FRAMING EFFECT OF A 'SURCHARGE' ON PURCHASE INTENTION OF LOW-COST AIRLINE TICKETS

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INTRODUCTION

In 2019, low-cost carriers' economic output was approximately 58 billion dollars in the US (Statista, 2020). According to Treknova (2020), numerous companies (e.g., Southwest airline, JetBlue, and Spirit air) have participated in the low-cost carrier market, which enlarges the economic size of the low-cost carrier market. In such a growing market, the volume of ancillary revenue has been growing. Globally, airlines ancillary revenue was $22.6 billion in 2012, and it had been increased to $92.9 billion in 2016 (US Global Investor, 2019). The ancillary revenue also accounts for the decent portion (e.g., Spirit: 46.6%, Frontier: 42.4%, and Allegiant: 39.8%) of low-cost carrier total revenue in 2017 because the business model of low-cost carrier focuses on no-frill cost (Babić, Ban & Bajić, 2019). Namely, low cost-carriers pursue offering cheap price by eliminating lavish service. Considering the composition of ancillary sales, EasyJet, a British low-cost carrier, reported that the baggage sales accounts for 47 % of ancillary revenue in 2017 (Babić, Ban & Bajić, 2019). Despite the above-mentioned importance of optional product sales, scholars have rarely explored optional product purchasing behavior in low cost-carrier domain.

Surcharge, imposing and additional price for an optional product, is often adopted in low-cost carrier business because low-cost carrier emphasizes cheap ticket price (Malighetti, Paleari & Redondi, 2009; Klophaus, Conrady & Fichert, 2012). Southwest airline, possessing the largest market share in the US, implements a surcharge system for the optional products (e.g., baggage, on-board meals), and the consumer payment level could be differentiated by the baggage amount maintaining the low-price level in the basic product (Southwest, 2021). Moreover, Jet Blue, another major American low-cost carrier, sells various optional products (e.g., additional baggage, food and beverage, pet service, and pillow) employing surcharge system (JetBlue, 2021). Even though the surcharge system has commonly been implemented in low-cost carrier domain, studies investigating the consumer response to surcharge have been sparsely performed. In practice, the revenue generated from these additional fees highly depends on how it is promoted to the market and accepted by the customers. When developing price-related promotions of baggage fees, retailers must determine carefully how to frame the price of these fees though, because framing strongly affects consumers' perceptions (Kahneman and Tversky, 1979; Morwitz et al., 1998; DelVecchio et al., 2007). One of the popular framing techniques is to present the baggage or other ancillary fees in dollar terms or a percentage regarding the base price. Previous studies indicate that consumers process information differently across these two frames (Chen et al., 1998), such that price promotions in a percentage (%) format require more cognitive effort to process than price information that has been framed in dollar ($) terms (Morwitz et al., 1998). Even though the amount of additional surcharges is similar, customers may estimate the total price differently in these two different frames. Because consumers often tend to use heuristics (simple calculation) to combine the base price and surcharge and more focus on numbers rather than units. In this case, the sum of the two prices might be less than its mathematical sum (Morwitz et al., 1998). Therefore, pricing strategy using framing effect relies on heuristic instead of rational thinking for decision making. Scholars contended that individual information processing is not always rational; framing plays a significant role in leading customers to purchase product (Kahneman & Tversky, 1979; Gigerenzer & Gaissmaier, 2011; Long & Nasiry, 2015; Meng & Weng, 2018). Empirical studies also have been sparsely performed on the effect of framing effect and scarcity message on consumer reaction in the domain of low-cost carrier business, although many works have explored the framing effect in a various domain (Chen, Monroe, & Lou, 1998; Choi & Mattila, 2014; Schröder, Lüer, & Sadrieh, 2015; Rahman, Crouch, & Laing, 2018).

In addition, the baggage fees have actually served as a new revenue stream for the low-cost carriers since its separation from the actual product in 2008 (Barone et al., 2012). Also, baggage fees are the second-largest ancillary revenue source at about 25% of total ancillary revenue (Lebeau, 2013; Scotti & Dresner, 2015). Therefore, low-cost carriers need to focus on ancillary revenue sources because airline ticket in the low-cost carriers does not include other following additional services including baggage check-in but only include the seat itself. Reflecting this, the concept of total revenue management (TRM) was introduced into the RM literature in the early 2000s (Kimes, 2003). TRM represents a strategic approach to RM wherein the focus is on total revenue optimization rather than revenue optimization for the focal product alone. However, the RM literature provides little guidance in terms of actionable strategies and tools for TRM implementation (Song, 2018). In order to address this gap, the current study will suggest potential strategies to increase consumer purchase of an ancillary product at the time of purchasing a focal product.

All things considered, the purpose of this research is to investigate the framing effect on optional product pricing strategy. This study might be theoretically worthwhile in that surcharge with framing effect has been rarely scrutinized. By affiliating the research gap, this study could shed light on the research area for total revenue management area because most revenue management literature has concentrated on sales maximization of the main product rather than optional product (Noone & McGuire, 2014; Noone & Robson, 2016; Park, Ha & Park, 2017; Song & Noone, 2017; Song, Noone & Han, 2019). With respect to the perishability of airline service, this study might produce implications for the sales maximization of optional products.

LITERATURE REVIEW

Surcharge

Surcharge refers to the extra cost for certain goods and services, which enables consumers to choose an additional product by paying the extra cost (Kitch, 1990; Sheng, Bao, & Pan, 2007; Albinsson, Burman, & Das, 2010; Clerides & Courty, 2017). Surcharges are most often monetary surcharges, but in some cases, the surcharge is a percentage of the base price (Morwitz et al., 1998). In some cases, the surcharge can be mandatory or optional due to the pricing strategy adopted by a particular business. The base price and mandatory surcharges are typically associated with the purchase of a single product or service in partitioned pricing or price bundling. Examples of these mandatory surcharges include sales tax, airline fuel surcharges, shipping and handling charges, and hotel resort fees (Greenleaf et al., 2016). However, there are “non-mandatory” surcharges available for auxiliary products or services which support the main product. These surcharges are considered as ancillary fees charged for support services, such as checked baggage, seat selection, in-flight meals, and early boarding which have recently been separated from the base charge for air travel (Scotti & Dresner, 2015). In the airline context, this unbundling practice is very popular. Especially, in low-cost carriers, this type of surcharges is widely used because the business focuses on the low-price level. In other words, low-cost carrier business imposes the responsibility of more expensive price to consumer choice, and offer the basic low-level price given in their main mission statement (Button, 2012; Klophaus, Conrady, & Fichert, 2012; Chong, 2018). Indeed, low-cost carrier businesses provide additional options (e.g., baggage amount and food and beverage) to customers by providing surcharge because its business model emphasizes the low-price level for the base-line product, whereas full-service carrier contains everything in the product without consumer choice for the additional product (Malighetti, Paleari, & Redondi, 2009; Chong, 2018; Barker & Brau, 2020). That's the reason, most low-cost US carriers began assessing surcharge for all checked bags for passengers on domestic flights in 2008 (Cho and Dresner, 2018). As a result, baggage fees as a percentage of the US carriers' operating income increased more than fourfold from 2007 to 2009 (Garrow et al., 2012). Besides its profitability, some scholars contended that surcharge builds consumer attitude toward goods and service by offering more options because surcharge enables consumers to adjust their payment given their needs (Binkley & Bejnarowicz, 2003; Pallas, Bolton, & Lobschat, 2018). To be specific, extant literature addressed that surcharge causes fairness and blame to consumer perception at the same time because consumers not only have an option but also still bear the additional payment (Sheng et al., 2007; Pallas et al., 2018). Despite such popularity in low-cost carriers, prior studies have rarely examined consumer perception for the optional pricing strategy with surcharge in the low-cost carrier business area.

Heuristic information processing and anchoring adjustment

Kahneman and Tversky (1979) suggest that individual decision-making is affected by the risk, and the risk could appear in varied manners, such as complexity and uncertainty. Prior studies also claim that risk (complexity) is essential for individual information processing because individuals are reluctant to become more complex for information processing (Levy, 1992; Fiegenbaum, Hart, & Schendel, 1996; Long & Nasiry, 2015; Werner & Zank, 2019). Dual information processing explains that individual information processing for message delivery is categorized as systematic and heuristic (Todorov, Chaiken, & Henderson, 2002). From the information processing perspective, heuristic processing is "a limited mode of information processing that requires less cognitive effort and fewer cognitive resources" than systematic processing (Lee & Bian, 2018). Individuals tend to rely more on heuristics on information processing rather than systematic processing because heuristic processing requires less amount of cognitive resources (Trumbo, 1999).

Simon (1955) proposed the idea of heuristics for the first time as a behavioral model of rational choice, which argues for "limited" rationality, where decisions are derived through the processes of dynamic adjustment on both external (environmental) and internal (human characteristics) factors. Heuristic itself stands for a simple guessing system for information processing without rational thinking due to insufficient time, and it relies on heuristics which requires less effort and time (Ackert, Church, & Tkac, 2010; Gigerenzer & Gaissmaier, 2011; Long & Nasiry, 2015; Meng & Weng, 2018). Heuristics are also characterized as an 'intuitive, rapid, and automatic system' (Shiloh et al., 2002; Furnham & Boo, 2011), which 'reduce the complex tasks of assessing probabilities and predicting values to simpler judgmental operations' (Tversky and Kahneman, 1974; Furnham & Boo, 2011;). Although the use of rules of thumb reduces cognitive and time constraints, sometimes they lead to severe and systematic errors such as biases and fallacies in decision making (Tversky and Kahneman, 1974). Based on this notion, Xia and Monroe (2004) claimed that customers are more likely to process information using heuristics more when they consider a relatively small amount of surcharge because it could be ignored for information processing. Morwitz et al. (1998) also contended that individuals perceive the main product and surcharge produce as separate pieces; their mental accounting becomes more complicated in the surcharging system, which results in customers depend more on heuristics.

Anchoring refers to the base level; scholars presented that anchoring functions as the reference point (Chen et al., 1998; DelVecchio et al., 2007). Previous studies explained that the anchoring and adjustment effect is caused by heuristic information processing. According to anchoring and adjustment theory, when the ancillary product is presented with the main product (i.e., airline ticket), the main product becomes anchor, and the ancillary product becomes adjustment (Morwitz et al., 1998). Consumers evaluate the surcharge (or their total cost) differently based on the price of the main product. For instance, a $10 surcharge is perceived differently depending on the prices of main product A ($20) and product B $200. In other words, customers value differently to the surcharge of product A (50%) and product B (5%) regarding percentage. Because consumers heuristically process the price information, they tend to perceive the same price of the ancillary product as more expensive when the price of the main product is high. It implies that the price of the main product (anchor) impacts on how customers variedly value the surcharge item, despite the same economic value. Indeed, an anchor is the baseline in pricing strategy using framing because it becomes a starting point of bias which distorts at individual decision making (Brewer & Chapman, 2002; Ku, Galinsky & Murnighan, 2006; Furnham & Boo, 2011; Caputo, 2014). DelVecchio et al. (2007) addressed that anchor is insufficiently appraised when individuals process information because of limited capability. In low-cost carrier business area, the ticket price is likely to become the anchor, and framing is likely to impact on the optional product purchase decision. Therefore, we suggest that a percentage presentation format is more effective when the base price of a ticket is relatively high, while it is required to keep using a dollar amount presentation when the base price of a ticket is relatively low.

Framing effect

Extant literature thus addressed that different framing despite the same contents causes varied outcomes because individual decision-making is not always performed based on in-depth contemplation (Takemura, 1994; Miu, & Crişan, 2011; Kim, Kim, & Kim, 2018). DelVecchio, Krishnan, and Smith (2007) also alleged that addition-subtraction (dollar pricing) is easier than multiplication and division (percent pricing), which leads customers to reach accuracy differently. Previous studies offer some empirical evidence. For instance, Chen et al. (1998) stated that consumers perceive more complexity in the percentage (relative) pricing presentation than additional (absolute) amount pricing because they need to put more time and energy to reach the conclusion. Rahman et al. (2018) explored the framing effect in the tourism product business domain, and revealed the dissimilar consumer choice varies depending on the framing despite it delivers same information. Choi and Mattila (2014) also claimed that the complexity level is higher in the multiplication process than plus and minus computation in the domain of online travel agency booking. Furthermore, prior research documented that appealing of framing effect (cent vs. percent) as a pricing strategy is varied depending on the price (high vs. low) (Heath, Chatterjee & France, 1995; Morwitz, Greenleaf & Johnson, 1998; DelVecchio et al., 2007). Xia and Monroe (2004) suggested that a percentage presentation format is more effective when the amount of additional fees is relatively small regarding the base price of a product. Possibly, when consumers heuristically process surcharge information, they tend to compare the number itself but ignore the unit of the number (DelVecchio et al., 2007). Given the review of literature, it can be inferred that price presentation framing could affect product appraisal via heuristics. This study thus proposes the following research hypothesis:

- *H1: Dollar framing is more influential on purchase intention than percentage framing in the lower price level, whereas percentage framing is more influential on purchase intention than dollar framing in the higher price level.*

Purchase intention and value

Willingness to pay is defined as how customers intend to buy certain goods or services (Park, Hyun, & Thavisay, 2020; Rausch & Kopplin, 2020). It is commonly examined in numerous previous studies. For instance, Zander and Feucht (2018) implemented a study about the influential attributes for seafood purchase intention. McFadden and Huffman (2017) employed purchase intention as an endogenous variable to research the characteristics of organic food consumers. Rausch and Kopplin (2020) reported determinants of sustainable clothing, and Park et al. (2020) revealed the effect of electronic word of mouth to purchase intention. Schäufele and Hamm (2017) also carried out research using purchase intention as the dependent variable in the domain of wine business. Value stands for the consumers' perception toward the merits of goods or services as compare to the alternatives (Sánchez-Fernández & Iniesta-Bonillo, 2007; Boksberger & Melsen, 2011). Gan and Wang (2017) exhibited the impact of value on purchase intention by studying social commerce consumers. Salehzadeh and Pool (2017) investigated luxury brand consumers and found a positive association between perceived value and purchase intention. Value also works as the mediator. As an example, Kwon, Trail, and James (2007) examined the meditating effect of value between identification and purchase intention in the domain of apparel business. Chinomona, Okoumba, and Pooe (2013) disclosed the influence of product quality on value as well as the effect of value on purchase intention in the context of electronic product business. All in all, it is identified that purchase intention has worked as a dependent variable as well as the consequence of value. Additionally, prior literature presents that value could become both the antecedents of purchase intention and the mediator.

Considering the review of literature, this study proposes the research hypothesis as follows:

- *H2: Value mediates the relationship between purchase intention and price which is moderated by framing.*

METHOD

Research model and data collection

Figure 1 exhibits the research model. The independent variable of this research is the price of airline tickets ($ 75 vs. $150), and the moderator is framing (dollar vs. percent). The mediator is value, while the dependent variable is purchase intention. This study proposes moderated mediation model.

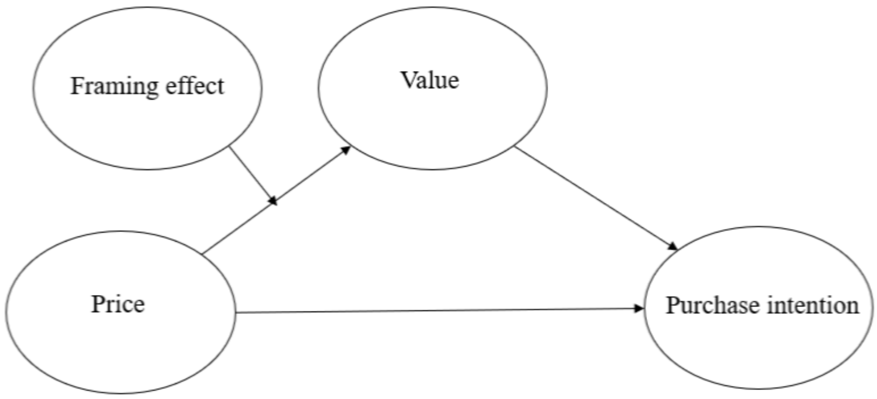

Figure 1. Conceptual model

This study recruited survey participants using Amazon Mechanical Turk. Fertile prior studies used Amazon Mechanical Turk to collect the data and presented sound data quality for statistical inferences (Macdonald & Wester, 2020; Mirehie & Gibson, 2020; Zhang, Hou, & Li, 2020). We carried out the data collection between December 22th in 2020 and January 6th in 2021. Initially, we collected approximately 160 observations and eliminated 23 observations due to their poor response quality. In consequence, we used 136 observations for data analysis. To test the research hypotheses, this study executed an experimental design, which is 2×2 (high price with dollar framing, low price with dollar price framing, low price with percent price framing, high price with dollar price framing, and high price with percent price framing). The stimuli are illustrated in Figure 2. Extant literature addressed that the adequate number of observations for each cell in experimental design is 30 (Hair, Anderson, Babin, & Black, 2010). Regarding it, this study meets the criteria because each cell has more than 30 observations.

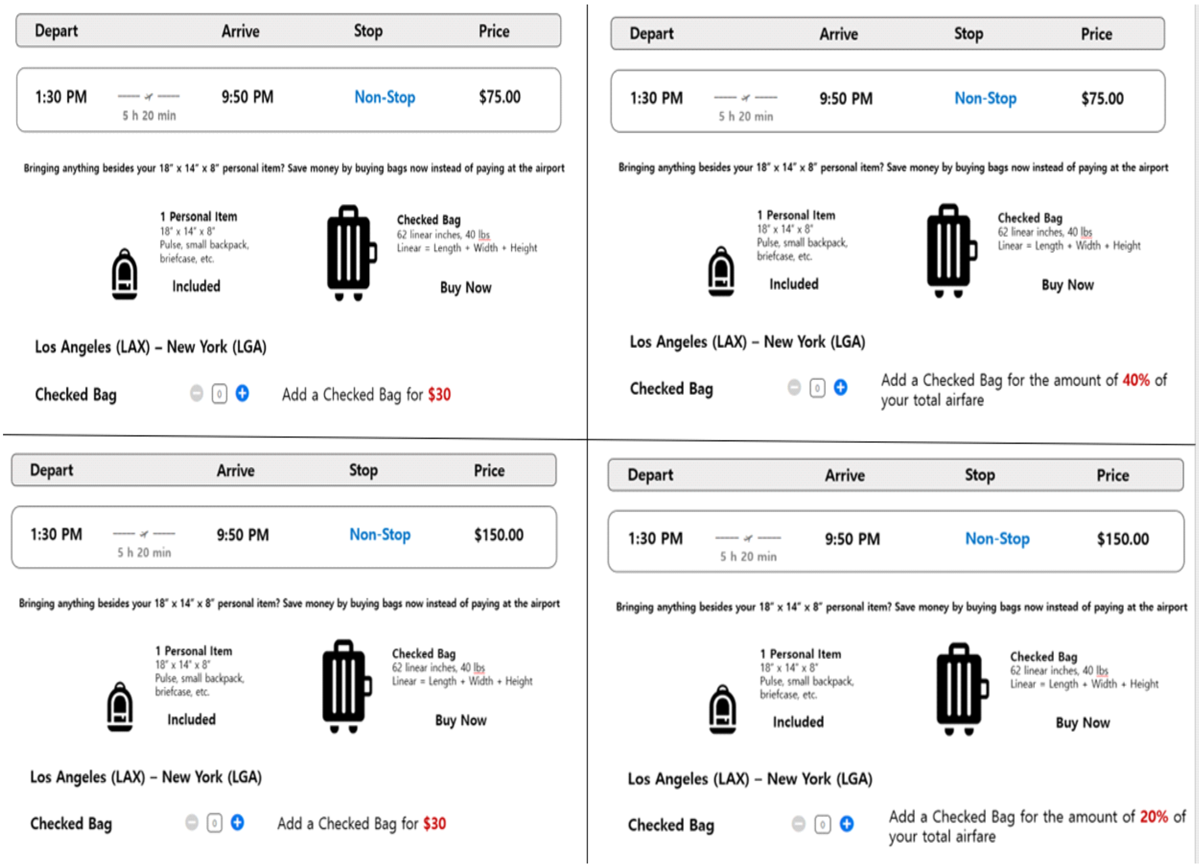

Figure 2. Stimuli illustration 2×2

Measurements and data analysis

The measures of this research are derived from the extant literature. The items for measurements are depicted in Table 1. We measure purchase intention and value using three items respectively seven-point scale was used to measure the main attributes. The survey questions also include demographic information (e.g., age, gender, education, and annual household income). This study implemented confirmatory factor analysis to check the validity of measurements and the threshold of factor loading is 0.6 (Hair et al., 2010). The results exhibit that all the values of factor loadings are greater than 0.6, indicating the validity of measurements. Moreover, a reliability test was executed to examine the reliability using Cronbach's α 0.7 as cut-off value (Hair et al., 2010). The values (Value = 0.901, Purchase intention = 0.914) of Cronbach's α are greater than 0.7, and it implies the construct reliability is fine for the measurements. The goodness of fit of confirmatory factor analysis is assessed by several indices (e.g., Q($\chi 2$/df) < 3, RMR (Root-mean-square residual) < .05, GFI (Goodness of fit index) > .9, NFI (Normed fit index)> 0.9, RFI (Relative fit index)> 0.9, IFI (Incremental fit index)>.9, TLI (Tucker-Lewis Index)> 0.9, and CFI (Comparative fit index)> 0.9 (Hoyle, 1995; Hair et al., 2010). Regarding goodness of fit, the most index values suggest the statistical significance of confirmatory factor analysis results. For more data analysis, this study performs frequency analysis to analyze the demographic information. Then, this study performed the analysis of variance (ANOVA) to identify the framing effect on purchase intention, and it is tested at 95 percent of the significance level. To test the moderated mediation Hayes process model 7 using 5,000 bootstrap samples. Hayes process model 7 refers to the model to test the moderated mediation with bootstrapping, and it is based on ordinary least square path analysis (Hayes, 2017). In the Hayes process model, the significance of the coefficient is assessed by confidence interval whether the value contains zero (non-significance) or not (significance) (Hayes, 2017). This study assessed the significance level at 95 percent.

Table 1. Description of measurements

Construct	Item	Scale	Loading	t-value
Value (α = .889)	-Overall, the value of a checked baggage service is	Very bad=1, Very good=7	.846	11.386*
	-Comparing what I pay for this checked baggage service, what I received is		.908	12.342*
	-This checked baggage service satisfies my needs and wants.	Strongly disagree=1, Strongly agree=7	.846	
Purchase intention (α = .914)	-The likelihood of me buying this checked baggage service is	1=Very low, 7=Very high	.877	13,811*
	-My willingness to buy this checked baggage service is		.891	14.180*
	-The probability that I would consider buying this checked baggage service is		.880	

Note: * p<.05, Goodness of fit index: $\chi 2$ = 27.292, df=8 Q = 3.412, RMR = .101, GFI = .935, NFI = .958, RFI = .920, IFI = .970, TLI = .942, CFI = .969

FINDINGS

Demographic information and results of analysis of variance

For gender, the number of male participants is 72, and the number of female participants is 64. Regarding age, 45 participants are 20-29 years old, 46 participants are 30-39 years old, 26 participants are 40-49 years old, and 19 participants are older than 50 years old. Education information also illustrates that high school graduate is 8.1 percent, college graduate is 64.7 percent, and more than graduate school is 27.2 percent. Moreover, Table 2 exhibits the information of annual household income (Under $25,000:15, $25,000-49,999:44, $50,000-74,999:33, $75,000-99,999:24, $100,000-124,999:12, $125,000-149,999:3, and More than $150,000:5). Employed participants are 127, while unemployed participants are 9 (see Table 2).

Table 2. Demographic information

Item	Frequency	Percentage
Gender		
Male	72	52.9
Female	64	47.1
Age		
20-29 years old	45	33.1
30-39 years old	46	33.8
40-49 years old	26	19.1
Older than 50 years old	19	14.0
Education		
High school graduate	11	
College graduate	88	8.1
More than graduate school	37	64.7
		27.2
Annual household income		
Under $25,000	15	11.0
$25,000-49,999	44	32.4
$50,000-74,999	33	24.3
$75,000-99,999	24	17.6
$100,000-124,999	12	8.8
$125,000-149,999	3	2.2
More than $150,000	5	3.7
Employment		
Employed	127	93.4
Unemployed	9	6.6
Total	136	100.0

Hypotheses testing

Table 3 is the results of cell means for purchase intention. In dollar framing for optional product, the mean values are not significantly different considering the significance of ANOVA results (Mean Low price = 4.75, Mean High price = 4.68, p>.05). In contrast, the mean value differences appeared in case of percent framing given the significance of ANOVA results (Mean Low price = 4.00, Mean High price = 5.33, p<.05). It indicates that the percent framing is more appealing to consumer when the price level of airline ticket is high. Figure 3 depicts the information of analysis of variance.

Table 3. Means and standard deviation for value and purchase intention by experimental conditions

Price	Framing	Means(SD)	
		Value	Purchase intention
Low ($75)	Dollar ($30)	4.88(1.22)	4.75(1.41)
Low ($75)	Percent (40%)	4.39(1.34)	4.00(1.62)
High ($150)	Dollar ($30)	4.72(1.23)	4.68(1.33)
High ($150)	Percent (20%)	5.30(1.14)	5.33(1.12)

Note: SD stands for standard deviation

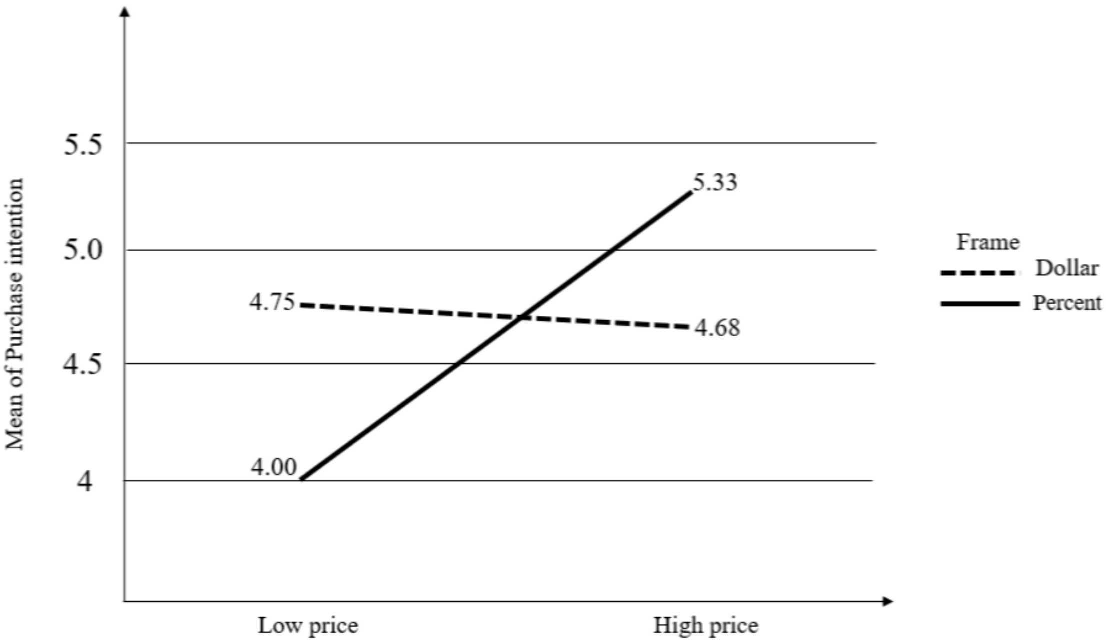

Figure 3. Interaction effect of framing message

Table 4 is the results of Hayes process model. The coefficient of Price×Framing is significant to account for value (β = 1.07, p<.05). The coefficient of value toward purchase intention is significant (β = 0.80, p<.05). The moderating effect of percent is also significant (β = 0.73, CI: 0.24 to 1.26). The index (0.85) of moderated mediation is also significant considering confidence interval (CI: 0.18, 1.62). Considering the results of the analysis, hypothesis 1 and hypothesis 2 are supported.

Table 4. Result of moderated-mediation analysis

		Value	Purchase intention
		β(t-value)	β(t-value)
Constant		4.88(23.31)*	0.65(1.91)
Price		-0.16(-0.53)	0.32(1.88)
Framing		-0.49(-1.65)	
Price× Framing		1.07(2.51)*	
Value			0.80(11.66) *
R		0.2572	0.7270
R2		0.0662	0.5286
F		3.116*	74.556*
Conditional indirect effects:			
Mediator	*Moderator*	Effect	95% CI
Value	Dollar	-0.12	-0.60, 0.33
	Percent	0.73	0.24, 1.26
Index of moderated mediation		Index	95% CI
Value		0.85	0.18, 1.62

Note: *p<.05

IMPLICATIONS AND CONCLUSIONS

This paper investigates the framing effect on purchasing intention for an optional product in the domain of low-cost carrier optional product-market domain. This study carried out experimental design research. The finding indicates that in the low dollar ($ 75) product case, dollar pricing presentation is more appealing. However, in the high dollar ($ 150) product case, percentage pricing presentation brings about a higher level of purchase intention. Moreover, this study tested the moderated-mediation model using purchase intention as the dependent variable. And, framing effect was the moderator, while value was the mediator. The results imply that the moderated-mediation effect on purchase intention appeared in case of low-cost carrier optional pricing.

This study has some theoretical contributions. First, consumer behavior considering surcharge toward an optional product is scantly examined by scholars, although surcharge is a very popular business strategy in the low-cost carrier business domain. For the affiliation of such a research gap, this study executed experimental research and disclosed the consumer characteristics in the airline business more. Despite the framing effect has been widely examined in prior studies, it is sparsely inspected in the context of airline pricing area (Chen et al., 1998; Choi & Mattila, 2014). This study thus employed framing effect as the moderator and revealed significant accountability for value and purchase intention. Such an achievement might be able to expand the area of framing effect research into the low-cost carrier customer area. In addition, this study confirmed the significant association between value and purchase intention in the domain of low-cost carrier business, which is the external validity of current work (Kwon et al., 2007; Chinomona et al., 2013).

This study has also several practical implications. Above all, the results of this research might provide low-cost carrier managers to build a pricing strategy that might achieve sale growth in the optional product. In detail, in peak season where there is a high level of consumer demand and high airline ticket price, low-cost carrier business managers might offer the percentage pricing information for their optional product. It is because the magnitude of the number itself in percentage pricing becomes lower in high airline ticket price level as compared to the dollar pricing strategy. In contrast, low-cost carrier managers might regard the dollar amount pricing in low season where there are low-level demand and low airline ticket price. This finding is consistent with the previous researches that consumers use less cognitive effort and heuristic information processing when they see relatively small numbers with the price (Morwitz et. al., 1998; Xia and Monroe, 2004;

Choi and Matilla, 2014). Moreover, the findings of this work suggest that value is critical for purchase intention. Considering such a piece of information, airline managers might contemplate how they can enhance their product value. Therefore, low-cost carrier managers might need to observe their competitors' product and analyze the product attentively. By doing so, they can develop a new product which is better than their competitors. Then, this could lead their customers to perceive more value, which in turn results in sales growth of low-cost carriers by stimulating purchase intention.

This study has limitations. This study considered value as the mediator. Prior studies also suggested more various attributes as mediators (e.g., trust and emotion) (Holbrook & Batra, 1987; Hong & Cha, 2013). If future research considers more diverse mediators, it could be valuable to provide more fertile information for airline customers. In addition, the scope of this research is limited to the airline business. If future research regards another domain which is related to surcharge pricing strategy, it could become the avenue to make the area of pricing research more fruitful.

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RESIDENTS' PARTICIPATION IN TOURISM PLANNING: ANALYSIS OF COSTS AND BENEFITS

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INTRODUCTION

Community's participation in the tourism planning process plays an important role in fostering residents' positive attitudes about tourism (e.g., Jamal & Getz, 1995; Lepp, 2007; Scheyvens, 1999). Such participation is expected to potentially adjust tourism projects in line with local eco- and cultural systems, which ultimately will lead to a fair distribution of benefits among locals. At the same time, problems and challenges of community participation have been identified (Blackstock, 2005; Stone & Stone, 2011). Community participation requires human resources, information, and knowledge, and not all members of a community have the equal access to these resources. This might be particularly true in developing countries (Tosun, 2000). On the other hand, in developed countries, the constraints to participation may be related to psychological variables (Wandersman et al, 1987).

According to Wandersman et al. (1987), individuals decide to participate in a voluntary association (i.e., neighborhood activities) when they expect to gain some benefits, while they decide not to participate when they perceive the costs exceeding the benefits. In other words, the individuals make a rational choice to participate or not to participate by comparing the costs and benefits of participation. This can be explained by the Social Exchange Theory (SET) (Blau, 1964). Wandersman et al. (1987) further argues that benefits of participation include both personal incentives, such as monetary rewards and social interactions, and purposive incentives, such as improving the community (both from a developmental perspective as well as from a social cohesion perspective) and fulfilling a sense of responsibility. The costs of participation, on the other hand, include time, money, and effort that might be consumed by participating in such activities. While SET has been one of the most used theories in tourism research (e.g. Choi & Murray, 2010; Perdue et al., 1990; Waitt, 2003), few studies applied SET to examine residents' decisions to participate in the planning process. Therefore, the goal of this study is to examine the influence of a cost-benefit evaluation of participating in tourism planning on residents' actual participating behavior in two cities in Japan, namely Tomioka city and Nikko city.

Tomioka city is located in the southwest part of Gunma prefecture, Japan. The city is known as the site of Tomioka Silk Mill, the first Japanese modern silk reeling factory, and currently a UNESCO World Heritage Site. In 2018, 519,070 people visited the site. Tomioka city also has several other tourism attractions, including Gunma Safari park, Gunma Museum of Natural History, and Mt. Myogi. Nikko is located in the north area of Tochigi prefecture. The city is an entrance for several well-known tourism attractions, including Nikko National Park, Nikko Toshogu shrine (WHS), Futarasan and Shrine Rinnō-ji. Approximately 12,310,000 visitors visited Nikko in 2018 (Asahi Shinbun, April 11, 2019).

RESEARCH METHODS

This study employed three scales for data collection purposes. Ten items for costs were chosen from Wonderman et al. (1987) and some related materials. The original scale presented two factors. The first factor, "opportunity costs," indicates what people may need to sacrifice to participate (i.e., personal time or time with family). The second factor, “participation costs,” includes interpersonal conflicts and a lack of progress. Similarly, 10 items for benefits were chosen mainly from Wonderman et al. (1987). This scale also presented two factors (“personal gain” and “helping others”). Finally, to examine residents’ participation in the tourism planning, six items were used from Hung et al. (2010).

Heads of households or their spouses in both cities were sampled on weekends from November, 2016, to July, 2018, by utilizing a multi-stage cluster sampling scheme (Babbie 2011), and in total, 608 surveys were collected in Tomioka and 660 surveys were collected in Nikko.

FINDINGS

To examine the factor structure of the costs, benefits, and participation scales, an exploratory factor analysis with a promax rotation was undertaken. For the costs scale, all items were retained, and procedure yielded a two-factor solution for both samples, accounting 62.9% (Tomioka) and 59.9% (Nikko) of the variance in the scale and yielding Cronbach’s alphas 0.85 to 0.88. Two factors were named “opportunity costs” and “organizational costs” (Wonderman et al., 1987). Similarly, for the benefits scale, all items were retained, and the procedure yielded a two-factor solution for both samples, accounting for 70.49% (Tomioka) and 68.40% (Nikko) of the variance in the scale and yielding Cronbach’s alphas ranging from 0.90 to 0.92. Two factors were named “helping others” and “personal gain” (Wonderman et al., 1987). Finally, for the participation scale, all items are retained, and the procedure yielded a one-factor solution for both samples, accounting for 76.07% (Tomioka) and 68.70% (Nikko) of the variance in the construct. This factor was named “participation.”

Based on the results of the factor analysis, composite factor means were calculated within each sample, and used within a series of multiple linear regression analyses (Table 1) to determine if the factors of costs and benefits had impacts on the residents’ participation in the tourism planning. Overall, both costs and benefits were significant predictors of residents’ participation and non-participation with seven out of eight models yielding significant findings (p < 0.00~0.05). Only one non-significant relationship was found in the models pertaining to the second factor of the costs (i.e., “organizational costs”) and participation in the Tomioka sample.

DISCUSSION

The analysis indicated that in the both destinations, perceived benefits strongly increased residents’ participation in the tourism planning, indicating the utility of SET to analyze individuals’ participation in tourism planning within their neighborhood (Cornwall, 2008; Fowler, 2007; Klandermans, 2004). In terms of the costs, in Nikko, both factors strongly and negatively influenced the residents’ participation in the planning process. This may indicate that both opportunity and organizational costs are considered as constraints of participation among residents of Nikko. In Tomioka, on the contrary, the first factor (i.e., organizational costs) was significant but weak, and the second factor (i.e., participation costs) did not present a significant influence on the participation. At the same time, the data indicated that the participation rate was rather low in Tomioka. Arguably, residents in Tomioka may feel some other costs than these two factors, and those costs draw them back from participating in the tourism planning.

The results of this suggest that to increase residents’ participation, tourism practitioners need to facilitate meetings in ways to fulfill the needs of residents to help others and improve the community. At the same time, reducing the burden would help increase residents’ participation in the tourism planning.

Table1. Relationships between Costs, Benefits, and Participation

Participation with Costs and Benefits Factors[a]	Tomioka					Nikko				
	F	R^2	*Beta*	*t*	*Sig.*	*F*	R^2	*Beta*	*t*	*Sig.*
Participation	9.945	.071				27.446	.168			
Participation Costs			-.106	-2.033	.043			-.196	-4.379	.000
Organizatio-nal Costs			-.083	-1.623	.105			-.115	-2.702	.007
Helping Others			.132	2.416	.016			.285	6.316	.000
Personal Gain			.156	2.806	.005			.122	2.593	.010

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THE GLASS CEILING PHENOMENON IN THE DELUXE HOTELS IN METRO MANILA

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INTRODUCTION

Women all over the world have experienced challenges when aiming for leadership positions. Despite the continued participation of women in the workforce, the International Labor Organization reported a small increase in women taking senior leadership positions (Wirth, 2001). The ratio of women is still disproportionate to their male counterparts. Women are marginalized to power and leadership worldwide, and the higher the organizational echelon the more glaring is the gender gap (Schein, 2007). In the United States, predictions have been made that it will take 73 years for women to reach full equality in the boardrooms, while in the United Kingdom, it will take 65 years (Smith, Caputi & Crittenden, 2012a). Grant Thornton International Business Report (2017) revealed that, globally, the percentage of women in senior management teams has risen just one percent from 24% in 2016 to 25% in 2017. The number of organizations with no female participation at a senior level has risen from 33% in 2016 to 34% in 2017.

In the Philippines, women have always enjoyed greater equality in society than in other parts of Southeast Asia (US Library of Congress, 1993). Commonly, women hold important positions. Filipinas have been senators, cabinet officers, administrators, and heads of major business enterprises (Anonuevo, 2000). The current gender situation of women in the Philippines proves the gender equality of women in politics, legislation, academic, and business. Filipino women were able to assume senior leadership positions. Moreover, it is only in the annals of the country whereby two women became presidents and vice presidents, former presidents Corazon C. Aquino and Gloria Macapagal-Arroyo, and vice presidents Gloria Macapagal-Arroyo and Leni Robredo. This only proves that Filipino woman's contributions both in the public and private domains have already been recognized as early as the women's movement in the west. Moreover, the Philippines ranked second in the list of countries with the greatest number of women in senior leadership roles (Grant Thornton IBR, 2016).

However, despite the current position of women in the Philippines, the underrepresentation continues to perpetuate in the highest echelon of leadership particularly in the hotel industry. In fact, the number of women leaders is still considered as a minority despite their 53.71% share of employment in the Philippine hotel sector (Asian Development Bank, 2015). The lack of opportunity to assume higher positions deprive women from reaching their potentials to become leaders but also from earning a salary proportionate to their position. Depriving women to earn a salary equal to her position is by and large a form of inequality.

The reason of the under-representation of women is a phenomenon popularly termed as the "glass ceiling." It is the unseen yet unbreakable barrier that keeps women from rising to the top corporate ladder (Cotter, Hermsen, Ovadia, & Vanneman, 2001). Women's advancement into positions of power and influence in organizations is essential if women are to achieve equality of opportunity globally (Schein, 2007). Moreover, marginalizing women from senior leadership positions is restricting organizations to attract and retain more potential human capital, thus limiting the effectiveness of the organization (Burke & Collins, 2001). Moreover, the economic contribution of women is necessary to build a stronger society in line with the targets of

Sustainable Development Goals (SDG) 2030 that promotes the effective participation and equal opportunities for leadership of women. Therefore, it is important to situate the position of women in the Philippines to provide a window into the present stature of women in the country particularly in the context of the hotel sector, not only to prove whether this glass ceiling exists but also to examine how far and wide its extent.

LITERATURE REVIEW

The Glass Ceiling

According to Lockwood (2004), "glass ceiling" is a term coined by Hymnowitz and Schellhardt in a 1986 Wall Street Journal report on women working in an organization. It is a phenomenon that impedes the upward mobility of women to senior managerial positions in corporations, government, education, and even non-profit organizations. (Cotter, Hermsen, Ovadia, & Vanneman, 2001). The term glass ceiling is also used to refer to the artificial barriers that keep minorities from rising to the upper echelon of an organization. Women, in this case, are considered as minorities in top leadership positions both in politics and private enterprise because they are underrepresented (Boone, Houran, & Veller, 2013). The image of a ceiling suggests that women face challenges before reaching that "*penultimate level*" and that the path to further advancement is blocked for all women (Carli & Eagly, 2016, p. 516). Women's upward mobility in upper leadership is hindered not because they lack qualifications but because they are women (Brown, 2010). Evidence that the glass ceiling exists in a workplace include discrepancies in salary, lack of networking and mentoring, and challenges in the work-life balance (Lockwood, 2004).

Gender stereotype is one major reason for the glass ceiling phenomenon. Since the majority of leadership positions are often held by men, it is typically associated with a masculine position (van Vianen & Fischer, 2002 as cited by Brown, 2010; Weyer, 2007). Another reason for the glass ceiling is traditional social roles (Brown, 2010). Men are ascribed to be the breadwinners and women as homemakers (Underdahl & Woehr, 2014; Sahoo & Lenka, 2016; Ansari, 2016). Brown (2010) reasoned that even though women are working, they are still expected to be responsible for household duties twice as men. These household duties pose a challenge to the professional responsibility of women, a syndrome known as a *double burden*. Women who are confronted by double burden find it difficult to balance between work and household responsibilities (Ho, 2013). Moreover, this double burden syndrome can cause physical and mental exhaustion to women, thus preventing them from reaching their full potential for contributing to the development of the family, hence of society (Eviota, 1994).

Women Leadership, Socialization and Culture

According to Chandler (2011), men and women have distinctive leadership styles; men are transactional and women are transformational. Men are oriented to be more impersonal, driven, decisive, and competitive and goal-oriented and more confident in making decisions (Chandler, 2011; Patel & Buiting, 2013) while women lead by inspiring, motivating, and using a democratic and participative style (Pounder, 2002; Powell, 2012; Underdahl & Woehr, 2014). Women have more advantage in leadership as they adopt a more collaborative and empowering style, unlike men who are more aggressive, controlling, and competitive (Underdahl & Woehr, 2014). In a research study by Burke and Collins (2001), they concluded that gender differences were found in the management skills between men and women. Women were perceived to be effective in communication skills, coaching, and time management (Burke & Collins, 2001). Women's leadership style employs the sharing of power and information and is built on a relationship (Weyer, 2007).

Women have developed leadership characteristics that are different from the traditional, competitive, and controlling leadership behaviors of men through socialization (Pounder & Coleman, 2002). The "socialization patterns develop different qualities in women and men that have resulted in variations in leadership styles" (Powell, 1993 as cited by Burke & Collins, 2001 p. 246). Men and women behave according to societal expectations about their gender roles; women being involved in managing the households and taking care of the children are expected to be a more caring and relationship-oriented type of leader (Pounder & Coleman, 2002). Social institutions such as family, religion, community, and education play an important part in shaping the behavior of women in the country. Hence, the behavior of women in the country is influenced by the dynamics in her environment.

Women are seen as lacking the agentic qualities needed to be good leaders, but are also expected to be highly communal and exhibit qualities such as kindness, warmth, and helpfulness (Eagly and Karau, 2002 as cited by Carli & Eagly, 2016 p.520).

Women in the Hotel Industry

Majority of the workforce in the hotel sector is female-dominated hence work is ascribed to be women's work. However, only a few women are found in higher managerial positions (Baum, 2013 as cited by Marinakou, 2014). In the hospitality and tourism industry, Baum and Chung (2015) claimed that women are underrepresented in top-level management positions. Women made up nearly 70% of the workforce in the hospitality and tourism sectors but only 40% hold management positions and less than 20% of general management roles. Women are not promoted to senior management positions at the same rate as men (Clevenger & Singh, 2013). Also, Kattara (2005) study suggested that women are not in the situations that would lead them to the positions of general manager as a matter-of-fact women manager hold positions as executive housekeeper, director of public relations, training manager, sales director, and human resource director (Kattara, 2005).

Ho (2013) explained that women even when given equal opportunities to advance in their careers still have chosen not to advance to maintain a balance between life and work, resulting in a smaller number of women which in turn results in fewer women in senior management. Success in the hospitality industry usually involves long hours and frequent geographical moves, and it is difficult to meet these needs and still satisfy family needs (Mann & Seacord, 2003 cited by Clevenger & Singh, 2013). Most of those who get to the top are either single (no family) or divorced, and some women in the industry see this lifestyle decision as a necessary evil (Maxwell, 1997 cited by Clevenger & Singh, 2013). Moreover, deluxe hotels have "more food and beverage events and more VIP issues to deal with and therefore, top leadership positions specifically general managers have much longer work hours" (Clausing, 2018).

Women in the Philippines

The Philippines is one of the leading countries in the world to promote gender equality. Filipino women were given rights to education, politics, business, and religion equal to men (Anonuevo 2000). Historically, Filipino women were portrayed as enjoying enormous rights and privileges equal to men as they became barangay rulers, priestesses, and even military leaders. Eviota (1994) contended that European missionaries and soldiers were surprised to observe the degree of status and freedom enjoyed by Filipino women. It was also during this period that even though women were tasked to manage the household, their contribution in economic activities and agriculture was also given importance, while men do their fair share of household work (Eviota, 1994). Men did housework when women were occupied with planting and childcare (Alcantara, 1994). Moreover, Filipino women can enter into contracts, even without the permission of her husband. Women can retain her maiden name and decide when to have babies even without having to get married (Aleta, Silva, &Eleazar, 1979). Filipino women's prominent position was highlighted with the birth of their children as it was the mother who decides to give names to their offspring before the introduction of Catholic surnames (Alcantara, 1994). Women can also be granted divorce when necessary and can succeed their husbands and fathers in the leadership of the tribe (Aleta, Silva &Eleazar, 1979; Santiago, 2007). However, tradition has dictated predominant roles for men and women. In a Filipino home, the role of men is mainly economic, while women are the housekeepers. Even if she is a working mother, she is expected to fulfill her domestic obligations (Aleta, Silva & Eleazar, 1979). Women remained to be "conservative and consider marriage and children as the most important role in their life" (Mahel, 1988 p. 23). Filipino women find pride in their work.Even though "men and women maintained an egalitarian manner in the household; men are still the symbol of authority in the family"

(Mendez & Jocano, 1974 as cited by Aleta, Silva &Eleazar, 1979, p. 89). However, on some occasions where the woman is the main source of income, she has more authority in the family (Aleta, Silva, & Eleazar, 1979). For majority of women in the Philippines, their activities related to their family lives as well as their domestic roles are most often considered as the advantage of a woman (Aleta, Silva & Eleazar, 1979).

Over the years, the equal position of men and women remain unchanged. The support of the government in women's equality was strengthened through the 1987 Constitution, under Article 2, Section 14, which states that, "the State recognizes the role of women in nation-building and shall ensure the fundamental equality before the law of men and women." Besides, the government has also affirmed the feminization of work through Article 13, Section 14 which stated that, "the state shall protect working women by providing safe and healthful working conditions taking into account their maternal functions, and such facilities and opportunities that will enhance their welfare and enable them to realize their full potential in the service of the nation." This may be the reason why the Philippines is second in the list of countries with the greatest number of women in senior leadership roles.

Table 1. Senior roles held by women by country (top ten)

Rank	Country	Percentage
1	Russia	45
2	**Philippines**	**39**
3	Lithuania	39
4	Estonia	37
5	Thailand	37
6	Indonesia	36
7	Latvia	35
8	Poland	34
9	China	30
10	Italy	29

Source: Grant Thornton IBR 2016

Zapata (2016) concluded that, "women rule in the Philippines and the Philippines rules when it comes to women empowerment." This statement might prove that gender equality is no longer an issue.

However, women are still underrepresented in the top-level positions particularly in the deluxe hotels with 5-star ratings in Metro Manila. Even if the hotel industry is a female dominated landscape in terms of its population, ironically, women are having a hard time breaking the glass ceiling to reach the apex of the organizational hierarchy. The interplay of household chores, workplace challenges, and society's expectations are the domains where barriers are experienced that prevent women from assuming leadership roles at the workplace.

Though majority of the reviewed articles deal with the historical contributions, status and situation of women in the Philippines in general, little or no research was done to study Filipino women in the hotel industry on a micro scale which this paper tries to address.

METHOD

A mixed-method approach specifically Explanatory Sequential Design was used in this study to examine the position of women in the deluxe hotel with 5-star rating. The study involved a two-phase project using the self-administered survey, structured interview, and key- informant interview approach of gathering data. The first phase was the collection of quantitative data from all 23 deluxe hotels with 5-star ratings in Metro Manila using a self-administered survey questionnaire by the main respondents. In the second phase, the researchers collected qualitative data through face-to-face interviews with the respondents and with the key informants using a structured questionnaire. To triangulate the result, the quantitative data obtained through the survey were substantiated by the qualitative data which were obtained through interviews.

All statistical analyses for the quantitative data were done using SPSS ver. 20. Data were presented as frequencies and percentages for categorical variables and normally distributed values were expressed as mean ± SD. In the gender analysis, to test the difference of scores between males and females, the researchers used a t-test for independent samples and normally distributed data. Mann-Whitney U test was also used in comparing independent samples. A binomial test was used to compare the observed frequencies of two categories in a dichotomous variable, in this case comparing the proportion of sex.

As for the analysis of Qualitative data, thematic analysis was used to identify patterns or themes within the interview data that were transcribed ad verbatim. The themes or patterns were used to give meanings to the issues on the promotion of women in the hotel industry.

FINDINGS

The researchers aimed to resolve the hypothesized underrepresentation of women in the highest echelon of the hotel industry in Metro Manila using a triadic framework namely: Marxist-feminism, Hofstede's Cultural Dimensions Theory, and Socialization theory.

The current status of women in the hotel industry in metro manila

Although the ratio of women is disproportionate to their male counterparts in the mid-level, women managers in Metro Manila particularly in the deluxe hotels were able to position themselves in the highest echelon compared to their men counterparts as there are no Filipino (male) managers holding the position of a General Manager—the highest position in a hotel property. Moreover, it has been reported that "Filipino women got only 76% of what men earned and were likely to work in small firms, informal sectors, and lower-paid occupations" (World Bank, 2015 as cited by Asuncion, 2018 p. 222). In this study, however, female respondents were reported to earn above 100,000 pesos (31.57% of women respondents) more than what male respondents are earning. About 37.50 of male respondents earn less than 50,000 pesos. This is contrary to what women in other countries have experienced where they receive lower pay compared with men. This is an indication that the gender pay gap between male and female managers in the deluxe hotels with a 5-star rating in Metro Manila has somewhat narrowed. Additionally, women managers have a longer length of service in their current position than their men counterparts. When it comes to their positions, female managers average 5.1 years of service, while male managers only average roughly 4.4 years of service. This means that male managers advance in their careers earlier than their female counterparts (Altman, Simpson, Baruch, & Burke, 2005) perhaps because, at this stage of their life, women need to prioritize their families and children first. But it comes to their tenure in the hotel industry, male respondents tend to have a longer length of service with an average of 7.8 years at the current hotel they work for, and an average of 14.9 years in the hotel industry as a whole. Female respondents have a shorter tenure as they only averaged 6.6 years of service in the hotel they currently work at, and an average of 10.39 years of service in the hospitality industry. This goes to show that women are likely to gain advancement by moving outside their organization unlike men who have a higher chance of promotion by remaining within their existing organization (Altman et. al, 2005). This can be attributed to the tendency of women to change careers as a result of conflict between family and work which Van Vianen and Fischer (2002) reported as more evident in women employees than male employees Most Filipino women value their family over their careers (Mahel, 1988). They find fulfillment in taking care of their families because they feel that they work primarily for their families and should not be alienated from their household work (Alcantara, 1994). These family-oriented values of Filipino women give them a sense of dignity and responsibility (Alcantara, 1994). This decision, however, hinders the career growth of women employees. Family life presents a more complicated life as cited by Maxwell (1997, as cited by Clevenger & Singh, 2013) since for one to get to the top of the leadership hierarchy, one must be either single or divorced. When it comes to formal education, both men and women are 100%, college graduates. This growth in the education of women can be noted to lower the gender pay gap between women and men managers as education is one of the key drivers to the issue of the gender pay gap. (World Economic Forum, 2016).

Work in the hotel industry requires extended hours, a rotational shift schedule, and work even during weekends and holidays. Although employees are entitled to sick leave and vacation leave, the granting of such requests is subject to the approval of their immediate supervisors. In cases when the hotel is expecting a high number of guests' arrivals, filing a vacation leave and even sick leave is nearly impossible. This situation is challenging for hotel employees. Most especially for women as they are still expected to fulfill their household responsibilities. Taking care of the children, keeping the house clean, grocery shopping, cooking and laundry are some of the household obligations of women employees even though they are working professionally. This double burden syndrome poses a challenge and so women chose not to advance on their careers even when given equal opportunity to maintain a balance between work and family (Ho, 2013; Cleavenger & Singh,2013). Table 2 below shows the work-life balance between male and female respondents in the deluxe hotels with 5-star ratings in Metro Manila

Table 2. Work-life Balance between Male and Female Managers

WORK-LIFE BALANCE		Mean	Std. Deviation	Quantitative Description	Sig.
My family supports me in overcoming my work problems	Male	4.25	0.707	Strongly Agree	0.501
	Female	3.84	1.214	Agree	
My family is usually proud of my work and my achievements.	Male	4.88	0.354	Strongly Agree	0.531
	Female	4.53	1.073	Strongly Agree	
My family members are cooperative concerning house duties.	Male	4.38	0.744	Strongly Agree	0.929
	Female	4.26	1.098	Strongly Agree	
I find it difficult to juggle between my work and my family.	Male	2.75	1.165	Neutral	0.825
	Female	2.68	1.003	Neutral	
I feel guilty for not spending enough time with my family.	Male	3.25	1.282	Neutral	0.487
	Female	3.58	1.121	Agree	
I have made many sacrifices (social and family life) in favor of my career advancements.	Male	3.38	0.916	Neutral	0.121
	Female	3.95	0.780	Agree	
My family responsibilities prevent me from responding to urgent work duties.	Male	2.50	1.069	Disagree	0.118
	Female	1.89	0.809	Disagree	
I have the support of my extended family (in-laws, parents, siblings, etc.) in providing childcare.	Male	3.50	0.926	Agree	1.000
	Female	3.37	1.499	Neutral	
Unlike my spouse/partner, I still need to do household chores when I get home from work.	Male	3.25	1.282	Neutral	0.080
	Female	2.32	1.057	Disagree	
My success at work is due to having a settled family.	Male	3.25	1.669	Neutral	0.242
	Female	4.05	1.129	Agree	
My family is my top priority more than my work.	Male	4.63	0.744	Strongly Agree	0.320
	Female	4.32	0.820	Strongly Agree	
The children suffer when a mother spends more time at work.	Male	3.38	0.916	Neutral	0.740
	Female	3.47	1.349	Agree	
The children suffer when a father spends more time at work.	Male	3.13	0.991	Neutral	0.699
	Female	3.26	1.147	Neutral	
An employee who devotes extra time to the job each week, beyond the normal working hours, is more committed, more career-oriented, and generally a better employee than those who do not.	Male	2.00	0.756	Disagree	0.778
	Female	2.16	0.958	Disagree	
More working hours are regarded as an indicator of employee commitment.	Male	1.75	0.707	Strongly disagree	0.139
	Female	2.37	1.012	Disagree	

While men and women have the assistance of their extended families, women feel that they are expected to return the favor by providing financial support to their extended families. In the Philippines, extended families compose of the grandparents, mother, father and their children, aunts, uncles and cousins (Jocano, 1999). In this family set-up, there is a mutual benefit as extended families or aging parents are responsible to do household responsibilities and normally look after the children while the parents are working and earning money (Jocano, 1999). This cultural norm of the extended family network obliges families of working parents to assist in child care while the parents are in the workforce (Jocano, 1999; Hofstede, 2011). Even though the grandparents lessen the household tasks and assist in providing childcare, women are still responsible for the overall welfare of the whole household including the responsibility of taking care for their aging parents.

Aside from support of extended families, the affordability of domestic helpers in the Philippines helps mothers and wives in fulfilling their domestic work. This happens most especially to those women who are in the middle- and upper-income classes, enabling them to participate in the workforce (Sayres, 2007). Contrary to the double burden syndrome experienced by other women of other nationality, whereby women are confronted by the difficulty to balance between work and household duties (Ho, 2013), Filipino female managers (mean = 2.32) disagree that they still need to do household chores when they get home from work. In this case, working women usually delegate their household responsibilities to house helpers enabling them to focus on their careers. This is also made possible by the fact that the wages of house helpers are lower in the Philippines than in other countries. Hence, female respondents (mean=1.89) perceived that family responsibilities did not prevent them from responding to their work duties even though it is urgent.

Furthermore, female managers agree (mean = 3.47) that children suffer when a mother spends more time at work. These sufferings include insufficient time, not having family holidays together, and parents being less able to participate in other school activities that sometimes result in behavior problems. Long hours and night shifts are typical in the hotel work setting and these can impair the relationship between parents and children (Heinrich, 2014). In the context of Filipino families, the fathers are expected to provide for the needs of the family thus staying for longer hours at work is normal. Mother should be spending more time at home to take care of the family (Aleta, Silva, & Eleazar, 1979). This case is not the tradition for the family of interview respondent MM_1 as she spends more time at work due to her position in the hotel. She has switched roles with her spouse who stays at home to look after their children and assumes the role of being the househusband. MM_1stated:

> "so actually, in our relationship, he's doing my job as a mother and I am the father in terms of the father figure bringing home the money and all that so that is our arrangement"

On the one hand, it is perceived that one reason for the impediment of women's progression to leadership is that women cannot stay longer at work because they need to attend to their families, unlike men who can extend beyond their work schedule (Vinnicombe, 2000). Thus, women are perceived to be lacking in commitment at work. In contrast, female respondents disagree (mean=2.05) that spending time after work can help one to be promoted while male respondents responded neutral (mean = 2.88) because both males and females disagree that working overtime is an indication of a more committed and a more career-oriented employee.

Working in the hospitality industry demands most of the employees' time to fully accomplish their work responsibilities. In the same way, the success in the hospitality industry involves long hours due to the personalized service, attention to details, functions and events and the need to exceed the expectations of the high-end clienteles (Clausing, 2018). In addition, the frequent geographical movement is inevitable due to the rotational assignments required for general managers to cross-train and to open a new hotel property in another place. This workplace culture in the hotel industry is perhaps not favorable to women because it is challenging to meet the demands of work and still fulfill household obligations. In a Filipino family, it is not typical for mothers to stay longer at work as their priority is the welfare of their family. This notion is confirmed by KII respondent TM_1:

> "They cannot be like transferring every 2 years and bring their husband and children with them because the husband also has to earn a living, and if he cannot be moving from one place to another with her, then what will happen to their marriage?"

The above statement was supported by the study of Kiaye and Singh (2013) that 40% of married women are not willing to relocate when their jobs require transferring them to another location even if it is for promotion due to household responsibilities. The marital status of women becomes a hindrance to the career progression of women as social and cultural expectations in terms of domestic responsibilities are deeply embedded (Asuncion, 2018). Therefore, the roles of motherhood and being a wife create self-imposed barriers amongst women who aspire to move up the organizational ladder. Most women who get to the top are either single (no family) or divorced, and some women perceived this lifestyle decision as a necessary evil (Maxwell, 1997 cited by Clevenger & Singh, 2013). In the case of the women in the deluxe hotels in Metro Manila, the situation is similar to respondents TM_1 − being a single woman and MM_1 - whose first marriage failed. However, this situation may be viewed undesirable as culturally, Filipinos respect the sanctity of marriage as dictated by most of the major religions in the Philippines. Hence, Filipino women managers will not opt for this situation because they prioritize and value their families. Furthermore, to a single woman with no child, being abroad for career development is beneficial as remarked by MM2:

> "I had an opportunity to be outside of the Philippines as a stand-in FO Manager for a few months. It allowed me to perform as a Senior Manager and I was promoted as a Club Manager when I came back to the Philippines.

In this regard, women who ascend to promotion are most likely to delay marriages and childbearing (Asuncion, 2018). This situation, however, is not desirable in the Filipino culture as Filipino women are expected to get married and to start having families early. The median age of women getting married is 26 years old (Philippine Statistics Authority, 2016) but MM2 was 38 years old during the time of the interview.

It is also believed that women, due to career breaks encountered during pregnancies and raising their families, miss their opportunity for training and the time needed for experience (Wirth,2001; Anderson, Vinnicombe & Singh, 2010; Kiaye & Singh, 2013). However, the survey of this study shows that female managers never felt that they missed career opportunities and training needed to progress in their positions due to career break during pregnancies (mean= 2.44). This is the result of the government policies such as the mandatory maternity leave (RA 11210) accorded to women. Women are not forced to leave or resign from their work after giving birth. More so, the implementation of Republic Act of 11210 provided an extended period of maternity leave for 105 days with an option to extend for an additional 30 days without pay and additional 15 days for solo mothers. This will give women more time to completely recover after giving birth. Hence, maternity leave has intensified the participation of women in the workforce (Asuncion, 2018). Another legislation that aided women is the Labor Code Article 137. It states that no employer can deny any woman employee the benefits or discharge her from work due to her pregnancy nor deny her from returning to her work for fear that she may be pregnant again. These policies and practices in the hotel help women to break the glass ceiling because it enables women managers to report back to work and retain the same position they had before maternity break.

Consequently, women who achieve senior leadership positions resemble men in their personality and behavior (Van Vianen & Fischer, 2002 as cited by Clevenger & Singh, 2013). MM_1 proved her determination to reach the top of the echelon even though she is a mother and a wife. MM_1 remarked:

> "In the beginning, it was very clear in my mind already, that one day I will be a General Manager. That's what I think, you know, if you ask me like, now with the new generation that's

"something that's missing, they really don't have an end goal in mind and I guess you know if it's clear in the beginning then you just work on that and then you climb up the ladder."

The above statements of respondent MM_1 attest that as a woman, her personality is more oriented to being confident, competitive, and goal-oriented—qualities that resemble commonly to men managers (Chandler, 2011; Patel & Buiting, 2013). Also, the result of the respondent's (MM_1) test on leadership style proved that she is more of an authoritarian leader. This is congruent to the power distance and masculinity index stated in the Theory of Cultural Dimensions (Hofstede, 2011). The theory states that women in a high − power distance and masculine culture, like the Philippines, are more ambitious, confident, assertive, and decisive. These aforementioned traits were evident historically speaking as Filipino women have displayed these traits a long time ago. Compared to their other Asian counterparts, Filipino women were involved in politics, religion, and trade as far back as the pre-colonial period of our country.

Moreover, social institutions such as family, church, and school influence the behavior of an individual. Influential models such as parents provide examples of behavior to observe and imitate (Mcleod, 2016). The behavior of interview respondent MM_1 is a clear manifestation of the behavior she grew up with which she observed from her father. Thus, her work is influenced by the work ethics of her father as she claimed that:

"I've seen the professionalism from my father; you know like, similarly, we cannot be late in school because he was early at work. So, I got used to that until this time"

The above statement proves that the behavior of MM_1, is a social construct that was influenced by a strong institution in her family that continued to manifest at the workplace. Subsequently, when asked how she managed her work and family, the interview respondent MM_1 elucidated that:

"I guess you have to have a very good relationship with your husband to begin with; he has to be very supportive. What's different between me and my husband is that, as a couple, I made it very clear to my husband that I am first a career woman, second is I am a mother. So, he has made a lot of sacrifices for me."

The foregoing statement of MM_1 is not a conservative mindset and is contrary to the response of the survey respondents that being a wife and a mother is the most important role in their lives. This statement of MM_1 is strengthened by the comment of the female KII respondent, TM_1 that the role of the spouse is necessary for women to succeed. She said:

"If you are a woman it just means that your partner has to be the one to sacrifice to follow you. Because if you really wanted to, the opportunities are there but there are some women who cannot progress, given the opportunities because of family responsibilities."

The aforementioned situation of interview respondent MM_1 proved that the support of the husband is vital in the success of a woman as it reduces the work-family conflict (Nikina, Shelton & Leloarne, 2015). Also, "women when supported by their husbands are less likely to feel that their role in the family is threatened. Because women feel that they also have careers." (Nikina, Shelton & Leloarne, 2015 p. 4) Moreover, the males strongly disagree that it will cause problems if a woman earns more money than her husband (0.14). According to Alcantara (1994), the role of the modern Filipina women today is not only limited to do housework but also to provide financial support to the family by seeking employment in higher-earning occupations. In fact, in the household of MM_1, she is the one who earns the money. MM_1 stated that;

"so actually, in our relationship, he's doing my job as a mother and I am the father in terms of the father figure bringing home the money and all that. So that is our arrangement."

The above statement contradicted the predominant socio-cultural expectations for men and women. In a typical Filipino home, the role of men is mainly economic, while women are the housekeepers (Aleta, Silva, and Eleazar, 1979). But "the roles of Filipino women have changed over a period of time. Many Filipino women today become heads of their families. However, this does not mean that men are outnumbered as household heads." (Asuncion, 2018 p. 214)

In terms of the top leadership positions in the deluxe hotels in the Philippines, the ratio of female managers is deemed not proportional to their male counterparts. Out of 23 deluxe hotels in Metro Manila, 20 general managers are male, while currently there are only three female general managers. Also, in the Philippines, the general manager is traditionally dominated by male foreign expatriates. The general manager position in the deluxe hotels with a 5-star rating in the country is dominated by male expatriates as hotels belonging to this category are multi-national hotel chains that operate on management contract arrangements. This proves that female managers are a minority in the Philippine deluxe hotel industry when it comes to the top leadership position similar to the claim of Baum and Chung (2015) that women made up less than 20% of general management roles.

Differences in leadership styles between women and men managers in the deluxe hotels in metro manila

Men and women behave according to societal expectations of their gender roles. Their behaviors are influenced by their socialization. Socialization plays an important role in shaping one's mindset and behavior (Burke & Collins, 2001). The social construction of both gender and leadership exerts a powerful influence on individuals' beliefs about which sex is attributed to leadership (Powell, 2012). Since leadership positions are dominated by men, managerial characteristics are attributed to masculine traits thus the think-manager, think-male stereotype (Powell, 2012). Table 3 shows the style of leadership between women and men respondents.

Table 3. Leadership style between Women and Men (Managers) Respondents from Line to Mid-level

	Style of Leadership	Percentage
MALE	Democratic	87.5
	Authoritarian	12.5
FEMALE	Democratic	89
	Authoritarian	10

According to Hofstede's Cultural Dimensions Theory (2007), the Philippines is amongst the countries with a "high-power distance" and a "masculine country" categories. A country that falls under these categories of Hofstede's dimensions of culture is characterized by centralized authority, autocratic leadership, and paternalistic management style (Hofstede, 2011). However, Table 3 shows that the majority (87.5%) of the male managers manifested a Democratic style of leadership. These results of the survey debunk the theory of Hofstede (2011) that the Philippines is a high-power distance country. Democratic style of leadership is an indication of a low-power distance society. The shift in the style of leadership is a result of workplace dynamics. There is a change in the behavior of the Filipino managers due to the presence and influences of executive expatriates in the deluxe hotels in Metro Manila. Hence, the autocratic style of leadership has slowly transformed to democratic type of leaders.

The results in Table 3 align with the findings of other literature that women are transformational leaders while men are transactional (Chandler, 2011; Patel & Buiting, 2013). Female respondents scored 89% as democratic leaders and male respondents scored 87.5 %. Although the difference is minimal, still women score manifests a democratic and transformational type of leadership.

CONCLUSION

Filipino women have the capacity to assume leadership roles as men, even though there is a slight difference in the style of leadership between men and women. Women perceive themselves as transformational leaders and men as transactional types of leaders. Overall, majority of the respondents displayed a democratic trait of leadership which debunked the theory that the Philippines is a high-power distance country. Despite the notion of the Masculine and High-Power

Distance features of the local culture that define the existing limitation on women to occupy managerial hotel positions, to a certain extent, women can still break through the effects of the glass ceiling. For very few women who have the competence and drive to work as managers, they are accommodated and given an opportunity to occupy such high position. However, a woman's self-perception of their role in the domestic household intensifies somehow the degree of the presence of glass ceiling despite the fact that given an opportunity, women are being accepted in managerial positions when their competency become visible. Filipino female managers in this study, proved that even though women are given equal opportunity, show reluctance to advance in the corporate hierarchy to maintain a balanced work and life.

The glass ceiling exists to the degree that it displaces women from managerial positions in the industry. However, their outstanding performance are recognized and accepted to become qualified for managerial positions. Nevertheless, the trend among the women dominantly veers toward upholding and making priority their domestic role which weakens their motivation to strive to reach the top. Henceforth, while the glass ceiling can be disrupted, the strength of cultural values prevails among the women in the industry.

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FRAMING PROGRESS AS THE COMPLETED FEEDBACK STRATEGIES FOR MAINTAINING TIER STATUS IN HIERARCHICAL LOYALTY PROGRAMS

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INTRODUCTION

Hierarchical loyalty programs (HLPs) are a strategic tool used in customer relationship management (CRM) across a wide range of hospitality sectors (Verhoef, 2003), including hotels (e.g., Marriot Bonvoy), airlines (e.g., American Airlines' AAdvantage), restaurants (e.g., Chick-fil-A One), and travel agencies (e.g., Expedia Rewards). HLPs grant consumers membership status from the lower to higher tiers according to their spending level. When members meet the required spending level within a finite period (e.g., accumulating 10,000 reward points within one year), they maintain their tier status (e.g., platinum), and continue to enjoy its benefits in the next membership period (e.g., a 20% discount on all purchases). As such, HLPs help firms sustain long-term relationships with consumers in different tier statuses (Lacey, Suh, & Morgan, 2007).

Notwithstanding HLPs' popularity, recent statistics have shown that they increasingly face difficulties in ensuring that members actively maintain their tier status. For example, loyalty reports have revealed that although American consumers' average number of LP memberships increased from 10.9 in 2014 to 14.8 in 2019, only 6.7 of them were still active (Bond Brand Loyalty, 2019). In the hotel industry, where HLPs are common, over half of memberships are inactive (Karantzavelou, 2020). Even some work has tried to explore the strategies for restore customer loyalty after tier status demotion occurs (Chang, 2020), however, no research has addressed the fundamental issue of the HLP management: *how to use tailor-made LP communications to motivate members to maintain their current tier status*.

A particular LP communication strategy that is instrumental to motivating tier status maintenance is providing progress feedback (e.g., Wiebenga & Fennis, 2014; Yang, Chan, Yu, & Fock, 2019). There are two broad progress feedback approaches: (1) *to-date* progress framing, which highlights the completed progress (e.g., Marriott Hotels show the number of nights earned by the member on their LP app); and (2) *to-go* progress framing approach that highlights the remaining progress to be made (e.g., Hilton Honors, the LP of Hilton Hotels, displays the number of nights a member still needs to stay in its mobile app). Despite their contrasting appeals, the two types of progress feedback seem to be used indiscriminately by major hospitality LPs in their communications with different tiers of members. Which framing approach (to-date or to-go) is more effective in motivating low- and high-tier members to maintain their tier status? This is an intriguing and timely question for managing HLPs in this digital era, particularly given the possibility of using real-time progress feedback "as a constant source of motivation" (Siemens et al., 2015, p. 2).

To address this knowledge gap in LP research, we examine how progress framing influences the tier status maintenance intentions of low- and high-tier members. The theoretical backbone of our inquiry draws upon both goal pursuit research (e.g., Finkelstein & Fishbach, 2012; Locke & Latham, 2006) and the social status literature (e.g., Sapolsky, 2005; Scheepers & Ellemers, 2005). Specifically, we propose that a to-date (to-go) frame is more effective in motivating low-tier (high-tier) members to maintain their tier status (H1a & H1b). Our predictions are first based on the rationale that for individuals with lower goal commitment or lower status (e.g., low-tier members), their motivation is mainly determined by their level of confidence in achieving the goal (Bandura & Locke, 2003; Locke & Latham, 2002). In contrast, individuals with higher goal commitment or higher status (e.g., high-tier members) are motivated to maintain the status quo when they perceive a threat of status loss (Maner, Gailliot, Butz, & Peruche, 2007; Scheepers, Ellemers, & Sintemaartensdijk, 2009). Because a to-date frame emphasizes the progress accomplished and arguably boosts a member's confidence level (H2a), whereas a to-go frame highlights progress yet to be accomplished and probably deepens concern about status loss (H2b), we expect the two progress frames to have sharply contrasting motivational impacts on tier status maintenance across low- and high-tier members.

METHOD

A 2 (progress framing: to-date vs. to-go) by 2 (tier status: low vs. high) between-subjects experimental design was conducted, and 262 consumers were recruited via Amazon Mechanical Turk (MTurk) and were randomly assigned to one of the four experimental conditions (Table 1 presents the participants' profile). The participants were instructed to imagine that they had joined the membership program of a coffee shop, in which every dollar spent could be converted to one reward point. To manipulate tier status, the participants were either told they had a Green membership, which needed 100 reward points a year and granted a 10% discount (low-tier condition) or a Gold membership, which needed 300 reward points and granted a 30% discount (high-tier condition). To manipulate progress framing, we designed the coffee shop reward app to show participants their progress toward maintaining their current tier status with a horizontal progress bar (shows in figure 1). In the "to-date" framing condition, the participants were told "51 (151) Points Earned for another year of Green (Gold)". In the "to-go" framing condition, the statement was "49 (149) Points Needed for another year of Green (Gold)".

Participants rated their intention to maintain their current tier status (e.g., "How much would you like to retain your current level of membership?"; $\alpha = .70$), their confidence of tier status retention (e.g., "I am confident that I can retain the current level of membership"; $\alpha = .71$), and their concern of tier status loss (e.g., "I am concerned that I may miss the current level of membership"; $\alpha = .72$). They also provided information on their demographics and consumption patterns for coffee and other beverages. Participants responded to the item "After seeing the App, you are aware that your membership is…" and the item "Immediately after seeing the App, the information you read was about…" with a rating on a 7-point scale (1 = "at a low level"; 7 = "at a high level") as the manipulation check for tier status and the progress framing.

FINDINGS

For the tier status and the progress framing manipulation check measure, a 2 (progress framing: to-date vs. to-go) by 2 (tier status: low vs. high) ANOVA analysis yielded a significant main effect of tier status (F (1, 257) = 22.33, $p < .01$; F (1, 257) = 9.24, $p < .01$), which indicate the manipulation were both successful.

To test H1a and H1b, a two-way ANOVA indicate that there was no significant main effect of either progress framing or tier status on tier status maintenance intention (both Fs < 1, *ns*). However, the interaction between progress framing and tier status was significant (F (1, 257) = 35.88, $p < .01$). Simple effect analysis showed that participants in the low-tier condition reported a significantly higher intention to maintain their current tier status after they were exposed to the to-date (vs. to-go) frame ($M_{\text{low tier, to-date}} = 5.98$, $M_{\text{low tier, to-go}} = 5.42$, $F(1, 257) = 20.3$, $p < .01$). The reverse was true for those in the high-tier condition ($M_{\text{high tier, to-date}} = 5.55$, $M_{\text{high tier, to-go}} = 6.06$, $F(1, 257) = 15.71$, $p < .01$). H1a and H1b were supported. (See Figure 2)

To examine H2a, we found that the interaction between progress framing and tier status had a significant effect on the participants' confidence of tier status retention (F (1, 257) = 17.40, $p < .01$). A simple effects analysis showed that the to-date (vs. to-go) frame resulted in significantly higher confidence of status retention in the low-tier condition ($M_{\text{low tier, to-date}} = 6.01$, $M_{\text{low tier, to-go}} = 5.47$, $F(1, 257) = 17.97$, $p < .01$), but progress framing did not impact confidence of status retention in the high-tier condition ($M_{\text{high tier, to-date}} = 5.69$, $M_{\text{high tier, to-go}} = 5.90$, $F(1, 257) = 2.77$, $p > .09$). The results offered preliminary evidence supporting H2a (see Figure 3).

To examine H2b, the interaction between progress framing and tier status had a significant effect on the participants' concern of tier status loss (F (1, 257) = 10.85, $p < .01$). A simple effects analysis showed that progress framing did not impact concern of status loss in the low-tier condition ($M_{\text{low tier, to-date}} = 5.23$, $M_{\text{low tier, to-go}} = 5.10$, F (1, 257) < 1, *ns*). Progress framing, however, manifested its effect in the high-tier condition, with the to-go (vs. to-date) frame significantly deepening concern of status loss ($M_{\text{high tier, to-date}} = 5.23$, $M_{\text{high tier, to-go}} = 5.93$, F (1, 257) = 15.40, $p < .01$). The results offered preliminary evidence supporting H2b (see Figure 4).

Finally, a moderated mediation analysis (PROCESS Model 7; bias-corrected bootstrap = 5,000; Hayes, 2013) showed the interaction between progress framing and tier status significantly predicted confidence of tier status retention (B = .74, SE = .17, 95% CI = [.39, 1.09]), which further significantly predicted status maintenance intention (B = .61, SE = .05, 95% CI = [.51, .71]). The index of moderated mediation was significant (B = .46, SE = .15, 95% CI = [.18, .78]). The interaction between progress framing and tier status also significantly predicted concern of tier status loss (B = .83, SE = .25, 95% CI = [.33, 1.33]), which further significantly predicted status maintenance intention (B = .13, SE = .04, 95% CI = [.07, .21]). The index of moderated mediation was significant (B = .11, SE = .07, 95% CI = [.03, .31]). Hence, H2b was supported.

THEORETICAL CONTRIBUTIONS

Our research contributes to the literature in three ways. First, it enriches the CRM literature regarding capitalizing on message framing in the hospitality industry. Previous research has shown that LPs can increase customer loyalty through the framing of messages about program rewards (e.g., Daryanto, de Ruyter, Wetzels, & Patterson, 2010), program status (e.g., Palmeira et al., 2016), and program requirements (e.g., Kivetz & Simonson, 2003). Our research adds to this literature stream by documenting how framing progress feedback can help to maintain high-and low-tier members. Given that progress framing can be easily implemented through mobile apps, our research thus offers a timely response to calls for research on "how… mobile loyalty platforms affect customer loyalty" (Andrews et al., 2016, p. 22). Second, our study contributes to LP research by extending the progress framing effect to the context of HLPs, which are widely used in various hospitality industries. In doing so, we shed new insight into how hospitality firms can retain members in various tiers. Third, this study contributes to the broader literature on goal-directed consumer behavior. Our findings suggest that progress framing can motivate consumers with both high and low goal commitment (e.g., high- and low-tier members) to pursue various consumption goals. These findings dovetail with prior research that shows that the motivating effect of progress framing is contingent on goal commitment factors such as goal progress (e.g., Bonezzi, Brendl, & De Angelis, 2011) and goal type (Koo & Fishbach, 2008).

MANAGERIAL IMPLICATIONS

Our findings suggest that LP managers should offer tailor-made progress feedback specific to their members in high and low tiers. To motivate low-tier members to maintain their tier status via enhancing their confidence of tier status retention, to-date feedback is advisable. In practice, LP managers can utilize instant LP apps and customer data (e.g., membership information) to offer framed progress feedback to motivate high- and low-tier members to engage in their LPs.

Following the logic of to-date feedback (vs. to-go feeback) is more motivating for low-tier (vs. high-tier) members, marketers are advised to use positively (negatively) framed messages to motivate consumers with low (high) goal-commitment to pursue their consumption goal. Marketers can utilize mobile and digital technology to maximize the effectiveness of message framing to stimulate goal-directed consumer behavior.

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Table 1. Demographics and coffee consumption patterns.

		Frequency (Percent)
Gender	Male	156 (59.8)
	Female	105 (40.2)
Age	Under 18	1 (0.4)
	18-25	48 (18.4)
	26-30	63 (24.1)
	31-40	75 (28.7)
	41-50	51 (19.5)
	51-60	20 (7.7)
	Over 60	3 (1.1)
Annual income	Less than USD 19,999	24 (9.2)
	USD 20,000- USD 39,999	48 (18.4)
	USD 40,000- USD 59,999	111 (42.5)
	USD 60,000- USD 79,999	55 (21.1)
	USD 80,000 or above	23 (8.8)
Ethnicity	American Indian or Alaska	1 (0.4)
	Native	16 (6.1)
	Asian	43 (16.5)
	Black or African American	24 (9.2)
	Hispanic or Latino American	177 (67.8)
	White	
Frequency of coffee consumption per week	0-1	31 (11.9)
	2-4	156 (59.8)
	5-7	59 (22.6)
	more than 7	15 (5.7)
Amount of spending on coffee per year	Less than USD 100	99 (37.9)
	USD 100-USD 199	99 (37.9)
	USD 200-USD 299	47 (18.1)
	USD 300 or above	16 (6.1)

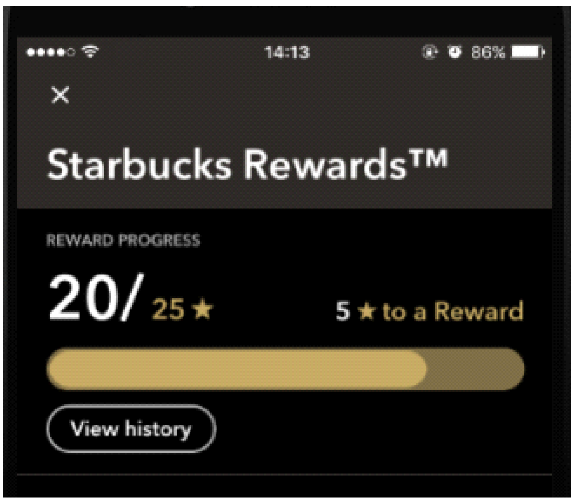

Figure 1. Horizontal Design of Progress Framing by Starbucks Rewards

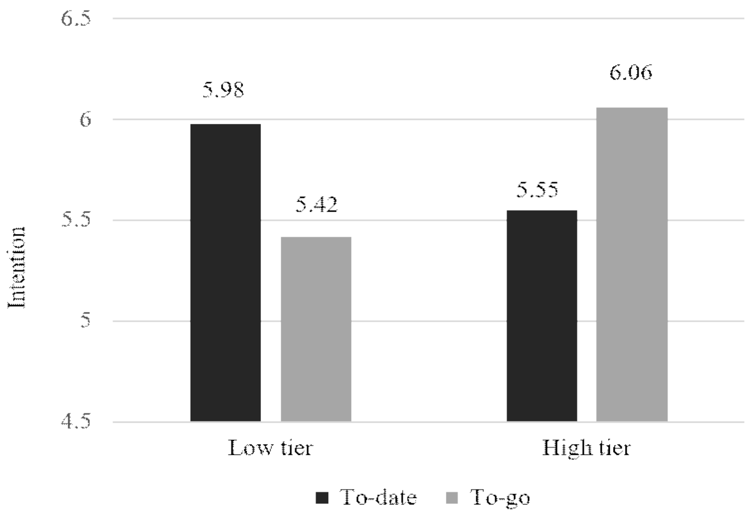

Figure 2. Tier Status Maintenance Intention as a Function of the Interaction Between Progress Framing and Tier Status

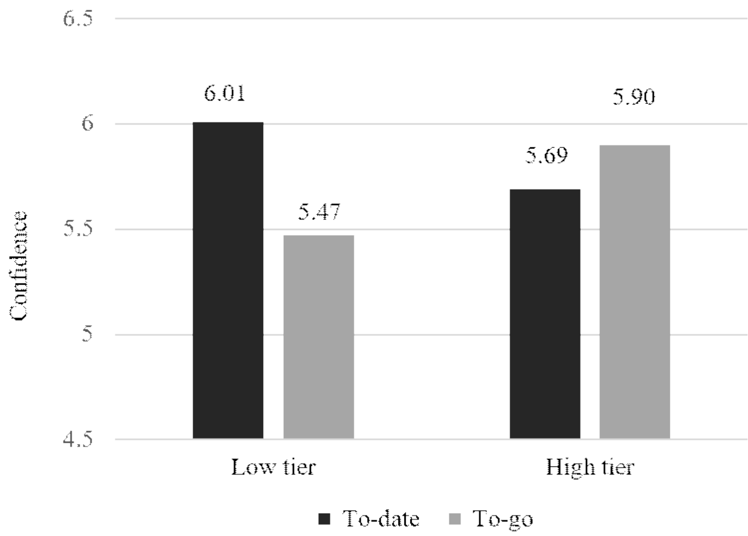

Figure 3. The Interactive Effect of Progress Framing and Tier Status on Confidence in Tier Status Retention

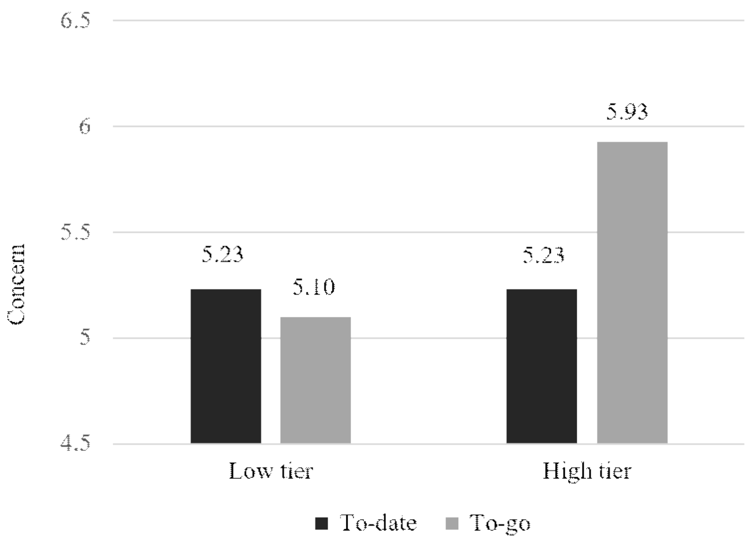

Figure 4. The Interactive Effect of Progress Framing and Tier Status on Concern About Tier Status Loss