



Journal of Organizational Effectiveness: People and Performance

Young workers' perception of brand image: main and moderating effects

Susan E. Myrden Kevin Kelloway

Article information:

To cite this document:

Susan E. Myrden Kevin Kelloway , (2015), "Young workers' perception of brand image: main and moderating effects", Journal of Organizational Effectiveness: People and Performance, Vol. 2 Iss 3 pp. 267 - 281

Permanent link to this document:

<http://dx.doi.org/10.1108/JOEPP-09-2014-0055>

Downloaded on: 11 November 2016, At: 01:56 (PT)

References: this document contains references to 60 other documents.

To copy this document: permissions@emeraldinsight.com

The fulltext of this document has been downloaded 224 times since 2015*

Users who downloaded this article also downloaded:

(2015), "Human resource management and organisational productivity: A systems approach based empirical analysis", Journal of Organizational Effectiveness: People and Performance, Vol. 2 Iss 3 pp. 244-266 <http://dx.doi.org/10.1108/JOEPP-06-2015-0021>

(2004), "Conceptualizing and researching employer branding", Career Development International, Vol. 9 Iss 5 pp. 501-517 <http://dx.doi.org/10.1108/13620430410550754>

Access to this document was granted through an Emerald subscription provided by emerald-srm:563821 []

For Authors

If you would like to write for this, or any other Emerald publication, then please use our Emerald for Authors service information about how to choose which publication to write for and submission guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

About Emerald www.emeraldinsight.com

Emerald is a global publisher linking research and practice to the benefit of society. The company manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as well as providing an extensive range of online products and additional customer resources and services.

Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for digital archive preservation.

*Related content and download information correct at time of download.

Young workers' perception of brand image: main and moderating effects

Young workers' perception of brand image

267

Susan E. Myrden

Maine Business School, University of Maine, Orono, Maine, USA, and

Kevin Kelloway

Department of Psychology, Saint Mary's University, Halifax, Nova Scotia, Canada

Abstract

Purpose – The purpose of this paper is to examine the relationship between an employer's brand image (i.e. symbolic and functional attributes) and job seekers' attraction to the firm among a sample of young workers.

Design/methodology/approach – Job seekers completed a questionnaire regarding their knowledge of a particular firm, their perceived image of that firm, and their attraction toward that firm in terms of future employment. Moderated regression analyses were used to test the hypotheses of interest.

Findings – Consistent with previous findings, both functional and symbolic attributes of the brand image were related to job seekers' attraction to the firm. In contrast to previous research, work experience moderated the effect of symbolic, but not functional, attributes such that these effects became stronger with more experience. Symbolic and functional attributes also interacted to predict job seekers' attraction to the firm.

Research limitations/implications – The study is based on cross-sectional self-report data, which limits causal inference.

Practical implications – Results suggest that young workers are particularly influenced by symbolic attributes of the organizations' brand image.

Originality/value – This paper compares the role of symbolic and functional attributes in predicting young workers' attraction to the firm. Young workers are more influenced by symbolic attributes and these influences are stronger when individuals gain in work experience and when they perceive higher functional attributes.

Keywords Recruitment, Employer attraction, Employer brand image, Employer branding, Young workers

Paper type Research paper

Attracting high-quality applicants has long been recognized as being critical to organizational performance (Barber, 1998; Rynes, 1991). Demographic trends such as a smaller supply of younger workers, an aging workforce and retirements among the baby boomer generation will make it difficult to fill openings in the years to come (Dohm, 2000). In fact, a significant percentage of employers globally cite talent as their top concern (Josey and Van Alstyne, 2008; ManpowerGroup, 2014). As a result of such intense competition for high-quality employees and its impact on organizational success, companies are devoting more resources to recruitment efforts (Leonard, 1999).

How high-quality talent perceives a company has been shown to be important to the recruitment effort. Perception of a firm's reputation, or the status of a firm's name relative to competing firms (Gatewood *et al.*, 1993; Rynes, 1991), is important because it provides vital information to a firm's stakeholders, not just consumers and investors, but also its potential applicants (Fombrun, 1996). As a result, companies are being forced to examine the image that they portray as an employer by applying branding



strategies that they use for their consumer products to their organizations in the recruitment effort, a relatively new concept known as employer branding.

Despite the relative newness of the concept, employer branding is a tool widely used in human resources, communications and marketing in various countries around the world (Martin, 2009). Although this concept is beginning to gain some traction in the academic literature (e.g. Backhaus and Tikoo, 2004; Edwards, 2010; Martin, 2009; Martin *et al.*, 2011), there is still much to learn about the concept of employer branding and its relationship between a company's brand image as an employer and individuals' intention to apply for a position. Therefore, the purpose of this study is to explore the relationship between employer brand image and job seekers' attraction to a firm.

In particular, we focus on the relationship between employer brand image and job seekers' attraction to a firm among a sample of young workers. This focus on a specific demographic is important for several reasons. First, demographic trends such as the retirement of the baby boomers and the smaller size of succeeding generations have resulted in predictions of on-going labor shortages in which the ability to attract young workers will become critical. These predictions have led to extensive examinations of what young workers "want" from employment as a basis for effective recruiting (see e.g. Ng *et al.*, 2010). Second, young workers who are just entering the job market may be more reliant on perceptions of employer brand image than are workers with more direct experience in the workplace. Consistent with this suggestion, Argarwal and Saroop (2009) found partial support for the hypothesis that work experience would moderate the effect of perceived employer attributes on application intentions. Although Argarwal and Saroop (2009) did not decompose the interaction effect, Wilden *et al.* (2010) found that more experienced applicants were also more cynical about employers' branding efforts. Thus, the purpose of our study was to examine the effects of brand image on young job seekers' attraction to the firm and also to test whether these effects are moderated by employment experience.

Theoretical framework and hypotheses development

Employer branding

Brands are one of a firm's most valuable assets. They are "essentially a seller's promise to consistently deliver a specific set of features, benefits and services to the buyers [and] [...] is intended to identify the goods and services of one seller [...] and differentiate them from those of competitors" (Kotler, 1997, p. 443). Therefore effective management of those brands is a critical activity for most firms (Backhaus and Tikoo, 2004; Cable and Turban, 2001). Most common definitions of brands focus on customers and not on other stakeholders, such as potential employees, who are also influenced by brand messages. However, due to the intense competition for high-quality human capital, the notion of employer branding, "the process of building an identifiable and unique employer identity" (Backhaus and Tikoo, 2004, p. 502), has been gaining popularity on both a practitioner and academic level (Davies, 2008; Edwards, 2010; Martin, 2009; Wilden *et al.*, 2010).

Much like a consumer product, an employer's reputation is an asset to the firm (i.e. brand asset), adding value to a job beyond the attributes of the job itself (Cable and Turban, 2003). Employer branding includes the firm's value system, policies and behaviors that are influential in attracting, motivating and retaining a firm's potential employees (Backhaus and Tikoo, 2004). When the focus is on recruiting, defined as organizational activities that affect the number and type of applicants who apply for an available position (Gatewood *et al.*, 2011), employer branding combines the principles

from marketing, HR, strategy, organizational behavior and psychology (e.g. Backhaus and Tikoo, 2004; Edwards, 2010). The employer brand refers to the package of functional, economic and psychological benefits provided by employment, and identified with the employing company (Ambler and Barrow, 1996). Put another way, employer branding involves “identifying the unique ‘employment experience’ by considering the totality of tangible and intangible reward features that a particular organisation offers to its employees” (Edwards, 2010, p. 7).

In a highly competitive employment marketplace, effectively building a unique employer brand image and identity can act as a differentiator from its competitors (Backhaus and Tikoo, 2004; Sivertzen *et al.*, 2013). From a recruiting standpoint, the critical role of employer branding is to effectively communicate this “employment experience” in order to position the employing firm in the minds of potential employees as a great place to work in order to increase the attractiveness of the firm (Branham, 2001). Existing research supports the recognition of the importance of being an attractive employer brand when it comes to choosing a future employer (e.g. Edwards, 2010; Fulmer *et al.*, 2003; Wilden *et al.*, 2010). According to Hewitt (2009), the best employers get nearly twice as many applications as other organizations.

Through the effective communication of an employer brand, job seekers form beliefs about potential employers that provide the basis for decisions about whether to pursue or accept employment offers (Barber, 1998). Investments in the employer brand (e.g. participating in career fairs, maintaining career websites, advertising in business magazines, offering internships, being active in alumni networks and participating in employer-of-choice awards) (Saini *et al.*, 2014; Wilden *et al.*, 2010) play a pivotal role in the establishment of an effective brand by building employer brand familiarity and communicating an employer brand image. From a marketing perspective, when faced with many choices, consumers are more likely to make “purchase” decisions based on their knowledge of or past experience with the product or brand. It is through these experiences that consumers form brand associations, the thoughts and ideas that a brand name evokes in the minds of consumers (Aaker, 1991), that ultimately drive the creation of its brand image. The process for potential applicants happens in much the same way, as employer branding will also create brand associations about the firm (Backhaus and Tikoo, 2004). These associations shape the image of the employer and, as a result, impact the attractiveness of the firm for potential applicants. Therefore, increasing knowledge of a brand, or employer, is critical in predicting an individuals intension to apply to a firm (Saini *et al.*, 2014).

Fombrun (1996) suggested that firms have the ability to develop reputational capital, which is a form of intangible wealth, similar to what marketers call brand equity, defined as the differential impact that brand knowledge has on a consumer’s response to the marketing of the brand (Keller, 1993). In the employee context, brand equity is the effect of brand knowledge on potential employees of the firm (Backhaus and Tikoo, 2004) as job seekers confront issues similar to those faced by consumers (Cable and Turban, 2001). If an employer has substantial brand equity, or reputational capital, it will encourage job hunters to apply to the firm. The development of substantial brand equity can be facilitated by the implementation of an effective employer branding strategy. Collins and Stevens (2002) found that “exposure to early recruitment activities was positively related to job seekers’ attitudes and perceived attributes. Further, these elements of brand image were significantly related to application intensions and actual decisions” (p. 1132). However, despite the suggested superior benefits of recruitment based on the notions of employer branding compared to the traditional ways of recruiting (Elving *et al.*, 2013)

many firms choose not to develop such strategies. As a result of so much competition vying for the attention of the applicant pool, knowledge of many firms may remain low or inaccurate, creating what is known as information asymmetry, a condition that exists between employees and employers due to a difference in information availability. Therefore, the development of brand management capabilities, “the firm’s ability to create, sustain and grow reputational brand assets” (Vorhies *et al.*, 2010), through its employer branding strategy, is vital to creating a higher quality pool of applicants.

Signaling theory provides a framework to study conditions of information asymmetry (Akerlof, 1970). The theory suggests that because, in most cases, applicants do not have complete information about a firm, they interpret available information as “signals” about the company (Connelly *et al.*, 2011; Rynes, 1991). Spence (1974) defines a signal as an activity or attribute that, by design or accident, alters the beliefs or conveys information to others. Based on their interpretations of the signals, the receivers of the signal will form assessments, generally in terms of quality (Connelly *et al.*, 2011).

Gaining employment with a particular firm will have long-term implications for both employees and employers, and these consequences motivate both parties to invest effort into gaining information about each other. From an employer’s perspective, most hiring firms lack information about the quality of job candidates. Therefore, applicants go to great lengths to signal to firms that they are of high quality and a good fit for the position (Spence, 1973). For instance, they provide documentation that highlight educational achievements and evidence of relevant experience (i.e. professional, volunteer, etc.). They act appropriately in interviews, show up on time and dress and act in a manner that is fitting of the organization. Firms use these signals to reduce the information asymmetry, a way to gauge whether or not this candidate is a good fit for the firm, reducing the amount of risk associated with committing to that individual for the foreseeable future.

Similarly, job seekers are motivated to look for information (i.e. signals) in order to form accurate perceptions of potential firms. Reducing information asymmetry by increasing accurate knowledge of the firm will consequently increase confidence and reduce perceived risk in choosing whether or not to apply to a firm (Wilden *et al.*, 2010). In most cases, individuals do not possess perfect information to make a clear assessment of a job offering or to make fully informed decisions, resulting in an information imbalance and increased uncertainty. On the one hand, job candidates can directly observe and make inferences about certain instrumental characteristics of a job or a company (e.g. location and salary) (Highhouse *et al.*, 2007). However, other characteristics, such as work climate, culture and career development cannot be observed as readily before an individual starts working for a particular employer, increasing the risk associated with accepting a position at that firm. Therefore, these individuals often have to rely on whatever information the firm is willing to share (Nelson, 1970). As previously noted, young workers may be particularly reliant on the signals sent by employers in that many of them lack direct work experience.

Consequently, the extent of the asymmetry remains a function of how much information the firm chooses to share. If the potential employee has insufficient, inconsistent or incorrect beliefs about a prospective employer, potential employees may perceive high risks associated with joining the organization and consequently remove them from their consideration set of prospective employers, selecting an alternative employer for which they perceive less risk.

According to Connelly *et al.* (2011), signaling should have a strategic effect. For instance, there should be some benefit for the signaler in order to justify the investment in producing the signals. The job candidate, for instance, may be rewarded with a

position at a particular firm for his or her efforts (i.e. education, work experience, etc.). Similarly, the benefit that firms receive by disseminating the appropriate signals of firm quality would be the attraction of a large number of quality candidates. However, fewer firms apply these same principles in the employment context, despite the suggested benefits (Elving *et al.*, 2013).

Potential employees associate clear brand signals with having to invest less effort into gaining information about a prospective employers (Wilden *et al.*, 2010). However, in a recent study, respondents found that most companies provide too little information regarding employment (Wilden *et al.*, 2010). Therefore, in the absence of information, job seekers will make evaluations about a company, regardless of the accuracy. In the state of the current environment in which companies are competing for top talent, inaccurate assessments can not only lead to attracting a lower quality pool of applicants, but also applicants that are not a good fit for the organization. Therefore, actively sending appropriate signals is one way that employers can reduce the information gap associated with a job search. One effective way of accomplishing this is through employer branding in order to reduce the information asymmetry and to affect employee-based brand equity (Wilden *et al.*, 2010). Clear brand signals lead to clearer brand images in the potential employee's mind and subsequently reduce the perceived risk of joining a company, which ultimately increases employer attractiveness (Wilden *et al.*, 2010).

Employee attraction

Applicant attraction is defined as getting prospective employees to view an organization as a positive place to work (Rynes, 1991). Generating high-quality applicant pools from which to select improves an organization's chances of developing a competitive advantage through its human resources.

Job seekers rely on a number of beliefs when making decisions about where to apply for jobs (Rynes, 1991), one of which includes an individual's knowledge of an employer (Gomes and Neves, 2011). Cable and Turban (2001) define employer knowledge as a job seeker's memories and associations regarding an organization as a potential employer. Individuals use this knowledge as a tool to categorize, remember and recall information about that employer. Cable and Turban (2001) draw on consumer-based brand equity theory to identify three dimensions of employer knowledge: employer familiarity, employer image and reputation, which were all found to have a significant and independent, direct and positive relationship with application intentions and decisions (Collins, 2007; Lievens *et al.*, 2005).

Employer familiarity can be defined as an individual's ability to identify a company as a potential employer (Cable and Turban, 2001; Collins and Stevens, 2002). Previous studies in the recruitment field have demonstrated that an organization's overall familiarity is related to applicants' perceptions of a company's attractiveness as an employer, with more familiar organizations being perceived as more attractive (Cable and Graham, 2000; Gatewood *et al.*, 1993; Lievens *et al.*, 2005; Saini *et al.*, 2014; Turban and Greening, 1997) because job seekers interpret this knowledge as a signal of legitimacy and tend to see the employer in a more positive light, as opposed to firms they are not familiar (Gatewood *et al.*, 1993). Therefore:

H1. Familiarity will be positively related to job seekers' attraction to the firm.

Employer image, the attributes connected to a company (Cable and Turban, 2001), and the general impression of the organization held by those outside the organization (Barber, 1998) has been found to favorably influence applicant attraction to the

organization (Belt and Paolillo, 1982; Ehrhart and Ziegert, 2005; Gatewood *et al.*, 1993; Tom, 1971; Turban and Greening, 1997). One possible explanation for the role that image plays in attraction relates to person-organization fit. Potential applicants compare the employer's image to their needs, personalities and values. The better the match between the values of the firm and the values of the individual, the more likely the individual is to be attracted to the organization (Cable and Judge, 1996; Judge and Cable, 1997; Schneider, 1987).

One of the primary drivers of the development of a successful branding strategy is the creation of brand equity, the presence of strong, unique and favorable brand associations causing differential effects on responses to the marketing of the brand (Keller, 1993, 1998). In the employment context, potential employees will react differently to similar recruitment, selection and retention efforts from different firms because of the underlying equity associated with these firms (Backhaus and Tikoo, 2004), just as consumers react differently to various product offerings with different levels of brand equity (i.e. Coca-Cola vs an unknown cola brand).

Brand associations, the thoughts and ideas that a brand name evokes in the minds of individuals, can create positive attitudes or feelings, differentiate it from its competitors and, in turn, create value for the firm (Aaker, 1991). Brand associations are a determinant of brand image, and considered to be a relatively enduring attitude (Keller, 1993, 2000). Although there has been variation in the definition, Keller (1993) sees brand image as a combination of the perceptions related to the product-related attributes (i.e. functional benefits that are derived from using a product or service) and non-product related attributes (i.e. inferences made about a product rather than what the product does or has) and the symbolic attributes that are encompassed in the brand associations that reside in consumer memory.

From an employer's perspective, functional attributes describe elements of employment with the firm that are desirable in objective terms such as salary, health care coverage, benefits and leave allowances (Cable and Graham, 2000; Lievens and Highhouse, 2003). The symbolic attributes describe the job or the organization in terms of subjective or intangible attribution (Lievens and Highhouse, 2003), such as perceptions about the prestige of the firm, the anticipated social approval they might receive by working for the employer in addition to such things as leadership and the culture within the firm. Symbolic attributes include the intrinsic benefits of employment that satisfy individual needs for self-expression, social approval and self-esteem (Wallace *et al.*, 2014). These benefits are important from a recruitment standpoint as a potential applicant is more likely to be attracted to a firm that they believe possesses desirable attributes (both functional and symbolic) (Gomes and Neves, 2011; Highhouse *et al.*, 2007; Lievens and Highhouse, 2003; Lievens *et al.*, 2005).

The power of an employer's brand image resides in how it is perceived and what is expected from the employer brand over time. Therefore, knowledge is really at the root of the formation of brand image (Salciuviene *et al.*, 2007). Consequently, it is reasonable to expect that an employer's brand image will affect the attractiveness of the organization for potential applicants. If potential employees make incorrect associations about an employer, the result could translate into serious, negative consequences for the recruitment effort. Therefore:

H2. Controlling for familiarity, employer brand image (functional and symbolic attributes) will be positively related to job seekers' attraction to that company.

Previous research has suggested that the effects of brand image on employee attraction are moderated by work experience (Argarwal and Saroop, 2009) such that with increasing experience employees become more cynical and less influenced by employer branding (Wilden *et al.*, 2010). Therefore, we hypothesize that:

H3. The effects of brand image (functional and symbolic attributes) on job seekers' attraction to the company will be moderated by work experience such that the predictive effects become weaker with increasing work experience.

Lievens and Highhouse (2003) found that instrumental (functional) attributes significantly predicted organizational attractiveness and that symbolic meanings incrementally predicted organizational attractiveness. When creating a brand image, one common mistake companies make is focussing only on functional benefits as it translates into an image that is much too narrow (Salciuviene *et al.*, 2007). In a recent study, Rampl (2011) found no support for the effects of salary, advancement opportunities or location on preference for that employer. The branding literature suggests that the importance of symbolic attributes increases when functional differences between brands are limited. This suggests an interaction effect between symbolic and functional attributes and we hypothesize that:

H4. Symbolic and functional attributes will interact to predict job seekers' attraction to the firm.

Method

Sample and procedure

The sample consisted of 285 university students that were seeking employment at the time of participation. The sample was 56.5 percent female ($n = 161$); and reported an average age of 21.82 years (range from 18 to 30 years). In total, 51 percent were in the final stages of their undergraduate degree, and approximately 34 percent either had a bachelor's degree or were completing a graduate degree. Finally, participants reported an average of three years of work experience (range 0-12 years).

Respondents were presented with a list of four well-known companies and asked to choose the company with which they were most familiar. Respondents were also told that they need not have any direct experience with this company from an "employment context," only that they had to have some prior knowledge of the firm. They were then asked to complete a questionnaire. Participants were informed that their participation was completely voluntary and anonymous and results would be kept confidential. The study received ethical review and approval.

Measures

Company familiarity. A three-item measure, adapted from Turban (2001), was used to test the familiarity the respondent had with the company they chose. Respondents answered these items using a five-point rating scale ranging from 1 – strongly disagree to 5 – strongly agree. The Cronbach's α was 0.71.

Employer brand image. Employer brand image was measured using an ad hoc scale containing 15 items. Using the question stem, "Working for this organization would give me [...]" or "Working for this organization would give me the feeling that [...]" respondents were asked to indicate their level of agreement on nine functional attributes and six symbolic attributes. The items were measured on a seven-point Likert scale anchored by 1 – strongly disagree and 7 – strongly agree. The Cronbach's

α for this scale was 0.92 for the functional attributes and 0.86 for the symbolic attributes. The items in this scale can be found in Table I.

Employer attraction. Attraction toward an employing firm was measured using Turban and Keon's (1993) scale, which consists of five items. The items were measured using a seven-point Likert scale, ranging from 1 – strongly disagree to 7 – strongly agree. The Cronbach's α was 0.95. Three additional items were adapted from the measure of perceived organizational attractiveness proposed by Highhouse *et al.* (2003). Respondents rated these items on a five-point rating scale, ranging from 1 – strongly disagree to 5 – strongly agree. Because the items were rated on different scales, we standardized all items before computing the total. Together, the Cronbach's α was 0.94.

Results

Because scales were created for this study, we began by conducting an exploratory factor analysis of all items assessing company familiarity, company attraction and brand image

Items	Attraction	Employer brand image	
		Familiarity	Functional Symbolic
For me, this company would be a good place to work	0.79		
This company is attractive to me as a place of employment	0.83		
A job in this company is very appealing to me	0.83		
I would exert a great deal of effort to work for this company	0.77		
I am interested in submitting an application with this company	0.87		
I would like to work for this company	0.87		
I would accept a job offer from this company	0.81		
I am not interested in the company except as a last resort	0.36		
I am familiar with this company as an employer		0.63	
I have heard from others what goes on in this company		0.88	
I have already heard many things about this company		0.87	
A competitive salary			0.69
A good vacation package			0.80
An attractive benefits package			0.81
Adequate leave allowances			0.74
Good health care coverage			0.83
A clean, safe workplace			0.67
A good location to work			0.63
Job security			0.78
Opportunities for promotion			0.61
I am working for a company with a strong organizational culture			0.69
I am working for a prestigious firm			0.62
I belong to a "winning team"			0.74
I am working for a company that has a strong mission			0.78
I work for a company with strong leadership qualities			0.79
I work for a company with good performance management			0.75
% Variance	22.33	7.16, 21.96	15.82

Table I.
Results of the
factor analysis

(defined as functional attributes and symbolic attributes). A principal components analysis, rotated to a varimax criterion, suggested four factors accounting for 67.31 percent of the variance. As shown in Table I, the four factors corresponded to the scale definitions.

Descriptive statistics and intercorrelations for all study variables are presented in Table II. As shown, all four scales demonstrated acceptable internal consistency.

To assess our hypotheses we performed a moderated regression analysis (Aiken and West, 1991). Significant interactions were followed up by using Hayes' (2013) Process subroutine for SPSS to confirm the interactions and to calculate the simple slopes. The main effects were centered prior to computation of the multiplicative term (Aiken and West, 1991) and both the main effects and demographic controls (i.e. age, gender, education) entered prior to assessment of the interactive terms. All of the two-way interactions (i.e. symbolic \times work experience, functional \times work experience and symbolic \times functional) were entered on the second step of the analysis with the three-way interaction (symbolic \times functional \times work experience) entered on the third step.

Results of the moderated regression analysis are displayed in Table III. *H1* was not supported in that familiarity was not related to job seekers' attraction to the firm. However, consistent with our second hypothesis, both functional ($\beta = 0.36, p < 0.001$) and symbolic ($\beta = 0.59, p < 0.01$) attributes were positively related to job seekers' attraction to the firm. Although not predicted, respondents' work experience was negatively related to attraction to the firm ($\beta = -0.15, p < 0.01$). The main effects accounted for 56.9 percent of criterion variance.

Table II.
Descriptive statistics and intercorrelations for all study variables

Variable	<i>M</i>	<i>SD</i>	1	2	3	4
1. Company familiarity	3.50	0.88	<i>0.71</i>			
Employer brand image						
Functional attributes	4.80	1.16	0.14**	<i>0.92</i>		
Symbolic attributes	4.33	1.17	-0.08	0.58**	<i>0.86</i>	
2. Employer attraction	3.42	1.37	0.05	0.62**	0.69**	<i>0.94</i>

Notes: $n = 285$. Chronbach's α 's reported in italic on the diagonal. * $p < 0.05$; ** $p < 0.01$

Table III.
Results of the moderated regression analysis predicting attraction to the employer

Predictor	<i>B</i>	β	<i>p</i>
1. Gender	-0.14	-0.05	ns
2. Age	-0.02	-0.03	ns
3. Education	0.07	0.05	ns
4. Work experience	-0.41	-0.15	0.003
5. Familiarity	0.07	0.05	ns
6. Functional attributes	0.47	0.36	0.0001
7. Symbolic attributes	0.79	0.49	0.0001
ΔR^2			0.57*
8. Function \times work experience	-0.11	-0.05	ns
9. Symbolic \times work experience	0.36	0.14	0.011
10. Functional \times symbolic	0.19	0.17	0.0001
ΔR^2			0.033*
11. Functional \times symbolic \times work experience	0.04	0.00	ns
ΔR^2			0.00

Note: * $p < 0.001$

Although the three-way interaction was not associated with the criterion ($\Delta R^2 = 0.00$, na), the block of two-way interactions did predict job seekers' attraction to the employer ($\Delta R^2 = 0.03$, $p < 0.01$). *H3* was partially supported in that work experience moderated the relationship between symbolic, but not functional, attributes and job seekers' attraction to the employer. We calculated the simple slopes for the interaction using the Process subroutine (Hayes, 2013). Although symbolic attributes predicted job seekers' attraction for those who were one standard deviation below the mean on work experience ($b = 0.62$, $p < 0.01$), the association was even stronger for those who were at ($b = 0.81$, $p < 0.01$) or one standard deviation above ($b = 0.99$, $p < 0.01$) the mean.

Finally, in support of *H4*, functional and symbolic attributes significantly interacted to predict job seekers' attraction to the firm although inspection of the simple slopes indicated that the effects were not in the anticipated direction. Symbolic attributes were significant predictors of job seekers' attraction when functional attributes were one standard deviation below the mean ($b = 0.40$, $p < 0.01$) and this effect increased when functional attributes were at ($b = 0.56$, $p < 0.01$) and one standard deviation above ($b = 0.72$, $p < 0.01$) the mean.

Discussion

The purpose of our study was to examine the effects of brand image on young job seekers' attraction to the firm and also to test whether these effects are moderated by employment experience. This is important because of the on-going labor shortages due to retirement of the baby boomers and the smaller size of succeeding generations.

Quality employees within an organization are essential as they form the basis of firm knowledge and can be considered the foundation in the creation of a sustainable competitive advantage. The perceived reputation of a firm can influence its ability to recruit top talent (Gatewood *et al.*, 1993; Rynes, 1991), but it is how these reputational assets are communicated that will make the difference. In the current study, familiarity with the target organization did not influence applicant attraction. However, the respondents' perceptions of employer brand image (i.e. symbolic and functional attributes) were important predictors of attraction. Therefore, employer branding, the application of branding principles to a human resource management context, will help increase brand awareness in order to strengthen the firm's position, as the turbulent nature of the current competitive employment situation necessitates employers to consider the impact that job applicants' perceptions have on recruitment efforts.

As suggested by signaling theory, this study provides evidence that potential applicants use information about the various dimensions of an employer's brand image (i.e. functional and symbolic attributes) to draw conclusions about employers. The theory suggests that because, in most cases, applicants do not have complete information about an organization, they use available information to draw conclusions about the firm (Connelly *et al.*, 2011; Rynes, 1991). Thus, vicarious knowledge (e.g. third party word of mouth) or consumer knowledge may contribute to individual perceptions of a firm in the absence of direct experience.

Although we began our study with the notion that brand image would be more important to workers with limited job experience, the results of our analyses show no support for this hypothesis. Rather, functional attributes were a significant predictor of job seekers' attraction across all levels of work experience. Symbolic attributes also predicted for all levels of work experience, however became more important with increasing job experience. That is, for respondents with more work experience symbolic attributes were more strongly related to firm attraction than they were for respondents with lower levels of job experience. In contrast to our initial position that respondents would be more cynical

and less likely to be influenced by brand image with increasing work experience, the opposite seems to be the case – symbolic attributes appear to be more important in understanding the job seeking of respondents with higher levels of work experience.

We also hypothesized that symbolic attributes would be more important when respondents saw lower levels of functional attributes. Again, although the hypothesized moderation was supported, the effects were in the opposite direction. The association between symbolic attributes and job seekers' attraction increased with increasing levels of functional attributes.

Employer brand image has been shown to influence a potential job applicant's intentions to apply to a firm (Ehrhart and Ziegert, 2005; Fombrun and Shanley, 1990; Rynes, 1991). Our focus on young workers showed that although both symbolic and functional attributes influenced young workers, symbolic attributes appeared to be more highly valued and more predictive of job seekers attention. Not only was the direct effect of symbolic attributes greater than that of functional attributes, the predictive effect was enhanced by both increasing work experience and increased functional attributes. Although these results were not as originally predicted, they point to the importance of symbolic job attributes for young workers.

Limitations and future research

The principal limitation on our study design is our reliance on self-report cross-sectional data, which precludes causal inference and speaks to the need for longitudinal and more rigorous research designs in future research. Cross-sectional self-report data often is associated with a concern that any results may be contaminated by common method variance. Although some of our findings are vulnerable to such effects, we note that the interactive effects obtained in the current research are not plausibly a result of common method variance.

All respondents in the current study were drawn from a single North American university, which limits the generalizability of our findings. Again this observation speaks to the need to replicate our findings across diverse samples and settings.

Summary and conclusions

We examined the effects of brand image on job seekers attraction to the firm among a sample of young workers. Consistent with previous research we found that both symbolic and functional attributes were positively associated with job seekers' attraction. In contrast to previous research, we found that the importance of symbolic attributes increased with respondents' work experience. Moreover, the predictive effect of symbolic attributes was strengthened when respondents reported higher functional attributes. These results speak to the importance of symbolic attributes when targeting brand images at young workers.

References

- Aaker, D.A. (1991), *Managing Brand Equity: Capitalizing on the Value of A Brand Name*, The Free Press, New York, NY.
- Aiken, L.S. and West, S.G. (1991), *Multiple Regression: Testing and Interpreting Interactions*, Sage, Newbury Park, CA.
- Akerlof, G.A. (1970), "The market for "lemons": qualitative uncertainty and the market mechanism", *Quarterly Journal of Economics*, Vol. 84 No. 3, pp. 288-300.
- Ambler, T. and Barrow, S. (1996), "The employer brand", *Journal of Brand Management*, Vol. 4 No. 3, pp. 185-206.

- Argarwal, R.K. and Saroop, P. (2009), "Effect of employer brand image on application intentions of b-school undergraduates", *The Journal of Business Perspective*, Vol. 13 No. 3, pp. 14-49.
- Backhaus, K. and Tikoo, S. (2004), "Conceptualizing and researching employer branding", *Career Development International*, Vol. 9 No. 5, pp. 501-517.
- Barber, A.E. (1998), *Recruiting Employees: Individual and Organizational Perspectives*, Sage, Thousand Oaks, CA.
- Belt, J.A. and Paolillo, J.G.P. (1982), "The Influence of corporate image and specificity of candidate qualifications on response to recruitment advertisement", *Journal of Management*, Vol. 8 No. 1, pp. 105-112.
- Branham, L. (2001), *Keeping the People Who Keep You in Business: 24 Ways to Hang on to Your Most Valuable Talent*, American Management Association, New York, NY.
- Cable, D.M. and Graham, M.E. (2000), "The determinants of job seekers' reputation perceptions", *Journal of Organizational Behavior*, Vol. 21 No. 8, pp. 929-947.
- Cable, D.M. and Judge, T.A. (1996), "Person-organization fit, job choice decisions and organizational entry", *Organization Behavior and Human Decision Processes*, Vol. 67 No. 3, pp. 294-311.
- Cable, D.M. and Turban, D.B. (2001), "Establishing the dimensions, sources, and value of job seekers' employer knowledge during recruitment", *Research in Personnel and Human Resource Management*, Vol. 20, pp. 115-163.
- Cable, D.M. and Turban, D.B. (2003), "The value of organizational reputation in the recruitment context: a brand-equity perspective", *Journal of Applied Social Psychology*, Vol. 33 No. 11, pp. 2244-2266.
- Collins, C.J. (2007), "The interactive effects of recruitment practices and product awareness on job seeker' employer knowledge and application behaviors", *Journal of Applied Psychology*, Vol. 92 No. 1, pp. 180-190.
- Collins, C.J. and Stevens, C.K. (2002), "The relationship between early recruitment-related activities and the application decisions of new labor-market entrants: a brand equity approach to recruitment", *Journal of Applied Psychology*, Vol. 87 No. 6, pp. 1121-1133.
- Connelly, B.L., Certo, S.T., Ireland, R.D. and Reutzel, C.R. (2011), "Signaling theory: a review and assessment", *Journal of Management*, Vol. 37 No. 1, pp. 39-67.
- Davies, G. (2008), "Employer branding and its influence on managers", *European Journal of Marketing*, Vol. 42 Nos 5-6, pp. 667-681.
- Dohm, A. (2000), "Gauging the labor force effects of retiring baby-boomers", *Monthly Labor Review*, Vol. 123 No. 7, pp. 17-25.
- Edwards, M.R. (2010), "An integrative review of employer branding and OB theory", *Personnel Review*, Vol. 39 No. 1, pp. 5-23.
- Ehrhart, K.H. and Ziegert, J.C. (2005), "Why are individuals attracted to organizations?", *Journal of Management*, Vol. 31 No. 6, pp. 901-919.
- Elving, W.J., Westhoff, J.J., Meeusen, K. and Schoonderbeek, J.W. (2013), "The war for talent? The relevance of employer branding in job advertisements for becoming an employer of choice", *Journal of Brand Management*, Vol. 20 No. 5, pp. 355-373.
- Fombrun, C. (1996), *Reputation: Realizing Value from the Corporate Image*, Harvard Business School Press, Boston, MA.
- Fombrun, C. and Shanley, M. (1990), "What's in a name? Reputation building and corporate strategy", *Academy of Management Journal*, Vol. 33 No. 2, pp. 233-258.
- Fulmer, I.S., Gerhant, B. and Scott, K.S. (2003), "Are the 100 best better? An empirical investigation of the relationship between being a "great place to work" and firm performance", *Personnel Psychology*, Vol. 56 No. 4, pp. 965-993.

- Gatewood, R.D., Feild, H.S. and Barrick, M. (2011), *Human Resource Selection. Independence*, South Western Cengage Learning, Independence, KY.
- Gatewood, R.D., Gowan, M.A. and Lautenschlager, G.J. (1993), "Corporate image, recruitment image and initial job choice decisions", *Academy of Management Journal*, Vol. 36 No. 2, pp. 414-427.
- Gomes, D. and Neves, J. (2011), "Organizational attractiveness and prospective applicants' intentions to apply", *Personnel Review*, Vol. 40 No. 6, pp. 684-699.
- Hayes, A.F. (2013), *An Introduction to Moderation, Mediation and Conditional Process Analysis*, Guilford Press, New York, NY.
- Hewitt Associates LLC (2009), "Point of view: what makes a company a best employer? available at: www.aon.com/attachments/thought-leadership/pov_Best_Employer_Position_Paper.pdf (accessed July 12, 2014).
- Highhouse, S., Lievens, F. and Sinar, E.F. (2003), "Measuring attraction to organizations", *Educational and Psychological Measurement*, Vol. 63 No. 6, pp. 986-1001.
- Highhouse, S., Thornbury, E., Little, E. and Ian, S. (2007), "Social-identity functions of attraction to organizations", *Organizational Behavior & Human Decision Processes*, Vol. 103 No. 1, p. 134.
- Josey, B. and Van Alstyne, S. (2008), "Talent shortage emerges as no. 1 employer concern", March 25, Deloitte.
- Judge, T.A. and Cable, D.M. (1997), "Applicant personality, organizational culture, and organization attraction", *Personnel Psychology*, Vol. 50 No. 2, pp. 359-394.
- Keller, K.L. (1993), "Conceptualizing, measuring, managing customer-based brand equity", *Journal of Marketing*, Vol. 57 No. 1, pp. 1-22.
- Keller, K.L. (1998), *Strategic Brand Management: Building, Measuring and Managing Brand Equity*, Prentice-Hall, Saddle River, NJ.
- Keller, K.L. (2000), "The brand report card", *Harvard Business Review*, Vol. 78 No. 1, pp. 147-157.
- Kotler, P. (1997), *Marketing Management*, Prentice Hall, Upper Saddle River, NJ.
- Leonard, B. (1999), "HR squeezed by tight labor market", *HR Magazine*, Vol. 44 No. 6, p. 37.
- Lievens, F. and Highhouse, S. (2003), "The relation of instrumental and symbolic attributes to a company's attractiveness as an employer", *Personnel Psychology*, Vol. 56 No. 1, pp. 75-102.
- Lievens, F., Van Hove, G. and Schreurs, B. (2005), "Examining the relationship between employer knowledge dimensions and organizational attractiveness: an application in a military context", *Journal of Occupational & Organizational Psychology*, Vol. 78 No. 4, pp. 553-572.
- ManpowerGroup (2014), *The Talent Shortage Continues: How the Ever Changing Role of HR Can Bridge the Gap*, Milwaukee, WI.
- Martin, G. (2009), "Employer branding and corporate reputation management: a model and some evidence", in Cooper, C. and Burke, R. (Eds), *The Peak Performing Organization*, Routledge, London, pp. 252-274.
- Martin, G., Gollan, P.J. and Grigg, K. (2011), "Is there a bigger and better future for employer branding? Facing up to innovation, corporate reputations and wicked problems in SHRM", *The International Journal of Human Resource Management*, Vol. 22 No. 17, pp. 3618-3637.
- Nelson, P. (1970), "Information and consumer behavior", *Journal of Political Economy*, Vol. 78 No. 2, pp. 311-329.
- Ng, E.S.W., Schweitzer, L. and Lyons, S.T. (2010), "New generation, great expectations: a field study of the millennial generation", *Journal of Business and Psychology*, Vol. 25 No. 2, pp. 281-292.

- Rampl, L. (2011), "How to become an employer of choice: transforming employer brand associations into employer first-choice brands", *Journal of Marketing Management*, Vol. 30 Nos 13-14, pp. 1486-1504.
- Rynes, S.L. (1991), "Recruitment, job choice, and post-hire consequences: a call for new research directions", in Dunnette, M.D. and Hough, L.M. (Eds), *Handbook of Industrial and Organizational Psychology*, 2nd ed., Consulting Psychologists Press, Palo Alto, CA, pp. 399-444.
- Saini, G.K., Rai, P. and Chaudhary, M.K. (2014), "What do best employer surveys reveal about employer branding and intension to apply?", *Journal of Brand Management*, Vol. 21 No. 2, pp. 95-111.
- Salciuviene, L., Lee, K. and Yu, C.C. (2007), "The impact of brand image dimensions on brand preference", *Economics and Management*, Vol. 12, pp. 464-469.
- Schneider, B. (1987), "The people make the place", *Personnel Psychology*, Vol. 40 No. 3, pp. 437-453.
- Sivertzen, A.M., Nilsen, E.R. and Olafsen, A.H. (2013), "Employer branding: employer attractiveness and the use of social media", *Journal of Product and Brand Management*, Vol. 22 No. 7, pp. 473-483.
- Spence, M. (1973), "Job market signaling", *Quarterly Journal of Economics*, Vol. 87 No. 3, pp. 355-374.
- Spence, M. (1974), *Market Signaling*, Harvard University Press, Cambridge, MA.
- Tom, V.R. (1971), "The role of personality and organizational images in the recruiting process", *Organizational Behavior and Human Performance*, Vol. 6 No. 5, pp. 573-592.
- Turban, D.B. (2001), "Organizational attractiveness as an employer on college campuses: an examination of the applicant population", *Journal of Vocational Behavior*, Vol. 58 No. 2, pp. 293-312.
- Turban, D.B. and Keon, T.L. (1993), "Organizational attractiveness: an interactionist perspective", *Journal of Applied Psychology*, Vol. 78 No. 2, pp. 184-193.
- Turban, D.B. and Greening, D.W. (1997), "Corporate social performance and organizational attractiveness to prospective employees", *Academy of Management Journal*, Vol. 40 No. 3, pp. 658-672.
- Vorhies, D., Orr, L. and Bush, V. (2011), "Improving customer-focused marketing capabilities and firm financial performance via marketing exploration and exploitation", *Journal of the Academy of Marketing Science*, Vol. 39 No. 5, pp. 736-756.
- Wallace, M., Lings, I., Cameron, R. and Sheldon, N. (2014), "Attracting and retaining staff: the role of branding and industry image", in Harris, R. and Short, T. (Eds), *Workforce Development: Perspectives and Issues*, Springer, Heidelberg, Dordrecht and London, New York, pp. 19-36.
- Wilden, R., Gudergan, S. and Lings, I. (2010), "Employer branding: strategic implications for staff recruitment", *Journal of Marketing Management*, Vol. 26 Nos 1-2, pp. 56-73.

About the authors

Dr Susan E. Myrden completed her BCom (Co-op) at the Memorial University of Newfoundland, her MBA Degree from the University of North Carolina at Greensboro and her PhD from Saint Mary's University in Halifax, Nova Scotia. She currently Teaches introductory courses in marketing as well as advanced courses in international and services marketing. Her research interests are in the area of services marketing and more specifically her work is focussed on the relationship between employee engagement and service quality as well as in the area service recovery. Dr Susan E. Myrden is the corresponding author and can be contacted at: susan.myrden@maine.edu

Professor Kevin Kelloway is the Canada Research Chair in Occupational Health Psychology at the Saint Mary's University, Halifax, Nova Scotia. A native of New Waterford, NS, he is a Graduate of Dalhousie (BSc Honors Psychology) and Saint Mary's (MSc in industrial/organizational psychology) Universities. He received his PhD in organizational psychology from the Queen's University in 1991 and joined the psychology department of the University of Guelph, attaining the rank of a Full Professor in 1996. In 1999 he joined the Faculty of Commerce at the Saint Mary's University as a Professor of management and psychology. In 2006 he was appointed as a Senior Research Fellow at the CN Centre for occupational health and safety. Kevin Kelloway is a prolific researcher having published over 100 articles, book chapters and technical reports as well as ten books on a variety of topics.

Young
workers'
perception of
brand image

281

For instructions on how to order reprints of this article, please visit our website:

www.emeraldgrouppublishing.com/licensing/reprints.htm

Or contact us for further details: permissions@emeraldinsight.com

This article has been cited by:

1. MagboolMohamad Abu Huzaifah bin Mohamad Abu Huzaifah bin Magbool abuhuzaifahm@gmail.com AmranAzlan Azlan Amran azlan_amran@usm.my NejadiMehran Mehran Nejadi mehran.nejadi@gmail.com JayaramanKrishnaswamy Krishnaswamy Jayaraman dr_kjraman@usm.my Graduate School of Business (GSB), Universiti Sains Malaysia (USM), Penang, Malaysia . 2016. Corporate sustainable business practices and talent attraction. *Sustainability Accounting, Management and Policy Journal* 7:4, 539-559. [[Abstract](#)] [[Full Text](#)] [[PDF](#)]
2. DruryPauline Pauline Drury . 2016. Employer branding. *Human Resource Management International Digest* 24:3, 29-31. [[Abstract](#)] [[Full Text](#)] [[PDF](#)]