King's Research Portal

DOI:

[10.1111/radm.12388](https://doi.org/10.1111/radm.12388)

Document Version

Peer reviewed version

[Link to publication record in King's Research Portal](#)

Citation for published version (APA):

Tuncdogan, A., & Volberda, H. W. (2020). The effects of perceived corporate brand personality on individuals' exploration and exploitation orientations: the moderating role of selfbrand connection. *R AND D MANAGEMENT*, 50(2), 188-197. <https://doi.org/10.1111/radm.12388>

Citing this paper

Please note that where the full-text provided on King's Research Portal is the Author Accepted Manuscript or Post-Print version this may differ from the final Published version. If citing, it is advised that you check and use the publisher's definitive version for pagination, volume/issue, and date of publication details. And where the final published version is provided on the Research Portal, if citing you are again advised to check the publisher's website for any subsequent corrections.

General rights

Copyright and moral rights for the publications made accessible in the Research Portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognize and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the Research Portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the Research Portal

Take down policy

If you believe that this document breaches copyright please contact librarypure@kcl.ac.uk providing details, and we will remove access to the work immediately and investigate your claim.

The Effects of Perceived Corporate Brand Personality on Individuals' Exploration and Exploitation Orientations: The Moderating Role of Self-Brand Connection

Abstract

Our knowledge is limited regarding the psychological antecedents of individuals' exploration and exploitation in general and regarding the identity-related antecedents in particular. The corporate brand of the organization we work for is an important element of our collective identity, and the way we perceive the corporate brand personality of our organization affects how we define ourselves. In this paper, using data from 417 individuals working in sales-related jobs and taking the behavioural strategy perspective, we examine the effects of perceived corporate brand personality on the individuals' identities and, therefore, strategic tendencies. More specifically, we find that the responsibility and activity dimensions of the corporate brand make the corresponding aspects of employees' identities more salient and affect their orientations towards exploration and exploitation. We also investigate the moderator role of the self-brand connection. This paper has contributions and implications, especially for the literature on exploration-exploitation at the individual level.

“New knowledge always starts with an individual”

- Ikujiro Nonaka

In line with the recent micro-foundations movement, the literature on innovation and strategic renewal has been investigating the antecedents of exploration and exploitation at the individual level (e.g., Ahmadi, Khanagha, Berchicci, and Jansen, 2017; Mom, van den Bosch and Volberda, 2009; Tuncdogan, van den Bosch and Volberda, 2015). The importance of this construct transcends beyond its effects on individuals' performance – exploration and exploitation at the individual level has implications for strategic renewal at higher levels of analysis as well (e.g., Mom, Fourne and Jansen, 2015; Tuncdogan et al., 2015). The emerging stream of literature has been investigating the effects of certain organizational structures (e.g., Mom, van den Bosch and Volberda, 2009) and psychological tendencies (e.g., Tuncdogan et al., 2015) on individual's exploration and exploitation. However, despite their pervasive effects throughout the organization (e.g., Hogg and Terry, 2000), the potential effects of constructs about self and identity are mostly overlooked.

In this paper, we examine the effects of an individual's perception of his or her organization's corporate brand personality on that individual's exploration and exploitation orientations. In particular, drawing upon the social identity theory (Ellemers, de Gilder and Haslam, 2004; Korschun, 2015; Tajfel, 1974), we propose that an individual's perception of the corporate brand personality as responsible and active heightens the salience of the responsibility and activity aspects of that individual's identity and affects his or her orientation towards exploration and exploitation. Hence, this paper has at least two contributions for the ongoing discussions in the literature. First, this paper contributes to the emerging literature on exploration and exploitation at the individual level by presenting

perceived corporate brand personality as a psychological micro-foundation of individuals' exploration and exploitation orientations. By bringing in a well-developed self and identity perspective to the nascent research on individual's exploration and exploitation, this paper contributes to the ongoing theory-building efforts in this emerging stream of literature.

Second, most research on corporate brands and corporate brand personality focuses either on the direct effects of the corporate brand on consumers (e.g. Han, Nunes and Dreze, 2010) or on the indirect effects on the organization through consumers, such as increased sales and profits (e.g. Harris and de Chernatony, 2001). However, the corporate brand is not only a tool to influence the consumers' perceptions of the firm, but is also an integral component of the organization's collective identity (e.g., Abratt and Kleyn, 2012), and our knowledge is limited regarding the micro-level inwards effects of the corporate brand on the corporation. For example, there is limited research on how corporate brand personality affects the employees' decision-making tendencies and, therefore, the psychological architecture of the firm. In this paper, taking a behavioural strategy perspective (e.g. Powell, Lovallo and Fox, 2011) which examines the psychological micro-foundations of strategic behaviours, we argue that the way employees perceive the corporate brand personality significantly influences their identities and, therefore, their exploration-exploitation tendencies. That is, this paper contributes to the literature by demonstrating that the corporate brand of a firm not only affects the company indirectly through its effects on consumers, but also directly by altering the identities and strategic decisions of its employees. The contributions of this paper are reviewed further in the discussion section.

THEORY AND HYPOTHESES

Social identity theory explains how the elements of an individual's identity and, therefore, his or her goals, preferences and decisions change when this individual is embedded within a collective, such as a group, team or organisation (e.g. Ellemers et al., 2004; Hogg and

Terry, 2000; Korschun, 2015). In other words, ‘the social identity theory predicts individual behaviour based on the individual’s perceived membership in a social group’ (Korschun, 2015, p. 4). According to this theory, we gain a new collective identity and our self-definition is enhanced by becoming a member of a collective (e.g. group, organisation or nation) (e.g. Hogg and Terry, 2000). More specifically, one way we define ourselves becomes in terms of that new collective identity (e.g. an employee of organisation X). We categorise ourselves in terms of that collective, so our self-definition shifts from our perception of our unique personal self to what we perceive as the self-definition or the ‘prototype’ of that collective.

The prototype of a collective consists of several elements that define this collective (e.g. ‘a management consultant is hardworking’, ‘an academic is intelligent’, ‘an employee of hospital X is caring’). The corporate brand personality of an organisation is also a key element of its identity prototype (e.g. Abratt and Kleyn, 2012). Thus, in line with the predictions of social identity theory, we posit that the way a member of an organization perceives the organization’s corporate brand personality (an element of its identity prototype) is likely to affect how he or she defines himself or herself. More specifically, we hypothesise that the more an individual perceives the corporate brand personality of an organisation as high on the responsibility dimension (defined by such keywords as ‘down to earth’, ‘stable’ and ‘responsible’ (Geuens, Weijters and de Wulf, 2009)), the more salient the responsibility aspect of the individual’s identity will become. Likewise, the more an individual perceives the corporate brand personality of an organisation as high on the activity dimension (defined by such keywords as ‘active’, ‘dynamic’ and ‘innovative’ (Geuens, Weijters and de Wulf, 2009)), the more salient the activity aspect of the individual’s identity will become.

The effects of the collective on the individual are so strong that even a minimal association with a group is known to affect the individual’s self-definition and behaviour. For instance, in an experiment, participants were shown to perform better in attention tasks when

they were asked to wear a lab coat, and in creative tasks when they were told that it was a painter's coat (Adam and Galinsky, 2012). That said, the extent to which a collective identity affects an individual's identity varies across collectives. We consider close connections to some collectives (e.g. family, a friend clique or a favourite band) and their effects on our own identity as strong. Other collectives may not have much of an effect, even if we are a part of such collectives (e.g. people living in the northern hemisphere). The concept of self-brand connection refers to 'the extent to which individuals have incorporated brands into their self-concept at an aggregate level' (Bearden, Netemeyer and Haws, 2011, p. 372). Thus, a stronger self-brand connection is likely to strengthen the link between a corporate brand personality and a member individual's identity. In other words, we expect that the links discussed above will be intensified when the level of self-brand connection is higher.

Hypothesis 1: (a) The responsibility dimension of the corporate brand personality is positively associated with the responsibility dimension of an individual's identity, and (b) the activity dimension of the corporate brand personality is positively associated with the activity dimension of an individual's identity.

Hypothesis 2: The self-brand connection positively moderates the relationships (a) between the responsibility dimension of the corporate brand personality and the responsibility dimension of an individual's identity, and (b) between the activity dimension of the corporate brand personality and the activity dimension of an individual's identity.

Effects on Exploration and Exploitation Orientations

The literature on exploration and exploitation examines the survival benefits of these strategic tendencies. According to March (1991, p. 71), exploration activities refer to 'things captured by terms such as search, variation, risk taking, experimentation, play, flexibility, discovery, innovation', whereas he defines exploitation activities using keywords such as

‘refinement, choice, production, efficiency, selection, implementation, execution’.

Exploration activities provide the necessary change for an entity (e.g. individual, team or organization) to adapt to the future changes in the environment, whereas exploitation activities adapt the entity to the current environment. Both activities are crucial for performance and survival (e.g. Bauer and Leker, 2013; Casault, Groen and Linton, 2017; Jansen, van den Bosch and Volberda, 2006).

We expect a positive relationship between the individual’s identity’s activity aspect being salient and the individual’s orientation towards exploration activities, and a positive relationship between the individual’s identity’s responsibility aspect being salient and the individual’s orientation towards exploitation activities. In particular, one key benefit of exploitation activities is stability (e.g. Lewin, Long and Carrol, 1999). More specifically, exploitation activities consist of repetitive and concrete tasks and their costs and yields are known (e.g., Levinthal and March, 1993; March, 1991; Mom et al., 2009). Goals associated with the responsibility dimension, such as meeting a deadline, reaching a quarterly quota and ensuring a certain profit level, require the individual to engage in a sufficient amount of exploitation activity. Therefore, an increased focus on responsibilities is likely to increase exploitation orientation. In contrast, exploration activities involve high risk, their costs are not known and the yield size is ambiguous (Mom et al., 2009; Keupp and Gassmann, 2009). Goals associated with the activity dimension, such as developing an innovative product, benefiting from the dynamism of the market and surpassing competitors, require exploration activities (e.g., Jansen et al., 2006; Mom et al., 2015). Hence, an increased focus on the activity dimension is likely to increase exploration orientation.

Hypothesis 3: (a) The responsibility dimension of an individual’s identity is positively associated with his or her orientation towards exploitation activities, and (b) the activity

dimension of an individual's identity is positively associated with his or her orientation towards exploration activities.

<Insert Figure 1 About Here>

METHOD

503 working people working in sales-related jobs from the US were recruited by a prominent panel data firm (Qualtrics) to complete our online questionnaire. Individuals in sales-related jobs were selected as this is a role that requires the individual to engage in both exploration (e.g., searching for new customers and developing new solutions) and exploitation activities (e.g., maintaining existing relations and refining existing solutions). Five respondents provided some illogical responses (e.g. years of work experience > age) and were therefore removed. Also, respondents working in companies with fewer than five employees were removed from the dataset, as there may be little or no difference between personal and corporate identity in such companies. Our final sample size was 417 individuals.

Scales and Measurement

Exploration and exploitation orientations. We measured individuals' exploration and exploitation orientations using five-item scales based on Mom, van den Bosch and Volberda (2007). Scales begin with the phrase "I focus on:" and are followed by items such as "...searching for new possibilities with respect to products/services, processes or markets" for exploration and such as "...activities which serve existing (internal) customers with existing services/products" for exploitation. Both scales had high levels of reliability (Cronbach's $\alpha = .84$ and $\alpha = .85$).

Perceived corporate brand personality and individual identity. We measured the perceptions regarding the responsibility and activity dimensions of corporate brand personality using the three-item subscales of the brand personality scale developed by Geuens, Weijters and de Wulf (2009). The responsibility dimension asks individuals the extent to which they perceive the brand as down to earth, stable and responsible, whereas the activity dimension asks them the extent to which they perceive the brand as active, dynamic and innovative. The scales showed high levels of reliability ($\alpha = .83$ for responsibility, and $\alpha = .88$ for activity). Then the same items were used to measure the extent to which the individuals perceive themselves as responsible and active, and the scales again showed high levels of reliability ($\alpha = .71$ for responsibility, and $\alpha = .79$ for activity). To ensure that the observed results were not caused by selection effects or endogeneity issues, we also controlled for the effects of Big-Five personality traits and various other chronic differences (see the relevant discussion within the control variables subsection below).

Self-brand connection. We measured the self-brand connection using the seven-item scale developed by Escalas and Bettman (2003). In line with prior research, the self-brand connection scale showed a very high level of reliability ($\alpha = .96$).

Control variables. We used several control variables to eliminate alternative explanations, such as the effects' of the participants' individual differences. To control for the effects of demographic differences, we included gender, age and education. Experience is a potential precursor of exploration-exploitation (March, 1991), so we controlled for years of experience in the company, years of experience in the position and years of experience in sales. In line with prior research, we also we controlled for hierarchical level, organizational age, organizational size and environmental dynamism (e.g., Jansen et al., 2006; Mom et al., 2009). Likewise, we controlled for the effect of exploitation for models on exploration and of exploration for models on exploitation to ensure that the effects we observed were indeed due

to exploration or exploitation and that we were not capturing overall motivation of the individual or a general tendency towards change. Moreover, consumers often choose brands with personalities that fit their own individual personality (Huang, Mitchell and Rosenaum-Elliott, 2012). Thus, employees may also choose corporate brands that fit their personalities. To eliminate potential selection effects (e.g., Barrick, Mount and Gupta, 2003) and endogeneity-related issues (e.g., Tuncdogan et al., 2015, p. 847) we controlled for individuals' Big-Five personality traits using a 10-item scale by Rammstedt and John (2007).

Validation

We have conducted several validity and reliability checks on the scales of this study. First, as noted above, we have examined the Cronbach's Alpha and McDonald's Omega (McDonald, 2013) values, and they were above the recommended threshold of .7 for each of the scales. We conducted a confirmatory factor analysis using the *lavaan* package of R, which also showed a very good fit ($\chi^2 = 981.34$; d.f. = 356; $\chi^2 / \text{d.f.} = 2.76$; TLI = .91; CFI = .92; RMSEA = .065; SRMR = .05; AIC = 35534.31; BIC = 35852.92; SABIC = 35602.23), suggesting good convergent and divergent validity. Furthermore, we conducted a series of confirmatory factor analyses, allowing us to compare our model with those having fewer variables. Both in terms of objective (e.g. CFI, TLI, RMSEA) and relative (e.g. AIC, BIC, SABIC) measures of fit, the seven-factor model demonstrated a very good fit on its own as well as a better fit than alternative models.

Against the potential threat of multicollinearity, we examined the variance inflation factors. The highest VIF value observed in our analyses was 2.98, which is significantly below the acceptable maximum of 10. Likewise, to check for common method bias, we conducted single-factor tests using principal components analysis and confirmatory factor analysis. In the first case, the largest factor did not account for more than half of the variance (34%), suggesting that common method bias was not a major issue in this study. Likewise, the

single-factor confirmatory factor analysis model had very poor fit to the data ($\chi^2 = 4141.04$; d.f. = 377; $\chi^2 / \text{d.f.} = 10.98$; TLI = .49; CFI = .53; RMSEA = .16; SRMR = .14; AIC = 38652.02; BIC = 38885.93; SABIC = 38701.89), again suggesting that common method bias was not a major issue in this case.

RESULTS AND ANALYSIS

We first used regressions to test our predictions and then followed them with bootstrapped mediation and moderation analyses (Hayes, 2017). Using OLS regressions (Table 1), we observed that the perceived corporate brand responsibility was positively associated with the responsibility aspect of an individual's identity (Model 1: $\beta = .31$; $p < .001$), and that was positively associated with exploitation (Model 4: $\beta = .19$; $p < .001$), *supporting hypotheses 1a and 3a*. Likewise, the perceived corporate brand activity was positively associated with the activity aspect of the individual's identity (Model 2: $\beta = .29$; $p < .001$), and that was positively associated with exploration (Model 3: $\beta = .17$; $p < .01$), *supporting hypotheses 1b and 3b*. Finally, self-brand connection acted as a moderator regarding the activity dimension (Model 1: $\beta = .16$; $p = .01$), but regarding the responsibility dimension (Model 2: $\beta = -.02$; $p = .74$), *supporting hypothesis 2b but not 2a*. We also checked the robustness of the moderation using a bootstrapped moderation model, and again, the interaction was significant for activity (Coefficient = .07; Standard Error = .02; $t = 3.43$; $p < .001$; LLCI = .03; ULCI = .11) but not for responsibility (Coefficient = .00; Standard Error = .02; $t = .06$; $p = .95$; LLCI = -.03; ULCI = .03).

<Insert Table 1 About Here>

Next, we tested the mediation model on exploration. In line with our expectations, the responsibility dimension of the perceived corporate brand personality had a positive association with the salience of individuals' responsibility and that had a positive association

with their exploitation orientations (Effect = .05; $Z = 2.94$; $p < .01$; Lower Limit = .02, Upper Limit = .09). The association between the activity dimension and exploitation was not significant (Effect = -.00; $Z = -.16$; $p = .88$; Lower Limit = -.01, Upper Limit = .00). Likewise, the activity dimension of the perceived corporate brand personality had a positive association with the salience of an individual's activity and that had a positive association with their exploration orientations (Effect = .03; $Z = 2.71$; $p < .01$; Lower Limit = .01, Upper Limit = .08). The association between the responsibility dimension and exploration was not significant (Effect = -.00; $Z = -.09$; $p = .93$; Lower Limit = -.01, Upper Limit = .00).

Robustness Checks

Regressions without control variables. Traditionally, the main concern in research has been a lack of sufficient control variables. In recent years, some scholars are taking the alternative perspective that sometimes too many control variables are used in management research (Carlson and Wu, 2012). To ensure that this was not the case, we ran our analyses a second time without any control variables at all. Doing so only slightly changed the p-values (made them more significant) and the conclusions were intact.

Ten-fold cross validation. To examine the predictive validity of our model, we used 10-fold cross validation, which functions as follows: It first divides the sample into smaller sub-samples and then removes one of the sub-samples and estimates the removed sub-sample using the rest of the data. Then it repeats this procedure for each of the sub-samples. In doing so, it yields information regarding the predictive validity of the model. In particular, each point (Figure 1) represents a prediction of the model, and the square of its distance from the regression line is the mean squared error (MSE). The model's accuracy was quite high in predicting both exploration (MSE = .947) and exploitation (MSE = .751).

<Insert Figure 2 About Here>

DISCUSSION

This paper has contributions and implications for the ongoing discussions in the literature on exploration-exploitation and corporate branding. First, in this paper, we take a first step in understanding the micro-level effects of corporate brands – as a key component of the organization's collective identity – on the company itself. Until now, the dialogue on this subject has focused predominantly on the direct effects of corporate brands on consumers (e.g. Han, Nunes, and Dreze, 2010) or on the indirect effects on the company, such as increased sales or profits, through the effects on consumers (e.g. Harris and de Chernatony, 2001). However, our understanding is limited regarding the effects of corporate brands on the internal structure of the firm. Building on the behavioural strategy perspective (Powell et al., 2011) and social identity theory (Ellemers et al., 2004; Hogg and Terry, 2000; Korschun, 2015), we take an early step towards a better comprehension of the inwards effects of corporate brands. More specifically, we contribute to the literature on corporate branding by providing early evidence regarding the effects of corporate brand personality on individuals' strategic tendencies, such as exploration-exploitation. Individuals' exploration and exploitation tendencies are crucial not only because they can determine the short- and long-term performance of an individual (Mom, Fourné and Jansen, 2015) but also because they translate to higher levels of analysis and eventually determine an organization's overall ambidexterity level.

Second, this study elucidates a new type of antecedent that drives exploration and exploitation at the individual level. Exploration–exploitation research at the individual level is a relatively new stream of literature. Until now, most of the limited research in this area has focused on the antecedents of organisational design elements (e.g. centralisation, formalisation and information flows; see Mom et al., 2007, 2009). With certain exceptions

(e.g. Tuncdogan et al., 2015), relatively little is known about psychological antecedents, although the variance explained by these antecedents is different from that of the antecedents of organisational design elements (Levinthal, 2011). Likewise, although psychological constructs about self and identity are known to have a range of effects on the organisation, little is known about their effects on the strategic tendencies of individuals, such as exploration and exploitation. In this study, building on insights from social identity theory, we contribute to the literature on the psychological antecedents of exploration and exploitation at the individual level.

The findings of this study are also useful for managerial practice. For example, when repositioning a brand, it is common for organizations to focus on the consumers. Indeed, most firms conduct marketing research and, based on the results, try to produce a corporate brand personality that best fits the preferences of the consumers (e.g. Knox, 2004). The results of this study imply that the corporate brand personality influences the strategic tendencies of the company's employees and therefore has significant effects on the company itself. In other words, managers should consider any decision about the corporate brand personality from two separate perspectives. Otherwise – for instance, while trying to satisfy a particular consumer need – the organization might be damaging its own psychological architecture. A similar example is the decision regarding which market segment a company should focus on: One of two similar segments might be more profitable because the corporate brand personality required to target it will have more desirable effects on the firm's employees and their behavioural tendencies.

Limitations and Future Research

The limitations of this study present avenues for future research. First, as we mentioned above, we have focused only on one type of strategic behaviour in this study: individuals' exploration–exploitation orientations. However, it is likely that as a key element

of the organisation's collective identity, the corporate brand personality affects employees' various other tendencies, perceptions and behaviours. Second, we have focused on how individuals' perceptions of the corporate brand personality affect their identities and strategic behaviours. However, we have not investigated the factors affecting these perceptions. Future research should use appropriate qualitative methods to explore the factors that shape a salesperson's perceptions of corporate brand personality and the circumstances under which the perceived corporate brand identity overlaps with the corporate brand identity. Third, using cross-sectional survey data, we have shown the association between corporate brand personality and individual identity, and used certain control variables to prevent a potential endogeneity bias. However, future field studies using experimental designs are necessary to fully eliminate such biases and definitively establish the causal nature of this link. Fourth, we have received our data from one kind of source, which can result in other potential biases, and future studies using multisource data from different populations (e.g. in terms of culture, job type and corporate role) would be necessary to conclusively eliminate these threats to validity. Fifth, in this model, we take a step towards examining a mostly unexplored area, and the model focuses predominantly on the main effects. However, the explanatory power of this framework can be enhanced through the addition of other moderating variables, such as variables related to external effects, cognitive dissonance and intrinsic/extrinsic motivation. Finally, although we have used numerous carefully selected control variables, there may be factors that we have not considered. Future research should consider using other control variables and methods of triangulation to deal with potential confounding factors.

REFERENCES

- Abratt, R. and Kleyn, N. (2012). Corporate identity, corporate branding and corporate reputations: Reconciliation and integration. *European Journal of Marketing*, **46**,1048-1063.
- Ahmadi, S., Khanagha, S., Berchicci, L., and Jansen, J.J. (2017). Are Managers Motivated to Explore in the Face of a New Technological Change? The Role of Regulatory Focus, Fit, and Complexity of Decision-Making. *Journal of Management Studies*, **54**, 209-237.
- Barrick, M.R., Mount, M.K., and Gupta, R. (2003). Meta-analysis of the relationship between the five-factor model of personality and Holland's occupational types. *Personnel Psychology*, **56**, 45-74.
- Bauer, M., and Leker, J. (2013). Exploration and exploitation in product and process innovation in the chemical industry. *R&D Management*, **43**,196-212.
- Carlson, K.D. and Wu, J. (2012). The illusion of statistical control: Control variable practice in management research. *Organizational Research Methods*, **15**,413-435.
- Casault, S., Groen, A.J., and Linton, J.D. (2017). Towards a better understanding of the dynamics of value creation in R&D intensive small firms. *R&D Management*, **47**.
- Ellemers, N., De Gilder, D., & Haslam, S.A. (2004). Motivating individuals and groups at work: A social identity perspective on leadership and group performance. *Academy of Management review*, **29**, 459-478.
- Escalas, J.E. and Bettman, J.R. (2003). You are what they eat: The influence of reference groups on consumers' connections to brands. *Journal of Consumer Psychology*, **13**,339-348.
- Geuens, M., Weijters, B. and De Wulf, K. (2009). A new measure of brand personality. *International Journal of Research in Marketing*, **26**,97-107.

- Han, Y.J., Nunes, J. and Dreze, X. (2010). Signaling Status with Luxury Goods: The Role of Brand Prominence. *Journal of Marketing*, **74**,15–30.
- Harris, F. and de Chernatony, L. (2001). Corporate branding and corporate brand performance. *European Journal of Marketing*, **35**,441-456.
- Hayes, A.F. (2017). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach*. Guilford Publications.
- Hogg, M.A. and Terry, D.I. (2000). Social identity and self-categorization processes in organizational contexts. *Academy of management review*, **25**,121-140.
- Huang, H.H., Mitchell, V.W. and Rosenaum-Elliott, R. (2012). Are consumer and brand personalities the same?. *Psychology and Marketing*, **29**,334-349.
- Jansen, J.J., Van Den Bosch, F.A. and Volberda, H.W. (2006). Exploratory innovation, exploitative innovation, and performance: Effects of organizational antecedents and environmental moderators. *Management science*, **52**,1661-1674.
- Keupp, M.M., and Gassmann, O. (2009). Determinants and archetype users of open innovation. *R&D Management*, **39**,331-341.
- Knox, S. (2004). Positioning and branding your organization. *Journal of Product and Brand Management*, **13**,105-115.
- Korschun, D. (2015). Boundary-spanning employees and relationships with external stakeholders: A social identity approach. *Academy of Management Review*, **40**, 611-629.
- Levinthal, D.A. (2011). A behavioral approach to strategy—what's the alternative?. *Strategic Management Journal*, **32**,1517-1523.
- March, J.G. (1991). Exploration and exploitation in organizational learning. *Organization science*, **2**,71-87.
- McDonald, R.P. (2013). *Test theory: A unified treatment*. Psychology Press.

- Mom, T.J., Fourné, S.P. and Jansen, J.J. (2015). Managers' work experience, ambidexterity, and performance: The contingency role of the work context. *Human Resource Management*, **54**,133-153.
- Mom, T.J., Van Den Bosch, F.A. and Volberda, H.W. (2007). Investigating managers' exploration and exploitation activities: The influence of top-down, bottom-up, and horizontal knowledge inflows. *Journal of management studies*, **44**, 910-931.
- Mom, T.J., Van Den Bosch, F.A. and Volberda, H.W. (2009). Understanding variation in managers' ambidexterity: Investigating direct and interaction effects of formal structural and personal coordination mechanisms. *Organization Science*, **20**,812-828.
- Powell, T.C., Lovallo, D. and Fox, C.R. (2011). Behavioral strategy. *Strategic Management Journal*, **32**,1369-1386.
- Rammstedt, B. and John, O.P. (2007). Measuring personality in one minute or less: A 10-item short version of the Big Five Inventory in English and German. *Journal of Research in Personality*, **41**,203-212.
- Tajfel, H. (1974). Social identity and intergroup behaviour. *Information (International Social Science Council)*, **13**, 65-93.
- Tuncdogan, A., Van Den Bosch, F. and Volberda, H. (2015). Regulatory focus as a psychological micro-foundation of leaders' exploration and exploitation activities. *Leadership Quarterly*, **26**,838-850.

Table 1
OLS Regression Models

	Model 1	Model 2	Model 3	Model 4
Dependent Variable:	<i>Individual Responsibility</i>	<i>Individual Activity</i>	<i>Exploration</i>	<i>Exploitation</i>
Independent Variables				
Corporate Brand Responsibility	.31***	.03	.02	.15**
Corporate Brand Activity	.04	.29***	.11*	.05
Individual Responsibility			-.04	.19***
Individual Activity			.17**	.04
Self-Brand Connection	-.00	.05		
Corp.Br.Resp. * Self-Br.Con.	-.02	.01		
Corp.Br.Act. * Self-Br.Con.	.06	.16*		
Control Variables				
Gender	.13**	-.05	-.06	.04
Age	.06	-.15**	-.13*	.03
Education	.05	.05	.03	-.04
Years of Experience in Company	.07	.02	-.09	.14*
Years of Experience in Position	-.04	-.03	.02	-.13*
Years of Experience in Sales	.04	.03	.06	.12†
Hierarchical Level	-.08†	.03	.10*	-.01
Organizational Size	.06	.04	-.03	-.00
Organizational Age	-.03	-.06	-.04	.02
Extraversion	-.04	.12**	.07†	-.03
Agreeableness	.15**	.01	.02	-.06
Conscientiousness	.24***	.22***	.00	.08†
Emotional Stability	.20***	.18***	.07	-.02
Openness to Experience	-.00	.09*	-.04	-.04
Environmental Dynamism	.05	.16***	.26***	.03
Exploration				.34***
Exploitation			.31***	
R-squared	.38	.38	.39	.35
Adjusted R-squared	.35	.36	.36	.31
ANOVA F	12.18***	12.57***	12.83***	10.41***

Notes: Standardized coefficients reported; N = 417; † p < .10; * p < .05; ** p < .01; *** p < .001

FIGURE 1

Figure 1. Theoretical Model

FIGURE 2

Figure 2. Cross-validation results for exploration (left) and exploitation (right)

SUPPLEMENTARY TABLE 1

Table 1. Comparative CFA Results

	χ^2	d.f.	$\chi^2 / \text{d.f.}$	RMSEA ^a	TLI ^b	CFI ^c	SRMR ^d	AIC ^e	BIC ^f	SABIC ^g
<i><u>Recommended values:</u></i>			≤ 3	$\leq .08$	$\geq .90$	$\geq .90$	$\leq .08$	<i>The model with the lowest AIC / BIC / SABIC value has the best fit</i>		
1 . Seven-factor model	981.34	356	2.76	.065	.91	.92	.05	35534.31	35852.92	35602.23
2 . Six-factor model (Exploration and exploitation combined together)	1560.42	362	4.31	.09	.83	.85	.07	36101.39	36395.81	36164.16
3. Five-factor model (Corporate responsibility and activity also combined together)	1847.28	367	5.03	.10	.80	.82	.07	36378.25	36652.504	36436.72
4. Four-factor model (Individual responsibility and activity also combined together)	2033.64	371	5.48	.10	.77	.79	.08	36556.61	36814.73	36611.643
5. Three-factor model (Corporate and individual responsibility and activity dimensions also combined together)	2393.19	374	6.40	.11	.73	.75	.09	36910.16	37156.18	36962.61
6. Two-factor model (Corporate and individual responsibility and activity dimensions and self-brand connection combined together)	3260.97	376	8.67	.14	.61	.64	.12	37773.94	38011.89	37824.67
7. One-factor model / Harman's test (All variables combined together)	4141.04	377	10.98	.16	.49	.53	.14	38652.02	38885.93	38701.89

Note: ^aRMSEA = Root Mean Squared Error of Approximation ^bTLI = Tucker-Lewis Index, ^cCFI = Comparative Fit Index, ^dSRMR = Standardized Root Mean Residual, ^eAIC = Akaike, ^fBIC = Bayesian, ^gSABIC = Sample-Adjusted Bayesian

Supplementary Table 2. Correlation Matrix

	Mean	Median	Std. Dev.	1	2
Extraversion	3.32	3.00	.92		
Agreeableness	3.68	4.00	.85	.10*	
Conscientiousness	4.12	4.00	.82	.16**	.26***
Emotional Stability	3.33	3.50	.98	.31***	.23***
Openness to Experience	3.56	3.50	.83	.14**	.01
Exploitation	5.33	5.20	1.00	.09	.12*
Exploration	4.79	5.00	1.17	.18***	.12*
Individual Responsibility	5.90	6.00	.89	.11*	.34***
Corporate Brand Responsibility	5.50	5.67	1.18	.08	.25***
Individual Activity	5.14	5.33	1.13	.27***	.17***
Corporate Brand Activity	5.31	5.33	1.31	.09	.19***
Self-Brand Connection	4.63	4.71	1.52	.09	.22***
Gender	.65	1.00	.48	-.02	.02
Age	39.41	37.00	13.53	.10*	.05
Education	2.31	3.00	.94	.04	-.10
Years of Experience in Company	8.57	5.00	8.62	.01	.11*
Years of Experience in Position	8.70	5.00	9.01	.02	.13**
Years of Experience in Sales	14.02	11.00	11.27	.13*	.12*
Hierarchical Level	1.90	1.00	1.08	.05	.05
Organizational Size	30122.81	200.00	166108.93	-.01	-.07
Organizational Age	40.31	30	32.91	-.12*	-.09
Environmental Dynamism	4.02	4.00	1.12	-.00	-.01

Notes: N = 417; * p < .05; ** p < .01; *** p < .001

3	4	5	6	7	8	9	10
.27***							
.11*	.02						
.25***	.18***	.00					
.16***	.21***	.00	.44***				
.39***	.35***	.06	.38***	.21***			
.19***	.24***	.05	.36***	.24***	.44***		
.35***	.33***	.18***	.30***	.41***	.37***	.26***	
.16**	.15**	.08	.32***	.31***	.31***	.61***	.38***
.14**	.17***	.08	.35***	.32***	.28***	.54***	.28***
-.01	-.26***	.09	-.01	-.07	.06	.00	-.04
.18***	.20***	.01	.12*	-.08	.17***	.05	-.05
-.04	-.00	.09	-.05	.03	-.03	-.13*	.06
.11*	.13*	-.01	.18***	-.01	.15**	.10*	.00
.13*	.18***	-.03	.09	.01	.14**	.10*	-.01
.15**	.21***	.03	.15**	-.01	.16**	.07	-.02
.15**	.12*	.05	.11*	.17***	.04	.13*	.12*
-.04	.03	.06	-.01	-.05	.02	-.04	.01
.05	.03	-.01	.01	-.12*	.00	-.02	-.11*
-.02	-.05	-.03	.14**	.35***	.03	-.04	.20***

11	12	13	14	15	16	17	18
.50***							
.05	.04						
-.02	.04	-.27***					
-.01	.07	-.05	.07				
.04	.15**	-.20***	.56***	.05			
.00	.06	-.19***	.58***	.02	.61***		
-.05	.06	-.25***	.78***	-.01	.58***	.66***	
.04	.19***	-.13**	.08	.12*	.26***	.16***	.17***
-.02	-.07	-.10*	.06	-.06	.04	-.03	.02
-.05	-.07	-.04	.17***	.05	.19***	.16**	.13**
.09	.12*	.00	-.08	.05	.03	.04	-.09

19	20	21
----	----	----

-05		
-10*	.11*	
-01	-01	-05

Supplementary Table 3

Expanded Table of OLS Regression Models

	Model 1
Dependent Variable:	<i>Individual Responsibility</i>
(Constant)	^a .000*** (-2.615; .360; -7.254)
Independent Variables	
Corporate Brand Responsibility	.310/.000*** (.233; .044; 5.350)
Corporate Brand Activity	.039/.468 (.026; .036; .727)
Individual Responsibility	
Individual Activity	
Self-Brand Connection	-.002/.970 (-.001; .030; -.038)
Corp.Br.Resp. * Self-Br.Con.	-.021/.737 (-.008; .023; -.336)
Corp.Br.Act. * Self-Br.Con.	.064/.311 (.022; .022; 1.015)
Control Variables	
Gender	.134/.002** (.248; .081; 3.077)
Age	.064/.314 (.004; .004; 1.008)
Education	.046/.273 (.044; .040; 1.097)
Years of Experience in Company	.072/.199 (.007; .006; 1.286)
Years of Experience in Position	-.042/.475 (-.004; .006; -.716)
Years of Experience in Sales	.039/.568 (.003; .005; .571)
Hierarchical Level	-.077/.080† (-.063; .036; -1.756)
Organizational Size	.060/.142 (.000; .000; 1.473)
Organizational Age	-.027/.520 (-.001; .001; -.644)
Extraversion	-.043/.316 (-.042; .041; -1.005)
Agreeableness	.149/.001** (.156; .045; 3.430)
Conscientiousness	.236/.000*** (.257; .049; 5.276)
Emotional Stability	.198/.000*** (.180; .043; 4.234)
Openness to Experience	-.002/.965 (-.002; .044; -.044)
Environmental Dynamism	.050/.231 (.039; .033; 1.199)
Exploration	
Exploitation	
R-squared	0.38
Adjusted R-squared	0.35
ANOVA F	12.18***

Notes: Standardized coefficients and p-values reported (Unstandardized coefficients, standard errors and t-values in parentheses). N = 417; † p < .10; *** p < .05; ** p < .01; *** p < .001

^a Constants do not have a standardized coefficient

Model 2

Individual Activity

.000*** (-3.203; .457; -7.005)

.034/.551 (.033; .055; .597)
.287/.000*** (.248; .046; 5.391)

.047/.358 (.035; .038; .920)
.005/.938 (.002; .029; .078)
.158/.012* (.070; .028; 2.522)

-.045/.299 (-.106; .102; -1.041)
-.153/.016** (-.013; .005; -2.418)
.046/.275 (.055; .050; 1.094)
.015/.784 (.002; .007; .274)
-.031/.589 (-.004; .007; -.541)
.033/.623 (.003; .007; .492)
.025/.571 (.026; .046; .567)
.039/.332 (.000; .000; .972)
-.055/.193 (-.002; .001; -1.304)
.121/.005** (.148; .053; 2.819)
.006/.892 (.008; .058; .136)
.217/.000*** (.300; .062; 4.865)
.177/.000*** (.206; .054; 3.815)
.094/.022* (.129; .056; 2.303)
.164/.000*** (.166; .041; 3.997)

0.38

0.36

12.57***

values in parantheses)

Model 3

Exploration

.006** (1.597; .573; 2.789)

.020/.711 (.020; .054; .370)

.110/.038* (.098; .047; 2.087)

-.035/.493 (-.046; .068; -.686)

.166/.001** (.172; .052; 3.313)

-.062/.154 (-.152; .106; -1.428)

.131/.041* (-.011; .006; -2.055)

.026/.530 (.032; .052; .628)

-.093/.095† (-.013; .008; -1.675)

.024/.681 (.003; .008; .411)

.060/.376 (.006; .007; .886)

.103/.018* (.112; .047; 2.381)

-.029/.469 (.000; .000; -.725)

-.038/.370 (-.001; .001; -.898)

.074/.089† (.094; .055; 1.704)

.021/.635 (.029; .060; .475)

.001/.984 (.001; .066; .020)

.069/.147 (.083; .057; 1.453)

-.042/.305 (-.060; .058; -1.028)

.256/.000*** (.267; .044; 6.130)

.312/.000*** (.365; .054; 6.810)

0.39

0.36

12.83***

Model 4

Exploitation

.000*** (3.825; .476; 8.044)

.149/.008** (.127; .048; 2.647)

.053/.336 (.040; .042; .964)

.185/.000*** (.208; .059; 3.520)

.038/.475 (.033; .047; .715)

.037/.411 (.078; .095; .823)

.027/.687 (.002; .005; .404)

-.040/.353 (-.043; .046; -.931)

.140/.015* (.016; .007; 2.442)

-.126/.035* (-.014; .007; -2.111)

.116/.098† (.010; .006; 1.657)

-.005/.915 (-.004; .042; -.107)

-.002/.960 (.000; .000; -.051)

.024/.587 (.001; .001; .544)

-.027/.549 (-.029; .049; -.599)

-.064/.160 (-.075; .053; -1.407)

.080/.094† (.098; .059; 1.681)

-.022/.662 (-.022; .051; -.437)

-.036/.400 (-.043; .052; -.842)

.031/.493 (.028; .040; .686)

.337/.000*** (.287; .042; 6.810)

0.35

0.31

10.41***

Supplementary Table 4. Scales and Items

Exploration Orientation ($\alpha = .84$)

I focus on:

- ...searching for new possibilities with respect to products/services, processes or markets
- ...evaluating diverse options with respect to products/services, processes or markets
- ...strong renewal of products/services or processes
- ...activities requiring quite some adaptability of me
- ...activities requiring me to learn new skills or knowledge

Exploitation Orientation ($\alpha = .85$)

I focus on:

- ...activities which serve existing (internal) customers with existing services/products
- ...activities of which it is clear to me how to conduct them
- ...activities primarily focused on achieving short-term goals
- ...activities which I can properly conduct using my present knowledge
- ...activities which clearly fit into existing company policy

Self-Brand Connection ($\alpha = .96$)

In the following statements, “Brand X” refers to the corporate brand of your organization

- I can identify with Brand X
- I feel a personal connection to Brand X
- Brand X reflects who I am
- Brand X suits me well
- I think Brand X helps me become the type of person I want to be
- I can use Brand X to communicate who I am to other people
- I consider Brand X to be “me” (it reflects who I consider myself to be or the way that I want to present myself to others)

Perceived Corporate Brand Personality, Responsibility Dimension ($\alpha = .83$)

How would you describe the personality of your organization’s corporate brand in terms of the following characteristics?

- Down to earth
- Stable
- Responsible

Perceived Corporate Brand Personality, Activity Dimension ($\alpha = .88$)

How would you describe the personality of your organization's corporate brand in terms of the following characteristics?

- Active
- Dynamic
- Innovative

Individual Identity, Responsibility Dimension ($\alpha = .71$)

How would you describe yourself in terms of the following characteristics?

- Down to earth
- Stable
- Responsible

Individual Identity, Activity Dimension ($\alpha = .79$)

How would you describe yourself in terms of the following characteristics?

- Active
- Dynamic
- Innovative