketing literature. This thesis focuses on developing a robust construct of organizational purpose, as well as beginning an exploration of the concept's implications for business practice and performance. Two papers comprise the thesis. The first paper analyses in-depth interviews with upper management employees in peer-recommended firms, with the goal of developing a robust understanding of the concept of organizational purpose as it is used in practice today. After a definition of organizational purpose is established, a conceptual framework is built that delineates possible drivers and consequences of the concept's adoption in today's business landscape. The second paper presents a series of experiments that explore one possible implication of a firm adopting an organizational purpose, a change of perspective within the innovation process. Longitudinal analysis of creativity tasks over a three-week period, combined with an online experiment and an in-field pilot study demonstrate that perspective can impact both the number and the creativity of generated ideas in the innovation process. Altogether, this thesis attempts to accomplish two objectives. First, it lays a foundation for understanding and building research around an emerging practitioner concept. Second, it demonstrates how the concept of organizational purpose can be used to develop research projects that bring valuable insight to business practice.

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God: My considered understanding of reality includes the Christian God. I hope this thesis, directly or indirectly, brings glory to God and furthers the achievement of God's desires.

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Preface

Chapter 2, “Organizational Purpose: Realising the Potential of Better Marketing for a Better World,” is a modified version of paper co-authored by Dr. Victoria Hurth, Dr. Jaideep Prabhu, Dr. Manjit Yadav and me. The paper is based on qualitative research and relies largely on information gathered from semi-structured interviews. For this paper, I took an active role in the interviews, transcribed the interviews into text, assisted in coding the interviews, performed literature reviews on relevant concepts and helped in writing the paper. Overall, my contribution to the project is approximately 40% of the total contribution. The paper has previously been submitted to the *Journal of Marketing* and presented in seminars at Judge Business School.

Chapter 3, “Perspective, Habit, and Idea Generation in the Innovation Process,” is a modified version of paper co-authored by Dr. Raghabendra KC, Dr. Andreas Richter, Dr. Jaideep Prabhu and me. Throughout this research project, I applied for an external grant, managed the research team’s relationship with the grant organization after being awarded the external grant, designed or co-designed all studies within the project, implemented both the longitudinal study and the in-field experimental study, performed analysis on all data and wrote the paper. Overall, my contribution to the project is approximately 95% of the total contribution.

This thesis is the result of my own work and includes nothing which is the outcome of work done in collaboration except as declared in the preface and specified in the text. It is not substantially the same as any work that has already been submitted before for any degree or other qualification except as declared in the preface and specified in the text. It does not exceed the prescribed word limit for the Management Science Degree Committee.

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1. Introduction

In 2018 and 2019, Larry Fink, CEO of BlackRock the largest asset management firm in the world, wrote two letters to the company's shareholders titled "A Sense of Purpose" and "Purpose & Profit," (Fink 2018, 2019). In both letters, Fink described an increasingly polarized world with stagnant wages, market uncertainty, political dysfunction and the inability of millions to live with job security and save for retirement. To address these issues, he called upon firms in the private sector to develop organizational purposes that pursue long-term value growth and help improve society. Around the same time as Fink's 2019 letter, the Business Roundtable, a non-profit whose members consist of the CEOs of some of the largest US-based companies including 3M, Amazon, Apple, and many more, redefined its definition of organizational purpose to include a commitment to all stakeholders, and emphasized the important role corporations play in society (Business Roundtable 2019).

Larry Fink and the nearly 200 CEOs in the Business Roundtable who were involved in the development of the non-profit's new definition of organizational purpose are just a few examples of the growing number of companies developing concepts of organizational purpose. Some of the world's largest and most profitable organizations are declaring their own organizational purposes (BT 2015; Jones 2018; Unilever 2020; Walgreens Boots Alliance 2020). Some of the world's largest consultancy organizations are developing thought pieces and guidance on the topic of organizational purpose (Boston Consulting Group 2020; Gast et al. 2020; PricewaterhouseCoopers 2020; Schaninger et al. 2020). There are even rankings and benchmarks for measuring how 'purpose-driven' firms are in comparison to others (Game Changers 2017; Radley Yeldar 2016).

The rapid emergence of practitioner organizational purposes and guidance regarding organizational purpose has led to a certain level of confusion in the practitioner realm regarding what the proper definition of organizational purpose is and how it should be

pursued within organizations (Brian Sooy 2013; Dan Pontefract 2017; Jones 2018; Kenny 2014). As the director of Sustainability at a large multinational retailer commented in a recent interview with the author:

“Here is a really important emerging trend that no one can quite nail to the wall... we do need some smart minds to gather many different thoughts and input...and bring together into one compelling narrative that we can then operationalize. And the timing is right ...I think you are hearing now a sufficient number of voices saying ‘help’”.¹

In academic writings, a number of elucidating academic articles on organizational purpose have begun to emerge in management (Bartlett and Ghoshal 1994; Collins and Porras 1991; Gartenberg, Prat, and Serafeim 2019; Hollensbe et al. 2014; Salem Khalifa 2012), organizational identity (Gioia et al. 2013; Margolis and Hansen 2002) and organizational psychology (Eby et al. 1999). These contributions have brought valuable insight into many aspects of organizational purpose and can be considered a good start in understanding the emerging practitioner phenomenon. However, these articles also do not reach consensus regarding the proper definition and constituent elements that make up organizational purpose (see the review in Gartenberg, Prat, and Serafeim 2019). Proper construct definition is one of the major building blocks of sound research (MacKenzie 2003), and therefore a well-defined construct of organizational purpose will help not only practitioners but also researchers to better understand and further explore organizational purpose. To address the above concern, the first objective of this thesis is to create a clear definition of organizational purpose.

In addition to robustly defining organizational purpose, demonstrating how organizational purpose relates and can lead to important business activities can further encourage future research (e.g., see the use of examples in Chandy et al. 2021). The second objective of this thesis is to create such a demonstration, exploring how a central aspect of the

¹ This quote is taken from interviews used in the first paper of the thesis (See Chapter 3 for a description of the interview pool and process)

definition of organizational purpose – a focus on an external stakeholder (e.g., a target beneficiary) – is connected to an important and well researched business activity, innovation. Innovation is an important aspect of business practice that has been explored in numerous literature stream such as marketing (Chandy et al. 2006; Narver, Slater, and MacLachlan 2000), organizational behaviour (Amabile and Pratt 2016), management (Anderson, Potočník, and Zhou 2014), general business research (Nemkova 2017). Specifically, this thesis explores how a central aspect of organizational purpose may impact creative performance in the idea generation stage of the innovation process. The goal of the thesis is to set this limited demonstration up as an example of the potential of purpose as a motivator for future research, and to encourage research on other implications of organizational purpose.

The rest of this thesis proceeds as follows. The next two chapters introduce and then present a paper dedicated to developing a robust construct of organizational purpose, to be used for further marketing research and practice. The following two chapters introduce and then present a paper that explores a potential implication of organizational purpose, providing an example of how organizational purpose can motivate and relate to important research in business.

2. Introduction to:

Organizational Purpose: Realising the Potential of Better Marketing for a Better World

The first paper in this thesis is titled, *Organizational Purpose: Realising the Potential of Better Marketing for a Better World*. The paper is dedicated to developing a robust construct and framework around the modern concept of organizational purpose. Since the modern understanding of organizational purpose is a practitioner phenomenon, the paper follows other research in adopting a theories-in-use approach and analyses qualitative data regarding a concept as it is being applied in practice (Challagalla, Murtha, and Jaworski 2014; Ulaga and Reinartz 2011). In total, 20 interviews were conducted with upper echelon members of peer-recommended organizations who were pursuing an organizational purpose. Drawing insights from this data, as well as from extant literature and archived resources, the paper specifies the conceptual domain of organizational purpose, highlights key characteristics, discusses the concept's relationship to similar terms, and develops a framework that includes drivers, outcomes and moderating factors for concepts adoption and pursuit.

This paper, and the larger thesis, has been written during a time of increased consideration for social, environmental, or societal benefit in the marketing, management and general business literature (Chandy et al. 2021; Gartenberg, Prat, and Serafeim 2019; Mayer 2020a). While organizational purpose certainly has application in all these domains, the following paper is dedicated to developing a robust understanding of organizational purpose in the marketing literature specifically. After defining the construct of organizational purpose, the paper develops propositions that are designed for the development of future research in marketing. In addition, each proposition is connected to modern and currently researched topics in marketing, which could serve as possible avenues of further research.

3. Organizational Purpose:

Realising the Potential of Better Marketing for a Better World

Organizational Purpose:

Realising the Potential of Better Marketing for a Better World

– This in-thesis paper is a modification of a paper written by the below co-authors –

Victoria Hurth²

Associate Professor of Marketing and Sustainable Business

Plymouth Business School

University of Plymouth

Drake Circus, Plymouth PL4 8AA

+44 (0) 7706361085

e-mail: victoria.hurth@plymouth.ac.uk

Charles Ebert²

PhD Candidate in Marketing

Judge Business School

University of Cambridge

Trumpington St, Cambridge CB2 1AG

+44 (0)7491 223777

e-mail: ce335@cam.ac.uk

Jaideep Prabhu

Professor of Marketing & Jawaharlal Nehru Professor of Indian Business

Judge Business School

University of Cambridge

Trumpington St, Cambridge CB2 1AG

+44 (0)1223 765468

e-mail: j.prabhu@jbs.cam.ac.uk

Manjit S. Yadav

Professor of Marketing

Macy's Foundation Professor

Mays Business School

Texas A&M University

e-mail: myadav@mays.tamu.edu

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² These authors contributed approximately equally to this work.

Abstract

This paper explores *organizational purpose* as a contemporary, practitioner-led phenomenon that places prosocial motivations at the heart of a broad spectrum of firms and orients them toward serving social and environmental improvement. Using a discovery-oriented, grounded-theory approach, the paper leverages in-depth interviews with managers along with extant literature and archival artifacts to understand the phenomenon and formally delineate the conceptual domain of organizational purpose. The paper then advances a conceptual framework that specifies the drivers of how firms embed organizational purpose and the outcomes of such embeddedness in terms of marketing strategy and actions. The paper ends with a discussion of the implications of the theory development effort reported here for future research and managerial practice.

Keywords: Organizational purpose, Organizational identity, Marketing strategy, Responsible business, Theory development

“Society is demanding that companies, both public and private, serve a social purpose. To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society.” Larry Fink, CEO BlackRock. (Larry Fink 2018)

“I actually am a capitalist and I believe in shareholders. But I believe in them as a result of what I do, not as a reason for what I am doing. The same with profits – profits alone cannot be an objective. It has to have a purpose.” Paul Polman, former CEO of Unilever. (Financial Times 2017)

Around the world, a growing number of large, for-profit firms have joined social enterprises and B-Corps in explicitly pursuing an organizational purpose that goes beyond profit maximization as their primary objective (see Table 3.1 for examples). These companies are increasingly orienting themselves around their direct impact on society and the environment, with profits as an enabler of such an impact. Thus, purpose becomes a guide and justification for important strategic decisions, including those pertaining to marketing. For instance, Paul Polman, the former CEO of Unilever, recast profit as an outcome of authentically pursuing the company’s purpose, and this new perspective motivated Unilever to end quarterly financial reporting to investors (Confino 2012). Another corporation, Barclays, shut down a unit responsible for creating financial arrangements that reduced taxes, because for then-CEO Antony Jenkins, “going forward with such activity is incompatible with our purpose” (*BBC News* 2013). CVS Pharmacy stopped selling tobacco—a \$2 billion drop in revenue—because this was inconsistent with the company’s purpose of helping people improve their health (Dvorak and Yu 2014). And IKEA, whose purpose is “to create a better everyday life for the many people”, has introduced a new rental business model for office furniture as it seeks to transform itself into a “circular”, environmentally sustainable business (Butler 2019).

Indeed, the notion of ‘purpose’ has become so widespread that consultancies now offer services and tools for developing organizational purpose (Deloitte 2017; Mazutis and Ionescu-Somers 2015; Twivy 2015). Surveys and reports benchmark companies on different aspects of purpose (Game Changers 2017; Radley Yeldar 2016) and practitioner publications

promote the concept widely (Baldoni 2011; Rozenthuler and Rowland 2015; Sinek 2011). Purpose is also increasingly entering the investment sector, with Larry Fink, chairman and CEO of BlackRock, the world's largest investment-management firm with over \$6 trillion in assets, arguing that "without a ... purpose, no company, either public or private, can achieve its full potential" (Fink 2018), and that "purpose is not the sole pursuit of profits but the animating force for achieving them" (Fink 2019).

A review of the academic organizational literature also reveals increased interest in the concept of organizational purpose (Gartenberg, Prat, and Serafeim 2019; Gioia et al. 2013; Henderson and Van den Steen 2015; Hollensbe et al. 2014; Salem Khalifa 2012). Despite this interest, however, there is lack of consensus about the construct's domain (see Table 3.2a and 3.2b), which is an important first step toward theory development and empirical work (MacKenzie 2003). Moreover, the extant literature is largely silent about the implications of organizational purpose for marketing. Thus, from the perspective of the marketing discipline, a number of fundamental and important questions remain. What does purpose mean at the organizational level? What are the drivers and outcomes of organizational purpose and how does it shape strategic marketing outcomes? What factors moderate the embeddedness of purpose and its translation into strategic decisions pertaining to marketing? We address these gaps in the literature by focusing on these questions in this research.

To do so, we combine in-depth interviews with insights from the literature to specify the domain of the organizational purpose construct. Employing a grounded, discovery-oriented approach, we delineate the conceptual domain of organizational purpose, identify its key characteristics, and discuss its conceptual distinctiveness. We then develop a framework delineating the drivers and outcomes of organizational purpose, and the moderating factors that influence the extent to which purpose is embedded within a company and impacts

marketing strategy. We use this framework to generate propositions that provide a template for future marketing research on organizational purpose (MacInnis 2011; Yadav 2010), and we supplement developed propositions with potential research directions in marketing strategy and related domains.

Background on Organizational Purpose

In the early 1900s, research variously described organizational purpose as an emotional or spiritual state (Kern 1919); a source of morale (Bradshaw 1923); a specific, achievable aim or objective (Barnard 1938); a source of organizational morality (Barnard 1938); or simply a description of the activities an organization undertakes (Gulick and Urwick 1937). Despite these variations, conceptualizations of purpose fell into two broad groups (Singleton 2014): some definitions considered it an internal, subjective, emotional, meaning-laden or moral concept (Bradshaw 1923; Kern 1919), while others described it as an external, objective description of the functions or goals of the organization. (Barnard 1938; Tead 1933; Urwick and Gulick 1937)

From the 1930s onwards, purpose as an organizational concept was largely abandoned due to its perceived conceptual ambiguity relative to similar terms (Simon 1946) and a rejection of its teleological implications which were seen as being at odds with the business paradigm of the day (Moore and Lewis 1953; Singleton 2014). Nevertheless, sporadic descriptions of purpose were put forth. In sociology, a very specific notion of purpose was developed as the combination of the assumed value the company's members believed its activities generated, weighted by the amount of time given to those activities (Warriner 1965). This definition of organizational purpose was, however, developed specifically to address, "the problem of data and method for identifying purpose," and explicitly avoided the primary question of "what is organizational purpose." This definition is therefore better interpreted as a method for discovering a specific organization's purpose,

rather than a stance regarding what organizational purpose is as a concept. Another noteworthy description of purpose can be found from around this time from Drucker (1954), who states that the purpose of a business is “to create a customer.” Here purpose is again used as a term that prescribes function. Creating customers is the function an organization is there to perform. During this time period, the subjective, emotional, meaning-laden or moral conceptualizations of purpose were rarely proposed or discussed.

In recent decades, publications on organizational purpose have appeared in management (Bartlett and Ghoshal 1993, 1994; Collins and Porras 1991; Gartenberg, Prat, and Serafeim 2019; Hollensbe et al. 2014; Salem Khalifa 2012), organizational identity (Gioia et al. 2013; Margolis and Hansen 2002) and organizational psychology (Eby et al. 1999). A review of these articles reveals a range of interpretations - from “the reason for which business is created or exists, its meaning and direction” (Hollensbe et al., 2014:1228) to the emotional meta-frame of an organization, beyond its role as an economic entity, within which strategies are embedded (Bartlett and Ghoshal, 1994). Included within these modern notions of organizational purpose is a reintroduction of the emotional, meaning-laden, and even moral aspects of the concept, which were previously cast aside (Bartlett and Ghoshal 1994; Collins and Porras 1991; Jordi 2010). Also included is the functional notion of goal or direction (Ellsworth 2002; Henderson and Van den Steen 2015; Jordi 2010; Thakor and Quinn 2013). The goal-oriented nature of purpose has even been noted in multiple disciplines, including law (Black’s Law Dictionary 2011), and economics (Henderson and Van den Steen 2015). Therefore, the emerging notions of purpose from academia contain not only the meaning-laden, but also the goal-oriented aspects that were demonstrated in previous descriptions of the early 1900’s and beyond. Also, similar to emerging practitioner views (see the quotes above from Larry Fink and Paul Polman), these writings consider an organization’s purpose as being somehow different from or going beyond financial

performance (Bartlett and Ghoshal 1994; Gartenberg, Prat, and Serafeim 2019; Henderson and Van den Steen 2015).

Despite the long history and recent interest in the academic literature, at least three major gaps remain in the understanding of the term organizational purpose. First, while the extant literature provides valuable insights, there is lack of consensus about the various constituent elements of organizational purpose (see Tables 3.2a and 3.2b, see also the review in (Gartenberg, Prat, and Serafeim 2019). As is mentioned previously, clearly defining the domain of a construct is an important initial step in theoretical development, aiding in future research development and empirical work (MacKenzie 2003). Second, there has been no exploration of the implications of organizational purpose for marketing decision-making. For instance, it is unclear how purpose influences the way firms create value and for whom, and the nature of the relationship with stakeholders that enables firms to fulfil their purpose (Moorman 2018). Therefore, the marketing literature can be enhanced with a robust description of the concept of organizational purpose, and a description of the concepts potential implications for marketing practice. Third, field-based research aimed at theory development about organizational purpose is limited (e.g., Bartlett and Ghoshal 1994; Collins and Porras 1991; Gartenberg, Prat, and Serafeim 2019). As such, little is known about how and why prevailing practices related to organizational purpose have emerged in firms that have been buffeted by contemporary global events (e.g., financial crises and shifting views about climate change). Given the above limitations of current literature, and in light of the burgeoning nature of organizational purpose in both literature and practice, there is a need for a grounded-theory approach to enhance our understanding of the focal phenomenon and develop a foundation for future research endeavours.

Discovery-Oriented Theory Development Approach

Given that the study of organizational purpose as a contemporary practice is still nascent, we adopt a discovery-oriented approach to studying the phenomenon (Deshpande 1983; Kohli and Jaworski 1990; Challagalla, Murtha, and Jaworski 2014). This approach draws on grounded-theory methodology and focuses on underlying concepts, including an examination of their drivers and outcomes (Corbin and Strauss 1990; Glaser and Strauss 2009).

Specifically, we combine interview data, extant literature and relevant archival data (Challagalla, Murtha, and Jaworski 2014; Strauss and Corbin 1998) to develop our framework and propositions. In doing so, we are aligned with previous marketing research that uses grounded theory to understand concepts that are based in practice (Challagalla, Murtha, and Jaworski 2014; Hirschman and Thompson 1997).

Data Gathering

Our data collection involved two major phases spanning several months between December 2015 and March 2019. Informants were drawn from a purposive sample of upper-echelon executives (Dexter 2006) from large corporations and support institutions that either self-identify as pursuing organizational purpose or are viewed by peers as leaders in this emerging area of practice (see Table 3.3). This purposive sampling approach is in line with similar research that uses a theories-in-use approach (Challagalla, Murtha, and Jaworski 2014).

Specifically, we relied on expert informants who constitute a “knowledgeable sample that can provide rich insights into an emerging construct” (Challagalla, Murtha, and Jaworski 2014 p. 5). Despite our focus on a particular practitioner phenomenon, there is substantial variation across firms in our sample in terms of industry (e.g., retail, education, mining), age (<5 years to >70 years old) and size (less than \$1 billion to over \$100 billion in annual revenue) (see Table 3.3 for details). Overall, as detailed below, our data collection approach (e.g., number

and type of informants) follows best practices reported in other applications of a grounded-theory approach (Challagalla, Murtha, and Jaworski 2014; Ulaga and Reinartz 2011).

Following a theoretical sampling approach (Glaser and Strauss 2009), we used these interviews to develop and articulate emerging theory. We continued the process until we achieved theoretical saturation, i.e., we could not gain further unique insights into the questions of interest (Strauss and Corbin 1998). Initially, we sent a total of 19 invitations for interview, resulting in 14 completed interviews with 18 executives (some interviews involved multiple executives). After an initial review of the data, we conducted a further round of in-depth interviews focusing specifically on the implications of organizational purpose for marketing strategy and decision-making. In the second round, we sent out a total of 7 invitations for interview, resulting in 6 additional completed interviews. Combining both rounds, we conducted a total of 20 interviews with 23 executives. 15 of these were with executives from corporations and 5 were with executives from organizations involved in supporting businesses in their implementation of organizational purpose. Our sample frame and size is consistent with related papers in marketing (Challagalla, Murtha, and Jaworski 2014; Ulaga and Reinartz 2011) and with guidance on exploratory research (McCracken 1988). Additionally, we added data from a workshop with 28 top managers (22 of which were not previously interviewed), and a roundtable discussion of 18 managers and business owners. To build theory, we also used data from a range of other relevant sources including extant academic literature, archived case studies, company literature and other media-based artifacts that shed light on the topic in question (Corbin and Strauss 2014; Drumwright 1996).

Interview Protocol

Our interviews followed the interview guide approach (Patton 1990) which focuses on the research objectives but also allows for unexpected lines of inquiry. In the first round of interviews, we asked executives what organizational purpose meant in the context of their

firms, how it differed from other terms, why their firm had chosen to transition to becoming purpose-driven, how being purpose-driven influenced their marketing strategy, and how they were going about developing an organizational purpose. In the second round of interviews, we asked more pointed questions on the role of purpose in strategic decision-making and marketing strategy for the firm. To better understand the impact of organizational purpose, we asked interviewees to describe the firm both before and after it began adopting and pursuing an organizational purpose. Interviews lasted between 45 minutes and 1 hour and 45 minutes and were recorded and transcribed into text documents. In total, the transcripts represent over 26 hours of interview data resulting in 203,146 words of text.

Analysis and Reliability

Two of the authors used NVivo to record themes and create additional notes on decision-making and theoretical reasoning to build theoretical sensitivity. Following Corbin and Strauss (1990), open and axial coding was performed on the data. For open coding, each author separately coded a different interview, relying on a combination of *in-vivo* codes and relevant researcher generated code titles. Before moving to the next transcript, the two authors discussed manifesting concepts and standardized the codes where appropriate. In addition to enabling the constant comparison of the concepts by each of the two authors, the iterative coding approach helped systematize both constant comparison and decisions around theoretical sampling (Corbin and Strauss 1990). In this way, concepts “earn[ed] their way into the emerging theory...through iterative coding, conceptual memoing, and theoretically sampling for further data to pursue and develop conceptual leads” (Holton 2007 p. 279). During this process, each author kept detailed memos. This constant data gathering, analysis and reflection was critical to grounding the data in reality (Corbin and Strauss 1990). In the axial coding phase, a third author combined concepts into theoretically distinct, higher-level categories or “themes” that condensed and categorized the open codes (Nag and Gioia 2012).

Finally, we assessed reliability by having two research assistants independently code a random sample of 40 pages from the transcripts for the key themes identified in the data.³ The two coders achieved an intercoder reliability of .8 using the proportional reduction in loss method, which exceeds the standard .7 threshold (Rust and Cooil 1994).

The Domain of Organizational Purpose

Our analysis of the interview data, along with insights from the extant literature, suggests three key aspects of the domain of organizational purpose⁴: 1) it is an organization's reason to exist which is transcendent and meaningful; 2) it is core to the organization's identity and hence is enduring over time; and 3) it involves the organization focusing directly on increasing social and environmental benefit rather than assuming that this is an automatic consequence of the consumption of a firm's offerings in the marketplace.

Meaningful Reason to Exist that Transcends the Business

For our informants, organizational purpose provided a 'higher-level' response to the question of why the firm exists. As the Strategy Director of a Fortune 500 communications firm remarked:

Yes, exactly, so [we] are looking to place [our business activity] into a bigger framework. Saying, why are we here as a business? ... It [purpose] sits above everything. It's a higher reason.

Informants unanimously considered this 'higher why' as being teleological in nature, and related to making a meaningful contribution that served the long-term good of identified others; firm operations were usually framed in terms of a societal contribution at the highest level, while more granular business activities targeted specific groups of

³Two researchers unfamiliar with the project coded a random sample of the data (40 pages, ≈11% the size of full sample). Interviewee responses were coded into one of the 26 lower-level categories that came out of the initial coding process.

⁴For the purposes of theory development, we use the term "organizational purpose" to refer formally to the construct. However, for ease of exposition, we sometimes also rely on the term "purpose" to refer to the underlying construct.

individuals (target beneficiaries) who would benefit from purpose-driven activities. The Director for a multinational professional services firm commented:

I personally do think that it [purpose] is about serving wider society, because at the end of the day purpose is ‘why do you exist’ and for me an organization exists to serve society and in the process of doing so make some money, which is redistributed and all the rest of it. So, I do think the serving society point is really important.

Informants considered such company-transcendent efforts to be inherently meaningful. This view is consistent with psychological theory that holds that a key source of human meaning is to serve a cause greater than oneself (Frankl 2003; Schnell 2009). It also aligns with management scholars such as Bartlett and Ghoshal (1994) who emphasize the emotional power of purpose, and Drucker’s (1974, p. 39) view that: “Business enterprises...are organs of society. They do not exist for their own sake, but to fulfil a specific social purpose and to satisfy a specific need of a society, a community or individual.”

An Enduring Attribute of Organizational Identity

As the core reason to exist, purpose is a distinctive part of an organization’s identity that endures over time. Organizational identity theory (Albert and Whetten 1985; Whetten 2006) holds that the attributes of an organization’s identity are central to the organization, enduring over time, and distinctive. All these three characteristics were reflected in our interviews, suggesting that purpose is core to organizational identity. For example, a senior executive for a multinational professional services firm noted the centrality and enduring nature of the company’s purpose:

The core about purpose is it doesn't change. So, the purpose stays regardless of the times, regardless of the leaders, regardless of the organization, regardless of the challenges of society. Purpose is at the core of the organization.

A department head at a large construction company noted the distinctiveness of purpose:

A lot of companies have recently declared a purpose, and I can't comment on their purpose cause it's their purpose not ours...I'm not in that business. It doesn't mean anything to me. Ours means a lot to our people.

In their study of a commercial aviation company, Margolis and Hansen (2002) found that organizational purpose resided within a firm's identity and met their criteria of central character, distinctiveness, and temporal continuity. Similarly, Bartlett and Ghoshal (1994) note that an effective purpose creates an identity for an organization that others can authentically relate to. Purpose is therefore regarded as a core attribute of the organization's identity, orientating and contextualizing company systems, processes and activities.

Internalizing Social and Environmental Benefit through Organizational Activities

Our data indicate that purpose involves internalizing a focus on a social or environmental benefit. As a former Global Head of a Fortune 500 consumer goods company put it:

I don't think you can have a purpose statement in the world today which doesn't address a social or environmental issue.

Interestingly, the objective of social or environmental benefit is a current topic in marketing literature (Chandy et al. 2021) and in management literature on purpose (Mayer 2020a)

Firms often pursued social or environmental benefit comprising the purpose through particular target beneficiaries, such as customers or in-need groups. For example, a senior executive at a Fortune 500 global service organization noted how his company, in pursuing the social benefit undergirding its purpose, focused directly on ways to improve customers' lives:

So, the purpose for us at [x] is making sure that everything we do delivers the outcome it promises ... I think historically most companies, and perhaps even us, before my time, look at it more as what do we sell and who can we sell it to? Right, you make a product and you sell it and that's often a result of people saying we make a widget and we want to sell the widget. I think ... the question is changing to what outcome can we help deliver and then how do we deliver that. And that is a really different mindset.

The *internalization* of social or environmental benefit as the core focus of an organization represents a significant break with dominant economic doctrine. Neo-classical economics is premised on the notion that society's wellbeing is best served through a competitive market with free exchange (Friedman 1970). It assumes that individuals are self-

interested rational beings who, with the right information, maximize their own wellbeing through decisions they make from alternatives offered in the marketplace (McFadden, 2006). The role of the firm is therefore restricted to understanding market requirements and then delivering them. Hence “people’s needs – for company, children, food, technology, travel and trinkets – are private affairs; control, if possible at all, is impermissible” (Wissenburg 1998, p. 212). In the academic literature, including in marketing, a range of problems have been identified with this *externalization* of social and environmental wellbeing to the market, with profit maximization being the overarching objective and marker of organizational success (Kotler and Levy 1969; Hollensbe et al. 2014). For our informants, organizational purpose provides a contrasting perspective on business’s role in society and a powerful way of solving many of these problems.

Organizational Purpose: Construct Definition

Based on the evidence and foundational discussion above, we define organizational purpose as *a firm’s enduring and transcendent reason to exist which seeks to create a social or environmental benefit through its product offerings and broader activities.*

The proposed definition features several terms that have a specific interpretation in the context of this construct. For conceptual clarity, we provide a brief discussion of these terms. At the heart of the construct is the firm’s *reason to exist*—how the firm frames the rationale to be present as an entity in the marketplace. The term *enduring* connotes permanence. Just as an individual’s purpose in life is a core part of that person’s identity, organizational purpose is core to a firm’s identity and, as such, will not change easily. During our interviews, many informant’s spoke about the realisation of organizational purpose (and its outcomes) in a way that was sustainable over the longer-term.

The term *transcendent* captures two critically important ideas: (1) that organizational purpose is overarching and thus occupies a super-ordinal position; and (2) that the firm’s

reason to exist extends beyond its self-interest to encompass a focus on contributing to social or environmental benefit through external parties identified by the firm. An organization's self-interest can be fully aligned, however, with a transcendent reason to exist that focuses on social or environmental benefit. Indeed, our informants and the extant literature make clear that purpose includes the assumption that serving a purpose beyond the organization will provide the foundation for long-run success. Transcendence itself is central to this success because, as noted previously, to transcend one's own interest and connect to a higher cause is the foundation of human meaningfulness, the pursuit of which is one of the most profound motivations for humans (Chalofsky 2003). Hence, focusing on social and environmental benefit through organizational purpose provides a strong motivational attraction for various stakeholders including employees (Berg, Dutton & Wrzesniewski 2012) and customers (Norton 2003).

The term *product offerings* refers to goods, services and other value-added offerings that a firm presents to the marketplace. As such, these relate to the traditional set of activities and outputs of a firm as reflected in the American Marketing Association's definition of marketing (see 2013 definition at ama.org). Organizational purpose seeks to create social and environmental benefit through such product offerings, but also through the broader activities of the firm. The scope of these broader activities is determined by the firm and may include, for instance, lobbying government for policy changes to support the firm's purpose or specific stakeholder education or engagement initiatives that may be distinct from the firm's product offerings.

Organizational Purpose and Other Concepts

In this section, we provide a longer discussion and explore additional terms. This section discusses the relationship between purpose and the concepts of vision, mission, organizational goal, stakeholder orientation, values, sustainability, corporate social

responsibility and corporate shared value, and purpose-led brand. In each section, we describe interviewee insights (if the interviewees provided any) and explore how the relevant academic literature describes the idea.

Vision and Mission

Our interviewees view purpose as the foundational goal from which an appropriate vision of a future state is derived. Further, they view mission to be the overarching way in which the firm sets out to live by a purpose and achieve a vision. As the former Global Head of an International Consumer Goods company summarized:

So your purpose is your why...your vision is what the world looks like when we've made it kind of thing. And the mission is how we are going to get from where we are today to the vision

Hence purpose is the foundation. As the CEO of a professional management institute put it:

So, I really do think that purpose is the framework that enables you to articulate your vision and mission and your values to different stakeholders.

Academic conceptualizations of mission and vision can vary slightly across interpretations.

Vision is predominantly understood as an envisioned or desired future state (Collins and Porras 1991; Ellsworth 2002; Mirvis, Googins, and Kinnicutt 2010). Mission has been described as a manifestation of a network of purpose, strategy, values and behavioral standards (Campbell and Yeung 1991), as a commitment that the internal members of the organization personally find worthy of pursuit (Salem Khalifa 2012), or more generally as a motivating goal that aligns company efforts (Collins and Porras 1991). There was also at least one source that considered mission to be synonymous with purpose, or a company's reason to exist (Mirvis, Googins, and Kinnicutt 2010), although this description amounted to a single line of text and this position was not the norm amongst interpretations of company mission. Amongst the above, Collins and Porras (1991) give perhaps the most widely known theoretical explanation of how purpose, vision and mission inter-relate. According to them, purpose is the core of the guiding philosophy, and is underpinned by the organization's core

values and beliefs. Vision, on the other hand, is a tangible image of the future organization that is derived from the guiding philosophy of the organization. The tangible image is made up of both the mission of the organization – which is what focuses the efforts of an organization – and a “vivid description through which the mission is made more alive and engaging” (p.42). Therefore, the relationship between purpose, mission and vision outlined by Collins and Porras is loosely aligned with how the majority of our interviewees viewed these three concepts.

Organizational Goal

In our interviews, interviewees rarely used the term organizational goal. When they did use the idea of a ‘goal’, they usually referred to public, quantifiable goals the company declared it would pursue as it attempted to live out its purpose. These publicly stated goals fell within their notion of the company’s mission, or how it would achieve its purpose.

In our review of the literature on the relationship between purpose and organizational goal, we find that conceptualizations of “organizational goal” have evolved since the mid-1900s (e.g., Parsons 1956; Simon 1964; Weber 1947). Weber’s ideas, along with Parson’s later concept of goal-orientation (Parsons 1956), loosely aligns with organizational purpose in that organizations are perceived to serve a societal goal or function, but the two concepts have little else in common. Building off Weber and Parson, Simon (1964, p. 7) rejected the perspective that a business can have a single function, taking the alternate position that an organizational goal is a combination of what he calls ‘requirements’ or ‘constraints’:

“In the decision-making situations of real life, a course of action, to be acceptable, must satisfy a whole set of requirements, or constraints. Sometimes one of these requirements is singled out and referred to as the goal of the action. But the choice of one of the constraints, from many, is to a large extent arbitrary. For many purposes it is more meaningful to refer to the whole set of requirements as the (complex) goal of the action.”

Our interviewee perspectives were far removed from any notion of purpose as a combination of the constraints and requirements of an organization. Instead, they saw purpose as an overriding reason to exist that informed the constraints and responsibilities they had as a company.

Contemporaneous with Simon (1964), Cartwright and Zander (1960) and (Warner 1967) viewed organizational goals as end states of affairs that organizations imagine achieving. This view aligns directly with our interviewees' concepts of vision. Finally, Mohr (1973) differentiates between reflexive goals (ones that aid in the survival of the organization) and transitive goals, which are "an intended impact of the organization upon its environment" (Mohr 1973, p. 476). Under Mohr's categorization of organizational goals, an organizational purpose would be the company's primary transitive goal. However, organizational purpose would include other characteristics beyond simply being a transitive goal, such as being humanly meaningful and being held within the core identity of the organization.

Stakeholder Orientation

Executives frequently mentioned catering to the needs of stakeholders, but often noted situations where certain stakeholders' interests were at odds with the organizational purpose. When pressed to discuss how the stakeholders viewed their purpose-driven activities, most interviewees saw purpose-driven activities as inherently meaningful for the company itself, and at least consistent with what many stakeholders 'should' value as members of society. Such a position is in stark contrast to stakeholder theory as developed by (Freeman and McVea 2001), which holds that "The idea of stakeholders, or stakeholder management, or a stakeholder approach to strategic management, suggests that managers must formulate and implement processes which satisfy all and only those groups who have a stake in the business." In stakeholder theory, the company imperative is found through a clear sense of

the shared value stakeholders want to create. This is very different from organizational purpose, which places social or environmental benefit as the primary reason for its existence.

It is difficult to see how purpose might relate to stakeholder orientation, given the difference between the two concepts. However, the idea of purpose as the primary motivating force of an organization may influence Freeman's (1994, p. 411) stakeholder principle of “Who or what really count”; purpose may influence how corporations decide which stakeholders matter most as they seek to fulfil their purpose-driven goals. For example, Unilever, in pursuit of its purpose, ended quarterly reporting to shareholders and actively managed its investor pool by “seeing off speculative hedge-funds” (Confino 2012). Barclays’s abandoned its tax reduction unit (BBC News 2013) under the motivation of its purpose, a decision multiple traditionally important stakeholders might have objected to. In our interviews, the head of sustainability for a construction and civil engineering company even mentioned declining a large contract because the customer didn’t align with the company’s purpose. These three examples are all unorthodox activities for for-profit organizations, activities that indicate a new prioritization of what a company should do and which stakeholders it should focus on.

Values

For most executives, the company’s values were fundamentally connected to the organization’s purpose, and purpose was seen to be motivating for employees largely because it connected the company values with the employee’s personal values. According to the head of a global services firm:

Values are the... the enabler actually (...) whatever the values might be, that’s what starts to land it (purpose) for people. And then you can start translating those values into behaviours. Then you can start incentivizing those behaviours. That’s all part of landing the purpose I think.

In the management literature, (Collins and Porras 1991, p. 35) define values as “the organization’s basic precepts about what is important in both business and life, how business

should be conducted, its view of humanity, its role in society, the way the world works, and what is to be held inviolate.” As they describe it, values are very broad and encompass everything a corporation might perceive as intrinsically good or right (innovation, fairness, honesty, success, etc.). Therefore, the extent to which an organizational purpose overlaps with company values influences how strongly or easily the purpose resonates with company employees. Ellsworth (2002) highlights the relationship between purpose and values, and argues that management has the role of motivating and engaging employees by helping them see how their values are “grounded in a worthy corporate purpose.” (Ellsworth 2002, p. 334)

Sustainability

Sustainability has multiple modern conceptualizations. The first conceptualization sees sustainability as the achievement of long-term societal wellbeing for all (Adams 2006; Porritt 2010). The second version focuses on the concept’s three original pillars of financial, environmental and social value (Brundtland 1987). Unlike organizational purpose, neither of these descriptions of sustainability claims to hold the status of a corporation’s reason to exist. Nor do these descriptions of sustainability suggest any prioritization of a social or environmental good over others (unless the lack of a certain good threatens human extinction). In contrast, purpose provides a motivating foundation that prioritizes a specific humanly meaningful pursuit as the main reason for the organization’s existence.

Given the existence of a particular organizational purpose, many executives saw their sustainability platforms as suitable avenues through which purpose-driven initiatives could be implemented. As the former global vice president of human resources for a transnational consumer goods company stated:

If you use the word sustainability in its broadest sense, of helping to address social and environmental issues in the world, you can use that as the vehicle to live your purpose.

Therefore, organizational purpose can be viewed as a motivating force for the organization that can manifest through a company's sustainability platform.

Corporate Social Responsibility

Nearly all our executives thought of CSR as an add-on; an important device for keeping up a public image but not central to the business. As the director of a multinational professional services firm put it:

If you think about corporate social responsibility it kind of feels very bolted on to an organization and it's often one of the first things that gets hit by budget cuts. It's often one of the things that most people dismiss as not core to their business strategy. If you have a purpose, then that is your core.

Interviewees also believe organizational purpose had a greater ability than CSR to unlock organizational success when fully embraced. As a director of sustainable business at a multinational retailer described:

CSR is about managing the status quo, so CSR is not purposeful, it's just risk management." ... "So, either in a very binary world you have low cost and you manage your backside, or you absolutely purpose driven with huge levels of engagement passion and emotion about what you do. What you don't get is caught in the middle with the costs but none of the benefits.

In general, executive perceptions of CSR aligned with the traditional interpretation of CSR, which has been criticized for adapting to the dominant logic of organizations instead of transforming them (Freeman and Liedtka 1991). Recent work has attempted to address this problem of adaption through what is known as 'broad CSR' (Schwartz and Saini 2012), which proposes economic, legal, and ethical obligations for organizations. Indeed, some see broad CSR as having the potential to integrate people and planetary concerns into a company's core operations (Cheng, Ioannou, and Serafeim 2014).

Organizational purpose differs from the many different conceptualizations of CSR by focusing on a single commitment and prioritizing this commitment above other social and environmental concerns, which remain obligations. CSR does not include such prioritization. In a review of 37 different academic CSR definitions, Dalshrud identifies 5 obligations (or

“impacts”) and notes the lack of prioritization, “The definitions do not provide any descriptions of the optimal performance or how these impacts should be balanced against each other in decision-making” (Dahlsrud 2008). Therefore, while both CSR and organizational purpose can include a wide variety of societal concerns, purpose involves the focus on a particular social or environmental benefit (or group of such benefits) while CSR involves a balancing of multiple obligations.

Corporate Shared Value

Only a few of our interviewees had heard of the concept of corporate shared value. Those who had willingly embraced the notion and claimed that their purpose-driven efforts were aligned with creating shared value. The director of an international communications company recalled how notions of corporate shared value (CSV) entered his company:

I just remember seeing the article (Porter and Kramer 2011) when it was first out and saying well this exactly kind of gives us what we need to express the desire to not see that doing good is something that is left to one side of the business, but actually the business could create value for society. And what we wanted was the sense that the biggest difference we could make to society is through our core business and through our core products.

When CSV was present in an organization, purpose fulfilled the role of generating shared value. As the Senior Vice President of a multinational publishing and education company commented:

Yeah so we think about shared value a lot. We think about this profit and purpose going together. And the phrasing that I started to use is what I said earlier, we can't grow unless we show our impact.

In their seminal paper on shared value, Porter and Kramer (2011, p. 6) describe creating shared value as, “policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates.” Organizational purpose includes a similar characteristic (a systematic alignment of the company’s meaningful reason to exist with financial performance). Therefore, purpose can fulfil the role of the purpose-driven company’s primary

way of achieving CSV. The other characteristics of purpose – a reason to exist that is transcendent and meaningful, a core attribute of the organizational identity, and an internalized focus on a social and environmental benefit through organizational activities—share less overlap with CSV and differentiate the concepts. Moreover, organizational purpose is narrower in scope, focusing a company on a particular commitment. In contrast, CSV considers any pursuit that both helps a company perform and benefits society in some way, even if such activity is unrelated to company’s organizational purpose.

Purpose-Led Brands

Another concept that has gained traction in marketing literature and practice in recent years is purpose-led branding or brand purpose (Charles and Marciniak 2021; Kramer 2017; Vredenburg et al. 2020). Some aspects of purpose-led branding or brand purpose are similar to organizational purpose. For example, brand purpose has been understood in terms of helping the customer feel as if they are “a part of the bigger picture and contributing towards a higher reason...” (Kramer 2017). Moreover, this higher reason is usually a social or environmental good (Charles and Marciniak 2021; Kramer 2017; Vredenburg et al. 2020). Both of these aspects of brand purpose are similar to organizational purpose.

However, a brand purpose exists at the brand level, while an organizational purpose exists at the organization level. Therefore, a brand purpose is not the same and can even be inconsistent with the organization’s purpose or other brand positioning in a firm’s portfolio (see, for example, the comparison between the Dove Brand Purpose and Fair & Lovely Brand Purpose within the Unilever Corporation, (Judith Evans 2021). This has even led to concerns surrounding brand purpose as being inauthentic (Vredenburg et al. 2020).

Our interviewees noted the distinction between brand purpose and organizational purpose, commenting that organizational purpose usually sat conceptually above brand

purpose. One interviewee commented on how an organizational purpose can manifest in different ways through the different brand purposes within her corporation's portfolio.

... because it's a brand led organization there are different ways in which you can achieve [the organization's purpose-driven objectives]. But one needs to mobilize the brand as a huge part of that business alongside improving operational efficiencies and someone to do the bits that are going to do the bits that are going to get us to zero before we are going to also get to the positive side.

Given the above, brand purpose can be understood as a separate concept that is affected by organizational purpose. Organizational purpose can be understood as impacting brand purpose, broader marketing activity, and all other organizational processes and activities within the firm.

Framework and Research Propositions

Figure 3.1 presents the framework that emerged from our grounded-theory approach, including the following key building blocks: (1) internal and external drivers of the embeddedness of organizational purpose; (2) moderating factors that influence the embeddedness of organizational purpose; (3) the impact of the embeddedness of organizational purpose on strategic marketing outcomes; and (4) moderating factors that facilitate or impede the translation of the embeddedness of purpose into strategic marketing outcomes. The notion of *embeddedness* of organizational purpose, shown in Figure 3.1 and employed below in our theory development effort, reflects the degree to which organizational purpose is entrenched within the structures and processes of a firm. This perspective is consistent with Gioia et al.'s (2013) broader discussion of embeddedness in the field of management.

Drivers of Organizational Purpose

We begin by examining the internal and external drivers of organizational purpose, which initiate a firm's purpose journey. We identify four key drivers: the need to build and maintain societal legitimacy; the need for greater market agility; the need for deeper customer

relationships; and the need to attract and retain employees. Each of these drivers is of strategic importance to firms and involves the top management in significant ways. Hence, the discussion below reflects the direct and indirect role that senior leaders play in each of the four drivers of organizational purpose.

The need to build and maintain societal legitimacy. Many executives believed that firms are increasingly adopting an organizational purpose in response to a series of global scandals and failures that have severely damaged public trust in for-profit enterprises. According to our informants, purpose provides a way to mend the ensuing lack of public trust that threatens their ‘license to operate’ and the ‘social contract’ (Demuijnck and Fasterling 2016). As the Director of a multinational professional services network commented:

Well for some years we have been looking at this whole issue of trust and the dynamic of trust and those sorts of things post the Enron WorldCom financial scandals in 2002 and obviously the global financial crisis and the events that followed whether it be expensive scandals, phone hacking so on and so forth ... organizations need to be clear around why they exist and their actions and decisions need to underpin that purpose. Because that seems to be one of the key actions that businesses can take to bridge the trust divide.

Organizations facing a crisis of legitimacy often engage in a ‘corporate apologia’ to re-establish trust and legitimacy (Hearit 1995; Lamin and Zaheer 2012). Under the current climate of low trust in business, purpose may play such a role as organizations try to re-establish their legitimacy and (re)secure their social contract.

Many executives also believed that adopting purpose helps *maintain* legitimacy. This stemmed from a recognition that technology has created a social transparency that makes it hard for firms to hide their activities. A CEO of a professional services firm remarked:

We had a round table debate last week and a number of things were said about purpose by very senior people in corporates, and one of them was, “everything we do is exposed now given the internet.” We have to assume that absolutely everything we do is in the public domain, whereas in the past that wasn't the case.

Many executives believed that authentically and transparently pursuing an organizational purpose would provide a platform for authentic, transparent behavior. It would also potentially reduce the risk of the firm engaging in behaviors that go against social

expectations, thus jeopardizing the firm's reputation. As the Finance Director of a FTSE250 multinational services company noted:

It [purpose] is about, on the defensive side, ensuring that a business has a license to operate in society, and is sort of doing everything it can to insulate itself from the toxic effects of corporate scandals and losing trust.

The above findings suggest that:

P_1 : The greater the need of a firm to build and maintain its societal legitimacy, the greater the overall embeddedness of organizational purpose within the firm.

Under-researched and potential areas for further research in marketing. Marketing research has explored the relationship between the need for societal legitimacy and CSR related marketing strategy and behaviour (Khan, Lew, and Park 2015; Kuznetsova 2010). Less work has been done understanding the impact of the need for societal legitimacy on organizational purpose and resulting purpose-driven marketing strategy and behaviour. Future research could explore this increasingly important topic.

The need for greater market agility. The executives we interviewed viewed purpose as creating a meta-frame to bring company activities under a clear, shared narrative that provided the basis for agile, organization-wide decision-making and action. As the CEO of a professional services firm put it:

I think the thing that purpose does more than anything else is it creates a really clear sense of context for the organization. It's very clear why we're doing everything. So, a very clear 'why' at the top of the organization helps inform the decisions all the way down the organization ... the purpose is the thing that drives the decisions. Or at least it is the framework against which decisions are made.

Many executives also believed that organizational purpose provides a contextual standard against which employees can autonomously judge their daily actions, reducing the need for rigid structures and policies. As the director of an international communications firm put it:

The way our key strategy officer put it is almost anyone in the company should be looking at their job and saying, "well here's what I'm doing, using the [purpose]." It's a very broad statement but it allows people to start to think through what are the social and environmental impacts of what I do, but also what's the opportunity.

The broad nature of this sense of direction is consistent with Barnard's (1938) original focus on purpose as an organizing force for a system which allows executives the flexibility to independently assess their actions and hence increase agility. As such, purpose shares elements of a doctrine, framework, or heuristic which helps guide and anchor managerial decision-making in complex, volatile environments (Bartlett and Ghoshal 1994; Challagalla, Murtha, and Jaworski 2014). Based on the above, we propose that:

P₂: The greater the need for market agility, the greater the overall embeddedness of organizational purpose within the firm.

Under-researched and potential areas for further research in marketing. Previous research has noted that organizational purpose allows for the formulation of strategy at the “fingertips” of the organization (Bartlett and Ghoshal 1994), and market agility is a commonly researched topic in marketing (Khan 2020; Nemkova 2017). To the author’s knowledge, little research has explored the strength of the need for market agility as an antecedent for purpose. Future research could validate this relationship and explore potential moderators or mediators. Future research should also validate our interviewees’ belief in the positive impact of organizational purpose on market agility.

The need for deeper customer relationships. The executives we interviewed believed that authentically pursuing an organizational purpose would help communicate their firms’ distinctive identity, and thus create the basis for deeper relationships with customers. As a Director at a FTSE100 multinational retailer noted:

For [our company] to survive this hugely competitive marketplace, it needed a point of difference. And therefore, it needed to go back to the customer. It needed to reconnect with the customer in the way it had in the 1930s and 1950s, by making her life better, by being purposeful ... Purpose was part of that emotional reconnection with the customer.

For some, purpose was motivated by a shift in who were considered customers. As a senior executive of a Fortune 500 mining company noted:

... for us, the big shift came when we realised that we needed to think more like a consumer-facing business. Because when you are B2B, like we are, you sort of don't think about the customer. You're all about the [production], and the big aha moment came when

we realised our communities are not making that distinction. They [the communities] are thinking of using a different supplier. So, you better start to think about them as a customer ... And you realise that you need to get your act together ... If you're going to pick somebody to come [operate in your area], you want a company that is actually seen to be the most responsible at doing so and brings benefit to those communities.

Organizational authenticity is widely recognized as having a positive effect on the customer experience (Hennig-Thurau et al. 2006). This effect, coupled with the support of customers for meaningful company agendas (Trudel and Cotte 2009), results in a powerful motivation for a customer-orientation to become a purpose-orientation. Based on the above, we propose:

P₃: The greater the need for deeper customer relationships, the greater the overall embeddedness of organizational purpose within the firm.

Under-researched and potential areas for further research in marketing. Deeper customer relationships are often assumed to build customer loyalty, and previous research has noted the relationship between customer loyalty and social or environment concepts such as CSR (Mandhachitara and Poolthong 2011; Martínez and Del Bosque 2013; Pérez and Del Bosque 2015) and sustainability (Chen 2015). In contrast, the relationship between purpose and customer loyalty has been less researched. Moreover, deep customer relationships often involve more than simply customer loyalty, and can encompass multiple dimensions (e.g. cognitive, affective, behavioural, and social, see Vivek, Beatty, and Morgan 2012). Little research has explored the relationship between the need for different types of customer relationships and whether a firm pursues purpose, CSR, sustainability, or other social or environmental marketing strategies and behaviours. Similarly, little research has explored whether organizational purpose does indeed increase the depth of customer relationships along such dimensions.

The need to attract and retain talent. For the executives we interviewed, organizational purpose was a key differentiating factor in attracting and retaining talented employees. As the Director of a FTSE 100 communications company noted:

It [purpose] is important for talent attraction and retention. Being a purposeful business ... with real proof points and not just glossy reports, is increasingly important to attracting the

right people into the company. ... There's a very marked difference in people under 25 in terms of their desire to see a company that's got a sense of what it's contributing to the world and, more than that, is actually looking to live up to it. So it's not just purpose-wash.

The Senior Vice President of a multinational publishing and education company further remarked on employee retention:

I think for organizations that don't have a purpose that's truly embedded in the DNA, ... when things get rocky, people start to leave ... When we did have financial difficulties, we didn't have major talent loss because people knew that we were still headed in the right direction – [they] still believed in the purpose of our organization.

There is considerable academic support for these practitioner insights. For instance, research supports the view that the meaningfulness of work directly translates to organizational commitment (Eby et al. 1999). Further, recent surveys indicate that the current generation of employees is interested in working for ethically and socially conscious companies, even at the expense of additional earnings (Cone Communications 2016). Thus, when talent of a requisite calibre is scarce or when demand for such talent is high, the differentiating role of organizational purpose is likely to be significant. The importance of purpose for employee recruitment and retention will therefore depend upon the number of alternative employment opportunities available, as well as the number of qualified employees needing work. Based on the above, we propose that:

P₄: The greater the need to attract and retain talent, the greater the overall embeddedness of organizational purpose within the firm.

Under-researched and potential areas for further research in marketing. Talent attraction is often understood as being within the domain of marketing, and literature on employer brand has explored the impact of marketing on both talent attraction and retention (Botha, Bussin, and De Swardt 2011). Research within this domain has looked at topics similar or related to organizational purpose, such as ethical perceptions of employer brand (Osburg et al. 2020) and CSR activity (Vinerean, Cetina, and Dumitrescu 2013; Zainee and Puteh 2020). To the authors knowledge, the impact of organizational purpose on employer brand, and subsequently on talent attraction and retention is yet to be explored.

Moderating Factors Driving the Embeddedness of Organizational Purpose

Multiple factors can affect how deeply purpose is embedded within an organization, with some acting as impediments and others as facilitators. We found three factors that moderate the impact of the drivers of organizational purpose on its embeddedness: the origin of purpose, the scope of purpose, and the company's external and internal communication of the purpose.

Origin of purpose. For our interviewees, organizational purpose often entered the business through a senior executive who advocated for purpose and achieved buy-in from the rest of the top management team. As the Director of a Fortune 500 communications company recalled:

Part of the solution for us was to say let's refocus and gather. ... Our CEO very much wanted to do this – around what our purpose is as a company. And actually saying we don't need a separate program to deliver that. That it should be reflected in everything that we do, improving customer experiences, coming up with new innovative products and services. Even transforming our cost base as a business.

Having purpose enter through the upper echelon is a way of legitimizing change throughout an institutional structure as well as leveraging power to directly change existing institutional systems and processes. For instance, the former Global Head at a Fortune 500 consumer goods company shared a brief history of how purpose entered the organization through a new CEO, and how major changes then quickly occurred throughout the organization, impacting the roles of many departments, systems and processes:

... [the new CEO] wanted to resurrect this whole concept of [the company's] purpose, and he wanted to embed it into what [the company] does, which is sell brands to consumers. The only way we could do that is if we brought marketing, the vehicle through which we could live our purpose ... and communications all together. And that function became kind of responsible for truly embedding the purpose ... into the fabric of the organization.

For some companies, however, purpose entered from a department in the middle of the organization. In these organizations, a greater emphasis was placed on purpose leading to profit maximization, since that was what was needed to convince senior executives to support

purpose-driven change within the organization. The head of reputational strategy for a multinational professional services network elaborated:

If you've got a reason for operating that is different from profit maximization, then you've just lost the argument. And that's the point. That's the public interest through self-interest concept. Sustainability by stealth. All that stuff. If you go to anyone who runs a business and you say 'here's a thing that you need to do that isn't a statutory requirement ... that will cost you money or at best won't help you make more money, but you should really do it because it's the right thing to do by society ... [that] doesn't fly.

The hope of the informant from the above organization was that purpose-driven activity would become so ubiquitous and successful that the company would eventually see purpose as a fundamental part of business as usual. However, until such a time arrived, organizational purpose would remain a servant to financial performance and its place as a central reason for the organization to exist would be diminished. Accordingly, we propose:

P₅: The locus of origin of organizational purpose in a firm moderates the impact of external and internal drivers on the level of embeddedness of organizational purpose in the firm. The higher the locus of origin in the firm, the greater the impact of external and internal drivers on the embeddedness of organizational purpose within it.

Under-researched and potential areas for further research in marketing. The domain of internal marketing has expanded since its first articulation and is now seen as a tool for overcoming internal resistance to change (Darling and Taylor 1989) and a tool for implementing specific corporate or functional strategies (Rafiq and Ahmed 2000). To the authors knowledge, little research has explored how internal marketing is impacted by the locus of origin of organizational change within the organization. Organization purpose provides a relevant and increasingly popular context in which to explore this aspect of internal marketing.

Scope of purpose. The specificity of corporate intent, as reflected in a firm's organizational purpose, can vary widely (see Table 3.1). For example, CVS Health has articulated a broad purpose in their statement of helping people on their path to better health, while the financial services company Legal & General's purpose statement is more specifically focused on

making financial security easier for people to achieve. When asked about the ideal scope of their organizational purpose, informants described a ‘good’ purpose as providing meaningful direction while also allowing room for employee interpretation. As a senior executive for a large construction company commented:

The purpose has to be clear, but it’s fine for it to be open to interpretation...The purpose is kind of set, [and] slightly open to interpretation.

Academic work on purpose shares this notion of, “embed(ding) a clearly articulated, well-defined ambition in the thinking of every individual while giving each person the freedom to interpret the company's broad objectives creatively” (Bartlett and Ghoshal 1994). Ideally, purpose is conceived of and articulated with a level of specificity that allows people to engage with the concept, while also allowing a degree of freedom in interpretation that allows purpose to become fully embedded within different departments or brands of an organization.

Nevertheless, achieving the proper scope for a purpose can be difficult. Too broad a purpose, or too broad an articulation of that purpose within the purpose statement, can make it difficult for employees to engage and implement the purpose. As the Vice President of a Fortune 500 consumer goods company described it:

So we picked that statement of purpose because it was so resonant within the organization because of the history. But [the purpose] is very aspirational and very broad...what do we do and what don't we do as a result of that? [The purpose] just needed much more guidance. So what we did with [a company program] was to be much more overt about what that actually meant we did. And I would say that it certainly gave enough content and granularity.

On the other hand, too narrow a purpose can make the purpose inapplicable to diverse company contexts and different roles within an organization. The marketing literature has noted the trade-off between flexibility and specificity in the articulation of firm-wide approaches to decision-making, especially within large, international organizations (Challagalla, Murtha, and Jaworski 2014). While specificity is important to encourage consistent decision-making across the firm, flexibility is necessary to allow a principle to be applicable in diverse contexts. Similarly, a purpose needs to be specific enough to provide

workers with meaningful direction, while remaining flexible enough that workers engage with the purpose in their different work environments. Hence, we propose that:

P₆: The scope of organizational purpose in a firm moderates the impact of external and internal factors on the level of embeddedness of organizational purpose in the firm. When the scope of purpose is too broad or too narrow, the impact of internal and external drivers on the embeddedness of organizational purpose is less pronounced.

Under-researched and potential areas for further research in marketing. As mentioned previously, marketing literature has noted the importance of scope in embedding firm-wide approaches to decision-making (Challagalla, Murtha, and Jaworski 2014). Organizational purpose is just such a decision-making tool. Therefore, it is likely that the scope of organizational purpose is highly relevant to the ability of decision-makers across the firm to understand how the purpose is relevant to their role. To the author's knowledge, research has not yet explored how the scope of an organizational purpose impacts the firm's ability to embed the purpose in decision-making throughout a firm. Furthermore, organizational purposes can pursue social benefit, environmental benefit, or both. Future research could explore how the nature of the purpose (whether social, environmental or both) influences the relationship between the scope of a purpose and the ability of a firm to embed the purpose throughout the firm.

External and internal communication. Both internal and external communications are important moderators of the embeddedness of purpose. Regarding external communication, executives in many firms chose to go public with their commitment to a purpose. They did so with declarations that included achieving ambitious goals within specific timelines, with strong accountability, and often without knowing how the commitments would be achieved.

As the Vice President of a Fortune 500 global communications company recalled:

We launched a very public commitment because we said that's how you galvanize an organization. Internal strategies, everyone's got one, they are all on the shelves, [but] we really needed to make a public commitment that will really force us to get this done. And so we said ... that in less than five years we would publicly report on the outcomes of our

products and open that up to an external audit, to make it very transparent on how our products are doing compared to the outcomes they intend ... We didn't know how we would do it. We didn't know who would do it. We didn't know where we would do it, but we said we were going to do this.

The motivational and accountability role of external audiences on organizations is well recognized in the identity literature (Gioia et al. 2013). External audiences develop expectations about how a company should be acting and build institutional pressure on it to fulfil its objectives and commitments.

Internal communication also helped to embed purpose, and did so in two ways. First, continual leadership advocacy was needed to provide all employees assurance that pursuing a purpose-driven agenda was truly valued by the company on an ongoing basis. As the Vice President of a Fortune 500 global communications company put it:

You obviously need top leadership to be shouting from the rooftops 'we are purpose-driven, profit and purpose, growth and impact' ... Without that you have no credibility.

Second, leadership communication often relied on proof points or exemplar company activities that could be used as examples to inspire future action. As the Director of the Fortune 500 global communications company described:

It could be what we would call a proof point. Something symbolic you've chosen not to do or you've chosen to do that - I mean what you really want to try and do is show things that have made that positive difference and haven't sort of harmed the bottom line.

Often, organizations would seek out these proof points (or generate them) and then market these proof points internally in hopes of motivating other areas of the business. For example, the former Vice President of a Fortune 500 consumer goods company noted:

... we had a small specialist team that would identify whether there was commitment and whether there was opportunity to drive the [purpose goal]. Identify where you've got commitment and opportunity, convert it to capability, market the hell out of that success internally, and make the desire to go on that learning curve infectious.

Companies often rely on discursive strategies to reinforce organizational identity (Chreim 2005), which is useful for conveying a change in meaning at the identity level. The executives we interviewed highlighted such 'proof points' as useful methods for showing the potential of purpose and deepening engagement. Given the above, we propose that:

P₇: Internal and external communications moderate the impact of external and internal factors on the level of embeddedness of organizational purpose in the firm. The greater the external communication to create a public commitment and the greater the internal communication to reinforce the firm's commitment to organizational purpose, the greater the impact of internal and external drivers on the embeddedness of organizational purpose within the firm.

Under-researched and potential areas for further research in marketing. Both internal and external communication is used in marketing to achieve firm objectives and encourage desired behaviour. For instance, external communication in the form of public commitments are recognized as a useful motivator for commitment at the individual level (Nyer and Dellande 2010) the household level (McKenzie-Mohr and Schultz 2014) and the organization level (Baier et al. 2009). Therefore, a public commitment regarding an organizational purpose can be seen as a form of external communication that enables internal organizational behaviour by both increasing internal awareness of the public knowledge of a commitment and increasing external pressure. However, it is plausible that different public commitments can incite different external and internal responses (e.g. different social targets and different environmental targets could be more passionately supported externally and internally) and be differentially effective in impacting an organization's commitment or behaviour change. To the authors knowledge, the impact of different types of public commitments on the pursuit of purpose has not yet been researched.

Regarding internal communication, It has already been mentioned that overcoming internal resistance to change and implementing specific corporate or functional strategies has become subsumed under the purview of internal marketing (Darling and Taylor 1989; Rafiq and Ahmed 2000). For our interviewees, the most popular tools used in motivating the pursuit of purpose within the organization were proof-points and narrative. These two strategies are potential research directions for future research on organizational purpose. What narrative strategies are most effective in embedding purpose in firms? What proof points are most helpful for encouraging the pursuit of purpose? Does the most effective

narrative strategy and proof-point change depend on whether the organizational purpose involves a social or environmental benefit? These are all important questions for marketing practice and viable avenues of future marketing research.

Outcomes: How Organizational Purpose Impacts Marketing Strategy and Actions

Our interviews suggest that the embeddedness of organizational purpose has significant outcomes in terms of a firm's marketing strategy and actions. To frame our discussion, we draw on Morgan et al.'s (2019) conceptualization of marketing strategy as comprising both content and process, which manifest at both a formulation and implementation stage. Marketing strategy content includes the goals and strategic decisions of the marketing strategy, such as performance outcomes that are desired in marketing strategy, time horizon (e.g. whether the strategy objectives are short-term or long-term in scope), and which stakeholders a firm should engage with in its strategic activity. Process includes the mechanisms that are used in the development of formulation-content, such as the degree to which a firm uses competitive thinking or collaborative thinking in developing its goals and strategic decisions.

Table 3.4 outlines the key shifts we observe between a 'traditional' marketing strategy approach as dominant in the extant literature and one that arises from a purpose-driven approach. We outline below the key changes in marketing strategy and actions⁵ that we observe as a result of these shifts. We undertake this analysis in light of the "relative (and increasing) rarity of research focusing on one or more aspects of the core marketing strategy construct at the heart of the field of strategic marketing" (Morgan et al. 2019, pp. 22–23).

Broader impact-based performance goals. The central impact of organizational purpose on strategic decision-making is via a shift in the goal orientation of the strategic formulation

⁵ In this initial theory development effort, we focus broadly on marketing strategy and actions (e.g., formulation and process; see Morgan et al. 2019), and not on specific aspects of the resulting outcomes.

process. Traditionally, the goal of strategy has been aligned to profit-maximization: “to maximize the difference between the market value of a firm and the capital invested by the owners of the firm” (Varadarajan and Jayachandran 1999, p. 120). Indeed, some have sought to align marketing in totality with this view of the objective of the firm: “Marketing is the management process that seeks to maximize returns to shareholders by developing relationships with valued customers and creating a competitive advantage” (Doyle 2000, p. 233). When prosocial or environmental considerations are included, they are often positioned within a framework of pursuing financial performance: “Marketers and the organization’s they represent can use marketing to harness the power of social profit in pursuit of financial profit” (Berry and Mirabito 2015).

In contrast, organizational purpose introduces into firm strategy the ultimate goal of finding impactful ways of delivering a social or environmental benefit. Often profit then becomes either a central factor in delivering the purpose and related objectives, or as an objective pursued in parallel with the purpose. Advocating the first view, one informant said:

So, the financial goals are about remaining resilient to achieve the purpose in the end.

Advocating the second view, another informant said:

So, if you get it right, they (profit and purpose) are absolutely equivalent in terms of their impact and their management focus.

Introducing into firm strategy an ultimate goal of producing a social or environmental benefit, in turn, alters the nature of the strategic conversations at the highest level. As the senior advisor to the CEO of a multinational food corporation remarked:

Our commitment to the planet and to the health of the people on the planet sort of grounds us ... Once you've decided that that's the business that you're in, then the game begins. So then you say well, you know, I can get non-organic sugar cheaper than I can get organic sugar - let's discuss ... The conversations that you have I think are different if your purpose is clearly understood.

Altering these high-level conversations results in a cascading impact, from goal orientation and strategic goal setting, down to the business and functional strategy level. A senior

executive from a Fortune 500 consumer goods company explained how purpose situated customer and societal impact as the central goal of strategy, which in turn impacted how marketing was approached across the company:

My team and I, ... codified a way of reinventing marketing that would make a brand genuinely purposeful in the social and environmental sense. ... They had to meet certain levels of being produced as a product in a way that is more environmentally friendly. And having a clear positive social impact, a measurable social impact through the brand proposition. ... We then got the executive, the governance group, to agree in principle that a few brands could have a go at that. And if that worked that would become an adjustment to the fundamental approach to [the company's] marketing.

Defining successful marketing campaigns by their success in achieving purpose-driven objectives requires companies to broaden the factors that are considered in the process used to arrive at appropriate strategic goals. Rather than being bound by traditional financial and market growth frames, purpose motivated diverse, impact-focused, decision-making frames.

Two different senior executives from a Fortune 500 consumer goods company explained how the company's strategic decision-making process evolved in this respect:

...before that [the adoption of the purpose], (The company) was an organization where the brand and kind of in a way the geographical portfolio was very much run on a, you know, in a way classic kind of matrix way of thinking, in terms of market investment. It was really all about saying let's almost colour the matrix kind of green, amber, red according to how well things are going, where investment is going to get the best ROI etc.

After embracing purpose, the process was strikingly different:

We said, "Okay, wouldn't it be good if we could develop products that need dramatically less water and in some cases, no water at all?" ... That's [water scarcity] a classic example of where real long-term environmental stress is likely to lead to a reduction in living standards in some parts of the world and certainly, others not catching up if we carry on with the existing kind of approach to products and consumption. So, it prompted us to dramatically lead to a very big innovation funnel in that whole area based on our current portfolio, but looking through the lens of benefits, not product.

Organizational purpose also shifts the way in which implementation performance is measured. Instead of having a central focus on financial metrics, a broad range of indicators that signify a shift in social or environmental impact are used alongside performance indicators. A senior executive of a Fortune 500 mining company noted:

I think there's around 12 different metrics that [the CEO] reports back to the board on. And they range from anything from financial hardcore sort of metrics through to things like the environment and communities and things like that as well.

This informant also explained the new vision of how strategic success would be measured in the company:

In our current [industry] culture, what you would sometimes see is that people with the pressure of the [profitable unit] would choose the [unit] over safety or over the environment or over the community ... [Now] you won't be penalized for putting safety over production. You won't be penalized for putting the environment or the community over the [unit]. And so I was thinking about it more and more, actually, a lot has changed because of that purpose because it opens up that conversation that we never had.

Based on the above, we propose that:

P₈: The greater the level of embeddedness of organizational purpose in a firm, the greater the shift in marketing strategy and actions away from financial objectives and performance metrics and toward social and environmental objectives that are relevant to the purpose of the organization.

Under-researched and potential areas for further research in marketing. Marketing strategy is often studied at the level of the overarching goal, strategy formulation, strategy implementation, and activity evaluation (Morgan et al. 2019; Tadepalli and Avila 1999). As a firm becomes purpose-driven, the overarching goal of marketing strategy changes to the pursuit of the social or environmental benefit that comprises the organization's purpose, and this change in overarching goal results in significant changes in strategic formulation, implementation and evaluation. Future research could further develop understanding around the impact of purpose on marketing strategy.

Longer-term strategic focus. Purpose orients a company toward delivering positive external impacts that can be sustained in the longer-term. This point was noted by most of our informants; for them, having an organizational purpose served to alter the base frame of strategic decision-making away from the traditional focus on quarterly targets and the near-term. A board level executive from a Fortune 500 consumer healthcare company commented:

The way in which we talk about it [purpose] is what sort of world are we going to leave for our children and our grandchildren? Otherwise what's the point? So, from our point of view, my personal objectives relate to 2049.

Reflecting the perceived relationship between purpose and long-term term strategy, a senior Vice President of a Fortune 500 multinational education company noted the temporal differences between traditional and purpose-driven decision-making:

A lot of my friends who are more finance driven say yeah it's nice what you are doing but your board shouldn't be investing in this stuff because it goes against maximizing shareholder value in the short term. And I say well it's not in the short term necessarily, in the long term my stuff should maximize. He [one friend] said that's not how they think. That's interesting.

When an organization is in transition, short-term and long-term decision-making can conflict. In these cases, a change in the decision-making frame is necessary. For example, the director of an international skin care brand described how a particular purpose-driven campaign she ran in collaboration with an NGO had short-term losses that would not usually have been accepted, but she was able to justify this to the board on the basis of the longer-term impact:

The [partnership] that I negotiated step-changed the rate at which we could reach young women ... the first year was basically delivering very, very few returns in terms of numbers of girls that were educated. But year two and year three were exponentially greater. And so we had to be okay with taking a hit initially, from a budget perspective, because we had to frontload the budget for such a partnership, but knowing that the three-year return was going to be three million extra girls reached through that partnership. And I had to justify it in terms of cost per intervention being lower than what we were currently doing.

Thus, we propose that:

P_9 : The greater the level of embeddedness of organizational purpose in a firm, the greater the shift in marketing strategy and actions toward a longer-term focus.

Under-researched and potential areas for further research in marketing. A focus on short term performance – commonly assumed to be driven by pressure to meet financial requirements – has been recognized as a roadblock to social and environmental benefit in company strategy (Atherton, Lewis, and Plant 2007; Bansal and DesJardine 2014). By supplanting financial performance with a social or environmental benefit at the firm's reason to exist, organizational purpose likely reduces this hinderance when it is fully adopted. Moreover, recent marketing research on societal and environmental benefit position such

pursuits as long-term considerations (Chandy et al. 2021), adding further support. This intuitive proposed relationship should be explored and validated by further research..

Additionally, different environmental and social benefits have different time horizons. For example, improvement in nutrition within communities can likely be measured in timeframes that are consistent with current financial reporting requirements. Improvement in other benefits, such as mental health, may take much longer to measure. Future research can explore what timeframes different common social and environmental benefits are most compatible with, and what financial reporting requirements would be suitable for major societally relevant social and environmental benefits that firms can adopt as organizational purposes.

More diverse stakeholder collaboration. Organizational purpose focuses strategy on the social or environmental benefit, and this in turn alters who are seen as valid partners for strategy implementation processes. Partnerships are sought based on shared commitment to the purpose and relevance for creating the desired social or environmental benefit; this also serves to broaden who are considered possible partners. The former Global Head of a Fortune 500 consumer goods company described this process:

[The company] is not going to solve the problem of [societal issue] on its own. Yes, we can provide a [product], but then we then had to work with the department of education in India to get more handwashing into the national curriculum. We then had to work with some NGOs in India to help with the distribution of [the product] to places that we couldn't get to. And so bringing those partners in so that we can have a systemic approach to the issue is a really important skill.

The tendency toward collaboration to achieve a purpose-driven objective even extended to competitors and other businesses. The Director of a multinational retailer commented:

We can't clear up the world's mess, but with Unilever, Nestle, Walmart, and Tesco... together we can. ... So [our company] can put its name and its political weight towards a business coalition and its call for responsible legislation as well. You just deliver purpose in different ways.

The organizational identity literature suggests that firms can view themselves as members of dyadic partner-relationships with external entities (a “relational orientation”) or as members

of a larger group with an ideological contract to support a broader cause (a “collectivistic orientation”) (Brickson 2007). The marketing literature also recognizes that collaboration exists where, as in the case of purpose, there is a long-term organizational perspective that drives a recognition of interdependence (Ganesan 1994). For our informants, the shared meta-frame of purpose motivated harnessing resources vis-à-vis others in the marketplace. Based on the above, we propose that:

P_{10} : The greater the level of embeddedness of organizational purpose in a firm, the greater the shift in marketing strategy and actions toward collaborations with a more diverse set of stakeholders.

Under-researched and potential areas for further research in marketing. In Purpose-driven firms, the external information and collaborators sought by the firm varies according to the social or environmental benefit being pursued: from information about what drives financial insecurity, to how carbon can best be removed from the atmosphere, to the best way of disposing of products at the end of their life, to what can help improve the mental health or empowerment of young women. In addition to verifying the proposition above, future research can explore patterns in collaboration between a firm and external stakeholders depending on the nature of the organizational purpose.

Less competitor-focused analysis. The executives we interviewed believed purpose shifted the focus of strategic discussion away from reacting to competitors and toward addressing the social and environmental benefits related to the purpose of the company. Two senior executives from the same organization described how their strategic decision-making process went from one dominated by competitor analysis to one where purpose fulfilled the differentiating role and altered how strategic decisions were made:

[Strategic decision-making process before purpose]: ... how can we win in [category] USA, oh gosh, well actually we're being eaten up a bit at the moment by [competitor X] and that doesn't feel very good, and actually [competitor Y] are doing some really good work as well. So therefore, over the last year our market share's down by 1½ points. And we need to invest more in it and put more focus on it, fine. Right, what are the brands we've got and how are they then going to play a role in winning that segment battle in that geography.

[Strategic decision-making process after purpose]: ... implicit in all that was differentiation and competitiveness, but because the [purpose driven strategy] was so unique and because our geographical footprint was unique ... there was rarely a kind of a big, "Could [X competitor]?" Or, "Could [Y competitor] or whatever do this?" It was much more driven from those core factors that were within our direct control if that makes sense.

Management literature recognizes ‘reactive’ firms that are focused on responding to competitors (Schnaars 2002) and ‘proactive’ firms that are focused on addressing customer needs over the longer-term (Narver, Slater, and MacLachlan 2000). For our informants, purpose was seen as proactive in relation to the market, and this provided an identity-based point of differentiation for purpose-driven firms. Based on the above, we propose that:

P_{11} : The greater the level of embeddedness of organizational purpose in a firm, the greater the shift in marketing strategy and actions away from a competitor focus.

Under-researched and potential areas for further research in marketing. When the overarching goal is financial income, marketing strategy focuses on maintaining a competitive advantage over its competitors, in order to achieve higher financial performance (Varadarajan and Jayachandran 1999). In contrast, our interviewees described their firms’ purpose-driven marketing strategies as being focused on working with the players and processes that are central to the achievement of the relevant social or environmental benefit. Such a focus not only reduced the primacy of competition, but also sometimes resulted in an increased focus on collaboration. As firms sought to improve a social or environmental benefit through a system of organizations, they often sought a collective success rather than a competitive advantage. This approach can even apply to competitors with a market (Chen and Miller 2013). Future research should look into when organizational purpose not only decreases a focus on competition, but also increased collaboration between the firm and other organizations.

Moderating Translational Factors

A number of factors could moderate the extent to which the embeddedness of organizational purpose translates into strategic marketing outcomes. We discuss three: the scope of purpose, purpose-customer alignment, and purpose-performance balance.

Scope of purpose. Our informants were clear that the level of specificity of organizational purpose could also moderate the impact of the embeddedness of purpose on strategic marketing outcomes. The director for a Fortune 500 global communications company elaborated on how the firm needed to specify their goals under purpose to provide the ‘sharpness’ needed to make marketing decisions:

... the purpose statement is quite high level. You have to go to another level beneath that before you can really begin to define priorities. Before you can really begin to find alignment. Because, if I said [the company’s purpose statement]. Well, it’s a million and one different things ... So you do have to provide some sharpness to it, whether it’s either saying we’re going to focus on five of the UN Sustainable Development Goals or here are our 2020 ambitions that we’re really going to go for and we want to get big things on a big scale that leverage our assets and leverage who we are.

On the other hand, it is possible to over-specify a purpose, which is also likely to lead to confusion regarding how to use the purpose in strategic decision-making. For example, a telecommunications company included in our study was incorporating two different focuses based on its purpose: the empowerment of youth and women. However, the company’s existing customer base had a significant number of adult males in it. This could potentially result in conflict if the strategic decision-making wasn’t carefully translated to areas of the company dedicated to the adult male client base. Given the constraints of making a purpose too specific or too broad, we propose:

P_{12} : The scope of purpose in a firm moderates the impact of purpose embeddedness on the firm’s strategic marketing outcomes. When the scope of purpose is too general or specific, the impact of the embeddedness of organizational purpose on the firm’s strategic marketing outcomes is less pronounced.

Under-researched and potential areas for further research in marketing. In marketing strategy research, the embeddedness of a purpose into goals and the “broad means by which they (the goals) are accomplished” is differentiated from the implementation of these broad

goals into integrated marketing tactics and actions (Morgan et al. 2019). Within the domain of implementation, a sub-domain of implementation-process – the mechanisms used to “identify, select, and realize” marketing tactics related to marketing content – is an under-researched area (Morgan et al. 2019). Organizational purpose offers a potential context to study this subdomain. In particular, the scope of the purpose likely impacts the degree to which common mechanisms can be used to identify, select, and realize marketing tactics related to the achievement of social or environmental benefit undergirding the purpose.

Purpose-customer alignment. Certain customer groups are likely to engage more strongly with a firm’s organizational purpose than others. A senior advisor to a multinational food corporation described how some customers required greater communication of the firm’s purpose-driven efforts than others in a pair of brands under the corporation’s portfolio:

We've got a product here in the US called [Product 1] ... The people who buy [Product 1] tend to be people who are allergic. They're very serious. Many of them have got serious health issues and so their need for information is deep. They're real researchers. The implications of them eating dairy are significant and so they really care ... So when you put [purpose-related] stuff on their packaging you want to tell them everything there is to know about what they need to know ... and you need links to stuff online and so on. On the other hand, the people who buy [Product 2] for example, which is also a non-dairy product of ours ... they tend not to be allergic, not that interested in the detail.

The group head of an international holding company also described how purpose was communicated in different ways for different products, depending on the product director’s perception of consumer interest in purpose-driven attributes of the product offering:

It [the purpose] is clear to the customers who are interested in it. You see, this is where marketing comes in. While I would like to have this plastered all over the walls of the store, marketers say no, no! We're in a situation where our customers, they know where the information is if they want to go and find it. They know that there are people to ask and there are people who can answer those questions... So, I don't tell the [product] director how to market [the product]. I do tell her if she wants to ‘purpose up’ [the product] it has got to be on paper that's come from sustainable sources. The units that they put out have got to come from sustainable sources. That the packaging has to come from sustainable sources.

This evidence highlights the potential nexus between organizational purpose and the resulting marketing strategy and actions. Accordingly, we propose that:

P₁₃: Purpose-customer alignment moderates the impact of purpose embeddedness on the firm’s strategic marketing outcomes. The greater the purpose-customer

alignment, the greater the impact of the embeddedness of organizational purpose on the firm's strategic marketing outcomes.

Under-researched and potential areas for further research in marketing. A promising avenue of potential research is how purpose-driven firms perceive and engage with customers that either support or do not support the firm's purpose. When customers also care about the social or environmental goal(s) that comprise the firm's purpose, marketing strategy can more fully implement. Such situations will likely result in the development of purpose-led brands (Charles and Marciniak 2021; Kramer 2017) that are aligned with the organization's purpose. In contrast, when customer's care little about the social or environmental benefit(s) comprising the purpose, firms may not be able to openly pursue the purpose through marketing tools and activity. In such cases, purpose-driven firms may perceive of customers as intermediate generators of financial resources that can be used to pursue the purpose in other firm activity. Future research could explore how firm's perceive and engage with customers in purpose-driven firms with low versus high purpose-customer alignment.

Purpose-performance balance. The executives we interviewed had different views on the nature of the relationship between purpose and profits, and where profits should sit in the landscape of company concerns. For example, some considered profit to be a natural outcome of pursuing the organizational purpose. As the Senior Vice President of a multinational publishing and education company put it:

I think for us the key driver is ensuring that... we sort of help our educator-partners deliver what they need to deliver. So, we make products, but those products get used by educators. The products themselves don't work [on their own]. It's the educator using them that delivers an outcome. So for us the key driver is making sure those educators have what they need to deliver, and we see that then leading to growth.

For others, purpose and profit were treated as two agendas that could be pursued in parallel, sometimes even in tension with each other, with a focus on finding mutually beneficial ways forward. One Executive Vice President of a Fortune 500 consumer

goods company described how this worked at the start of her company's purpose

journey:

It [the purpose-driven agenda] existed literally in parallel with the business plan. So we didn't help people resolve where the potential conflicts were. And of course, business is filled with tensions and conflicts and part of the skill and judgment is how you handle this and the choices that you make. But the simple coexistence of the two was quite challenging.

Still others treated profit as a constraint and focused on maximizing a social or

environmental benefit given a profitable platform:

Now I know from the business perspective, because we've worked on the business case, it makes commercial sense. Everyone can tell that. It's pretty easy. But now it's to say how do we quantify the impact from a social perspective to women. And then, ok, we can measure from a quantitative perspective, but let's look qualitative to see what the benefits are. How do we take those results? How do we fuel it? How do we grow it?

Microeconomic analysis of firms holding the two objectives of profit maximization

and social performance shows that the prioritization of objectives can impact the

extent to which a company is willing to pursue prosocial outcomes (Husted and

Salazar 2006). We argue that the greater the extent to which a firm considers profit an

overarching objective to be maximized, versus a constraint to be met, the lesser the

extent to which purpose-driven agendas will manifest in the firm's marketing strategy

and actions. Thus:

P_{14} : Purpose-performance balance moderates the impact of purpose embeddedness on the firm's strategic marketing outcomes. The more profit is treated as an outcome to be maximized, rather than a constraint to be met, the less the impact of the embeddedness of organizational purpose on the firm's strategic marketing outcomes.

Under-researched and potential areas for further research in marketing. Little research has discussed the impact of the balanced prioritization of social/environmental causes and profit on marketing activity. Perhaps the closest is the comparison of strategic marketing between for-profit organizations and non-profit organizations (Dolnicar and Lazarevski 2009; Kotler and Andreasen 1987), which finds that non-profits' marketing activity is more promotional and less customer-centred. However, purpose-driven firms are defined by their prioritization

of a social or environmental benefit as the firm's reason to exist, irrespective of the firm's formal constitution (e.g., B-Corps, charities) or governance (e.g., publicly listed corporations). Future research should explore how purpose-driven marketing strategy manifests under different variations of purpose-profit balance, and under different constitutions as well.

Discussion

In recent years, interest in the concept of organizational purpose has grown rapidly as firms have sought to deal with a number of global existential challenges. These include responding to corporate scandals and declining public trust in business, a volatile business environment, the growing competition for scarce resources and talent, and increasing societal pressures on business to function responsibly. In response, companies worldwide are initiating efforts to reflect on and embed organizational purpose in order to create unique ways of directly generating social value as a way to generate long-term organizational success.

While increasing in popularity, organizational purpose also has profound implications for marketing, business and society. Specifically, organizational purpose can inform current debates about the fundamental nature of *value* that a firm creates, both internally and externally, and how a firm should relate to its various stakeholders. Purpose provides a powerful guide to help firms frame a strategic approach that can address the profound challenges they face in the 21st century. The conceptual building blocks presented in this paper can advance research efforts and practice in this critically important area for the marketing discipline.

Implications for Research

This paper has several substantive and theoretical implications for research in marketing. Substantively, we highlight an important, contemporary, practitioner-led phenomenon with significant implications for research in marketing and business more generally. We show that

the practice of organizational purpose, and consulting reports and frameworks about it, currently outstrip academic understanding of the phenomenon. To the best of our knowledge, ours is a first attempt to redress that balance using field-based evidence to facilitate theory development. By studying how the concept of organizational purpose is being used in large, for-profits firms to orient themselves toward producing social or environmental benefit, we are able to formalize the concept and its implications regarding the role of businesses in society and marketing's place within them.

From the standpoint of theory, our paper introduces new questions, concepts, relationships, and mechanisms to the marketing literature. The emerging practitioner phenomenon we study raises important questions about why firms exist, how they create value, and for whom. In terms of new concepts, our paper proposes not only the core construct of organizational purpose but also a number of related constructs (see Table 3.5). Each of these concepts suggests new relationships and mechanisms which challenge deeply entrenched ideas in marketing theory. For instance, historically, the marketing theory of the firm has been dominated by the neo-classical view that the main goal of firms, and even their fiduciary duty (Stout 2012), is profit-maximization. Thus, Resource-Advantage theory, an ambitious endeavour in many respects, assumes profit-maximization as the ultimate goal of the firm (Hunt 2011). The assumption is that by focusing on profits, people are able to maximize their own wellbeing via the offerings available in the market. Although much marketing theory is aligned with this profit-maximization perspective, for others the fundamental point of marketing's role is "to create a customer" (Drucker 1955, p. 35) and enable beneficial customer relationships (Sheth and Uslay 2007). Some scholars have noted that these two views about the ultimate focus of value generation—shareholders and customers—sit uncomfortably alongside each other (Ellsworth 2002). Others have criticized

both perspectives for being too narrow to ensure the long-term, sustainable success of a company (Martin 1985; Murphy, Laczniak, and Wood 2007).

Against this backdrop, our paper shows that corporations are themselves challenging a profit-maximizing approach as an assured way to deliver long-term value to society and the environment. Instead, they are taking direct control of social and environmental benefit through the adoption of an organizational purpose which internalizes such benefit through their various business activities. Firms are doing this in response to a range of drivers from social and political imperatives. Ultimately, however, they are also doing so because they believe that the current short-term, profit-maximization paradigm does not provide the conditions needed to create real value in the long-term.

Implications for Practice

Our research offers implications for firms in three areas of being purpose-driven: 1) finding and articulating a purpose; 2) embedding it within the organization; and 3) leveraging the embedded purpose to drive marketing strategy and actions.

Finding and articulating an organizational purpose. One approach to finding and articulating a purpose involves consulting the firm's relevant stakeholders. Many of the companies we studied chose their purpose by drawing on inputs from internal sources such as employees as well as various external stakeholders. Another approach involves tapping into the historical identity of the firm. Consistent with what the organizational identity literature terms "organizational nostalgia" (Gabriel 1993), many firms we studied sought to build on their original identity when formulating their purpose. Others used their company history to create an "identity gap" where the past was seen as a time when the organization had a stronger positive identity than today (Gioia et al. 2013). Finally, while internal identity may be an important driver, some firms chose their purpose based on the social or environmental benefit they are most able to serve, given their internal capacities and market advantages.

Embedding organizational purpose deeply. Our research suggests that a crucial first step toward embedding a purpose is creating a compelling narrative and developing accompanying proof points to support it. Many firms we studied used discursive strategies and rhetorical tactics to build and reinforce their organizational purpose. Some of these strategies involved label changes directed at motivating senior executives, while others focused on meaning-level changes directed at employees at lower levels in the organization. Crucial to both strategies was a discursive strategy rich enough to convey changes in meaning and focus. The executives we interviewed also highlighted the importance of ‘proof points’ to show the positive effects of purpose and inspire future action.

An important second step in embedding purpose involves identifying key organizational actors to drive the process. Of course, the leaders of the firm are crucial to driving purpose from the top. Top managers can exhibit the advocacy that gives others the permission to act and manage change. However, middle management also plays an important role in embedding purpose. Indeed, as is widely recognized, middle managers present several challenges when implementing transformational change. Those who have been with a company for a while may cling to a prior ideology (Gioia et al. 2013), making identity change hard, if not impossible. Purpose represents such a large shift in ideology that it is particularly important to get buy-in from middle management.

Finally, embedding purpose requires the firm to go public with its commitment to a purpose. Doing so may require senior executives to openly commit to achieving ambitious goals in specific time frames. In some cases, it may be necessary to have independent third-parties monitor progress against these goals. This can serve to assure employees that the firm’s identity really has shifted and help to align the company away from the old toward the new. External monitoring can also help create accountability toward stakeholders. External

audiences can develop expectations about how a company should be acting and build institutional pressure on it to fulfil its objectives and commitments.

Leveraging organizational purpose to drive marketing strategy and actions. For purpose to have an impact, firms need to measure and monitor both its effects on the relevant social and environmental benefit that is experience through key stakeholders, as well as on financial performance. Doing so, in turn, involves identifying and developing standardized and customized non-financial metrics. These metrics need to combine short-term outcomes with those that play out over the longer-term. Once there is consensus regarding such measures, firms will need to monitor and track their performance on these metrics and adjust their strategies accordingly. Developing appropriate metrics and achieving impact will also likely involve collaborating with a diverse set of stakeholders including competitors.

Second, to ensure that organizational purpose does shape marketing decisions, it is important for firms to align their purpose with customers. Specifically, they must find a way to ensure that purpose manifests itself appropriately in their external communications and actions. Finally, firms must be able to balance social impact with profitability. For some, this might involve making the purpose the main objective, with profits viewed as an outcome of pursuing a purpose. For others, financial success may be seen as a constraint with the main goal being maximizing societal impact from a platform of profitability. For still others, purpose and profit may become two parallel agendas that need to be pursued in continual tension with each other.

Limitations and Future Research

Boundary conditions. As an initial attempt to study the concept and phenomenon of organizational purpose, it is important to outline the boundary conditions of what this paper is trying to achieve and is able to claim. First, it is important to acknowledge that the organizations we interviewed are at different stages of their ‘purpose journey’. Thus, the

extent to which purpose is embedded and felt by employees or the upper echelons varies across firms in our sample. Further, regardless of where they are on their journey, the organizations we interviewed vary in the extent to which purpose was embedded in their motivations or actions. Questions regarding current embeddedness, or how authentic these firms' purposeful activities are, fall outside the scope of this paper.

Research approach and sample demographics. This paper uses a combination of in-depth interviews, extant artifacts, archival data, and complementary literature to delineate the conceptual domain of organizational purpose and identify its drivers and outcomes. This is appropriate given the nascent nature of the phenomenon and is consistent with previous approaches to practitioner concepts (Challagalla, Murtha, and Jaworski 2014). However, this approach does have various limitations. For example, our sample was primarily made up of large, incumbent, for-profit firms. Our review of the literature suggests that the framework we develop, and the propositions we propose, should hold for other types of organizations as well. However, company size may impact the way firm's pursue purpose. Many of the firms our interviewees worked for used resource slack to aid purpose-driven efforts, and smaller organizations may have less resource slack to use in purpose-driven efforts (Sharfman et al. 1988). Future research should examine how organizational purposes are pursued in firms of different sizes, in addition to looking for other important differences between organizations that might affect the pursuit of organizational purpose. Another limitation is that, while we did ask our interviewees to describe the firm before it became purpose-driven, we did not include a non-purpose-driven firm in our sampling. Incorporating a similar firm that is not purpose-driven could have provided further clarification to the insights found in our purposive sample of purpose-driven firms. Another limitation is that our sample was primarily made up of upper echelon informants. Informants from other roles could have

provided additional insights into how organizational purpose is pursued in other areas of the firm.

Potential negative implications of purpose. While this paper focuses on the reasons why companies are adopting organizational purpose, a purpose-orientation may also have potential negative implications for some businesses. Research has shown that introducing a social or environmental priority into a commercial enterprise can lead to multiple challenges and tensions, including conflicting priorities under competitive contexts, threats to legitimacy as a company attempts to authentically pursue potentially conflicting goals, and uncertainties regarding how to balance stakeholders with competing social and commercial priorities (Doherty, Haugh, and Lyon 2014). This may be a particular challenge for marketing functions that are often at the ‘coal face’ of maintaining revenue expectations. Moreover, while some organizational types, such as social enterprises, can offset the financial cost of pursuing a social or environmental benefit with their ability to acquire capital from both financial and philanthropic sources (Chertok, Hamaoui, and Jamison 2008), purely for-profit organizations cannot. Future research on organizational purpose must focus on examining the potential role of such factors.

Empirical quantitative approaches to proposition validation. The propositions presented in this paper are preliminary insights that need to be more systematically examined and tested by future research (see Table 3.5 for potential avenues for such research). In order to do this, it may be helpful to collect empirical, quantitative data for the antecedents, outcomes, mediators and moderators proposed. For instance, amongst the antecedents, the need to social legitimacy could be measured as some form of perceived sociocultural pressure on the firm (Blowers et al. 2003). As another example, the need for market agility could be measured by an adaption of a company agility scale (Tallon and Pinsonneault 2011). Regarding the degree to which an organizational purpose has been embedded within an organization, measures will

likely need to be company-specific or purpose-specific, since each purpose tries to pursue a particular social or environmental benefit (or set of benefits). Researchers can work with a firm to determine the purpose and then construct a scale to give to employees that will measure the degree to which purpose is considered to be relevant to each role in the organization. This measure could be combined with a survey of the more tangible aspects of organizational purpose being manifesting in the systems and processes within the firm. Moderators and mediators for the relationship between the antecedents and the embedding of organizational purpose could also be measured. The origin of the purpose within the firm could simply be a categorical datapoint based on what level within the organization (e.g. upper echelon, middle management, frontline) the purpose first entered the organization. External and internal communication of the purpose could be measured through text analysis of internal and external company communications. Text analysis could be used to measure both the amount of purpose-relevant text within communications, as well as the nature of the communication messages. Regarding the proposed strategic marketing outcomes, quantitative measures could also be taken. For instance, broader impact-performance goals could be measured fairly directly by working with the company and gaining access to the major metrics that are reported in marketing activity. Longer-term strategic focus could be measured via text analysis of the minutes of marketing strategy meetings. Finally, the moderators and mediators of the relationship between how embedded an organizational purpose is and strategic marketing outcomes could also be measured. For example, purpose-customer alignment and purpose-performance balance could be measured through survey data.

4. Introduction to:

The Influence of Taking Someone Else's Perspective on Creative Idea Generation

The second paper in this thesis is based off a central aspect of the previously constructed definition of organizational purpose, namely, the characteristic of organizational purpose as a transcendent reason to exist. Similar to business approaches that encourage a focus on customers (e.g., (Kohli and Jaworski 1990)), the company-transcendent nature of an organizational purpose often focuses the firm on an external stakeholder, or ‘target beneficiary,’ through which a social or environmental benefit can be pursued. This is particularly true for purposes that entail a social benefit (e.g., empowering youth).

The second paper applies the external focus of organizational purpose to another finding from our interviews with purpose-driven firms, an increase in innovation. Our interviewees from the first paper in this thesis noted that pursuing an organizational purpose often led to new innovations for the firm that were not expected. As one interviewee, the former global vice president of human resources for a transnational consumer goods company, commented:

“I mean, our purpose has driven innovation in (Company) incredibly. There is a product called (Product Name) which we would never have thought about, which helps women who are hand washing to only rinse their clothes once now, not ten times.”

The interviewee was referring to a particular innovation that resulted from the company’s efforts to solve a problem for poor women in rural areas.

At first, the above scenario seems consistent with current understanding of innovation under prosocial motivation (Grant and Berry 2011). A firm-level pursuit of organizational purpose often entails benefiting a target beneficiary that is in need, and focusing on this in-need target beneficiary can lead individuals in a firm to take that target beneficiary’s perspective. At the same time, perceived need can increase prosocial motivation (Grant and Berry 2011). Finally, taking someone else’s perspective while under prosocial motivation leads to higher creativity in generated ideas (Grant and Berry 2011). Therefore, it seems plausible that a firm-level organizational purpose could lead individuals within a firm to both

take a target beneficiary's perspective and be prosocially motivated to help that target beneficiary, which could in turn improve creative performance.

However, the company mentioned above was still developing a culture of purpose, and one of the largest issues the company was facing was that the members of the company outside of the upper echelon had not 'bought in' to being purpose-driven. Innovators within the organization were being asked to develop ideas that benefited others, but a prosocial motivation to help the target group was, at least anecdotally, not present. Given a lack of prosocial motivation, an increase in innovation within purpose-driven firms suggests that there is a creative benefit to taking someone else's perspective that is independent of the creative benefit that occurs via prosocial motivation.

Paper two explores the above possibility, focusing specifically on how taking someone else's perspective compares with other common perspectives that are espoused by today's practitioners (Grapentine 2012; Hounslea 2017; Osborn 2012) in performance in the idea generation stage of the innovation process (Amabile and Pratt 2016). Results suggest that taking someone else's perspective indeed has its own influence on performance in idea generation, independent of prosocial motivation. Moreover, the impact of taking someone else's perspective on creative performance in idea generation is largest when first performed, becoming less impactful as taking someone else's perspective becomes habitual.

5. The Influence of Taking Someone Else's Perspective on Creative Idea Generation

The Influence of Taking Someone Else's Perspective on Creative Idea Generation

– This in-thesis paper is a modification of a paper written by the below co-authors –

Charles Ebert

Judge Business School
University of Cambridge
Trumpington St, Cambridge CB2 1AG
e-mail: ce335@cam.ac.uk

Raghabendra KC

Rollins College
170 W. Fairbanks Building – Room 224
e-mail: rkc@rollins.edu

Andreas Richter

Judge Business School
University of Cambridge
Trumpington St, Cambridge CB2 1AG
e-mail: j.prabhu@jbs.cam.ac.uk

Jaideep Prabhu

Judge Business School
University of Cambridge
Trumpington St, Cambridge CB2 1AG
e-mail: j.prabhu@jbs.cam.ac.uk

Abstract

This research explores the impact of taking someone else's perspective on creative marketing performance. Using data from an in-field experiment, an online experiment, and a longitudinal study, we show that taking someone else's perspective during idea generation tasks has an initial positive impact on the average creativity of generated ideas, but also a negative impact on the number of ideas generated. Multilevel analysis conducted on longitudinal data further shows that the trade-off between number of ideas and creativity of ideas is largest when the act of taking someone else's perspective is first performed and becomes less extreme over time. The paper concludes with a discussion regarding how firms can manage the perspective employees take during creative marketing tasks.

Keywords: Creative Cognition, Perspective-Taking, Idea Generation, Creativity

Innovators are constantly tasked with generating ideas for companies: new concepts for promotional and social media campaigns, new positioning strategies that help products differentiate in the market and remain differentiated, new insights into product design and innovation, and new uses for products and services so appropriate potential consumers can be targeted.

During this idea generation process, companies and employees also often utilize preferred ‘perspectives’ (Grapentine 2012; Hoever et al. 2012; Hounslea 2017). For example, a commonly espoused perspective is taking the perspective of someone else (other’s-perspective). Firms with social or environmental motivations such as non-profits, hybrids or purpose-driven organizations (Gartenberg, Prat, and Serafeim 2019; Hurth, Ebert, and Prabhu 2018; Mayer 2020b), may ask innovators can take the perspective of a target beneficiary that the firm is trying to benefit (e.g. empowering an underprivileged youth). Similarly, Companies with business approaches that encourage a focus on customers (e.g., (Kohli and Jaworski 1990) may take the perspective of particular customer while generating ideas. For example, the British department store House of Fraser espouses taking the perspective of a “core customer” or “a customer persona”, in order to create the most customer value by tailoring ideas to the target individual (Hounslea 2017). Another common perspective is the self-perspective. Former Apple CEO Steve Jobs, for example, advocates taking a self-perspective and then evaluating generated ideas on whether they resonate with others or not: *“We figure out what we want. And I think we’re pretty good at having the right discipline to think through whether a lot of other people are going to want it, too”* (Grapentine 2012). Still others hold to the second rule of Alex Osborn’s classic principles of brainstorming, where restrictions are discouraged in idea generation (Osborn 2012) and therefore taking a perspective of any kind, be it a self-perspective or someone else’s perspective, is not required.

Past research on perspective and innovation focuses primarily on the act of taking someone else's perspective, often called role-taking or perspective-taking. Such research suggests that taking a someone else's perspective could have a positive effect on idea generation because it can play a supportive role in influencing creativity. More specifically, perspective-taking has been found to mediate the positive influence of prosocial motivation on creativity at the individual level (Grant and Berry 2011), and to moderate the positive influence of team diversity on creativity at the group level (Hoever et al. 2012).⁶ While these insights are valuable contributions, at least four limitations of the previous findings and broader perspective-taking research compel further investigation. First, previous research focuses on the facilitative role of perspective-taking in the relationship between other concepts and creativity, rather than the direct influence of perspective-taking on idea generation. Perspective-taking is understood to change the cognitive processing of the individual (Ku, Wang, and Galinsky 2015) and idea generation is considered a cognitive process (Finke, Ward, and Smith 1992; Nijstad and Stroebe 2006; Ward 1994), so it is plausible that taking someone else's perspective has a more direct influence on idea generation.

Second, previous research in perspective-taking does not compare the act of taking someone else's perspective to the other common perspective's utilized in marketing today. Perspective-taking research primarily focuses on the difference between thinking about someone and taking that person's perspective (e.g., From 'Think of some ways Stacy could use this product' to 'Think of some ways Stacy could use this product and take her perspective, as if you were in her shoes.' See Galinsky and Moskowitz 2000; Grant and Berry 2011). Such focus does not compare taking someone else's perspective to other common

⁶ In this paper, taking someone else's perspective, taking someone else's perspective, and perspective-taking are synonymous.

perspectives taken by idea generators today, such as a self-perspective or a general perspective with no target individual. This makes it difficult to use the findings of previous perspective-taking literature to draw conclusions regarding the comparative performance of idea generators under different perspectives in marketing activity today.

Third, previous research on idea generation does not address the impact of perspective-taking on important outcomes in marketing beyond the creativity of generated ideas, such as the number of generated ideas. The number of generated ideas is an important outcome in the initial phase of the innovation process (Amabile 1988; Amabile and Pratt 2016), and the number of ideas being developed in a company's pipeline is one of most common metrics used by businesses to measure the performance of their innovation programs (Chan, Musso, and Shankar 2008; Slater, Mohr, and Sengupta 2014). In later stages of the innovation process, the number of potentially fruitful ideas a company has and develops can have important consequences for organizational performance (Chandy et al. 2006; Sowrey 1987; Verhage and Van Weele 1981). Reflecting the importance of the number of ideas in idea generation, brainstorming research often measures the number of ideas as the primary indicator of success (Fitzsimons, Chartrand, and Fitzsimons 2008; Moreau and Engeset 2016; Rietzschel, Nijstad, and Stroebe 2007). Similarly, team training research has focused on the generation of many ideas as a measure of performance in creative problem solving (Basadur, Graen, and Green 1982). Of course, the creativity of generated ideas is also important in marketing: creativity is helpful, for instance, in creating and maintaining product differentiation in the market place (Andrews and Smith 1996) and for coming up with novel product ideas and solutions for customers (Burroughs et al. 2011). Given the importance of both the creativity of ideas and the quantity of ideas in creative marketing tasks, it is important to understand how taking someone else's perspective impacts both the number of ideas generated and the creativity of generated ideas.

Fourth, past studies that explore the impact of perspective-taking on business performance primarily involve single-instance experiments (Grant and Berry 2011; Prandelli, Pasquini, and Verona 2016). Single-instance experiments do not resemble many routine tasks in the workplace, which are often performed repeatedly over time and become routinized or habitual. Perhaps for this reason, there have been calls for more research exploring the impact of routine on important outcomes in business, such as creativity (Anderson, Potočnik, and Zhou 2014). The impact of perspective on idea generation over time, as tasks and even perspectives become routine, remains unexplored. This gap in knowledge is made more meaningful by the current understanding of perspective-taking, which contends the impact of taking someone else's perspective changes over time as activities become routinized (Epley, Morewedge, and Keysar 2004). To develop a fuller understanding of the impact of perspective in creativity and idea generation, research needs to develop a meaningful understanding of how perspective affects important outcomes in performance over time.

We address the above gaps in our understanding of the relationship between taking someone else's perspective and performance in idea generation. To do so, we draw upon creative cognition models of idea generation (Nijstad and Stroebe 2006; Rietzschel, Nijstad, and Stroebe 2007), the perspective-taking literature (Davis et al. 1996; Epley, Morewedge, and Keysar 2004; Ku, Wang, and Galinsky 2015; Todd, Galinsky, and Bodenhausen 2012), and research on task improvement (Aarts and Dijksterhuis 2000). Synthesizing the findings of these three streams, we develop an understanding of how taking someone else's perspective affects performance in idea generation tasks. Across a series of studies including a field experiment, an online experiment, and a three-week longitudinal study, we explore how taking someone else's perspective impacts both the number of ideas generated and the creativity of generated ideas in idea generation tasks. In addition, we use multilevel

modelling on longitudinal data to examine performance differences in idea generation tasks under different perspectives over time, as taking different perspectives becomes habitual.

By doing the above, this paper makes several contributions. First, we address the previously mentioned gaps in our understanding of the impact of perspective-taking on idea generation. Second, instead of focusing solely on idea generation while taking someone else's perspective, we compare taking someone else's perspective with three other common perspectives espoused by practitioners today: generating ideas for someone else without taking his/her perspective, generating ideas while taking a self-perspective, and generating ideas while not being told to take a perspective. We also measure both the number of ideas that are generated and the creativity of generated ideas. Our results show that, in comparison to the other commonly adopted perspectives in idea generation, taking someone else's perspective results in a trade-off between creativity and quantity: idea generators who take someone else's perspective generate *fewer* ideas, but also ideas that are *more creative*. Through longitudinal analysis of the data in a three-week lab study, we further demonstrate that the effect of taking someone else's perspective on performance in idea generation tasks is largest when the act of taking someone else's perspective is first performed and non-habitual. Over time, the comparative difference in the amount and creativity of generated ideas becomes less extreme.

This paper also makes two additional methodological contributions to research on creativity and perspective. First, we use a longitudinal study design that generates more granular data than previously utilized in longitudinal creativity research, and which allows for the daily measurement of performance on idea generation tasks over an extended period of time (three weeks). Second, we develop a method of target specification in our experiments that overcomes previously unnoticed issues of target specification in perspective-taking experiments.

In the next section, we review relevant work on perspective-taking and creative cognition to develop hypotheses. We then present three studies that test our hypotheses. We conclude with the implications of our findings for research and practice, and a discussion of the limitations of the paper and opportunities for future research.

5.1 Theory

Creative Cognition and Perspective

In this section, we develop a conceptual framework to understand how perspective influences performance in idea generation in terms of the number and creativity of ideas generated. We build this framework by drawing on two streams of research, the perspective-taking literature and the literature on creative cognition and models of idea generation (Aarts and Dijksterhuis 2000; Brown et al. 1998; Finke, Ward, and Smith 1992; Nijstad and Stroebe 2006).

Perhaps the most well-known of the creative cognition models is the *Search for Ideas in Associative Memory* model (SIAM model) (Nijstad and Stroebe 2006), which has been used in brainstorming research under business settings (Montag-Smit and Maertz Jr 2017) and in creativity research more generally (Guo and McLeod 2014). In the creative cognition literature, idea generation is broadly understood as a mental process involving a search through long term memory for data, which are then used to generate new ideas. The process begins with a search cue or set of instructions used as the criteria by which relevant memories are identified (Nijstad and Stroebe 2006). These identified memories are then used as data for the generation of ideas until the idea generator reaches a stop criterion due to various factors such as fatigue, lack of belief in the ability to generate more ideas, or an expectation that a satisfactory number of ideas has been generated. For the idea generator, taking different perspectives is equivalent to adjusting the search cue, changing where the mind searches for memories and which mental data becomes accessible (see Anderson and Pichert 1978).

We argue that four perspectives comprise the majority of perspectives taken by the idea generator in everyday idea generation tasks (See Table 5.1). The first is the self-perspective (SP). In the SP, the idea generator simply asks the question, “If I were in a given scenario, what could I do?” The second perspective is the other’s-perspective (OP). In the OP, idea generators put themselves in the other person’s place and answer the question, “If I were the other person in a given scenario, what could I do?” The final two perspectives are general perspectives which do not require idea generators to think in terms of themselves or put themselves in anyone else’s position. We call these next two perspectives the targeted-general-perspective (TGP) and the untargeted-general-perspective (UGP). The TGP asks the question, “What could a customer do in a given scenario?” requiring idea generators to generate ideas for a target individual but not explicitly to take the perspective of the target individual while doing so. The UGP simply asks the question “what could be done in a given scenario?” and does not require any perspective to be taken.

In this paper, we argue that the OP – putting oneself in the other person’s shoes and answering the question, “If I were the other person in a given scenario, what could I do?” – provides the idea generator access to different mental data than the other three common perspectives, which in turn impacts performance in idea generation tasks. More specifically, we argue that the OP focuses the idea generator on the mental data related to the other person. This narrow focus then leads to the generation of fewer ideas, but also to the generation of ideas that are more creative.

Mental Data, Perspective, and Performance in Idea Generation

In creative cognition models, two factors both drive performance in idea generation and are relevant to our discussion on perspective. The first is the amount of available mental data that can be brought to bear on the creative task (Nijstad and Stroebe 2006). Search cues that lead toward memories with sparse amounts of data result in increased numbers of failed searches

through memory for new data and the generation of only a few ideas. In contrast, search cues that lead toward vast amounts of memory increase the amount of data available and the number of ideas generated. The second important factor influencing performance in idea generation is mental recall strength. Mental data has higher recall strength if it is frequently used (Anderson, Fincham, and Douglass 1999; Anderson and Schooler 1991; Nijstad and Stroebe 2006), and mental data with higher recall strength is more easily and quickly recalled from memory (Poldrack and Logan 1997; Scharfen, Blum, and Holling 2018; Tversky and Kahneman 1973; Ward 1994). This quick and easy recall leads to less cognitive effort, the ability to perform more mental searches before giving up on a task, and thus the generation of more ideas. Conversely, accessing mental data with low recall strength leads to the generation of fewer ideas.

Importantly, different perspectives lead to different amounts of available mental data and to mental data with different levels of recall strength. The SP, for example, leads to large amounts of mental data with high levels of recall strength being brought to bear on the creative task. The SP is the perspective taken most by individuals in everyday life, and an entire domain of long-term memory is dedicated to the experience and knowledge of the self (Brewer 1986). Moreover, the common use of the SP also implies that it results in mental data with very high recall strength (Marks and Miller 1987; Tversky and Kahneman 1973). Similarly, the TGP and UGP likely lead to a commensurate amount of mental data and data with similar recall strength to the SP. This is because idea generators who are not asked or motivated to take a perspective will follow the “path of least resistance” (Ward 1994), falling upon routinely used mental associations or ‘well worn’ paths when generating ideas. Since the most common perspective taken in daily life is the SP, it is likely that mental resources related to a SP will be the initial path of an unrestricted mental search. Support for this suggestion can be found in the ‘false consensus effect,’ a cognitive bias where an individual

assumes others are like him or her and will react like him or her (Marks and Miller 1987; Tversky and Kahneman 1973). The false consensus effect is theorized to manifest precisely because instances and examples relating to the self are easily recalled from memory (Tversky and Kahneman 1973).

Relative to the other three perspectives, however, the OP requires the idea generator to focus on mental data that is particularly relevant to the other person (Anderson and Pichert 1978; Grant and Berry 2011; Ku, Wang, and Galinsky 2015; Wills and Moore 1996). Since the idea generator has far fewer mental data related to the other person than to the self, focusing on the other person reduces the amount of mental data the idea generator has access to in generating ideas. Moreover, taking an OP will also lead to high mental effort because it requires idea generators to “*step outside their usual mental routines and default processing tendencies to engage in more active and cognitively-demanding information processing*” (Ku, Wang, and Galinsky 2015). This ‘stepping outside’ of mental routines is akin to the cognitive modelling concept of changing the search cue so that it involves access to mental data with low recall strength. Since taking an OP leads to less mental data and to data with lower recall strength, taking an OP will lead to the generation of fewer ideas. Thus, we hypothesize that:

H1a: In an idea generation task, taking someone else’s perspective results in the generation of fewer ideas.

Creativity Under Different Perspectives.

While taking an OP may result in the generation of fewer ideas, it will likely also result in the generation of more creative ideas. The availability of many highly accessible mental resources has been theorized and shown to increase the conventionality of generated ideas (Perkins and Perkins 2009; Rietzschel, Nijstad, and Stroebe 2007; Stein 1975). As (Rietzschel, Nijstad, and Stroebe 2007) remark:

...people usually start out by generating conventional ideas, because these are founded upon highly accessible knowledge. Only after these ideas have been verbalized and have thereby been ‘removed’ from the

pool of potential ideas, or if the individual is motivated to keep searching for more unusual ideas (i.e., avoiding premature closure), will more original ideas be generated.

Since the SP, UGP and TGP allow for access to large amounts of mental data with high recall strength, idea generators who take such perspectives will use this highly accessible data to generate many conventional ideas. In contrast, the OP focuses the mind on mental data that are relevant to the other person (Ku, Wang, and Galinsky 2015) and hinders access to the large amounts of highly accessible data associated with the SP, UGP and TGP. The lack of access to highly accessible mental data should subsequently lead to a more rapid exhaustion of conventional ideas. The rapid exhaustion of conventional ideas will, in turn, lead an idea generator to search for less probable and more loosely associated mental data, resulting in more creative idea generation. Thus, we hypothesize:

H1b: In an idea generation task, taking someone else's perspective results in the generation of more creative ideas.

In the next section we present a series of studies exploring how perspective impacts performance in idea generation. Study 1 and Study 2 compare the OP to the TGP. Study 3 compares the OP to the UGP and the SP.

Pilot Study

Study 1 is a pilot study, providing a preliminary exploration that compares taking an OP to a TGP during idea generation. The pilot was performed in a practitioner setting and focused on an important topic for a business. As such, Study 1 answers the call for field experiments that test perspective-taking in practitioner settings (Ku, Wang, and Galinsky 2015).

Method and Participants

Study 1 is part of a larger research program that was run at an international media company in the United Kingdom. The company operates several radio stations, including one of the largest commercial radio stations in Europe. In total, 80 employees participated in the pilot

study (45 male, 35 female). All participants lived in the London area and participant age ranged from 22 to 56 ($M = 34.18$, $SD = 7.80$).

Conditions and Procedure

Participants were placed into a TGP condition or an OP condition by random allocation. Both groups were introduced to a customer that fictitiously worked at the firm and would serve as the target individual for their idea generation task (Davis et al. 1996; Goldstein and Cialdini 2007). In the TGP condition, participants were told to think of ways the target individual could generate alternative or nonstandard avenues of revenue generation for the company but were told not to take the target individual's perspective. In the OP condition, participants were instructed to think of ways the target individual could generate alternative or nonstandard avenues of revenue generation for the company, and to take the target individual's perspective while doing so.

Target individual

In line with previous perspective research that gives visual depictions of targets (Davis et al. 1996; Galinsky and Moskowitz 2000; Goldstein and Cialdini 2007), participants were given a picture of the target individual. Also in line with previous research, participants were given either a female customer or male customer, corresponding with their self-reported gender (Davis et al. 1996; Goldstein and Cialdini 2007). Both the female and the male customer wore identical nondescript clothing and the focal length, target individual's environment, and emotions displayed were matched between the two individuals. This procedure ensured the only substantial difference was the gender of the target individual (Davis et al. 1996). After being introduced to the other person, participants read a transcript in which the target was being interviewed (Goldstein and Cialdini 2007). The interview focused on a typical day in the other person's life and highlighted 4 pieces of information regarding the other person: the other person (1) has two friends who work at the BBC, (2) writes a blog on movie

commentary, (3) lives in London, and (4) has a cousin who owns a chain of restaurants in the UK. These 4 pieces of information were agreed upon by the company, because they were considered plausible and potentially helpful for the generation of ideas. Participants were then given memory tests to ensure that everyone's mental data related to the target individual were the same.

Measures

Number of ideas and creativity. Performance on the idea generation task was measured using both the number of generated ideas and the creativity of generated ideas. Creativity scores were generated by the mutual assessment of judges otherwise not involved in this study (Fitzsimons, Chartrand, and Fitzsimons 2008; Grant and Berry 2011), using ratings of novelty and usefulness (Amabile and Pratt 2016). Ideas were rated on novelty and usefulness using a 5-point scale (1 = not useful [novel] to 5 = extremely useful [novel]), and these two scores were combined to form creativity scores. Since the idea generation task was specific to a particular company, we utilized expert judges to measure the generated ideas in a specialized setting (Grant and Berry 2011). Three directors at the firm, all with over 4 years of experience at the company, rated the generated ideas. Table 5.2 gives agreement scores amongst all three judges in their ratings on novelty and usefulness. All three judges showed significant agreement in their ratings.

Manipulation checks. Consistent with previous research on perspective-taking (Davis et al. 1996), a single-item manipulation check provided evidence that participants took someone else's perspective during the idea generation task. Respondents gave their agreement to the statement, "I took the perspective of someone else, as if I was that person and was in the described scenario." This manipulation check was combined with other perspective questions, which guarded against 'tipping the participants off' to the goals of

study. All items were measured on a seven-point scale (1 = strongly disagree, 7 = strongly agree).

Supplemental variables and analysis. In addition to our manipulation check, we also include supplemental measures from perspective-taking literature as potential confounding variables (Ku, Wang, and Galinsky 2015). Unless otherwise stated, all scale items were measured using a seven-point scale (1 = Strongly Disagree, 7 = Strongly Agree). Prosocial motivation was measured by adapting the scale from Grant (2008), which included four items (e.g. “I wanted to have a positive impact on other people”) ($\alpha = .84$). Intrinsic motivation was measured as the composite of task enjoyment and free choice (Grant and Berry 2011; Ryan, Koestner, and Deci 1991). Enjoyment measures were adapted from Ryan, Koestner, and Deci (1991) and involved seven items (e.g. “I thought this activity was quite enjoyable.”) ($\alpha = .92$). Free choice measures were also adapted from Ryan, Koestner, and Deci (1991) and involved seven items (e.g. “I felt like I had to do this.”) ($\alpha = .90$). Finally, a series of surveys were used to measure self-other overlap. Two days prior to the idea generation task, all participants were given a list of 90 traits developed by Aron et al. (1991) and were asked to rate how well each trait described them. Then, participants were given the same list of 90 traits after the idea generation task was performed and were asked to rate how well each trait described the target of the idea generation task. In both 90-trait surveys, participants responded to each trait on a 1-7 scale (1 = unlike to 7 = extremely like), and self-other overlap was measured as the absolute value of the difference in ratings between the first 90 trait-survey and the second 90-trait survey.

Analysis

3 participants were excluded for failing attention and manipulation checks, bringing the total to 77 participants.⁷ Table 5.3 gives an overview of the means and standard deviations for the manipulation check and additional measures. For the single-item question asking participants to what degree they took someone else's perspective, participants in the OP condition scored higher than the TGP condition ($t = -2.00, p < .05$).

Number of ideas. Table 5.3 displays the means and the standard deviations for performance on the idea generation task in study 3. Regarding number of ideas, the OP condition generated fewer ideas than the TGP condition ($t = 2.09, p < .05$), supporting H1a.

Creativity. H1b argues that taking an OP results in more creative ideas than the other standard perspectives used in idea generation. However, while the OP condition did produce more creative ideas than the TGP, this difference was only marginally significant ($t = 1.73, p < .10$).

Supplemental Measures. There was no significant difference in prosocial motivation or intrinsic motivation between the two conditions. For self-other overlap, the OP condition was only marginally significantly different from the TGP condition ($t = 1.88, p < .10$).

Therefore, findings do not support the notion that taking the target individual's perspective while generating ideas for the target individual induced greater self-other overlap than generating ideas for the same target individual while simply observing the target individual.

Discussion

The pilot study results provide preliminary, but only partial support for our theoretical development. In line with H1a, taking an OP led to the generation of fewer ideas. However, the difference in the creativity of generated ideas while taking an OP and the creativity of

⁷2 participants failed in-survey attention checks. 1 additional participants did not give any answer for the brainstorming task, indicating a lack of effort or possibly computer issues. The authors note that all study results are the same in direction and significance without these exclusions.

generated ideas while taking an TGP was only partially significant. No potential confounding variables reached significance.

One notable characteristic of the pilot study that may have influenced the creativity results is that the study provided specific characteristics regarding the target individual used in the creativity task. While this study design characteristic is in line with previous work on creativity (Grant and Berry 2011) and perspective taking (Davis et al. 1996), it is possible that characteristics of a target individual can influence the creativity of generated ideas. Previous work on creative idea generation has noted that the details of provided examples significantly influence the creative performance of individuals when generating ideas, but do not influence the number of ideas generated (Marsh, Landau, and Hicks 1996). Applying these findings to cognitive modelling and our research, the characteristics of the pilot study's provided customer profile could lead the idea generator to qualitatively different mental data, which could impact the creativity of generated ideas above and beyond influence of the amount of data and the data's recall strength. Study 2 removes the possible systematic impact of customer-specific characteristics by randomizing the target individual and further explores the impact of taking someone else's perspective on performance in idea generation.

Study 2

Study 2 was conducted in a US-based Amazon Mechanical Turk online participant environment. A total of 79 individuals participated (42 male, 37 female), and participant age ranged between 18 and 74.

Conditions and Procedure

At the beginning of the study, all participants were asked to name one person they knew from their life experience, but who they were only slightly familiar with (instructions adapted from Jones and Rachlin, 2006). These named persons became the target individual for the creative idea generation task. Asking participants to name a person they know little about provides

three benefits. First, allowing each participant to focus on a different target prevents a systematic impact of target characteristics on performance in the task. Second, asking participants to name a person they know little about ensures that all participants' knowledge of their target individual is within a similar range in terms of the amount of mental data and data recall strength. Third, having participants name someone they know little about provides a similar scenario to generating ideas for a customer or a target beneficiary; employees often know only a few pieces of information that constitute a customer profile (Hounslea 2017) or a target beneficiary they are trying to help, and generate ideas based on this limited information.

After naming a target individual, participants were introduced to the idea generation task. The idea generation task chosen for the study was the alternative uses task (Guilford 1967) (AUT). The AUT involves asking a participant to generate creative alternative uses for an item (e.g., A brick). The AUT is a commonly used idea generation task and is useful for this study because it can be used to measure both the number of ideas generated and the average creativity of generated ideas (Moreau and Engeset 2016).

Participants were then randomly allocated to one of two conditions, a TGP condition and an OP condition. In the TGP condition, participants were asked to come up with as many creative, alternative ways the other person could use the item within a two-minute time limit (instructions similar to experiment 1 of Fitzsimons, Chartrand, and Fitzsimons 2008). Taking a perspective was not mentioned. In the OP condition, participants were given the same instructions, but were asked to take the perspective of the other person. On the next page, an image of a piece of paper was presented, along with a reminder of the instructions and a box in which to write ideas. After two minutes, the study automatically moved the participant on to the manipulation check and supplemental measures.

Measures

Number of ideas and creativity. Performance on the AUT was measured in Study 2 the same way the idea generation task was measured in study 1, using both the number of ideas and the creativity of ideas. Creativity scores were generated by the mutual assessment of two judges otherwise not involved in this study, and ideas were rated on novelty and usefulness (using a 5-point scale from 1 = not useful [novel] to 5 = extremely useful [novel]). The two judges exhibited significant agreement in their ratings on both novelty ($r = .55, p < .001$) and usefulness ($r = .47, p < .001$), and therefore their ratings were averaged together to create creativity scores.

Manipulation Check. We measured the degree to which participant took someone else's perspective using an adaption of a perspective-taking scale developed by Davis et al. (1996), which has been adapted in the past for research on perspective-taking and creativity (Grant and Berry 2011). The scale consists of 4 items (e.g., "I made an effort to see the world through someone else's eyes"), and participants responded with their level agreement using a seven-point scale (1 = Strongly Disagree, 7 = Strongly Agree; $\alpha = .94$).

Supplemental measures. We included the prosocial motivation scale and intrinsic motivation scale used in study 1 as supplemental measures. In addition, we included measures of social and physical distance, which have been found to influence creativity in idea generation (Jia, Hirt, and Karpen 2009; Polman and Emich 2011). We measured social distance using a single-item measure adapted from Polman and Emich (2011), "How close do you feel with the person you mentioned in the beginning of this study?". In line with Polman and Emich (2011) we asked participants to respond using a four-point scale (1 = Not at all, 4 = Extremely). We measured perceived physical distance using a single-item measure, "Currently, about how far away are you from the person you generated alternative uses for?" and included 5 response options (1 = 0-10 miles, 2 = 11-100 miles, 3 = 101-500 miles, 4 = 501-1000 miles, 5 = Over 1000 miles). Finally, a single-item check was included to make

sure participants listened to the study instructions and chose someone they knew only a few details about. Participants responded to the question, “How many details (past activities, relationships, character qualities, hobbies, beliefs, personality traits, etc.) do you know about the person you mentioned in the beginning of this study?” using a five-point scale (1 = None at all, 5 = A great deal).

Analysis

14 participants were excluded for failing attention and manipulation checks bringing the total to 65 participants.⁸ Perspective-taking was higher in the OP condition compared to the TGP condition ($t = -3.72, p < .001$), indicating a successful manipulation.

Number of ideas and creativity. Table 5.4 displays the means and the standard deviations for performance on the idea generation task. In line with H1a, the OP condition generated fewer ideas than the TGP condition ($t = 2.00, p < .05$). Turning to creativity scores, the ideas generated in the OP condition were significantly higher than those in the TGP condition ($t = -2.08, p < .05$). We conclude that H1a and H1b are supported.

Supplemental measures. There were no significant differences between conditions for the measures of prosocial motivation, intrinsic motivation, perceived social distance or perceived physical distance. This indicates that there was no significant difference between conditions in terms of how much participants wanted to help the individual, how much participants were intrinsically motivated to perform the task, how close participants felt with the target individual, or how physically distant the participants imagined the target individual to be.

Discussion

⁸ 2 participants failed an in-survey attention check. 9 participants self-reported that they knew many or an extreme number of details about the chosen individual, which violated our control for the number of details and increased the potential amount of mental data available to the participant. 3 participants gave incoherent responses that were unable to be identified in terms of the number of ideas that were generated or indicated a lack of understanding of the task. The authors note that the study results are consistent in direction and significance without these exclusions.

By allowing the characteristics of the other person to vary across participants, study 2 finds supporting evidence for both H1a and H1b. Taking someone else's perspective does indeed lead to both the generation of fewer ideas and the generation of ideas that are more creative. In addition, the supplemental measures of prosocial motivation, intrinsic motivation, perceived social distance and perceived physical distance were tested and found not to change across conditions.

However, it should be noted that Study 2 compares the OP to only 1 of the 3 other common perspectives taken in marketing practice. Also, we have thus far only explored single-round creative tasks, which do not resemble the many routine creative tasks practitioners often perform in daily life. Study 3 addresses these two points. In study 3, we focus on the difference in idea generation performance between the OP and the remaining two perspectives, the SP and the UGP. Moreover, in Study 3 we further explore the impact of taking an OP on performance in idea generation over time. Before we do so, however, we first develop a theoretical understanding of how taking an OP impacts both the number of ideas and the creativity of ideas under different perspectives over time.

Perspective and Performance in Idea Generation Over Time

Number of Ideas, Perspective, and Time

Our previous reasoning for H1a argues that taking an OP leads to relatively fewer mental data with lower recall strength, and this in turn leads to the generation of fewer ideas (H1a).

However, the recall strength of mental data increases over repeated use (Anderson, Fincham, and Douglass 1999; Anderson and Schooler 1991; Nijstad and Stroebe 2006). While debate exists as to what the appropriate curve is for this growth (Anderson, Fincham, and Douglass 1999; Anderson and Schooler 1991; Poldrack and Logan 1997), there is a general pattern that weak associations grow rapidly initially and that this growth tapers out over time. Since mental data recall strength is an important factor in the generation of ideas (Nijstad and

Stroebe 2006; Ward 1994), one might expect the number of ideas one can generate in idea generation to follow recall strength growth patterns. More specifically, the number of ideas generated in an idea generation task while taking an OP should improve over time before tapering off as the OP becomes more routine or habitual.

Hypothesis 2: In an idea generation task, (a) the relative number of ideas generated while taking an OP should improve over time. However, (b) this improvement should decrease over time.

Creativity, Perspective, and Time

In our reasoning for H1b, we argued that a focus on large amounts of data with high recall strength leads the idea generator to generate conventional or less creative ideas. However, we also argued that such a focus leads to the generation of many ideas. Interestingly, an initial generation of many ideas has been shown in previous research to increase the eventual creativity of generated ideas over time (Kachelmeier, Wang, and Williamson 2018). The proposed reason for this phenomenon is the incubation effect (Kachelmeier, Wang, and Williamson 2018; Ritter and Dijksterhuis 2014; Smith 2003; Yaniv and Meyer 1987), a widely acknowledged unconscious process where creative tasks are subconsciously worked on long after an individual has ceased engagement with the task itself. Kachelmeier, Wang, and Williamson (2018) found that the number of ideas participants initially generated in a creativity task influenced the production of creative ideas in a similar task performed ten days, and even 20 minutes later. Explaining the results, Kachelmeier, Wang, and Williamson (2018) argue that the generation of more ideas in the first stage of the creativity task leaves individuals with more mental resources during the incubation phase. Then, when a similar task arises, the results of the incubation period influence creative performance.

Applying the above understanding to cognitive models of idea generation, generated ideas become mentally associated with the task itself (Nijstad and Stroebe 2006). Therefore, the initial generation of many ideas creates many associations between the generated ideas

and the creativity task. In subsequent unconscious activity, more mental data is available to be ruminated over. Further applying this understanding to the relationship between perspective and the incubation process, an idea generator who initially generates many ideas should, over time, show improved creativity because of the increased mental data that are available to be ruminated over during unconscious mental processing. Moreover, since H2a and H2b argue for a specific pattern of improvement in the number of ideas an idea generator generates while under an OP, we can argue for a reverse pattern in the creativity of generated ideas. More specifically, the initial advantage an OP has in generating creative ideas will decrease over time, tapering off as the number of ideas generated between the OP and the other standard perspectives becomes more similar.

Hypothesis 3: In an idea generation task, (a) the relative increase in the creativity of generated ideas that occurs while taking an OP should deteriorate over time. However, (b) this deterioration should decrease in magnitude over time.

Study 3

Study 3 compares idea generation performance under the OP to idea generation performance under the UGP and the SP. Moreover, study 3 looks at the impact of perspective on performance in idea generation tasks over time.

Method and Participants

Study 3 is a 3-week longitudinal study in which participants performed daily creative idea generation tasks as part of a larger study on creativity. A total of 195 participants (72 male, 123 female) were recruited through a behavioural lab in a large British University. The ages of participants ranged from 16 to 71 ($M = 24.89$, $SD = 7.86$). Study 3 is also part of a larger study on creativity, which was pre-registered at The American Economic Association's registry for randomized controlled trials (trial identifier AEARCTR-0002981).

Task Introduction and Participant Initiation

All participants were invited to the lab, where they received training for the longitudinal study. Once in the lab, similar to study 2, all participants were asked to name one person they knew from their life experience who they were only slightly familiar with (instructions again adapted from Jones and Rachlin, 2006). These named persons became the target individuals whose perspectives would be taken during the idea generation task. Asking participants to name a person they know little about has the same benefits in study 3 as were noted in study 2. Moreover, making sure the target individual is less well known has additional benefit in a longitudinal study in that it mitigates the risk of participants running into the named person throughout the course of the 3-week study and changing the mental data regarding the subject. After naming someone, participants were introduced to the daily idea generation task, which again was the AUT (Guilford 1967).

Conditions

Participants were randomly allocated to one of three conditions, an OP condition, SP condition or UGP condition. In the UGP condition, participants were asked to simply come up with as many creative, alternative uses as possible for an item within a two-minute time limit. No perspective of any kind was mentioned. In the SP condition, participants were given the same instructions, but were asked to take their own perspective, as if they had the item. Finally, in the OP condition, participants were asked to take the perspective of the person they mentioned in the beginning of the study.

Longitudinal Design

After finishing the initial training, participants were instructed that they would be receiving a 2-minute AUT each day for the next 21 days. The participants would receive the AUT via an email, which provided a link to a Qualtrics Survey, at approximately 9 am every day. They would then have until midnight that day to respond. To incentivize participation, participants were paid based on a graduated payment system: 5 GBP for completing initial measures at

the lab, 30 GBP for completing initial measures and 85% of responses in the research programme, 35 GBP for completing initial measures and 95% of responses in the research programme, and 40 GBP for completing initial measures and 100% of responses in the research programme.

The 21 items used for the daily AUTs were randomly chosen from a larger, randomly generated list of 191 items (see Table 5.5). Using different items every day was important because (1) asking people to develop ideas for the same item for 21 days could cause drop-out due to boredom, (2) generating ideas for the same item every day would turn the task into a memory recall task, rather than an idea generation task, (3) changing the item every day aligns more closely with idea generation tasks in practice (e.g., consultancy groups take on clients that have similar but slightly different goals), and (4) using different items for each day allowed us rely on a method of comparing differences in AUT performance between conditions over task iterations (Baird et al. 2012). This method is used to isolate general improvement on the AUT as a task from improvement on a specific AUT-item combination.

Measures

Number of ideas and creativity. Performance on the AUT was measured on each day of Study 3 the same way it was measured in study 1 and study 2, using both the number of ideas and the creativity of ideas. Creativity scores were generated by the mutual assessment of two judges otherwise not involved in this study, and ideas were rated on novelty and usefulness (using a 5-point scale from 1 = not useful [novel] to 5 = extremely useful [novel]). In line with standard tactics for prevention of rater drift (Wolfe, Moulder, and Myford 1999), raters were regularly tested and retrained, raters were provided feedback at regular intervals, and all discussions of incomplete or unrated ideas were mentioned at the end of the study itself. Further post-ratings analysis did not reveal any systematic change in the standard deviation of novelty and usefulness ratings for either rater over time, and therefore the ratings

did not support a tendency toward central or extreme ratings for novelty and usefulness. The two judges exhibited significant agreement in novelty and usefulness ratings throughout all 21 days of the study (See Table 5.6), and therefore their ratings were averaged together to create the creativity scores.

Manipulation checks. Manipulation checks were included to demonstrate successful perspective adoption when the participants first practiced in the lab, as well as on days 12 and 21 of the study. Respondents gave their agreement to single-item statements: “I took my own perspective, as if I had the item” and “I took the perspective of someone else, as if I was that person and had the item” which correspond to taking a self-perspective and taking someone else’s perspective. These two checks were combined with other perspective questions, which served to obfuscate the exact conditions of the study for the participants. All questions asked participants the extent to which they agreed that the statements accurately portrayed how they performed the AUT and were measured on a seven-point scale (1 = strongly disagree, 7 = strongly agree). Finally, the same single-item question check from study 2 was included during initial training to make sure participants listened to the study instructions and chose someone they knew only a few details about.

Habit. A preliminary assumption in our theoretical development is that taking an OP causes the idea generator to use mental data that initially has lower recall strength, but that recall strength under an OP improves over time. Habit scores were chosen as a proxy for mental data recall strength, since habit has been conceived of as mental associations, and strong habits are believed to lead to habitual actions precisely because of the strength of mental associations (Aarts and Dijksterhuis 2000). The most commonly used measure of habit development is the Self Report Habit Index (SRHI) (Verplanken and Orbell 2003), which has been used to measure the development of new habits and habit strength over time (Lally et al. 2010). The SRHI consists of a preceding statement regarding an approach to a

task followed by 12 items (e.g., I do automatically., I do without having to consciously remember) each measured on a 1 to 7 scale of agreement (1 = disagree to 7 = agree). Participants were asked to rate their level of agreement on each scale item but were given different leading statements. For the SP condition, participants were given the leading statement: “While generating alternative uses for these daily tasks, taking my own perspective is something...”. For the OP condition, participants were given the leading statement: “While generating alternative uses for these daily tasks, taking the perspective of the other person is something...”. Finally, for the UGP condition, participants were given the neutral statement: “Generating alternative uses for these daily tasks is something...”. As a 12-item survey, the SRHI is not ideal for intensive daily measures because it can cause participant fatigue and dropout. To reduce the chance of fatigue and dropout, the SRHI was only given to participants after training in the lab and after the daily AUT on days 1, 5, 9, 13, 17 and 21 of the longitudinal study.

Control measures. To control for differences in task interest across participants and over time, a single-item measure for task interest (How interested were you in today's task? 1 = not interested at all, 7 = very interested) was recorded on the same days that habit was measured, as well as on day 12 when the manipulation checks were repeated. In addition, age and gender measures were taken for each participant.

Analysis

A total of 27,529 ideas were generated by the 195 participants during the three weeks of the study. The average daily response rate over all 21 days was 94%, ranging from a low of 90% on day 14 and 21 to a high of 97% on days 4 and 5. 20 participants were excluded for failing attention and manipulation checks, for lack of following study procedure, or for technology

malfunctions, leaving a total of 175 participants.⁹ Table 5.7 provides summary statistics for perspective manipulation checks on days 1-21. Manipulation checks were successful across all days and support that participants in the OP condition took someone else's perspective while participants in the control and SP conditions predominantly took a self-perspective during the generation of ideas. The only anomaly occurred on day 21, when the UGP condition scored lower than the SP condition in the degree to which a self-perspective was taken ($t = -1.99, p < .05$). While the significant difference between the SP condition and the UGP condition on day 21 does not flow from our theoretical development, it also does not contradict our theoretical development. We have argued that the UGP condition would default to the self-perspective because the self-perspective has the mental data with the highest recall strength, but there is nothing in the UGP condition's instructions that would prevent an idea generator from eventually taking the perspective of others when self-perspective resources are depleted or when it is perceived as particularly useful. Therefore, we might expect that, while the UGP condition initially starts off predominantly relying on the self-perspective, eventually the idea generator might begin to branch out to other perspectives. Finally, task interest was commensurate between conditions and consistent across the 21 days. Only day 17 showed a significant difference, specifically between the UGP condition and the SP condition ($t = 2.02, p < .05$).

Day 1-21 analysis: habit. A preliminary assumption in our theoretical development is that taking an OP focuses the idea generator on mental data with lower recall strength than more familiar perspectives such as the SP. Using habit as a proxy for recall strength, taking

⁹1 participant admitted to not listening to the instructions. 1 participant was interviewed throughout the study to ensure the study was being received properly. 4 participants stated the majority of or all the conditions in the study at post-study checks, indicating they conversed with other participants. 14 participants in the OP condition self-reported they knew many or a great deal of details about the target individual, which violated our control for the number of details and increased the potential amount of mental data available to the participants.

an OP should be much less habitual than taking an SP initially and should become more habitual over time. Figure 5.1 displays the average SRHI scores over time for both the SP condition and the OP condition, while Table 5.7 provides average SRHI scores over time.

As the graph and table results indicate, SRHI scores were initially lower for the OP than for the SP ($t = 10.37$, $p < .01$ on Day 1). Also, average SRHI scores for the OP increased over time while the SRHI scores for the SP condition remained largely the same. For further confirmation, Model 1 in Table 5.8 gives the results of a multilevel growth model for the SRHI scores between the SP and OP conditions over time (Bliese 2006; Knight 2015; Ployhart and Vandenberg 2010. See Chapter 8 for full description of model development). In Model 1, (1) the coefficient for the OP Main effect is significantly negative ($B_1 = -2.354$, $p < .001$), indicating the OP condition does initially start out lower in SRHI scores than the SP condition, (2) the interaction between the OP condition and the linear time variable is significantly positive ($B_2 = .093$, $p < .001$), indicating the OP condition is improving in SRHI scores over time in comparison to the SP condition, and (3) the interaction between the OP condition and the quadratic time variable is significantly negative ($B_3 = -.002$, $p < .05$), indicating that the improvement in the SRHI scores is itself decreasing over time. We conclude the OP did demonstrate significantly lower perceptions of habit initially, and that the condition's habit scores increased over time as the task was performed repeatedly. Moreover, it appears the improvement in perception of habit became less pronounced over time, indicating the beginning of maturity in habit development (Lally et al. 2010).

Number of ideas. Figure 5.2 displays the average z-centred number of ideas for each condition over the 21-day study. Visual analysis suggests the OP condition does indeed initially generate fewer ideas and improves over time in comparison to the other conditions. Moreover, this improvement appears to become less substantial over time. For further confirmation, Models 2 and 3 in Table 5.8 give the results of multilevel growth models

comparing number of ideas generated between the OP condition and the SP condition and the UGP condition respectively (Bliese 2006; Knight 2015; Ployhart and Vandenberg 2010). See Chapter 8 for full description of model development). In Model 2, (1) the coefficient for the OP Main effect is significantly negative ($B_1 = -.558, p < .01$), indicating the OP condition initially generates fewer ideas than the SP condition, (2) the interaction between the OP condition and the linear time variable is significantly positive ($B_2 = .062, p < .01$), indicating the OP condition improves over time in comparison to the SP condition in terms of the number of the number of ideas generated, and (3) the interaction between the OP condition and the quadratic time variable is significantly negative ($B_3 = -.002, p < .05$), indicating that the relative improvement of the OP condition in comparison to the SP condition in terms of the number of ideas generated itself decreases over time. In Model 3, (1) the coefficient for the OP Main effect is significantly negative ($B_1 = -.421, p < .05$), indicating the OP condition initially generates fewer ideas than the UGP condition, (2) the interaction between the OP condition and the linear time variable is significantly positive ($B_2 = .052, p < .05$), indicating the OP condition improves over time in comparison to the UGP condition in terms of the number of the number of ideas generated, and (3) the interaction between the OP condition and the quadratic time variable is significantly negative ($B_3 = -.002, p < .05$), indicating that the relative improvement of the OP condition in comparison to the UGP condition in terms of the number of ideas generated itself decreases over time.

It is possible that the improvement of the OP condition in models 2 and 3 not only becomes less substantial over time, but actually reverses and becomes worse over time in comparison to the other two conditions. To explore this possibility, we re-code time and examine the interaction term between the linear time variable and the OP condition on each of the 21 days (Biesanz et al. 2004; Knight 2015). In line with hypotheses H2, the impact of

the OP condition on the slope starts off significantly positive and decreases until it becomes nonsignificant throughout the 21 recoded models. We conclude that we have support for H2.

Creativity. Figure 5.3 displays the average z-centred creativity scores for each condition over the 21-day period. Visual analysis reveals that that average creativity scores for the OP condition are higher than the other conditions on day 1 and very quickly becomes similar to the OP condition and SP conditions over time. As a first step, this visual depiction provides support for H1b, but does not provide much insight into the comparative movement of creativity scores between conditions over time (H3a and H3b). Models 4 and 5 in Table 5.8 provide the results of the growth models of creativity over time (see Chapter 8 for a full description of the model building process). In Model 4, (1) the coefficient for the OP Main effect is significantly positive ($B_1 = .369, p < .05$), indicating the OP condition initially generates idea that are on average more creative than the ideas generated in the SP condition, (2) the interaction between the OP condition and the linear time variable is significantly negative ($B_2 = -.090, p < .05$), indicating the SP condition improves over time in comparison to the OP condition in terms of the creativity of generated ideas, and (3) the interaction between the OP condition and the quadratic time variable is significantly positive ($B_3 = .004, p < .05$), indicating that the relative improvement of the SP condition in comparison to the OP condition in terms of the creativity of generated ideas itself decreases over time. In Model 5, (1) the coefficient for the OP Main effect is significantly positive ($B_1 = .422, p < .05$), indicating the OP condition initially generates idea that are more creative than the ideas generated in the UGP condition, (2) the interaction between the OP condition and the linear time variable is significantly negative ($B_2 = -.083, p < .05$), indicating the UGP condition improves over time in comparison to the OP condition in terms of the creativity of generated ideas, but (3) the interaction between the OP condition and the quadratic time variable is non-significantly positive ($B_3 = .003, p < .5$), which does not support the claim that the relative

improvement of the UGP condition in comparison to the OP condition in terms of the creativity of generated ideas itself decreases over time. We therefore conclude that we have support for H3a, but only partial support for H3b.

Discussion

Study 3 allows the characteristics of the other person to vary across participants and compares the OP with the two common perspectives not included in study 2, the SP and the UGP. Similar to study 2, study 3 finds that there is indeed an initial trade-off between creativity and productivity; Taking someone else's perspective results in the generation of fewer ideas and the generation of ideas that are more creative. Moreover, longitudinal analysis shows that the comparative performance of perspectives changes over time. Taking someone else's perspective, while initially detrimental to the number of ideas being generated, becomes less detrimental over time. In contrast, the initial benefit to creativity that the idea generator gets from taking someone else's perspective becomes less significant over time as well.

Discussion

This paper studies the impact of perspective on idea generation across an in-field pilot study, an online lab study, and a three-week longitudinal study. Combined, the studies indicate that taking someone else's perspective significantly impacts the performance of the idea generator in idea generation tasks in comparison to taking other commonly taken perspectives. Specifically, taking someone else's perspective results in the generation of fewer ideas, but also ideas that are more creative. Finally, longitudinal analysis in Study 3 shows that the trade-off between productivity and creativity that occurs while taking someone else's perspective becomes less dramatic over time.

Implications for Research

This research contributes to our understanding of innovation by expanding our understanding of the impact of perspective on the idea generation stage of the innovation process. Our focus on taking someone else's perspective reveals an initial trade-off between creativity and the number of ideas that are generated that, to our knowledge, has not previously been identified in the literature. Moreover, our classification of the common perspectives taken in marketing practice allows us to apply the previous findings of the perspective-taking literature to the comparative performance of idea generators in idea generation tasks. Finally, this research incorporates current knowledge of habit formation into understanding the longitudinal impact of perspective on an important stage within the innovation process. In so doing, this research shows how habit affects the innovation process.

This research also has significant implications for previous findings in perspective-taking research that rely on single-instance studies. Many of the consequences of perspective-taking depend on perspective-taking being cognitively demanding because it is nonroutine (Epley, Morewedge, and Keysar 2004; Todd, Galinsky, and Bodenhausen 2012). For example, Todd, Galinsky, and Bodenhausen (2012, p. 97) rely on the understanding that perspective-taking requires people to “*step outside their usual mental routines and default processing...*” in order to explain why perspective-taking undermines stereotype maintenance processes throughout 4 single-instance experiments. However, our findings demonstrate that the non-routine nature of taking someone else's perspective can change over time. If perspective-taking becomes routine over time, then the non-routine and cognitively demanding nature of perspective-taking may diminish. Consequently, the findings of perspective-taking research that utilize single-instance experiments and rely theoretically on the cognitively demanding nature of perspective-taking may need to be revisited in order to understand the long-term impact of perspective-taking.

Finally, this research relies theoretically on creative cognition literature (Finke, Ward, and Smith 1992; Nijstad and Stroebe 2006; Rietzschel, Nijstad, and Stroebe 2007; Ward 1994), and our findings support a creative cognition understanding of mental processes in idea generation.

Implications for Practice

The number of ideas a company generates is an important factor in company performance (Chandy et al. 2006; Verhage and Van Weele 1981). At the same time, the creativity of generated ideas is also important for innovation and company success (Anderson, Potočník, and Zhou 2014). This research shows that perspective can influence both outcomes.

Moreover, the influence of perspective on performance in idea generation has been shown to change as perspectives become habitual. Therefore, habit formation and prevention tactics should be understood and implemented by management in order to ensure the desired outcome in idea generation. Habit management involves first determining to what degree a habit has been developed, and then combining “upstream” and “downstream” changes with environmental management in order to either reinforce a desired habit or to make a habituated individual susceptible to habit change (Verplanken and Wood 2006). Depending on the objective of the organization (creativity, number of ideas, or both) companies should attempt to either reinforce or prevent perspective habit formation.

Organizations that adopt an OP and value the number of ideas generated in creative marketing tasks may get discouraged when they see an initial decrease in performance regarding the number of ideas generated. However, our analysis shows that this initial decrease goes away as taking an OP becomes habitual. If such companies can endure through the period of lower performance, then they can eventually engage in an OP without detrimental effect on performance. At least, until the idea generators enter a period of not using the OP and taking an OP becomes less habitual. Then such an effect is likely to

reoccur. Therefore, the practice of using someone else's perspective must be maintained to not reinduce the negative effect on productivity (number of ideas) in idea generation.

Maintaining a habit requires the development of routine environmental cues that trigger expected behaviour (Verplanken and Wood 2006). A company that wants to maintain a high level of habituation needs to identify and reinforce the environmental cues that lead to taking an OP.

On the other hand, organizations that introduce an OP directive and value the creativity of generated ideas might be overly encouraged when they see an initial increase in performance regarding the creativity of ideas generated. Our analysis shows that this comparative improvement goes away as taking an OP becomes habitual. For the company that wants to capitalize on the increased creativity that comes from taking a non-habituated OP, the habituation of an OP needs to be disrupted within the process of innovation.

Environmental cues that could lead to taking an OP need to be identified and then managed so that they only encourage an OP within individuals who have not developed a habit of taking an OP. For example, firms can focus on encouraging OP adoption in employees who have not yet habituated taking an OP, such as new employees or employees who come from positions that do not involve taking an OP. Firms could also only encourage taking an OP occasionally, in order to avoid habituation through repetition. Another possible approach is to rotate the perspective used by employees and idea generators so that habits either never develop or ebb and flow in strength. Rotating the perspective idea generators use coupled with changes to environment that prevents external cue-behaviour connections could deter the development of habit (Verplanken and Wood 2006). A fourth suggestion would be to outsource idea generation tasks, for example to third party firms or external innovation competitions, and to encourage external idea generators to take an OP. Participants in such

idea generation tasks will likely not have developed a habit of taking an OP, and the increase in creativity that accompanies taking an OP will apply.

Another important consideration may be the ideal number of ideas a company wants to develop. Previous research has shown that firms developing a moderate number of ideas outperform those that generate and nurture too many or too few ideas (Chandy et al. 2006). A company that needs more ideas should take a UGP, TGP or SP. A company that already has plenty of ideas could increase its average creativity of generated ideas by taking an OP. Of course, since the impact of taking an OP on idea generation becomes less significant over habituation, such considerations become less important over time. Again, the routine nature of taking OP will need to be managed.

One possible approach to idea generation and perspective could be to have employees dedicated solely to idea generation take a UGP, TGP, or SP, and have employees in the idea evaluation stage take an OP. Not taking an OP during the idea generation phase will lead to the highest number of ideas being generated. Then, during the idea evaluation stage, an OP can be adopted. Previous research has theorized that taking an OP during the idea selection phase of the innovation process (especially under a prosocial motivation) can lead to the selection and development of the most useful ideas (Grant and Berry 2011). Taking such an approach would follow closely the quote of former Apple CEO Steve Jobs, mentioned in the beginning of this paper, *“We figure out what we want. And I think we’re pretty good at having the right discipline to think through whether a lot of other people are going to want it, too”* (Grapentine 2012). Mr. Job’s statement could be understood as taking a SP during the generation of ideas, and then evaluating the ideas under an OP.

Finally, regarding the evaluation of employee performance, the nonhabitual nature of taking an OP could affect the performance of new employees in idea generation tasks, either inflating or deflating performance (depending on whether the company is measuring

performance by the number of ideas generated or the creativity of ideas generated). Managers should take this into account when assessing new employee performance in idea generation tasks.

Limitations and Future Research Directions

A number of limitations should be mentioned regarding this research. First, the creativity score results of the pilot study were nonsignificant. A possible explanation for this is that the creativity of generated ideas is sensitive to the nature or characteristics of the target that is used being used in idea generation (e.g., whether it is an employee, a customer, a target beneficiary, a real person, or a prototypical customer profile, a hiker, a male, etc..). Future research should further investigate this possibility, as well as other ways that target characteristics or contexts may moderate or mediate the relationship between perspective and creativity. For instance, the nature of the idea generation task (e.g., broad vs narrow scope) could plausibly impact the amount of mental data available and the recall strength. Moreover, there could be an interaction effect between the idea generation task and the target individual chosen on creative performance. Or perhaps the characteristics of the target individual and the creative task could change over time, which could impact performance in creative idea generation. Future research could explore these possibilities. Second, this research primarily explores the relationship between the OP and the other common perspectives taken in business practice. We do not explore differences between the UGP, TGP and SP, and future research could do so. Third, idea generation can happen at multiple levels within an organization and within an industry. This paper only discusses the effects of perspective and habit on individual-level idea generation. Further research should explore how perspective and habit impact the number and creativity of generated ideas in idea generation tasks at the group, or even organizational level. Fourth, idea generation is only one part of the innovation process (Amabile and Pratt 2016). Results here do not provide insight into how perspective

can affect other steps in the innovation process. Fifth, the perspective-taking literature has identified a significant number of antecedents, moderators, mechanisms and consequences of perspective-taking that can add layers of complexity to the impact of perspective on human behavior (Ku, Wang, and Galinsky 2015). In this study, we have focused on how taking an OP is non-routine and leads to a focus on specific mental data, and we added other potential consequences of taking an OP as supplemental measures. Future research could explore other potential implications of taking an OP on idea generation in order to provide a more robust understanding of how perspective impacts the innovation process. Sixth, the theoretical development of this paper suggests psychological mechanisms that could be further explored. Specifically, our theoretical development suggests that taking different perspectives results in access to different amounts of mental data and to mental data with different recall strength. Previous research has measured recall strength through proxies such as response latencies (Aarts and Dijksterhuis 2000). The amount of mental data seems to have been less explored in previous work, but research in perspective-taking has used open-ended questions to measure amount of recallable information (Davis et al. 1996), and also has noted the impact of perspective on the recalling of different mental data (Anderson and Pichert 1978). The methods used in these previous works could be applied to further validate the psychological mechanisms proposed in this paper, and provide further insight into the impact of perspective on cognitive processes.

6. Conclusion

Marketing that is driven by an organizational purpose challenges the standard notion that “*we all believe that the purpose of marketing (or business for that matter) is to create and retain customers*” (Sheth 2002), instead arguing that the purpose of marketing is to aid in the generation of social or environmental benefit. Pursuing a social or environmental benefit, in turn, often relates to having a positive societal contribution (British Academy 2018; Chandy et al. 2021). Therefore, organizational purpose appears to be well positioned to address increasingly important social and environmental concerns in modern society (British Academy 2018; Larry Fink 2018, 2019).

The second and third chapters in this thesis presents a robust description of the modern practice of organizational purpose and demonstrate how the burgeoning concept relates to marketing theory and practice. Important areas of future research are highlighted, outlined by 14 propositions that can give direction for further research. Related or relevant marketing concepts are present alongside propositions, serving to further help future research develop a fuller understanding of how organizational purpose impacts the broader span of marketing ideas and practices. By doing the above, the paper answers calls for showing how “better world outcomes” can be central to marketing (Chandy et al. 2021).

The fourth and fifth chapters of the thesis attempt to demonstrate, by way of example, how the emerging practice of organizational purpose can provide a useful context for future research in marketing and other domains. To do this, the chapters focus on how employees of purpose-driven firms, who often generate ideas for target beneficiaries, may generate more creative ideas as they take the perspective of their targets. The chapters also argue that the same may be true for firm’s that are oriented towards customers (e.g., Kjjohli and Jaworski 1990). Moreover, the findings of this project are relevant for a number of domains of business practice and research that consider creativity an important concept: domains such as

management (Grant and Berry 2011), organizational behaviour (Amabile 1988; Amabile and Pratt 2016), and even accounting (Kachelmeier, Wang, and Williamson 2018).

By robustly describing the concept, and by demonstrating the usefulness of the concept for inspiring new research projects, I hope this thesis as a composite encourages future researchers to pursue a greater understanding of organizational purpose.

7. Tables and Figures

Table 3.1: Illustrative Statements of Organizational Purpose

Company	Statement
BT	Using the power of communications to make a better world.
Unilever	To make sustainable living commonplace.
Walgreens Boots Alliance	We help people across the world lead healthier and happier lives.
M&S	Enhancing lives, every day.
Coca-Cola HBC	To bring togetherness, spread happiness and inspire a better future.
Disney	To create happiness for others.
PricewaterhouseCoopers	To build trust in society and solve important problems.
Legal & General	We make a promise that everyday we will help make financial security easier to achieve.
ING	Empowering people to stay a step ahead in life and in business.
Kelloggs	Nourishing families so they can flourish and thrive.
Deloitte	Deloitte makes an impact that matters.
Tomorrows company	Inspiring and enabling business to be a force for good.
Blueprint for Better Business	To support and challenge business to be a force for good.
CVS Health	Helping people on their path to better health.
Barclays	Helping people achieve their ambitions – in the right way.
Telstra	To create a brilliant connected future for everyone.

Note: Statements taken from company websites and online web pages. Only statements explicitly named as purpose statements were collected. As such, the companies in this table may not necessarily align with the those listed in rankings of purpose-driven organizations such as the Gamechangers 500 rankings.

Table 3.2a: Illustrative Academic Perspectives on Organizational Purpose

Area	Definition
Management	“Purpose, the second part of guiding philosophy, is an outgrowth of the organization's core values and beliefs. (...) how the organization fills basic human needs” (Collins and Porras 1991, p. 38)
Finance	“...something that is perceived as producing a social benefit over and above the tangible pecuniary payoff that is shared by the principal and the agent” (Thakor and Quinn 2013, p. 2)
Economics	“...a concrete goal or objective for the firm that reaches beyond profit maximization” (Henderson and Van den Steen 2015, p. 327)
Marketing	To create a customer ... the customer is the foundation of the business and keeps it in existence. He alone gives employment. And it is to supply consumers that society entrusts wealth-producing resources to the business enterprise” (Drucker 1955 p. 31)
Sociology	“If activities are defined in terms of their assumed value function, then weighted by the proportion of member time devoted to each activity, we get measures of the relative influence of each value function in the organization. These measures define the purposes of the organization” (Warriner 1965, p. 145)
Law	“... a "corporate purpose" is one which shall promote the general prosperity and the welfare of the municipality, (Wetherell v. De- vine, 116 111. 631, 6 N. E. 24.) or a purpose necessary or proper to carry into effect the object of the creation of the corporate body, (People v. School Trustees, 78 111. 140.) or one which is germane to the general scope of the objects for which the corporation was created or has a legitimate connection with those objects and a manifest relation thereto. (Weightman v. Clark, 103 U. S. 256, 26 L. Ed. 392.)” (Black’s Law Dictionary 2011)
Information Systems	“... the result of the resolution of organizational conflict, which is subject to the exercise of power in the form of coercion and false consciousness” (Panagiotidis and Edwards 2001, p. 136)

Table 3.2b: Illustrative Practitioner Perspectives on Organizational Purpose

Business	Definition
Consultancy	... “the organization’s “why.” It’s at the intersection of two fundamental questions: Who are we? (that is, What are our authentic and distinctive strengths?) and What need do we fulfil in society? (Why do we exist beyond what we make, do, or sell? and Why work for us?)” (BrightHouse 2017)
Museum Accreditation	... “why it [the museum] exists and who it is for” (Arts Council England 2018, p. 3)
Oil Industry	... “purpose is who we are and what makes us distinctive. It’s what we as a company exist to achieve, and what we’re willing and not willing to do to achieve it.” - John Browne, former CEO of British Petroleum (Prokesch 1997)
Research Institute	...”an aspirational reason for being which inspires and provides a call to action for an organization and its partners and stakeholders and provides benefit to local and global society” (EY 2019)
Professional Writer	... “a bold affirmation of its reason for being in business” (Nate Dvorak and Bryant Ott 2015)
Religious Institution	... “to be a community of persons endeavouring to satisfy basic needs at the service of the whole society” – Pope John Paul II (The New York Times 1991)

Table 3.3: Characteristics of Informants

	Group 1 (n=6)	Group 2 (n=7)	Group 3 (n=2)	Group 4 (n=8)
<u>Title</u>				
Senior Advisor				1
CEO/Founder		1		4
Partner		1		1
VP/SVP	2			1
Head of Department/ Director	4	4	2	1
Senior Manager		1		
<u>Experience (years)</u>				
<5	3	3		2
[5,10)	1	3		1
[10-15)	2	1	1	
>=15			1	5
<u>Company Industry</u>				
Retail	2			
Consumer goods	1			3
Education	1			
Construction	2		1	
Transportation		2		
Insurance		1		
Professional Services		2		4
Telecommunications		2	1	
Metals and Mining				1
<u>Size of Company (Revenue)</u>				
Small (<1 Billion)			1	5
Medium (1 to 10 Billion)	3	3		
Large (>10 Billion)	3	4	1	3
<u>History (Age of Company)</u>				
<20 years	1	3		3
20 to 40 Years		4	1	1
>40 years	5		1	4
<u>Company Geography</u>				
Regional		1	1	1
Global	6	6	1	7

Notes: 1. Some interviews involved multiple informants, which brings the total number of informants to 23 while the number of interviews remains 20.

2. Groups 1-3 are from the Blueprint for Better Business classification of purpose-oriented organizations. Group 4 is from additional outreach for interviews and includes consultancy companies that offer programs for purpose development. Group 1: Organizations that have found their own way on the purpose journey and are seeking a wider movement of change. Group 2: Organizations that understand the change required and are working to support their purpose journey. Group 3: Organizations that see the need for change but are unsure about how to move forward. Group 4: Additional organizations known to be pursuing organizational purpose, as well as consultancy companies and an educational institution that offer services related to organizational purpose. Two interviews were conducted with a company that was deemed to be purpose-oriented by practitioner referral. This company has been included in Group 1.

3. The table depicts number of informants with specific characteristics. For instance, in Group 1 (n=6), 2 informants had the title of VP/SVP and 1 was the Head of Department/Director.

Table 3.4: Shift in Organizational Strategic Decision-Making Formulation and Implementation

Traditional Approach	Purpose-Driven Approach
Performance goals	
Satisfying customer needs is understood as a means to capture financial profits. Financial indicators of success are primary. Market-based measures serve as intermediary indicators of financial success.	Shift to positive customer and societal impact as the ultimate indicators of success, balanced with facilitating metrics which include financial performance.
Time horizons	
Emphasis on success in the short-term, with the long-term consequences of strategic decisions viewed as a constraint.	Shift to emphasizing success in the long-term, with short-term success viewed as a constraint.
Collaboration	
Stakeholders' views often unsought or considered late in the process. Commercial partners likely to be primary collaborative partners.	Shift to a more diverse range of partnerships that are given higher priority as a means to developing and implementing strategic solutions that create positive customer and societal impact.
Competitor focus	
Reaction to competitive behaviour central to determining strategic decisions.	Shift in thinking that reduces focus on competitive analysis in strategic decision-making process.

Table 3.5: Organizational Purpose: Illustrative Concepts/Issues, Measurement Approaches and Directions for Future Research

Concept/Issue	Description	Potential Measurement Approaches	Future Research Questions
Organizational Purpose	The firm's enduring and transcendent reason to exist which seeks to create a social or environmental benefit through its product offerings and broader activities.	<i>Subjective:</i> Prevalence or strength of a perception, held by internal and external stakeholders, that an organization adheres to an organizational purpose. <i>Objective:</i> Purpose statements published by the organization. Presence of purpose-driven goals in company communications, policies, statements, strategies, etc.	<ul style="list-style-type: none">• How does organizational purpose affect business relationships with customers and stakeholders?• How do businesses with an organizational purpose perform on traditional performance metrics?• Does the degree to which an organizational purpose is embedded affect the positive/negative impact of having an organizational purpose?
Embeddedness of Organizational Purpose	The degree to which purpose is entrenched within the structures and processes of a firm.		
Purpose Origin	The source(s) and method(s) from which an organizational purpose are derived.	<i>Subjective:</i> Perception of stakeholders regarding the sources and methods used. <i>Objective:</i> Alignment of the purpose with previous statements of intent, articles of incorporation, minutes of board meetings, stakeholder consultation processes etc.	<ul style="list-style-type: none">• How does the origin of the purpose impact the embeddedness of organizational purpose?• What is the role and impact of stakeholder consultation in developing and embedding organizational purpose?• What are the performance implications of stakeholder consultation processes?
Purpose Scope	The construed level of the expressed purpose: e.g., near-term, detailed and specific or broad, long-term and generalized.	<i>Subjective:</i> Perception of stakeholders regarding the level at which the purpose is construed. <i>Objective:</i> Analysis of the language of the expressed purpose and of the actions of the company.	<ul style="list-style-type: none">• How narrowly defined or specific is the organizational purpose relative to the most broad and global construal? What factors account for such differences?• How do different framings of an organizational purpose affect a firm's internal processes related to marketing decisions?
Purpose-Balance	The importance, priority, and perceived relationship between an organizational purpose and company financial performance.	<i>Subjective:</i> Managers' perceptions of the relationship between organizational purpose and financial performance. <i>Objective:</i> Relationship between publicly available rankings of organizational purpose and quantitative metrics pertaining to financial performance.	<ul style="list-style-type: none">• In decisions where purpose and financial performance cannot both be optimized, which approach is chosen and why?• What factors moderate the relationship between organizational purpose and financial performance?

Table 5.1: Perspectives in Creative Tasks

Perspective	Example Question	Description
Self-Perspective (SP)	If I were in a given scenario, what could I do?	The idea generator takes his or her own perspective and generates ideas from a 1st person point of view.
Other's-perspective (OP)	If I were the target individual in a given scenario, what could I do?	The idea generator takes the perspective of the other person and generates ideas from a 1st person point of view.
Targeted-General-Perspective (TGP)	What could a customer do in a given scenario?	The idea generator considers the target individual from a 3 rd person or observer point of view.
Untargeted-General-Perspective (UGP)	What could be done in a given scenario?	No perspective instruction is given to the idea generator.

Table 5.2: Rater Agreement for Study 1

Measure	Rater 1 & Rater 2	Rater 2 & Rater 3	Rater 1 & Rater 3
Novelty	$r = 0.13, p < .01$	$r = 0.15, p < .01$	$r = 0.22, p < .001$
Usefulness	$r = 0.25, p < .001$	$r = 0.20, p < .001$	$r = 0.21, p < .001$

Table 5.3: Perspective-taking and Supplemental Measures for Study 1

	Measure	TGP	OP
Sample Size	—	39	38
Performance	Number of Ideas	3.92 (1.35)	3.29 (1.31)
	Creativity Score	1.91 (0.18)	2.00 (0.23)
Manipulation Check	—	4.54 (1.59)	5.21 (1.36)
Supplemental Measures	Prosocial Motivation	4.51 (1.11)	4.52 (1.06)
	Intrinsic Motivation	3.85 (0.64)	3.97 (0.79)
	Self-Other Overlap	1.58 (0.34)	1.44 (0.33)

Table 5.4: Perspective-taking and Supplemental Measures for Study 2

	Measure	TGP	OP
Sample Size	–	35	30
Performance	Number of Ideas	7.54 (3.14)	6.03 (2.93)
	Creativity Score	2.76 (0.11)	2.83 (0.15)
Manipulation Check	Perspective-taking	4.11 (1.60)	5.33 (0.99)
Supplemental Measures	Intrinsic Motivation	4.36 (1.26)	4.68 (1.37)
	Prosocial Motivation	4.09 (1.59)	4.28 (1.30)
	Social Distance	1.49 (0.66)	1.70 (0.70)
	Physical Distance	1.69 (0.96)	2.13 (1.25)

Table 5.5: Daily Items Used in AUTs for Study 3

Day	Item
1	shoelace
2	soda can
3	toothbrush
4	USB drive
5	cookie jar
6	picture frame
7	shower towel
8	clothes hanger
9	car
10	mouse pad
11	table
12	a paint brush
13	an ice cube tray
14	bread
15	shoebox
16	cereal bowl
17	wine glass
18	t-shirt
19	dinner plate
20	a full bottle of shampoo
21	pencil

Table 5.6: Rater Agreement Analysis for Study 3

Day	Item	Aspect	Correlation (r)	Correlation Test (p)	Percent Agreement ¹⁰
Overall	NA	Novelty	0.5764176	t = 116.41, p-value < 2.2e-16	95.42
Overall	NA	Usefulness	0.6281198	t = 133.22, p-value < 2.2e-16	90.85
Overall	NA	Creativity	0.4137718	t = 75.006, p-value < 2.2e-16	NA
0	needle	Novelty	0.6218371	t = 28.925, p-value < 2.2e-16	93.6
0	needle	Usefulness	0.6290449	t = 29.477, p-value < 2.2e-16	90.9
0	needle	Creativity	0.3802228	t = 14.975, p-value < 2.2e-16	NA
1	shoelace	Novelty	0.4553782	t = 18.127, p-value < 2.2e-16	96.5
1	shoelace	Usefulness	0.5613816	t = 24.041, p-value < 2.2e-16	94.52
1	shoelace	Creativity	0.3859934	t = 14.829, p-value < 2.2e-16	NA
2	soda can	Novelty	0.6705286	t = 31.98, p-value < 2.2e-16	97.37
2	soda can	Usefulness	0.7423139	t = 39.2, p-value < 2.2e-16	97.29
2	soda can	Creativity	0.5886152	t = 25.763, p-value < 2.2e-16	NA
3	toothbrush	Novelty	0.6437021	t = 28.734, p-value < 2.2e-16	97.35
3	toothbrush	Usefulness	0.7260614	t = 36.071, p-value < 2.2e-16	97.86
3	toothbrush	Creativity	0.4827339	t = 18.83, p-value < 2.2e-16	NA
4	usb drive	Novelty	0.7280313	t = 32.49, p-value < 2.2e-16	96.8
4	usb drive	Usefulness	0.7750227	t = 37.522, p-value < 2.2e-16	92.54
4	usb drive	Creativity	0.6690927	t = 27.544, p-value < 2.2e-16	NA
5	cookie jar	Novelty	0.5012945	t = 22.122, p-value < 2.2e-16	96.64
5	cookie jar	Usefulness	0.5217705	t = 23.354, p-value < 2.2e-16	96.23
5	cookie jar	Creativity	0.3964781	t = 16.491, p-value < 2.2e-16	NA
6	picture frame	Novelty	0.7296735	t = 33.879, p-value < 2.2e-16	97.43
6	picture frame	Usefulness	0.7826904	t = 39.925, p-value < 2.2e-16	95.54
6	picture frame	Creativity	0.5860069	t = 22.961, p-value < 2.2e-16	NA
7	shower towel	Novelty	0.5021305	t = 23.276, p-value < 2.2e-16	93.85
7	shower towel	Usefulness	0.5928643	t = 29.512, p-value < 2.2e-16	90.86
7	shower towel	Creativity	0.3075576	t = 12.957, p-value < 2.2e-16	NA
8	clothes hanger	Novelty	0.6892572	t = 28.981, p-value < 2.2e-16	95.48
8	clothes hanger	Usefulness	0.7306389	t = 32.599, p-value < 2.2e-16	93.66
8	clothes hanger	Creativity	0.5499048	t = 20.057, p-value < 2.2e-16	NA
9	car	Novelty	0.4264829	t = 16.266, p-value < 2.2e-16	93.88
9	car	Usefulness	0.5962589	t = 25.622, p-value < 2.2e-16	95.13
9	car	Creativity	0.2492918	t = 8.88, p-value < 2.2e-16	NA
10	mouse pad	Novelty	0.3680955	t = 13.142, p-value < 2.2e-16	93.03
10	mouse pad	Usefulness	0.5037011	t = 19.356, p-value < 2.2e-16	86.05
10	mouse pad	Creativity	0.3079886	t = 10.746, p-value < 2.2e-16	NA
11	table	Novelty	0.6076332	t = 27.415, p-value < 2.2e-16	95.57
11	table	Usefulness	0.6950717	t = 34.643, p-value < 2.2e-16	94.40
11	table	Creativity	0.4452353	t = 17.818, p-value < 2.2e-16	NA
12	a paint brush	Novelty	0.4788631	t = 17.826, p-value < 2.2e-16	93.55
12	a paint brush	Usefulness	0.5301746	t = 20.435, p-value < 2.2e-16	90.56
12	a paint brush	Creativity	0.342729	t = 11.923, p-value < 2.2e-16	NA
13	an ice cube tray	Novelty	0.4101129	t = 14.661, p-value < 2.2e-16	93.52
13	an ice cube tray	Usefulness	0.4706855	t = 17.393, p-value < 2.2e-16	81.69
13	an ice cube tray	Creativity	0.2538742	t = 8.5576, p-value < 2.2e-16	NA
14	bread	Novelty	0.5725684	t = 22.791, p-value < 2.2e-16	90.82
14	bread	Usefulness	0.6445741	t = 27.514, p-value < 2.2e-16	85.19
14	bread	Creativity	0.2677266	t = 9.0681, p-value < 2.2e-16	NA
15	shoebox	Novelty	0.9587757	t = 120.05, p-value < 2.2e-16	99.76
15	shoebox	Usefulness	0.9667196	t = 134.45, p-value < 2.2e-16	99.29

¹⁰ Agreement = ratings differ by 1 point or less. (Diehl and Stroebe 1987; Polman and Emich 2011)

15	shoebox	Creativity	0.9315838	t = 91.181, p-value < 2.2e-16	NA
16	cereal bowl	Novelty	0.7345746	t = 38.687, p-value < 2.2e-16	96.87
16	cereal bowl	Usefulness	0.8104049	t = 49.431, p-value < 2.2e-16	93.67
16	cereal bowl	Creativity	0.6438018	t = 30.066, p-value < 2.2e-16	NA
17	wine glass	Novelty	0.293464	t = 10.36, p-value < 2.2e-16	94.3
17	wine glass	Usefulness	0.274588	t = 9.6375, p-value < 2.2e-16	82.2
17	wine glass	Creativity	0.05920471	t = 2.0016, p-value = 0.04556	NA
18	t-shirt	Novelty	0.6223978	t = 30.353, p-value < 2.2e-16	96.23
18	t-shirt	Usefulness	0.5050035	t = 22.333, p-value < 2.2e-16	91.09
18	t-shirt	Creativity	0.3843584	t = 15.892, p-value < 2.2e-16	NA
19	dinner plate	Novelty	0.8811746	t = 61.448, p-value < 2.2e-16	99.36
19	dinner plate	Usefulness	0.7729316	t = 40.163, p-value < 2.2e-16	89.53
19	dinner plate	Creativity	0.5925626	t = 24.253, p-value < 2.2e-16	NA
20	a full bottle of shampoo	Novelty	0.6460884	t = 26.54, p-value < 2.2e-16	96.04
20	a full bottle of shampoo	Usefulness	0.540276	t = 20.13, p-value < 2.2e-16	77.77
20	a full bottle of shampoo	Creativity	0.1638805	t = 5.2085, p-value = 2.318e-07	NA
21	pencil	Novelty	0.2793327	t = 9.8696, p-value < 2.2e-16	92.37
21	Pencil	Usefulness	0.3349266	t = 12.059, p-value < 2.2e-16	86.47
21	Pencil	Creativity	0.06603425	t = 2.2452, p-value = 0.02494	NA
22	computer keyboard	Novelty	0.3690285	t = 13.282, p-value < 2.2e-16	93.93
22	computer keyboard	Usefulness	0.5206512	t = 20.4, p-value < 2.2e-16	80.73
22	computer keyboard	Creativity	0.2078745	t = 7.109, p-value = 2.079e-12	NA

Table 5.7: Habit, Task Interest and Perspective Manipulation Checks Study 3

Day	Condition	n	SRHI	Task Interest	Self-Perspective	Other's-Perspective
Training	Agnostic	64	2.77 (1.34)	-	5.92 ^b (.90)	3.14 ^d (1.92)
	Self-Perspective	61	4.65 ^a (1.33)	-	5.95 ^c (1.02)	3.66 ^e (1.93)
	Other's-Perspective	50	2.54 ^a (1.27)	-	4.74 ^{c,b} (1.72)	4.96 ^{e,d} (1.56)
1	Agnostic	60	2.69 (1.26)	4.43 (1.51)	-	-
	Self-Perspective	59	4.75 ^a (1.34)	4.56 (1.42)	-	-
	Other's-Perspective	48	2.36 ^a (1.04)	4.58 (1.29)	-	-
5	Agnostic	63	2.87 (1.30)	4.89 (1.37)	-	-
	Self-Perspective	59	4.81 ^a (1.25)	4.90 (1.41)	-	-
	Other's-Perspective	46	2.72 ^a (1.08)	4.85 (1.28)	-	-
9	Agnostic	64	2.97 (1.33)	4.43 (1.60)	-	-
	Self-Perspective	58	4.73 ^a (1.30)	4.84 (1.54)	-	-
	Other's-Perspective	45	3.06 ^a (1.16)	4.64 (1.43)	-	-
12	Agnostic	62	-	4.41 (1.38)	5.59 ^b (1.15)	3.92 ^d (1.64)
	Self-Perspective	59	-	4.80 (1.46)	5.68 ^c (1.06)	3.59 ^e (1.76)
	Other's-Perspective	43	-	4.42 (1.45)	4.23 ^{c,b} (1.54)	5.07 ^{e,d} (1.18)
13	Agnostic	62	3.02 (1.33)	4.82 (1.52)	-	-
	Self-Perspective	58	4.68 ^a (1.33)	4.71 (1.44)	-	-
	Other's-Perspective	48	3.17 ^a (1.22)	4.52 (1.47)	-	-
17	Agnostic	60	2.92 (1.30)	4.18 ^g (1.41)	-	-
	Self-Perspective	56	4.75 ^a (1.30)	4.75 ^g (1.60)	-	-
	Other's-Perspective	47	3.35 ^a (1.39)	4.43 (1.53)	-	-
21	Agnostic	59	3.15 (1.34)	4.48 (1.54)	5.72 ^b (0.83)	4.02 ^{d,f} (1.66)
	Self-Perspective	55	4.68 ^a (1.40)	4.77 (1.55)	5.95 ^c (1.01)	3.36 ^{e,f} (1.82)
	Other's-Perspective	44	3.40 ^a (1.58)	4.57 (1.68)	4.48 ^{c,b} (1.49)	5.57 ^{e,d} (1.21)

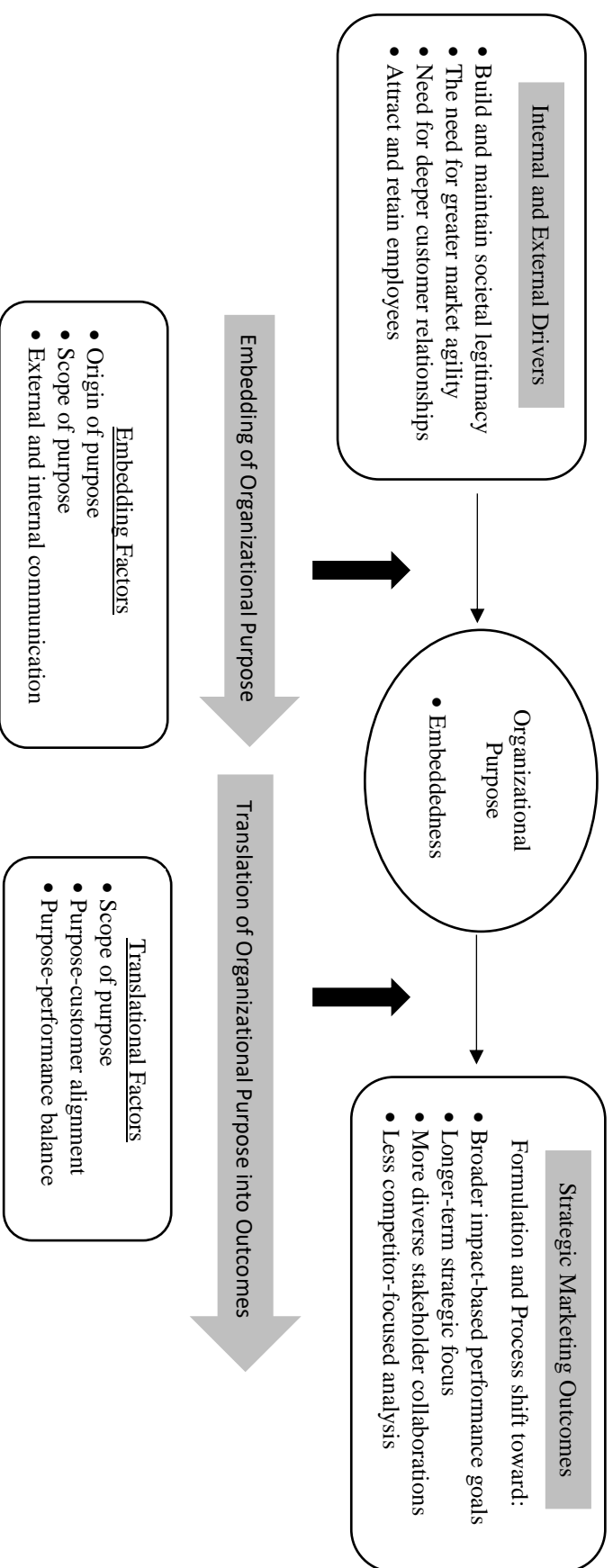
Note: Significance test comparing control condition SRHI to Self-Perspective and Other's-perspective conditions SRHI scores not reported in this chart as it was not theoretically relevant. Otherwise, all significant differences ($p < .05$) denoted with matching letters within the corresponding day. Marginal significance not reported. Exclusions applied prior to analysis.

Table 5.8: Regression Analyses of Perspective on Number of Ideas and Creativity of Ideas Over Time for Study 3

		Model 1	Model 2	Model 3	Model 4	Model 5
Base Condition	SP		SP	UGP	SP	UGP
Outcome	Habit		Number of Ideas	Number if Ideas	Creativity	Creativity
Variable						
Main Effects	Intercept	4.790 (.153) [.000]	-.766 (.287) [.008]	-.608 (.369) [.099]	-.240 (.216) [.267]	-.578 (.239) [.016]
	Time	-0.001 (.013) [.923]	-.023 (.014) [.106]	-.010 (.016) [.520]	.025 (.024) [.304]	.024 (.024) [.333]
	Time ²	-0.000 (.000) [.616]	.001 (.001) [.254]	.001 (.001) [.428]	-.001 (.001) [.238]	-.001 (.001) [.643]
	OP	-2.354 (.229) [.000]	-.558 (.175) [.002]	-.421 (.181) [.021]	.369 (.173) [.035]	.422 (.173) [.016]
Interactions	Time x OP	0.093 (.020) [.000]	.062 (.022) [.005]	.052 (.024) [.031]	-.090 (.037) [.015]	-.083 (.037) [.025]
	Time ² x OP	-0.002 (.001) [.011]	-.002 (.001) [.030]	-.002 (.001) [.036]	.004 (.002) [.027]	.003 (.002) [.119]
Control Variables						
	Age	-	.013 (.008) [.105]	.001 (.013) [.928]	-.002 (.004) [.630]	.010 (.007) [.160]
	Gender	-	-.074 (.155) [.637]	-.045 (.160) [.780]	.057 (.087) [.509]	.085 (.087) [.331]
	Task Interest	-	.150 (.021) [.000]	.158 (.022) [.000]	.038 (.026) [.148]	.032 (.027) [.238]

Note: () = Standard Errors, [] = P-Values. Everything rounded to three decimal places.
Model 1/Model 2/Model 4 = Dataset includes only the SP condition and the OP condition
Model 3/Model 5 = Dataset includes only the UGP condition and the OP condition

Figure 3.1 [Figure 1: Organizational Purpose: Drivers and Strategic Marketing Outcomes



Note: This framework does not depict performance outcomes of marketing strategy decisions as they fall outside the scope of this theory development effort. Extant literature suggests that these decisions are likely to result in varying levels of performance, based on a number of firm and industry factors. Over time, performance outcomes can also be expected to produce feedback loops that affect the embeddedness of organizational purpose.

Figure 5.1
Average SRHI Scores Over Time for the CP and SP Conditions

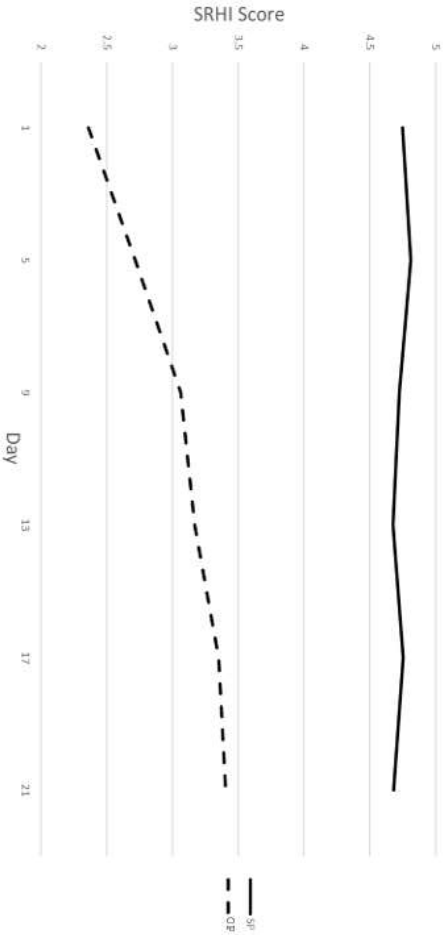


Figure 5.2

Average Z-Centered Number of Ideas by Condition Over Time

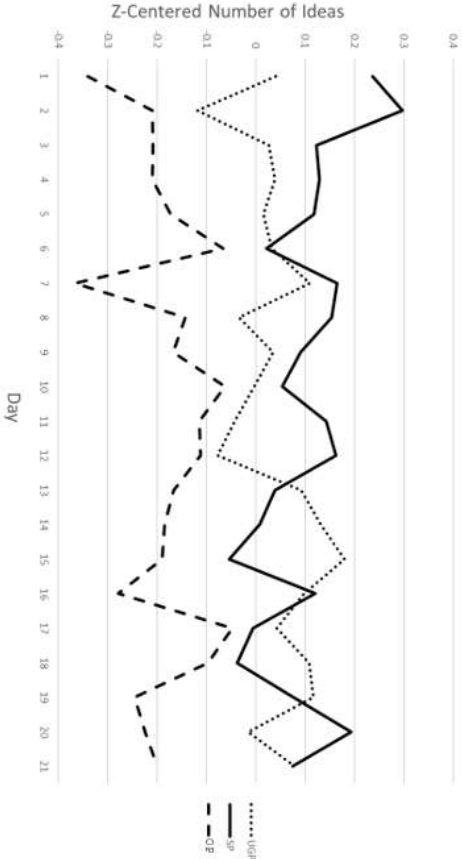
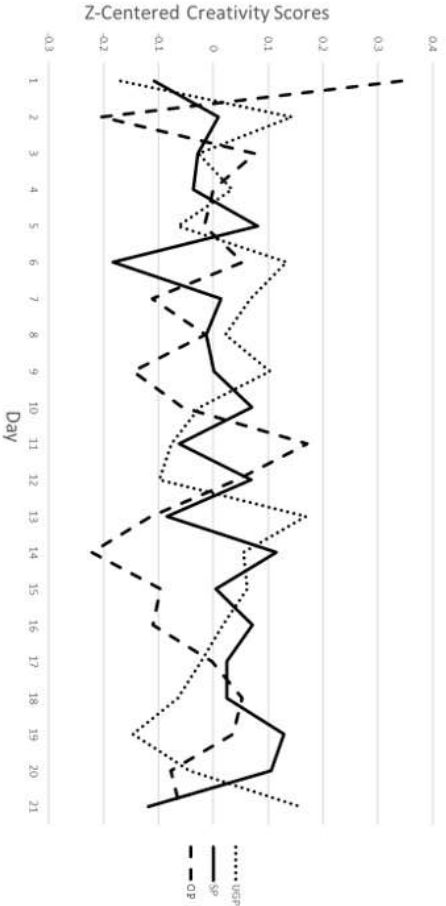


Figure 5.3

Average Z-Centered Creativity Scores by Condition Over Time



8. Model Building

Model 1: Comparing Movement in SRHI Scores Between the SP Condition and the OP Condition

In order to confirm the comparative improvement of the OP condition's SRHI scores over time, we rely on the multilevel package in R (Bliese 2006), adapted for growth modelling. Growth modelling is a variation of multilevel modelling where the daily observation or performance of an individual is considered a level-1 variable and the individual is considered a level-2 variable. It is a common and useful method of analysis for modelling change over time in the social sciences (Bliese 2006; Knight 2015; Ployhart and Vandenberg 2010).

We first satisfy the pre-condition that the individual-level variability in the data justifies multilevel modelling. To do so, we create a dataset that includes all the data from the SP and OP conditions. We then create a 'null model' that does not contain any predictors and includes a random intercept variation term for individuals and has habit score (SRHI score) as the outcome variable. This gives an indication of the amount of variability in the outcome data that is explained by individual-level properties. Using the variance estimates of this model from the VarCorr function, we find an estimated ICC value of 0.85, which indicates that 85% of the variance in the data can be explained by the properties of the individual and justifies multilevel analysis of the data. With our pre-condition satisfied, we begin building our model based on the theoretical question we are trying to address and our initial visual analysis of the data.

Our theory argues, and visual analysis indicates, that the SRHI scores for the OP condition initially begin lower than, and then improve in comparison to, the SRHI score for the SP condition. Moreover, this improvement seems to become less substantial over time, as taking an OP reaches a stage of mature habituation. To characterize this movement, we build a model with a two-factor fixed effect variable (SP and OP as the two factors) that represents

experimental condition as a two-factor variable, where the SP condition is the base condition. Time is then included as a fixed effect linear variable and quadratic variable, to capture both linear movement and curvature of SRHI scores over time. Both the linear and quadratic time variables are interacted with the binary condition variable. A generalized correlation matrix is included that does not add any additional structure to the data, although this is dropped due to convergence issues, and variance is not yet allowed to change over time. In this model, (1) the coefficient for the OP Main effect is significantly negative ($B_1 = -2.357$, $p < .001$), indicating the OP condition does initially start out lower in SRHI scores than the SP condition, (2) the interaction between the OP condition and the linear time variable is significantly positive ($B_2 = 0.094$, $p < .001$), indicating the OP condition is improving in SRHI scores over time in comparison to the SP condition, and (3) the interaction between the OP condition and the quadratic time variable is only marginally significantly negative ($B_3 = -0.002$, $p < .10$), giving only marginal support that the improvement in the SRHI scores is itself decreasing over time.

We next test for other model updates that can allow for better fit to the data. We first update the model to allow the slope between time and SRHI score to vary for each individual, since slopes over time may not be identical across individuals. An ANOVA test confirms this update significantly improves the model ($p < .001$) and the update is kept. Another concern in longitudinal data is that temporally close events relate more strongly to each other than temporally distant events and this will affect relationship estimates in the data. To account for this, we test a model that allows for autocorrelation. A model that allows for autocorrelation leads to convergence issues and the update for autocorrelation is not kept. Finally, it is possible that the variance in the outcome variable can change over time. A visual analysis of the variance of the outcome variable for each day seems to reveal a possible decrease in variation over time for habit score. We update the model to allow for decreases in variance,

and this significantly improves model fit ($p < .001$). This final model, titled model 1 in table 5.8, gives statistical support to the visual description of habit scores given in figure 5.1: (1) the coefficient for the OP Main effect is significantly negative ($B_1 = -2.354$, $p < .001$), indicating the OP condition does initially start out lower in SRHI scores than the SP condition, (2) the interaction between the OP condition and the linear time variable is significantly positive ($B_2 = 0.093$, $p < .001$), indicating the OP condition is improving in SRHI scores over time in comparison to the SP condition, and (3) the interaction between the OP condition and the quadratic time variable is significantly negative ($B_3 = -0.002$, $p < .05$), giving support that the improvement in the SRHI scores is itself decreasing over time.

Model 2: Comparing Movement in Number of Generated Ideas Between the SP Condition and the OP Condition

Since our goal in model 2 was to analyse the comparative movement of the SP and OP condition, we created a dataset that included only the data from the SP and OP conditions. We then looked to satisfy the pre-condition that the individual-level variability in the data is large enough to justify multilevel modelling (Bliese 2006). To do this, we created a ‘null model’ that does not contain any predictors and includes a random intercept variation term for individuals and has number of generated ideas as the outcome variable. This gives an indication of the amount of variability in the outcome data that is explained by individual-level properties. Using the variance estimates of this model from the VarCorr function, we find an estimated ICC value of 0.64, which indicates that 64% of the variance in the data can be explained by the properties of the individual and justifies multilevel analysis of the data. With our pre-condition satisfied, we begin building our model based on the theoretical question we are trying to address and our initial visual analysis of the data.

Our theory argues that the number of ideas generated by the OP condition initially begins lower than, and then improves in comparison to, the number of ideas generated by the

SP condition. Moreover, this improvement seems to become less substantial over time, as taking an OP reaches a stage of mature habituation. To characterize this movement, we built a model with a two-factor fixed effect variable (SP and OP as the two factors) that represents experimental condition as a two-factor variable, where the SP condition is the base condition. Time is then included as a fixed effect linear variable and quadratic variable, to capture both linear movement and curvature of the number of ideas generated over time. Both the linear and quadratic time variables are interacted with the binary condition variable, which serves to show the comparative movement of the conditions over time. A generalized correlation matrix is included that does not add any additional structure to the data, and variance is not yet allowed to change over time. Finally, we include control variables for participant age, participant gender, and participant task interest. In this model, (1) the coefficient for the OP Main effect is significantly negative ($B_1 = -0.558$, $p < .01$), indicating the OP condition does initially start out lower in than the SP condition in the number of ideas generated, (2) the interaction between the OP condition and the linear time variable is significantly positive ($B_2 = 0.062$, $p < .01$), indicating the OP condition is improving over time in comparison to the SP condition for the number of ideas generated, and (3) the interaction between the OP condition and the quadratic time variable is significantly negative ($B_3 = -0.002$, $p < .05$), giving support that the improvement of the OP condition in comparison to the SP condition in the number of ideas generated is itself decreasing over time.

We next test for other model updates that can allow for better fit to the data. We first update the model to allow the slope between time and the number of ideas generated to vary for each individual, since slopes over time may not be identical across individuals. Updating the model in this way leads to convergence issues and the update is dropped. Another concern in longitudinal data is that temporally close events relate more strongly to each other than temporally distant events and this will affect relationship estimates in the data. To consider

this, we update our model to allow for autocorrelation. An ANOVA test indicates this update does not significantly improve the model ($p > .10$), and the update is dropped. Finally, it is possible that the variance in the outcome variable can change over time. A visual analysis of the variance of the outcome variable for each day seems to reveal a possible decrease in variation over time for the number of generated ideas. We update the model to allow for decreases in variance, which also leads to convergence issues and the update is dropped. Our final model, titled model 2 in table 5.8, gives statistical support for H2a and H2b.

Model 3: Comparing Movement in Number of Generated Ideas Between the UGP

Condition and the OP Condition

Since our goal in model 3 was to analyse the comparative movement of the UGP and OP condition, we created a dataset that included only the data from the UGP and OP conditions. We then looked to satisfy the pre-condition that the individual-level variability in the data is large enough to justify multilevel modelling (Bliese 2006). To do this, we created a ‘null model’ that does not contain any predictors and includes a random intercept variation term for individuals and has the number of generated ideas as the outcome variable. This gives an indication of the amount of variability in the outcome data that is explained by individual-level properties. Using the variance estimates of this model from the VarCorr function, we find an estimated ICC value of 0.65, which indicates that 65% of the variance in the data can be explained by the properties of the individual and justifies multilevel analysis of the data. With our pre-condition satisfied, we begin building our model based on the theoretical question we are trying to address and our initial visual analysis of the data.

Our theory argues that the number of ideas generated by the OP condition initially begins lower than, and then improves in comparison to, the number of ideas generated by the UGP condition. Moreover, this improvement seems to become less substantial over time, as taking an OP reaches a stage of mature habituation. To characterize this movement, we build

a model with a two-factor fixed effect variable (UGP and OP as the two factors) that represents experimental condition as a two-factor variable, where the UGP condition is the base condition. Time is then included as a fixed effect linear variable and quadratic variable, to capture both linear movement and curvature of the number of ideas generated over time. Both the linear and quadratic time variables are interacted with the binary condition variable, which serves to show the comparative movement of the conditions over time. A generalized correlation matrix is included that does not add any additional structure to the data, and variance is not yet allowed to change over time. Finally, we include control variables for participant age, participant gender, and participant task interest. In this model, (1) the coefficient for the OP Main effect is significantly negative ($B_1 = -0.421$, $p < .05$), indicating the OP condition does initially start out lower in than the UGP condition in the number of ideas generated, (2) the interaction between the OP condition and the linear time variable is significantly positive ($B_2 = 0.052$, $p < .05$), indicating the OP condition is improving over time in comparison to the UGP condition for the number of ideas generated, and (3) the interaction between the OP condition and the quadratic time variable is significantly negative ($B_3 = -0.002$, $p < .05$), giving support that the improvement of the OP condition in comparison to the UGP condition in the number of ideas generated is itself decreasing over time.

We next test for other model updates that can allow for better fit to the data. We first update the model to allow the slope between time and the number of ideas generated to vary for each individual, since slopes over time may not be identical across individuals. Updating the model in this way leads to convergence issues and the update is dropped. Another concern in longitudinal data is that temporally close events relate more strongly to each other than temporally distant events and this will affect relationship estimates in the data. To consider this, we update our model to allow for autocorrelation. An ANOVA test indicates this update does not significantly improve the model ($p > .10$), and the update is dropped. Finally, it is

possible that the variance in the outcome variable can change over time. A visual analysis of the variance of the outcome variable for each day seems to reveal a possible increase in variation over time for the number of ideas generated. We update the model to allow for increases in variance, which also leads to convergence issues and the update is dropped. Our final model, titled model 3 in table 5.8, gives statistical support for H2a and H2b.

Model 4: Comparing Creativity of Generated Ideas Between the SP Condition and the OP Condition

Since our goal in model 4 was to analyse the comparative movement of the SP and OP condition, we created a dataset that included only the data from the SP and OP conditions. We then looked to satisfy the pre-condition that the individual-level variability in the data is large enough to justify multilevel modelling (Bliese 2006). To do this, we created a ‘null model’ that does not contain any predictors, includes a random intercept variation term for individuals, and has the average creativity of generated ideas as the outcome variable. This gives an indication of the amount of variability in the outcome data that is explained by individual-level properties. Using the variance estimates of this model from the VarCorr function, we find an estimated ICC value of 0.08, which indicates that only 08% of the variance in the data can be explained by the properties of the individual and justifies multilevel analysis of the data. This is not a large amount of variance, but still enough to warrant multilevel analysis.

Our theory argues that the creativity of generated ideas in the OP condition initially begins higher than the SP condition in creativity, but this advantage depreciates over time. Moreover, this depreciation itself becomes less substantial over time. To characterize this movement, we built a model with a two-factor fixed effect variable (SP and OP as the two factors) that represents experimental condition as a two-factor variable, where the SP condition is the base condition. Time is then included as a fixed effect linear variable and

quadratic variable, to capture both linear movement and curvature of the creativity of ideas generated over time. Both the linear and quadratic time variables are interacted with the binary condition variable, which serves to show the comparative movement of the conditions over time. A generalized correlation matrix is included that does not add any additional structure to the data, and variance is not yet allowed to change over time. Finally, we include control variables for participant age, participant gender, and participant task interest. In this model, (1) the coefficient for the OP Main effect is significantly positive ($B_1 = 0.369, p < .05$), indicating the OP condition does initially start out higher than the SP condition in the creativity of generated ideas, (2) the interaction between the OP condition and the linear time variable is significantly negative ($B_2 = -0.090, p < .05$), indicating advantage of taking an OP is depreciating over time, and (3) the interaction between the OP condition and the quadratic time variable is significantly positive ($B_3 = 0.004, p < .05$), giving support that the depreciating advantage of the OP condition is itself decreasing over time.

We next test for other model updates that can allow for better fit to the data. We first update the model to allow the slope between time and the number of ideas generated to vary for each individual, since slopes over time may not be identical across individuals. Updating the model in this way leads to convergence issues and the update is dropped. Another concern in longitudinal data is that temporally close events relate more strongly to each other than temporally distant events and this will affect relationship estimates in the data. To consider this, we update our model to allow for autocorrelation. An ANOVA test indicates this update does not significantly improve the model ($p > .10$), and the update is dropped. Finally, it is possible that the variance in the outcome variable can change over time. A visual analysis of the variance of the outcome variable for each day does not reveal any variation over time for the average creativity of ideas. For completeness, we update the model to allow for decreases

and increases in variance, which also leads to convergence issues and the update is dropped.

Our final model, titled model 4 in table 5.8, gives statistical support for H3a and H3b.

Model 5: Comparing Creativity of Generated Ideas Between the UGP Condition and the OP Condition

Since our goal in model 5 was to analyse the comparative movement of the UGP and OP condition, we created a dataset that included only the data from the UGP and OP conditions. We then looked to satisfy the pre-condition that the individual-level variability in the data is large enough to justify multilevel modelling (Bliese 2006). To do this, we created a ‘null model’ that does not contain any predictors, includes a random intercept variation term for individuals, and has the average creativity of generated ideas as the outcome variable. This gives an indication of the amount of variability in the outcome data that is explained by individual-level properties. Using the variance estimates of this model from the VarCorr function, we find an estimated ICC value of 0.09, which indicates that only 09% of the variance in the data can be explained by the properties of the individual and justifies multilevel analysis of the data. This is not a large amount of variance, but still enough to warrant multilevel analysis.

Our theory argues that the creativity of generated ideas in the OP condition initially begins higher than the UGP condition in terms of creativity, but this relative advantage depreciates over time. Moreover, the depreciation of the advantage of taking an OP itself becomes less substantial over time. To characterize this movement, we built a model with a two-factor fixed effect variable (UGP and OP as the two factors) that represents experimental condition as a two-factor variable, where the UGP condition is the base condition. Time is then included as a fixed effect linear variable and quadratic variable, to capture both linear movement and curvature of the creativity of ideas generated over time. Both the linear and quadratic time variables are interacted with the binary condition variable, which serves to

show the comparative movement of the conditions over time. A generalized correlation matrix is included that does not add any additional structure to the data, and variance is not yet allowed to change over time. Finally, we include control variables for participant age, participant gender, and participant task interest. In this model, (1) the coefficient for the OP Main effect is significantly positive ($B_1 = 0.422, p < .01$), indicating the OP condition does initially start out higher than the UGP condition in creativity of generated ideas, (2) the interaction between the OP condition and the linear time variable is significantly negative ($B_2 = -0.083, p < .05$), indicating the UGP condition is improving over time in comparison to the OP condition for the creativity of generated ideas, and (3) the interaction between the OP condition and the quadratic time variable is non-significantly positive ($B_3 = 0.003, p < .10$), not supporting the notion that the improvement of the OP condition in comparison to the SP condition in the number of ideas generated is itself decreasing over time.

We next test for other model updates that can allow for better fit to the data. We first update the model to allow the slope between time and the number of ideas generated to vary for each individual, since slopes over time may not be identical across individuals. Updating the model in this way leads to convergence issues and the update is dropped. Another concern in longitudinal data is that temporally close events relate more strongly to each other than temporally distant events and this will affect relationship estimates in the data. To consider this, we update our model to allow for autocorrelation. An ANOVA test indicates this update only marginally improves the model ($p < .10$), and the update is dropped. Finally, it is possible that the variance in the outcome variable can change over time. A visual analysis of the variance of the outcome variable for each day seems to reveal a possible increase in variation over time for the average creativity of generated. We update the model to allow for increases in variance, which also leads to convergence issues and the update is dropped. Our

final model, titled model 5 in table 5.8, gives statistical support to H3a, and only partial support for H3b.

9. References

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