

# Understanding Corporate Social Responsibility as an Advertising Appeal: A Theory of Planned Behaviour Analysis

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## **Abstract:**

Many companies are recognising the corporate and brand opportunities of implementing peripheral cues to help consumers gauge corporate reputation and product evaluations. As such, Corporate Social Responsibility (CSR) can be utilised as a marketing tool. However, communication is often a missing link between the firm's initiatives and consumer awareness. The first study in this research will utilise a conjoint analysis to determine preferred CSR communication features for retail banking and retail petroleum brands. The second study will utilise the Theory of Planned Behaviour model to examine consumers' attitudes and behavioural intentions based on advertising stimuli which incorporates a CSR appeal.

## **Introduction:**

Communication challenges exist in advertising as the marketplace is cluttered, fragmentation of media increases and competition intensifies. Within the Australian retail banking and retail petroleum marketplace, increased competition means there is little room for differentiation as the core product approaches commodity status (Ovans, 1997). As such, peripheral cues such as ethics-based value propositions and brand personalities are being used to differentiate firms and increasingly, organisations are adopting CSR policies and initiatives into the business structure. However, "communication often remains the missing link in the practice of corporate responsibility...so [companies] are not getting full credit for their responsible corporate behaviour" (Dawkins, 2005).

Recently, Westpac and BP have both run print advertising campaigns which focus on their firm's CSR initiatives, embedding the CSR message into mainstream communications. Such examples highlight interest in the concept of CSR, both from practice and academia. Marketers view the increase in consumer environmental consciousness as business opportunities, implementing environmentally friendly strategies to position the business. (Pujari and Wright, 1995) Previous research has demonstrated a range of marketing benefits as CSR elicits positive corporate reputations which results in business survival and profitability, and thus, an effective mechanism to win or maintain competitive advantage (Van Riel and Balmer, 1997).

Whilst extant CSR research has focused broadly at both a firm and consumer level in terms of reactions to CSR initiatives, little research has been conducted into consumer perceptions of CSR communications or communication strategies for environmental or social marketing in general (Obermiller, 1995). As a result, Maignan and Ferrell (2001) proposed a research framework to further insights into CSR as a marketing tool, looking into the corporate citizenship communication, consumer's evaluation of corporate citizenship and individual consumer characteristics and the subsequent behaviours.

This research aims to explore the communication route proposed in the research framework, in determining the effective features of CSR communications, and the impact on consumers' attitudes and behaviour. Effectiveness of communication is necessary to cut through clutter, and effectiveness of CSR communications is even more important as consumers do not proactively seek information on company behaviour. Thus, there is a need to improve the effectiveness of communicating companies' responsibility if mass consumer power is to be engaged and purchase behaviour influenced – this means tailoring the message to specific groups and extending beyond the niche group of consumers who are already engaged in these issues ie. CSR activists (Dawkins, 2005).

## **Literature Review**

### **A Conceptualisation of CSR**

Within the context of this research, CSR is defined as an integrated initiative across all business functions. A widely cited definition provides a fundamental conceptualisation of the issue - "Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large." (World Business Council for Sustainable Development, 1999)

As such, a firm has responsibilities (economic, legal, ethical and discretionary) towards a range of stakeholders (Carroll, 1979). A firm then adopts CSR initiatives as it is obliged to protect and improve both the welfare of the society as a whole and the interest of the organisation in terms of its responsiveness to its perceived societal obligations and stakeholder obligations. Previous research has shown the firm-level benefits as a consequence of engaging in CSR, such as positive corporate associations (Brown and Dacin, 1997; Dowling, 2006). Of particular interest to this study are the communication opportunities for long-term environmental and wider social initiatives undertaken by the firm on a corporate brand level.

The concept of CSR is distinguished from a similar concept put forth by Varadarajan and Menon, cause-related marketing, which is specifically implemented by marketing management. "Cause related marketing is the process of formulating and implementing marketing activities that are characterised by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organisational and individual objectives" (Varadarajan and Menon, 1988) This is a short-term approach, which essentially implies sales-driven objectives.

Whilst there is literature to support CSR in business, there is contrary literature based in neo-classical economics which discards CSR as being outside the core function of business, and acts as a hindrance to the free market (Friedman, 1970). For the purposes of this research however, CSR is examined as an advertising appeal, as opposed to strategic marketing which other authors have previously examined.

### **CSR in Marketing Literature**

Within the marketing field, there is increasing literature supporting CSR initiatives and empirically showing the link to business performance. Sen and Bhattacharya (2001) have shown that for consumers with predisposed CSR-related beliefs, a company's CSR actions can increase the attractiveness of its products. The consumers' knowledge of the CSR actions thus impacts upon the consumer-corporate ability bond, as consumers view this as a trade-off. If CSR is realised at the expense of corporate ability, then consumers will not believe that the CSR actions are enhancing the corporate image.

Knowledge thus creates a general context for consumers' evaluations of a company and its products (Brown and Dacin, 1997). Previous studies have shown that managers are more willing to consume from a company after being exposed to information about its CSR efforts (Murray and Vogel, 1997). Furthermore, negative publicity has the potential to create negative corporate associations. When exposed to moderately negative publicity, consumers who strongly identify with a company were found to have less negative corporate associations than those who held weak identification. In contrast, the level of identification did not affect reactions to extremely negative information. (Einwiller, Fedorikhin, Johnson and Kamins, 2006)

With such a range of benefits, from thwarting negative publicity to eliciting product evaluations, CSR has the potential to be a powerful marketing tool, helping firms position their products both internally to employees, and externally to customers. Thus, increased knowledge into the advertising of CSR is useful to marketers in creating effective CSR communications.

In designing a CSR campaign, firms may choose from a combination of strategies. From a content analysis standpoint, these dichotomies form the basic features of the CSR communication.

*Social/Environmental* – A firm’s discretionary responsibility may be classified in three categories, i) social – which can encompass activities such as work-family programs, poverty reduction, health/medical related initiatives; ii) environmental – which encompasses recycling and waste considerations, energy efficiency, “green marketing”; and iii) ethical – miscellaneous initiatives which do not directly fall into either category, eg. animal rights, self-empowerment. For the purposes of this study, only the social and environmental features will be examined.

*Proactive/Reactive* (Ricks Jr, 2005) – A proactive program is designed to increase visibility or enhance corporate image, and does not benefit a particular segment of the business. This is in contrast to a reactive program which may respond directly to stakeholder concerns, or in response to obvious business mismanagement eg. environmental mishap (Exxon Valdez incident), social mishaps (Nike’s employment conditions). The empirical evidence shows that proactive messages have a positive overall effect on consumer perceptions of corporate associations, however there is little transference to brand evaluations or patronage intentions. (Ricks Jr, 2005)

*Promotional/Institutionalised* (Pirsch, 2007) – Promotional programs focus on CSR initiatives to drive product sales, eg. through cause-related marketing initiatives. For the purposes of this research study, this will be absorbed into the communication feature heading of “*external partnership*”. On the other hand, it is argued that institutionalised programs are more effective at minimising consumer scepticism towards the firm’s motivation for adopting a CSR program (Pirsch, 2007), thus this is a comprehensive, organisation-wide approach to CSR. For the purposes of this research study, this will be examined as “*internal operations*”. Evidence from Pirsch’s exploratory study showed that institutionalised programs are more effective at increasing customer loyalty, enhancing attitude towards the company and minimising consumer scepticism towards CSR motivations. On the other hand, promotional programs increase purchase intent.

There are other continuums which have been put forth in literature, which is not currently examined by this research. Eg. Defensive/Offensive (Spickett-Jones et al, 2003), which is similar to Ricks Jnr’s proactive/reactive continuum. General/Directed (Ricks Jnr, 2005), where the communication is targeted to either a specific audience or the general public For the purposes of this research, only a general audience will be addressed so as to facilitate sampling and stimulus design.

Previous research shows the link between attitude and behaviour, where a favourable attitude strengthens the likelihood of positive behaviour (Maignan, 1999). Thus, features of CSR communications is of interest in determining advertising effectiveness.

### **Advertising & Communications**

The goal of advertising and other “externally directed communication [is] to raise awareness and generate understanding and appreciation of the organisation among key stakeholder groups” (Dowling, 2006). This objective is particularly important in the case of CSR communications, as generally, consumers do not actively seek out information about a company’s responsible behaviour. In order for the company to benefit from the spectrum of associations, it is necessary to generate awareness as to the firm’s CSR initiatives.

As Dawkins (2005) points out, communication is important in order for consumers to give due credit for a company’s CSR practices, whether it be in the form of patronage or positive corporate associations. Yet, there are specific communication challenges in advertising CSR, particularly against a backdrop of marketing savvy consumers and public cynicism towards the credibility of such initiatives. It was found that advertisements with mixed emotional appeals led to the co-occurrence of positive and negative emotional reactions. (Williams and Aaker, 2002). Thus, what features of CSR communication best engages the consumer?

Communication has further manifestations in corporate associations (Brown and Dacin, 1997) and corporate reputation (Dowling, 2006). This is consistent with information processing theory which predicts that CSR activity will be positively associated with the organisation, which in turn will positively affect consumers’ attitudes and behaviours towards the firm. (Ricks Jr, 2005) However, there is a gap in literature as to the process

by which corporate behaviours and communication influence stakeholders' perceptions about the organisation, and the process of corporate associations influencing corporate outcomes. (Ellen, Webb and Mohr, 2006)

Following Maignan and Ferrell's (2001) seminal paper on a research framework for CSR, the following research questions are addressed in this paper:

**RQ1: What features of CSR campaigns influence the consumers' evaluations of the CSR communication?**

**RQ2: How do consumers' evaluations of CSR communications affect consumer behaviour, specifically positive word-of-mouth and non-avoidance of brand?**

**RQ3: Are there variances among consumers, demographically and psychographically, in positive word-of-mouth and non-avoidance of brand behaviour following exposure to CSR communications?**

### **Conceptual Framework**

To understand the consumers' attitude formation and behavioural intentions, the Theory of Planned Behaviour model is utilised as it offers a clearly defined structure for analysing the influence of attitudes, beliefs and controls on consumers' intentions to act. This model has been used in research on consumer intentions to purchase environmentally friendly products, with reliable predictive findings (Kalafatis et al, 1999). The model has also provided robust estimates when applied to a wide variety of other topics, eg. recycling, internet usage, quitting smoking, blood donation, complaining, as per a review by East (1997).

#### *Theory of Planned Behaviour*

In this model, intention has three determinants, namely  $A_B$  – attitude to behaviour, SN – subjective norm and PBC - perceived behavioural control. The relative importance of the relationships between beliefs, attitudes, intentions and behavioural intentions captured in this model are able to be weighted and by regression, the behavioural intention can be determined.

***Behavioural Intention = [Weight<sub>1</sub> x Attitude to Behaviour] + [Weight<sub>2</sub> x Subjective Norm] + [Weight<sub>3</sub> x Perceived Behavioural Control]***

Refer to Figure 2 for a visual representation of the Theory of Planned Behaviour as applied to this research topic.

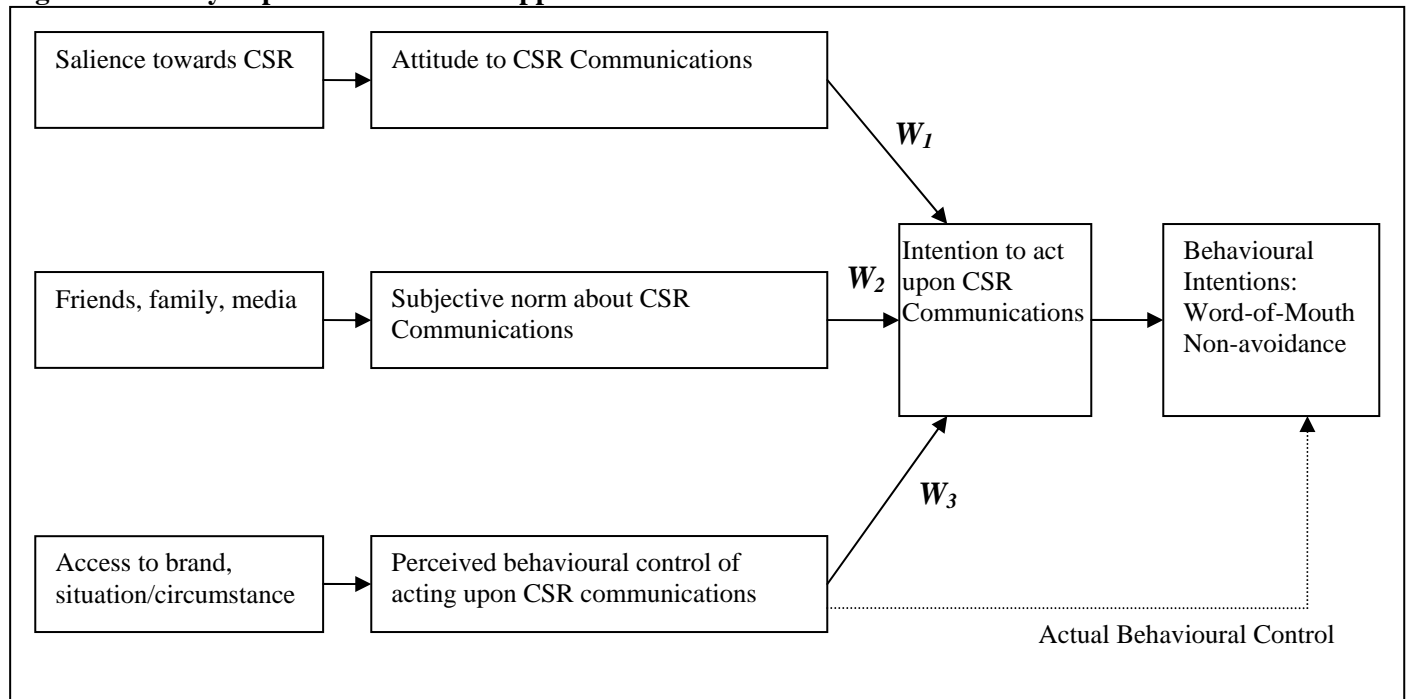
*Attitude to Behaviour ( $A_B$ )* – the determinants of the attitude towards acting upon CSR communication is based upon the individuals prior issue salience, that is, the social consciousness of the individual which predisposes them towards supporting CSR initiatives and causes. The personality, attitude and socioeconomic variables to measure the socially conscious consumer have previously been researched (Webster Jr, 1975; Reed II, Aquino & Levy, 2007). Previous research has shown the paradox that whilst consumers are sympathetic towards social and environmental issues, actual behaviour does not reflect this as consumers are reluctant to change purchase patterns (Wong et al, 1996; Kalafatis et al, 1999). Of interest to this study are the attitudes which influence word-of-mouth and non-avoidance behaviours as a result of encounters with CSR communication.

*Subjective Norms (SN)* – an internal control where an individual's intention to act is influenced by the perceived opinions of others. It is not an external social reinforcement, but rather a self-perceived internal control. This then impacts upon the intentions to behave.

*Perceived Behavioural Control (PBC)* – Together with  $A_B$  and SN, this is a determinant of intention, and measures a person's self-perceived ability to exhibit the predicted behaviour if they wanted to. Ajzen and Madden (1986) notes that past experience overlaps with PBC as it affects knowledge of personal abilities and situation opportunities of behaviour, affecting the perceived ease or difficulty of behaviour.

Within the context of this research, perceived behavioural control would have more impact in predicting non-avoidance behaviour, as there are externalities that impact upon consumption of a brand. In the case of retail banking, perceived high switching costs inhibit usage; in the case of retail petroleum, convenience and price determines consumption.

**Figure 2: Theory of planned behaviour applied to CSR Communications**



*Predicted Behaviour*

Previous research into CSR has integrated socially responsible consumer behaviour with environmentally friendly consumer behaviour, examining the consumer’s general attitude towards the environment and the likelihood this will translate into environmentally friendly behaviour, eg. focusing on limited aspects such as consumer concern for the environment (Antil, 1984; Crosby et al, 1981; Singhapakadi and LaTour, 1991)

This research aims to empirically test the relationship between CSR communications and examine its effects on general behaviours which are in line with advertising objectives. The underlying theory behind the Theory of Planned Behaviour is that individuals have a “self efficacy towards behaviour” (Ajzen, 1986) and as a general rule, the more favourable an attitude and subjective norm, and the more easily an individual can act (ie. a low threshold for PBC), then the individual will exhibit stronger intentions to perform the behaviour.

Extant evidence suggests that customers do respond to CSR initiatives, however, based on Maignan and Ferrell’s (2001) seminal paper on a CSR research framework, there is a gap in literature as to consumer processing of CSR information and subsequent behaviour. Given the retail banking and retail petroleum context in which this research occurs, and the associated limitations in predicting actual purchase behaviour due to the nature of the industries, two substitute behaviours will be examined, positive word-of-mouth and non-avoidance of brand.

*Positive word-of-mouth -*

In Maignan and Ferrell’s (2001) research framework into corporate citizenship as a marketing tool, three consequences of CSR are proposed: positive product evaluations, increased customer loyalty and positive word-of-mouth. It was noted that positive word-of-mouth has not been previously investigated as a potential consequence of CSR. However, Price et al’s (1995) research showed that customers who are concerned about a firm’s CSR are more involved in the marketplace and the sharing of such information, thus it is likely that word-of-mouth would be a consequence.

Furthermore, East et al (2005) have suggested that positive word of mouth and customer recommendations are by definition, forms of customer loyalty. As the objective of external communication is to “raise awareness and generate understanding” (Dowling, 2006), positive word-of-mouth is a desired outcome.

However, there is contrary evidence which suggests that recommendations and word-of-mouth are poor customer loyalty metrics as there is little predictive value for future business performance. (Morgan and Rego, 2006) Whilst this is acknowledged, this research is concerned with the effectiveness of CSR as a communications appeal. The behavioural intentions is thus concerned with the consumer's subsequent behaviour, rather than examining the feedback to the firm level.

**P1.1: Effective CSR communication will increase the likelihood of positive word-of-mouth. Ineffective CSR communication will decrease positive word-of-mouth behavioural intentions, and may lead to negative WOM.**

#### *Non-avoidance of brand –*

Traditionally, sales growth and market share are metric measures of firm performance that is closely aligned with marketing function (Morgan and Rego, 2006). However, given the nature of the industries (banking and petroleum), such data is hard to assess, and even more difficult to correlate with one advertising campaign. Thus, actual purchase behavioural intentions cannot be used as a behavioural outcome in this model. This resonates with Maignan and Ferrell's (2001) research framework where product evaluation and customer loyalty are the other proposed outcomes of CSR practices.

Whilst marketing covers a whole spectrum of activities to support the core good or service, at its heart is the need to drive business towards the firm. Previous research such as Brown and Dacin's (1997) series of experiments showed that negative CSR associations have a detrimental effect on corporate associations, whilst positive associations can enhance the evaluation. Thus, in the present study, non-avoidance of brand will be a secondary behaviour which will be examined, as it is believed that consumers will respond favourably to firms which engage in CSR activities, though this may not necessarily be loyalty or repeat-purchase outcomes. It means that the brand has the potential for share-of-category expenditure.

This is furthered by Maignan et al (1999) where a positive relationship was established between proactive CSR and customer loyalty. However, it is noted that consumers do not actively seek information on a firm's responsible behaviour, and CSR communication needs to extend beyond the niche group consumers who are already engaged in such issues. Effective communication is important as the general public is increasing aware of its consumer power and are keen to wield their dollars to reward "good" companies and punish "bad" ones. (Dawkins, 2005).

**P1.2: Effective CSR communication will increase the likelihood that a brand will be in the consideration set (ie. non-avoidance of brand). Ineffective CSR communication will decrease the likelihood that a brand will be in the consideration set (ie. avoidance of brand).**

#### *Actual Behavioural Control*

Within the Theory of Planned Behaviour, actual behavioural control moderates the relationship between intention and behavioural intention due to actual environmental factors which inhibits performance of the planned behaviour. The concept of CSR is so multi-dimensional that it is difficult to assess as there may be several cues consumers use prior to actual behaviour. An example is illustrated by Hammonds (1998), where a consumer's reaction to the company's lack of economic foresight may outweigh the same consumer's favourable impression towards the firm's CSR activities.

A similar analogy can be used in the banking context of this research, despite a bank communicating their CSR initiatives, if the consumer perceives poor service and lack of financial returns from the firm, they are less likely to engage in behaviour which promotes the bank. Or in the retail petroleum context, where behaviour is driven by convenience and price, these externalities act as an actual behavioural control. Thus, such circumstantial factors may moderate the relationship between consumption of the CSR information and subsequent behaviour.

**P2.1: Under conditions of high actual behavioural control, behavioural intentions based on CSR communications will decrease.**

**P2.2: Under conditions of low actual behavioural control, behavioural intentions based on CSR communications will increase.**

### *Variances in Consumers' Responses*

Previous research into measures of the social consciousness of a consumers have found that whilst there are distinguishable differences in the personality, attitude and socioeconomic variables in defining a socially conscious consumer, the relationships are rather weak. (Webster Jr, 1975). Much of the research in this field is outdated (Webster, 1975; Antil, 1984; Leigh, Murphy and Enis, 1988), and given the revived interest in Corporate Social Responsibility and the accessibility consumers have to information these days, a renewed analysis of the social consciousness of a consumer may result in different findings.

Webster defined a socially conscious consumer as one who “takes into account the public consequences of his or her private consumption or who attempts to use his or her purchasing power to bring about social change.” (1975, p1) In this current study, a five-item, seven-point scale developed by Maignan (2001) will be used to measure consumers' support for socially responsible business to reflect the consumers' behavioural intentions. The statements used in this scale are: 1) I would pay more to buy products from a socially responsible company; 2) I consider the ethical reputation of business when I shop; 3) I avoid buying products from companies that have engaged in immoral actions; 4) I would pay more to buy the products of a company that shows caring for the well-being of our society; 5) If the price and quality of two products are the same, I would buy from the firm that has a socially responsible reputation.

Consumers who support socially responsible businesses would be predisposed to CSR messages and thus would respond more readily to CSR communications.

#### **P3.1: Consumers who support socially responsible businesses are more likely to show higher, more positive behavioural intentions based on CSR communications.**

Variances are also expected among users and non-users of the brand. Previous research in the consumption of mineral water between non-users and heavy users, found that “the non-user is characterised more by the influence of social norms, whilst the heavy user has a wide repertoire of beliefs, and shows less reliance upon social norm influences”. (Knox and De Chernatony, 1989). Applied in this context, profiling of the respondents will allow insight into their rate of usage and preferred brands within the retail banking and retail petroleum industries.

#### **P3.2: For current users of the brand, CSR communication will influence positively influence behavioural intentions.**

#### **P3.3: For non-users of the brand, CSR communication will influence the formation of attitude towards the brand and behavioural intentions.**

## **Methodology**

### *Context*

Two studies will be conducted to determine the aspects of CSR communication, and to examine the effectiveness of CSR communication on customer behavioural intentions.

The retail petroleum and retail banking industries were chosen for this study as both industries are plagued by poor public perceptions. This allows interesting conclusions to be drawn as to the potential branding benefits for firms which engage in CSR activities. The core good or service is at “commodity status” (Ovans, 1997), and a part of daily life, thus allows for a greater sample population. This is in contrast to say the cosmetics industry, where many brands actively engage in CSR and cause-related marketing activities, and would result in a high female skew in the sampling.

More importantly, within the Australian context, there are few major players, all of whom actively engage in advertising, thus issues of familiarity can be easily addressed. Within this limited marketplace, there is one standout firm from each industry which actively engages in CSR activities, and utilises this in the communications campaigns.

Whilst prior knowledge may influence responses, it is desirable to utilise existing, real-life brands for external validity purposes. To ensure that Westpac and BP are the brands which the general public identify as being socially responsible, a simple pre-test in which respondents are asked to rank brands based on the perceived CSR activities will be administered. In the actual research instrument, familiarity can be easily addressed in a profiling section. Details on whether the respondent is a current customer, an occasional user, or a non-user will also be collected to allow further analyses of the impact of CSR communications on different usage groups.

Given the nature of the research issues, it is inevitable that the problem of social desirability responses will arise, ie. respondents providing answers which they perceive to be more socially desirable or acceptable than their own feelings or responses (Crowne and Marlowe, 1964). With reference to Kalafatis et al (1999), measures of intention can be inferred through utilities attached to specific elements of the product, rather than eliciting direct measures of intention. In the Kalafatis study, a conjoint analysis was used to obtain utility values to be used as surrogate measures of intention when defining and designing the stimuli. A similar technique will be employed in the development of the measurement scale to minimise the problem of social desirability responses.

## **Study 1**

### *Overview*

Based on research gaps in the understanding of whether and how consumers process the information they receive regarding the corporate citizenship of various organisations (Maignan and Ferrell, 2001), Study 1 of this research will address issues of CSR cause/brand fit, where it has previously been established that the greater the perceived fit, the more positive effect on customer attitudes. (Lafferty, 2007). Based on congruency theory, the greater the fit between the pairing of partners (or in this case, cause and industry), the greater the influence on attitude change. (Rifon et al, 2004)

Study 1 is a conjoint analysis, designed to test the features of CSR communications that best appealed to respondents, based on the dichotomies from earlier research in CSR activities. For the purposes of this study, only the industry context will be examined, ie. retail banking or retail petroleum. This will allow the synergies between the industry and the features to be drawn out, irrespective of the brand name. Given the prevalence of fit in sponsorship and cause-brand alliance studies, (Pracejus and Olsen, 2002; Lafferty, 2007) The focus will thus be on the dichotomies in CSR initiatives which can be communicated via advertising. These dichotomies, discussed above in the literature review, have previously empirically tested on a strategic level.

### *Design*

A 2 (social/environmental) x 2 (proactive/reactive) x 2 (internal operations/external partnership) between-subjects, factorial design will be used in this experiment.

*Social/Environmental* - An assumption in the design of this study is that there are greater perceptions of fit between a social cause and a bank, than an environmental cause and a bank. Likewise, it is perceived that environmental cause with a petroleum company will elicit higher fit than a social cause with the petroleum company. This will be subjected to pre-testing with a small group of independent respondents, unfamiliar with the context of the study.

*Proactive/Reactive* – Based on previous research, consumers are wary as to initiatives which are designed to combat negative publicity. An assumption in this design is that a proactive approach will generate higher fit, than a reactive approach as consumers place more weight on negative rather than positive information. (Ahluwalia, et al, 2000) Again, this will be tested with another small group of independent respondents.

*Internal operation/External partnership* – It is believed that an institutionalised CSR program will elicit higher fit as it is a comprehensive approach to CSR. In the case of this experiment, the external partnership resembles a promotional program, which utilises CSR as a tool to drive product sales and is more akin to cause-related marketing. (Pirsch et al, 2007) Again, a small pre-test with a third group of respondents will be run to test this assumption.

## Study 2

### *Overview*

Research has shown that CSR initiatives are methods of building customer loyalty, increasing customer retention to generate economic benefits for the business (Reichheld, 1996) and generate sustainable competitive advantage (Kotler, 1984). Based on the Theory of Planned Behaviour, Study 2 examines the impact of CSR communications on subsequent behaviour, positive word-of-mouth and non-avoidance of brand, which are indicators of customer loyalty.

Study 2 is a quasi-experiment, designed to evaluate the attitudes, intentions and likelihood of behaviour based on exposure to CSR communications. For the purposes of this study, real-life brands will be used to provide a basis for anticipating real behaviour, thereby eliciting external validity.

### *Design*

Study 2 takes a closer look at the impact of CSR communications on behavioural intentions, and features a 2 (petroleum/banking) x 2 (brand actively engaged in CSR/brand not actively engaged in CSR) x 2 (social/environmental) design.

There will be 8 advertisements, out of which a random mix of 4 will be shown to the respondent, to reduce maturation effects. Whilst the brand names are taken from real-life, the advertisements will be mock-ads tailored to the specific message being tested. The 8 stimuli will be as follows:

1. Westpac – social oriented CSR	5. Commonwealth Bank – social oriented CSR
2. Westpac – environmentally oriented CSR	6. Commonwealth Bank – environmentally oriented CSR
3. BP – social oriented CSR	7. Mobil – social oriented CSR
4. BP – environmentally oriented CSR	8. Mobil – environmentally oriented CSR

### *Questionnaire Design*

For each advertisement, the respondent will be required to fill in a questionnaire. The variables in the Theory of Planned Behaviour model have standard forms of measurement, and can be generated with the aid of the NEWACT computer program (East, 1991). There are also resources available to help construct a TPB questionnaire, both from a conceptual and methodological perspective (Ajzen, 2006)

Following Churchill's (1979) guidelines, the questionnaire will be pre-tested to ensure the statements are clearly understood and to reduce ambiguous wording and phrases.

### **Expected Findings & Further Research**

This research into the effects of CSR communications is only an initial foray into part of the research framework put forth by Maignan and Ferrell (2001). A very specific model is examined using the Theory of Planned Behaviour in explaining positive word-of-mouth and non-avoidance behaviour following exposure to CSR communication stimuli. It is expected that the propositions will be supported. However, in reality, there is clutter and an overwhelming amount of advertising messages that consumers are faced with, thus the true effects and behavioural intentions are difficult to gauge.

Furthermore, Marketing Communications is a broad label, and this study is limited to print advertising stimuli. However, given the nature of advertising and the use of Integrated Marketing Campaigns in delivering communication material, an extension of this study would be to examine the effects of communicating CSR via different medium, eg. interactive advertising, television commercials, and Integrated Marketing Campaigns as a whole, in order to gain an overall picture of the impact and effect of CSR communications. These forms of media are highly informative and allow for learning and education, which is a vital part of communicating CSR. The credibility aspects of the chosen medium and the intensity of the information can be examined to determine at which point is CSR communication most effective as an advertising appeal.

Also of interest would be to explore communication effects on other stakeholder groups. There is a growing body of literature on employee branding, and internal marketing which suggest increased employee commitment

to the brand leads to higher productivity, and better service. CSR could thus be explored as a commitment tool in retaining employees and enhancing performance, particularly for service industries which are dependent on staff.

Although two different contexts were utilised in this research, retail banking and retail petroleum, this study could be replicated across a range of industries to determine if the findings still hold, again for empirical generalisation purposes. Of interest would be to compare another high and another low switching cost industry, with the ones in the present study.

## **Conclusion**

In summary, this paper aims to contribute to the understanding of CSR communication: firstly, to gain insights into effective features of CSR communication content, and secondly, to understand the effect exposure to CSR communication has on the consumer. It is hoped that the evidence gathered will provide support for strategic CSR to be used as a marketing tool, where maximum benefit will be derived when the CSR initiative and communication are in sync.

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