School of Marketing

Corporate Social Responsibility Branding: The Role of Organisational Identity and Its Impact on Performance

Lokweetpun Suprawan

This thesis is presented for the Degree of
Doctor of Philosophy
of
Curtin University

May 2011

Declaration

To the best of my knowledge and belief this thesis contains no material previously published by any other person except where due acknowledgment has been made.

This thesis contains no material which has been accepted for the award of any other degree or diploma in any university.

Signature: ………………………………………….

Date: ………………………...

Acknowledgements

First of all, I am grateful to Bangkok University for giving me the opportunity to pursue my doctoral degree with financial support. In completing this thesis, I have had support, encouragement, and good advice from many friends and colleagues. I would like to express my sincere gratitude to my supervisors, Associate Professor Nigel de Bussy for his guidance, patience and endless endeavour to understand my foreign mentality and Associate Professor Sonia Dickinson for her encouragement and warm welcome when I first came to Perth. A special thanks to Professor Ian Phau for giving me the opportunity to reach another level of my capability, Min Teah and Michael Lwin for always including me in all the social activities, Dr John Fielder for his support with academic writing, and Dr Corina Joseph for sharing the good and bad times during the journey. Also, I am thankful to Professor J. Keith Syers for bringing me into the academic world – you are the greatest boss ever!

Above all, thanks to my parents Narong and Wongduan Suprawan for always being there and never stop believing in me – without you this thesis would never have been completed, and my brother Maaloot Suprawan for his love and support while I was away from home.

Table of Contents

List of Tables

List of Figures

Abbreviations

AMA	American Marketing Association
ANZSIC	Australian and New Zealand Standard Industrial Classification
AOC	Attitudinal Organisational Commitment
ASC	Affective Commitment Scale
C-C Congruence	Company-Customer Congruence
CIMP	Corporate Identity Management Process
CFP	Corporate Financial Performance
CRM	Cause-related Marketing
CSR_1	Corporate Social Responsibility
CSR_2	Corporate Social Responsiveness
CSR-CA Beliefs	Corporate Social Responsibility-Company Ability Beliefs
CSP	Corporate Social Performance
GRI	Global Reporting Initiative
ICIG	International Corporate Identity Group
KLD	Kinder, Lydenberg, Domini Ratings Agency
NYPA	New York Port Authority
M/B Ratio	Market-to-Book Ratio
OCQ	Organisational Commitment Questionnaire
P-O Fit	Person-Organisational Fit
SCT	Self-Categorisation Theory
SIT	Social Identity Theory
TBL	Triple Bottom Line

Abstract

The concept of corporate social responsibility (CSR) has received much attention over several decades, although its definition has splintered into different perspectives termed in this thesis as economic, socio-political, and managerial. Apart from perspective differences, a number of terminologies have been introduced to compete with the concept of CSR namely corporate social responsiveness, corporate social performance, corporate citizenship, corporate philanthropy, and cause-related marketing. These terminologies have added further definitional confusion, potentially contributing to a lack of adequate CSR measures which has resulted, in turn, in hitherto ambiguous research results regarding the impact of CSR on corporate performance.

Given the lack of a generally agreed perspective and definition, CSR has been conceptualised in a number of different ways. This thesis conceptualises CSR using a managerial approach, emphasising the strategic importance of CSR and its potential to create mutually beneficial outcomes for organisations and their stakeholders. This approach runs the risk of treating CSR as a superficial exercise in impression management. Hence, this study emphasises the importance of embedding authentic CSR practices in the day-to-day operations of the firm. The concept of organisational identity represents a key theoretical underpinning of this study. This thesis proposes that firms can gain reputational benefits and enjoy superior performance by incorporating CSR as an integral component of their corporate brands, providing that the brand is perceived by stakeholders as authentic and truly representative of the organisation's actual identity. This approach is referred to in this study as 'CSR branding'. A new psychometrically robust, valid and reliable CSR branding scale is developed in this thesis, following Churchill's (1979) eight-step scale development procedure. The new CSR branding scale is then used to investigate the impact of adopting such an approach on financial and non-financial firm performance.

Two rounds of data collection were conducted targeting marketing managers from medium to large Australian organisations in order to validate the CSR branding scale and investigate the relationships between the constructs of interest. The first round data were subjected to exploratory factor analysis resulting in a four-dimensional conceptualisation of CSR branding: *environmental awareness*, *community commitment*, *employee concern*, and *financial fairness*. The purpose of the second round of data analysis was twofold: to perform confirmatory factor analysis for scale validation purposes and to use a structural equation model to examine the hypothesised relationships between CSR branding and firm performance. The results support the proposition that CSR branding has a direct and positive impact on firm performance (both financial performance and organisational identification). However, no evidence was found to support the mediating effect of organisational identification on the CSR branding/firm financial performance relationship. Similarly, hypotheses relating to the moderating effects of innovation (R&D intensity) and advertising intensity were not supported. Importantly, of the four dimensions of CSR branding, *employee concern* was found to make the greatest contribution to firm performance.

In summary this thesis argues for a managerial approach to CSR, particularly with respect to the concept of CSR branding, which is found to enhance firm success in terms of both financial and non-financial performance. The findings of this study give rise to a number of theoretical and practical implications. This thesis concludes with a discussion of the limitations of the study and provides recommendations for future research.

Chapter 1

Introduction

1.0 Chapter Overview

The concept of corporate social responsibility (CSR) has long been of interest to academics and practitioners, but its definition remains somewhat ambiguous with research in the field splintering into different perspectives. This chapter begins with a discussion of the background and research gaps in the field of CSR. This thesis takes an integrative approach by relating CSR to the concepts of corporate branding and organisational identity. The central focus of the research is understanding how companies that are successfully implementing CSR strategies authentically embed such practices into their operations. Further, the impact of this on various aspects of organisational performance will be investigated. This chapter outlines the research questions and objectives examined by this thesis, followed by an explanation of the significance of this research. In addition, this chapter discusses the research methodology in brief, as well as the analytical techniques used to examine the data collected. The scope of this study is also explained and this chapter concludes by providing an overview of the thesis structure.

1.1 Background to the Research

The concept of CSR, first introduced by Howard R. Bowen in 1953 (Carroll 1999), has been developed over the years, but due to its origins in different fields including economics, political science, sociology and management, there is disagreement about several aspects of CSR (McWilliams, Siegel, and Wright 2006; Weyzig 2009). In fact, there is disagreement even relating to the definition of CSR – despite more than half a century of research and debate (Godfrey and Hatch 2007; Lantos 2001). This lack of definitional clarity highlights the degree of fragmentation in the field. There are also a number of terms purporting to compete with CSR such as corporate social responsiveness, corporate citizenship, corporate philanthropy, and cause-related marketing. Adding further potential confusion, is the notion of corporate social performance (CSP) (Abbott and Monsen 1979; Bowman and Haire 1975; Carroll

1979; Parket and Eilbirt 1975; Sturdivant and Ginter 1977), often defined today in terms of stakeholder management – itself a poorly explicated concept (Barnett 2007; Clarkson 1995; Harrison and Freeman 1999; Hillman and Keim 2001; Wheeler, Colbert, and Freeman 2003; Wood 1991; Wood and Jones 1995). The ambiguous relationship in the extant literature between CSR, CSP and stakeholder theory is at least partially responsible for the inconclusive research results attempting to link the practice of CSR to various aspects of organisational performance – especially financial success (de Bakker, Groenewegen, and den Hond 2005; Margolis and Walsh 2003).

This thesis will adopt a managerial perspective emphasising the strategic importance of CSR and its potential to create mutually beneficial outcomes for organisations and their stakeholders (Johnson 1971; Lantos 2001; McWilliams and Siegel 2001). The inherent danger of this approach is that CSR becomes a superficial exercise in impression management rather than an authentic practice deeply embedded in the organisation's operations (Basu and Palazzo 2008). The concept of organisational identity thus provides a key theoretical underpinning for this research. This thesis proposes that branding and reputational advantages are one way CSR contributes to organisational performance (Alexander 2009; Du, Bhattacharya, and Sen 2010). However, this proposition is predicated on the assumption that the brand orientation in question is authentic and truly representative of the organisation's actual identity (Holt 2002). Hence, this thesis investigates the concept of CSR branding and its relationship to organisational performance with the aim of clarifying a number of the issues referred to above.

This chapter provides an overview of some of the key issues in the field of CSR including the definitional confusion, the lack of adequate measures of CSR, and the nature of the empirical relationship between CSR and corporate financial performance. This will set the scene for the central purpose of this thesis which is to develop a psychometrically valid and reliable scale of CSR branding and to examine its impact on firm performance. Chapters Two, Three and Four provide a thorough review of the three strands of literature relevant to this goal, namely CSR itself, branding, and organisational identity. This thesis will attempt to integrate aspects of these three research traditions in achieving its objectives. The focus of this introductory chapter is on CSR in order to highlight the gaps in the extant literature which provide a justification for the overall approach proposed.

1.1.1 CSR: Definitional Confusion

The concept of CSR has altered through time since it was first introduced by Howard R. Bowen more than half a century ago. In the 1960s, CSR was generally debated in terms of a political argument concerning the appropriate relationship between business and society (Lantos 2001). Some scholars argued that an organisation may lose its social power if its responsibility toward society is ignored – the so-called ‘iron law’ (Davis 1960; 1967; Davis and Blomstrom 1975; Lantos 2001). Thus, the definition of CSR during this time was focused on the relationship that an organisation has with society. By the 1970s, a number of CSR definitions had branched into different directions termed in this thesis as the socio-political, economic, and managerial perspectives. The economic perspective can be viewed as a reaction to the socio-political perspective of the 1960s. Neo-classical economists argued that the primary responsibility of a business is to make a profit and eventually, through the invisible hand of the market, society as a whole will be nurtured (Friedman 1962; 1970). Hence, the economic and socio-political or altruistic perspectives of CSR stand in contradiction to one another. What may be termed the managerial perspective on the other hand, emphasises a strategic approach to CSR that focuses not only on profits, but also on broader responsibilities to employees, customers, suppliers, local communities and society at large (Johnson 1971). An organisation responsibly engaging in ‘doing good’ can also expect to do well as a consequence (Lantos 2001). During the 1970s, the most notable definition of CSR in the field of management was given by Archie B. Carroll (1979) encompassing ranges of responsibility in a laddering order starting from ‘required’ to ‘desirable’ activities i.e., economic, legal, ethical and discretionary.

In addition to the development of these differing perspectives of CSR, from the 1980s onwards a number of alternative themes emerged in an attempt to supplement or even replace CSR itself. Such themes include corporate social responsiveness, corporate citizenship, corporate philanthropy, and cause-related marketing (Carroll 1998; Frederick 1994; Kotler and Lee 2005; Smith 1994; Smith and Alcorn 1991).

Hence, Chapter Two of this thesis will explicate the similarities and differences between CSR and alternative terms. Of all the alternative terms proposed, corporate social performance (CSP) has arguably received the most attention since it was first introduced as a means of operationalising the CSR construct (Margolis and Walsh 2003; Wartick and Cochran 1985). Notably, Wood and Jones (1995) revised the definition of CSP to explicitly acknowledge the importance of stakeholders, thus making the issue of who or, what, is a stakeholder of central importance. As with CSR, the definition of the term stakeholder lacks clarity (a review of the relevant literature on stakeholder theory is provided in Chapter Two).

As doubts about the direction of CSR continued, in the 2000s the trend in defining CSR leaned toward the strategic approach with stakeholders viewed as central to its conceptualisation (Basu and Palazzo 2008; Lee 2008; Vaaland, Heide, and Grønhaug 2008; Windsor 2001). From a strategic perspective, CSR is viewed as an investment in creating firm or product differentiation, potentially leading to better business performance (McWilliams and Siegel 2001). This effect is also predicted by instrumental stakeholder theory which "establishes (theoretical) connections between certain practices and certain end states" (Jones 1995, p. 406). In defining CSR, this thesis adopts the formulation proposed by two leading proponents of the strategic perspective as "actions that appear to further some social good, beyond the interest of the firm and that which is required by law…going *beyond* obeying the law," (McWilliams and Siegel 2001, p. 17). In other words, in order for the term to be meaningful, a CSR-oriented company must engage in additional activities which are not necessarily essential to 'normal' business operations. Consequently, this thesis also adopts a broad definition of 'stakeholder' to include individuals or groups with power, legitimacy, and/or urgency in relation to the firm (Mitchell, Agle, and Wood 1997). Taking a strategic approach to CSR implies companies must consider a wide range of stakeholders – both those affected by the organisation and those with the capacity to influence organisational outcomes (Freeman 1984). An in-depth review of the key controversies in the CSR field and related stakeholder issues is provided in Chapter Two.

1.1.2 The Search for an Authentic Measure of CSR Branding

In spite of ongoing definitional debates, CSR has been progressively more acknowledged as a means to enhance firm performance (Basu and Palazzo 2008; Yoon, Gurhan-Canli, and Schwarz 2006). CSR has also increasingly been used in marketing as a shield to reduce public disapproval of corporate actions and to build strong, values-based corporate brands (Alexander 2009; Du et al. 2010; Klein, Smith, and John 2004; Sen and Bhattacharya 2001). Therefore, communicating about CSR through activities such as sponsorship programs and annual reports or sustainability reports has become a key consideration in promoting a company's position (Alexander 2009; Basu and Palazzo 2008). However, today's postmodern consumers are more knowledgeable and resistant to commercialisation, less trustful of marketers, and interested in seeking truth and reality when consuming a product or brand (Firat and Venkatesh 1995). Hence, CSR claims made in annual reports or voluntary sustainability reports may not be perceived by consumers and other stakeholders as genuine (Basu and Palazzo 2008). In other words, if a company intends to be socially responsible, its claims must be authentic as opposed to mere window dressing.

This thesis highlights the need for an instrument that measures not merely the CSR claims of an organisation, but also their authenticity. In other words, to be authentic, CSR practices must be deeply embedded in an organisation's operations. Extant measures of CSR may be considered problematic as either they capture only a single dimension of the overall construct or lack a sound theoretical framework (Waddock and Graves 1997). This thesis proposes a new measure of 'CSR branding' which integrates an evaluation of a company's presentation of its CSR credentials with its actual practices. The aim is to ensure that CSR is considered not just in terms of communication but also its importance to the actual identity of the organisation in question (Balmer and Soenen 1999).

In order to explicate the CSR branding scale, it is necessary to highlight the linkage between the notions of corporate branding and organisational identity – a full discussion is provided in Chapter Three (Du, Bhattacharya, and Sen 2007). In the extant literature, corporate branding and organisational identity have often been evaluated using qualitative techniques (Balmer 2001a; 2005; Balmer and Gray 2003; Balmer and Soenen 1999; Corley and Gioia 2004; Du et al. 2007; Knox and Bickerton 2003). In addition, the concept of organisational identity remains controversial given that there are several different schools of thought including organisational behaviour, graphic design, and marketing (Albert and Whetten 1985; Balmer and Wilson 1998; Hatch and Schultz 1997; Olins 1989; van Riel and Balmer 1997). Albert and Whetten's (1985) understanding of organisational identity as being assigned by organisational leaders and comprised of three dimensions namely central, enduring, and distinctive attributes, has received much attention as well as challenges (Gioia and Thomas 1996). On the other hand, organisational culture has been proposed as playing an important role in formulating an understanding among internal stakeholders concerning what an organisation is (Dutton and Dukerich 1991; Dutton, Dukerich, and Harquail 1994; Fiol 1991; Hatch and Schultz 1997). Those emphasising the organisational identity assigned by organisational leaders generally refer to 'institutional claims', whilst a focus on understanding organisational members is known as a 'collective understandings' approach (Ravasi and Schultz 2006). This thesis adopts an integrative approach whereby the institutional claims and collective understandings perspectives are merged (Lievens, van Hoye, and Anseel 2007; Ravasi and Schultz 2006). In addition, as marketing scholars often refer to identity using the term 'corporate identity', Chapter Four of this thesis delineates its conceptualisation in terms of the institutional claims perspective of organisational identity.

In summary, this thesis aims to develop a new psychometric scale to measure the extent to which companies incorporate CSR as a key component of their corporate brands. In so doing, the linkage of the corporate brand and organisational identity is highlighted as a means to operationalise the construct domain of the new scale (see Chapter Five).

1.1.3 The Empirical Relationship between CSR and Corporate Performance

Since past research has used different instruments to measure CSR, it is unsurprising that inconsistent results on the relationship between CSR and corporate financial performance (CFP) have been reported (de Bakker et al. 2005; Margolis and Walsh

2003; Orlitzky, Schmidt, and Rynes 2003). However, the lack of valid and reliable measures of CSR is not the only concern in the measurement of the CSR/CFP relationship. Increasingly, it has been suggested that additional variables should be considered which act as mediators or moderators (Margolis and Walsh 2003). McWilliams and Siegel (2000) used an econometric model to introduce research and development (R&D) and advertising intensity, proxies for differentiation at the firm and industry levels respectively, as moderating variables in analysing the CSR/CFP relationship. However, it is unclear whether the effect of these variables is positive or negative (Hull and Rothenberg 2008; Luo and Bhattacharya 2009). Thus, this thesis will use the newly developed CSR branding scale to examine the effects of these potential moderating variables.

As discussed, considerable attention has been paid in prior research to the relationship between CSR and firm financial performance (Aupperle, Carroll, and Hatfield 1985; Hull and Rothenberg 2008; McWilliams and Siegel 2000; Waddock and Graves 1997). This thesis proposes that adopting CSR branding can result in non-financial performance benefits, specifically a greater degree of organisational identification on the part of internal stakeholders. Organisational identification can be defined as the degree to which organisational members perceive their identities to be identical to that of the organisation (Ashforth and Mael 1989). Given the emphasis on CSR identity in this thesis (as opposed to other aspects of an organisation's identity), organisational members in this context are hypothesised to identify more strongly with their organisations should they share similar values in relation to CSR. The notions of organisational identity and identification are thoroughly explained in Chapter Four illustrating their shared theoretical background (social identity theory) (van Dick 2001). Although a study with some similarities has previously been conducted in the field of marketing, it was based only on customer perspectives, with organisational identification operationalised as 'company-customer (C-C) congruence' (Sen and Bhattacharya 2001). This thesis takes a different approach, emphasising the effect of CSR branding on organisational identification from an internal stakeholder perspective.

Apart from developing a psychometrically robust CSR branding scale, this thesis attempts to examine its impact on aspects of firm performance, both financial and non-financial (organisational identification). In addition, an investigation of the mediating effects of organisational identification and the moderating effects of R&D and advertising intensity is undertaken (Ashforth and Mael 1989; Hull and Rothenberg 2008; McWilliams and Siegel 2000).

1.2 Research Questions

The research problems that form the basis of the research are articulated in Section 1.1 (a detailed discussion is provided in Chapters Two, Three, and Four). Hair, Bush and Ortinau (2006) stated that it is important to redefine research problems into research questions as they influence the remaining steps in the research. Thus, the research questions based on the research issues discussed above are as follows.

1. *What are the salient dimensions of CSR branding and how can the construct be measured?*
2. *What is the impact of adopting CSR branding on firm performance?*
3. *What are the potential mediators and/or moderators of the CSR branding/corporate performance relationship?*

1.3 Research Objectives

The primary purpose of this thesis is to develop a valid, reliable and generalisable CSR branding scale to measure the extent to which organisations authentically embed CSR practices about which they make external claims into their operations. Additionally, the thesis will generate empirical evidence to examine whether authentic CSR branding results in favourable firm performance. Thus, the specific research objectives of this study are as follows.

1. *To identify the salient dimensions of CSR branding.*
2. *To develop a psychometrically valid, reliable, and generalisable measure of CSR branding.*
3. *To examine the effects of CSR branding on corporate financial and non-financial performance (organisational identification).*

4. *To examine the mediating effects of organisational identification on the relationship between CSR branding and corporate financial performance (CFP).*
5. *To examine the moderating effects of research and development (R&D), advertising intensity, and CSR-company ability (CA) beliefs on the CSR branding/firm performance relationship.*
6. *To identify which of the CSR branding dimensions contributes the most to corporate financial performance and organisational identification.*

1.4 Significance of the Research

This study is significant for theoretical, methodological, and managerial reasons. From a theoretical point of view, this thesis reviews the concept of organisational identity which has splintered into two perspectives – 'institutional claims' and 'collective understandings' based on different schools of thought (Ravasi and Schultz 2006). Whilst organisational behaviour scholars generally emphasise the shared understandings of internal stakeholders concerning the cultures of their organisations (Fiol 1991; Hatch 1993; Hatch and Schultz 1997), the fields of marketing and graphic design tend to highlight identity in terms of its visual representation including logos, symbols and other elements of corporate communication (Balmer and Wilson 1998; Hatch and Schultz 1997; Melewar and Saunders 1999; Olins 1989). The institutional claims and collective understandings perspectives of identity have been studied independently in the past. Thus, the different views of identity developed hitherto may only capture a part of what the construct is about. Drawing on the empirical evidence collected during this study, this thesis attempts to integrate both perspectives to provide a more holistic view of identity.

From a methodological perspective, this thesis offers a new psychometrically robust scale to measure the extent to which companies implement CSR in an authentic manner as a key component of their corporate brands (the CSR branding scale). In Chapters Two and Five, discussion of previous instruments used to measure CSR is provided. These have often relied heavily on third party secondary data, content analysis of company reports, and reputational indexes (Hull and Rothenberg 2008; Luo and Bhattacharya 2009; McWilliams and Siegel 2000; Montabon, Sroufe, and

Narasimhan 2007; Waddock and Graves 1997). The CSR branding scale described in this thesis arguably provides a more direct indication of corporate practices. In addition, it endeavours to go beyond measures which simply list specific initiatives (e.g., Turker 2009), in order to capture the authentic identity of the organisation in relation to CSR. Future researchers can make use of the CSR branding scale to measure the extent of authentic CSR activity by organisations.

From a practical managerial viewpoint, this thesis suggests a strategic approach to CSR branding in which the interests of the firm and society are balanced. In so doing, the importance of stakeholder involvement is highlighted. However, as implied by the McWilliams and Siegel (2001) definition of CSR, in their treatment of stakeholders companies must go beyond narrow economic interest and conventional legal requirements. Only through embedding genuine concern for the needs of stakeholders – including the natural environment (Starik 1995) – in their operations can organisations create truly authentic CSR brands.

1.5 Research Methodology

This thesis describes the development and validation of a measurement scale for CSR branding. The scale is then used to assess the impact of CSR branding on firm financial and non-financial performance. An eight-step procedure for scale development was followed including specifying the construct domain, generating sample items, collecting first round data, purifying the measure, collecting second round data, assessing reliability, assessing validity, and developing norms (Churchill 1979). The unidemensionality of the scale is assessed using confirmatory factor analysis and full model testing is done using structural equation modelling to provide evidence of nomological validity (Anderson and Gerbing 1988).

The initial sample pool of items for this study was generated both deductively and inductively (Hinkin 1995) using a thorough literature review, followed by eight in-depth interviews with business owners and managers from the retail, construction and advertising industries in Western Australia. The initial sample item pool with a total of 155 items was split into two, comprising 82 CSR-related *organisational* identity items (actual organisational identity relating to CSR as perceived by organisational members) and 73 CSR-related *corporate* identity items (projected identity in relation to CSR). The distinction between organisational and corporate identity developed in this thesis is fully explained in Section 4.5.1. The organisational identity items were sent to five academic experts for review. Feedback on the corporate identity items was obtained from three experts in the field. The expert responses helped to clarify the construct domain of CSR branding, in particular enabling it to be differentiated from what may be regarded as simply 'normal' business practices (D. Gioia, personal communication May 16, 2009). Thus, the first sample item pool was purified prior to further analysis. A new set of 120 items, comprising 105 CSR-related organisational identity items and 15 CSR-related corporate identity items, was sent to four additional experts in the field for review, with a subsequent pre-test conducted among staff and postgraduate students in the School of Marketing at Curtin Business School. The expert feedback and pre-test results led to a further reduction in the number of CSR-related organisational identity items to 51, and CSR-related corporate identity items to 10, and the addition of five CSR-related corporate brand items. Hence, 66 items in total were used in the first round of data collection with the resulting data subjected to exploratory factor analysis for the purposes of further purification and refinement.

Following the second round of data collection, confirmatory factor analysis was conducted to further investigate the validity of the CSR branding scale. The resulting measures were used to evaluate the impact of CSR branding on financial and non-financial firm performance. To measure the dependent variables, a four-item financial performance scale was adapted from Maignan, Ferrell, and Hult (1999), and a six-item organisational identification scale was administered (Ashforth and Mael 1989). All items were measured by seven-point Likert-like scales anchored by *strongly disagree (1)* and *strongly agree (7)*.

In round one, a total of 1,717 questionnaires were distributed by post to 217 marketing managers and 1,500 CEOs of medium to very large Australian companies. They were randomly selected from the ORBIS database, owned by Bureau van Dijk (BvD) company, which provides comprehensive information on both privately and publicly owned companies worldwide (Bureau van Dijk 2011). Targeted CEOs were requested to forward the questionnaire to the senior marketing manager or nearest equivalent in their organisation. A reply-paid envelope was provided for the return of questionnaires. By the deadline, 106 completed questionnaires had been returned. A follow up by fax was conducted offering the opportunity to complete an online version of questionnaire in order to increase the response rate. An additional three questionnaires were received by post and 27 online surveys were completed of which 15 were usable. Hence, at the end of the first round of data collection, a total of 136 questionnaires were returned with 124 usable responses; a response rate of 7.92%. In the second round of data collection, a similar sampling strategy was adopted with a total of 2,730 questionnaires distributed to 372 marketing managers and 2,358 CEOs. Once again, CEOs were asked to forward the questionnaire to their marketing manager. By the deadline, a total of 170 questionnaires were completed and returned, and an additional 31 questionnaires were received after the deadline. Hence, at the end of the second round of data collection, a total of 201 usable questionnaires were returned - a response rate of 7.36%. A full description of the research methodology used in this thesis is provided in Chapter Six.

1.6 Scope of the Research

Since the aim of this study is to develop a generalisable scale to measure authentic CSR branding practices in an organisation, it is important for the scale to be applicable to organisations in all industries, including the public sector. For this reason, organisations from all available industries in Australia were included in the sampling frame. Another consideration for the scope of this study is organisation size. Very small organisations were excluded, as CSR branding is widely assumed to be a less relevant consideration for such entities. As this thesis aims to highlight the impact of CSR branding, marketing managers were targeted as the primary respondent group. These managers are regarded as key informants regarding the unit of analysis in this study, namely organisations. When CEOs, or other senior managers, completed the questionnaires, they were asked to do so with the marketing function of their organisations in mind.

Further important information about the scope of this research relates to the use of the 'managerial or 'strategic' approach of CSR (McWilliams and Siegel 2001). Research based on other conceptualisations of CSR would be expected to pursue different research objectives. Further, this research applies a 'broad approach' to stakeholder identification (Mitchell et al. 1997).

1.7 Chapter Summary and Thesis Outline

This chapter began with a discussion of the background and research gaps in the field of CSR. This thesis takes an integrative approach by relating CSR to the concepts of corporate branding and organisational identity. The central focus of the research relates to understanding how companies successfully implementing CSR strategies authentically embed such practices into their operations. In order to do this, a new scale to measure CSR branding is developed. The impact of this on financial and non-financial organisational performance is investigated. This chapter outlined the research questions and objectives examined by this thesis, followed by an explanation of the significance of this research. In addition, this chapter discussed the research methodology in brief, as well as the techniques of data analysis to be used. The scope of this study was also explained and the chapter will now conclude by providing an overview of the thesis structure.

Chapters Two, Three, and Four present thorough literature reviews relating to CSR, corporate branding, and identity respectively. Chapter Two is structured in a chronological manner, describing the evolution of the CSR concept from the 1950s to the present. In addition, Chapter Two reviews the various alternatives to CSR which have been proposed. Chapter Three commences by providing a brief review of the branding literature and its historical development from the 1970s to the present. The shift from product to corporate brands is emphasised, and the chapter concludes by proposing a CSR approach to corporate branding based on the notion of identity. The theme of identity is discussed in more depth in Chapter Four, which is once again structured in a chronological manner covering the relevant literature from the 1970s to the present. The concept of identity is explicated through the overarching theory of social identity. Chapter Four concludes by discussing the relationship between organisational and corporate identity in order to develop a holistic view. The conceptual framework and hypotheses explored in this thesis are identified in Chapter Five. Chapter Six presents the study's philosophical approach and details the research methodology, whilst Chapter Seven provides the results of the data analysis. The conclusion of Chapter Seven provides the evidence relating to the hypotheses identified in Chapter Five. The final chapter of this thesis (Chapter Eight) discusses the implications of the findings, limitations, and recommendations for future research.

Chapter 2

Corporate Social Responsibility (CSR)

2.0 Chapter Overview

The previous chapter provided an overview of this study. Chapter Two is the first of a three-part literature review providing a fundamental understanding of the 'corporate social responsibility branding' concept. The purpose of Chapter Two is to outline the historical development of corporate social responsibility (CSR) and key issues in the field. Chapter Three will discuss the shift from product to corporate brands and propose a CSR approach to corporate branding based on the notion of identity. Chapter Four will explicate the notion of identity through the overarching theory of social identity and discuss the relationship between organisational and corporate identity to develop a holistic view. CSR has attracted the attention of academics and practitioners for decades and it has evolved, over time, branching into different themes and perspectives. To date, there is no universal definition of CSR, due partly to its origins being spread across various disciplines – social studies, politics, business ethics, economics, accounting, and management. CSR can mean different things to different people and within different disciplines. This study integrates various notions of CSR into three broad perspectives, namely economic, socio-political, and managerial perspectives, all contributing to the evolution of CSR. This chapter includes the evolution of CSR and alternative conceptual perspectives, and concludes by identifying the conceptualisation of CSR used in this thesis.

2.1 Introduction

CSR is not a new concept, though it might have been referred to differently in the past (e.g., social responsibility, public responsibility, responsibility of businessmen). This chapter provides a brief historical background of CSR since late 1800s and the evolution of CSR in the academic literature from the 1950s to the present. A number of historical events such as railroad development, the Great Depression, and World Wars helped shape the concept of CSR. These events sparked an interest in CSR among business practitioners well before the topic became of interest to academics.

The evolution of CSR is categorised into five eras, termed in this thesis as the 'relational era', the era of 'definitional debates', the era of 'CSR research', the era of 'CSR fragmentation', and the 'directionally puzzled era'. Through all these periods, scholars have attempted to develop a universal definition of CSR, but these efforts remain, as yet, unsuccessful.

Interest in CSR originated in the 1950s when it was referred to as 'social responsibility' (Carroll 1999) defined as:

> [T]he obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society (Bowan 1953, p. 6).

Although this definition refers to 'obligations', it speaks of 'desirable' actions suggesting the nature of social responsibility to be voluntary rather than mandatory. During this time, Howard R. Bowen was considered the 'Father of Corporate Social Responsibility' as he introduced the concept that businesses have responsibilities to society (Carroll 1999). For several decades thereafter, CSR became heavily discussed, defined, debated, empirically studied, and practiced increasingly widely. In the 1960s, the emphasis was mainly on the relationship between businesses and society including the notions of 'iron law of responsibility' (Davis 1960), and social contract (Davis 1967). In the 1970s, there was an attempt to define and clarify the concept of CSR through various perspectives, namely economic, socio-political, and managerial. The most prominent definition of CSR in the 1970s came from within the managerial perspective from Archie B. Carroll (1979). In addition, during the 1970s, a competing concept to CSR, corporate social responsiveness, was introduced. In the 1980s, a well-established definition of CSR was still elusive; however, scholars undertook empirical studies focused on CSR measurement and its relationship with financial performance based on existing definitions of CSR. Whilst scholars were progressively expanding their empirical studies, the 1990s was a decade of fragmentation with great interest in alternative terminologies – such as corporate citizenship, corporate philanthropy, and cause-related marketing – as scholars attempted to replace or further clarify CSR. In addition, stakeholder theory was promoted as being complementary to the CSR concept. In the 2000s, the concept of CSR remains fragmented, with scholars questioning the future direction of CSR, and whether there is still a need for a universal definition. The final section of this chapter provides underlying arguments and clarifications for the use of the particular CSR conceptualisation adopted in this thesis, since voluminous conceptualisations have been presented in the literature.

2.2 The Historical Background of CSR

The concept of CSR has long been acknowledged by practitioners, even before the First World War, and shaped through various historical events (Heald 1957; 1961). For instance, during the era of railroad development in the late 1800s, although economic growth was promoted (Jenks 1944), corruption in various forms such as securities frauds (watered stock), misuse of stock in paying dividends, and misuse of public funds were common. These issues contributed to the legal development of the modern corporation (Banerjee 2008). Moreover, philanthropic contributions were made to the community and society at large, as in the case of railroad companies providing financial support for the activities of the Young Men's Christian Association (Y.M.C.A); a practice which later spread to other industries (Heald 1957). By the late 1800s, a number of wealthy businessmen had adopted Andrew Carnegie’s exhortation to view themselves as ‘caretakers’ of society by engaging in corporate philanthropy (Wulfson 2001). Thereafter, a number of foundations were established by wealthy well-recognised individuals such as Henry Ford (the Ford Foundation) and J. D. Rockefeller (the Rockefeller Foundation) (Wulfson 2001).

In the 1930s, the Great Depression led to worker lay-offs, wage cutting, commodity price decline, business bankruptcies, and a collapse of international finance (Ferguson 1984). Due to this critical situation, President Franklin D. Roosevelt initiated a number of bills to relieve the unemployment crisis, resulting in several pieces of social welfare legislation such the Social Security and Wagner Acts (Ferguson 1984). This legislation prompted firms to re-evaluate their attitudes toward society. For example, the movement to enhance social welfare encouraged firms to view labour as a partner to the organisation thus leading to fairer treatment and the provision of housing and health services (Zahavi 1983).

During this period, many large firms increasingly acknowledged the need to earn public approval since their operations affected society as a whole (Heald 1957). A good example from the early 1900s is the American telephone company, the Bell System. With a management team led by Theodore N. Vail, the Bell System received great praise for its steady and efficient communication regarding any issue affecting the interests of the public (Heald 1957). This particular practice was later described as the 'two-way concept of public relations' by Edward L. Bernays, 'the Father of Public Relations', in his seminal book 'Crystallizing Public Opinion' in 1923 (Cutlip 1994). Bernays also emphasised that firms practicing public relations by conveying mere facts and ideas will not readily gain public approval, rather they should attempt to influence public opinion by emphasising the ethical conduct of their organisations (Cutlip 1994).

Another public relations practitioner interested in the power of public opinion was Edwin Earl Newsom. At the end of World War II, Newsom was a counsellor to a number of giant corporations such as Standard Oil Company (New Jersey), Ford Motor Company, and Internal Paper Company (Cutlip 1994). His philosophy was based on the notion of socially responsible performance as the basis for sustaining favourable public relationships. Newsom's counsel to Standard Oil (New Jersey) began when there was public criticism and distrust of the Standard Oil Company, due to its association with I. G. Farben during the rise of Hitler in Nazi Germany. All Standard Oil companies were widely perceived as selfish and greedy with no moral sense. This naturally affected public opinion of a range of subsidiaries and associated companies, including Standard Oil (New Jersey). Under Newsom's guidance, Standard Oil (New Jersey) started to develop its own communication initiatives – publicising socially responsible activities via company magazines, subsidising creative artists, and distributing booklets and reprints to public schools and universities (Cutlip 1994).

This section has acknowledged briefly some key historical events that helped shape the concept of CSR, particularly among practitioners. In the following sections, the evolution of CSR from the 1960s is discussed with a focus on the academic literature.

2.3 The Relational Era (1960s)

From an academic perspective, Howard R. Bowan (1953) is considered the father of CSR for writing one of the first books on the subject. Continuing into the 1960s, scholars attempted to provide explanations about the relationship between business and society by focusing on the role and impact of business within society. In fact, the relationship between business and society during the 1960s was presented as a political argument. The notions underpinning this political perspective included the social contract (Davis 1960), the equilibrium of social power and responsibility (Davis 1967), and the iron law of responsibility (Davis and Blomstrom 1975). In the following decades, notions of legitimacy (Suchman 1995) and individual rights (Matten and Crane 2005; Matten, Crane, and Chapple 2003) were added to further explain the relationship between business and society from a political standpoint.

At the beginning of the 1960s, the impact of businesses on society was also acknowledged from a socio-economic and a socio-human perspective (Davis 1960; Frederick 1960). On the one hand, the socio-economic view focused on "a broad obligation to the community with regard to economic developments affecting the public welfare" (Davis 1960, p. 70), where businesses have social power to affect the economy as a whole. For instance, increasing the price of products can affect inflation and gross domestic product (GDP). On the other hand, the socio-human standpoint focused on "the businessman's obligation to nurture and develop human values" (Davis 1960, p. 70). In other words, businesses have the power to enhance the morale, motivation, and self-actualisation of employees within organisations. Thus, Davis (1960, p. 70) defined CSR as "Businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest". Similarly and most notably during this period, William C. Frederick defined social responsibility as:

> [A] public posture toward society's economic and human resources and a willingness to see that those resources are used for broad social ends and not simply for the narrowly circumscribed interests of private persons and firms (Frederick 1960, p. 60).

This definition integrated both the socio-economic and socio-human perspectives with an emphasis on societal benefits at large. These socio-economic and socio-human views suggest that businesses have social power (Davis 1960; Frederick 1960) which needs to be exercised in a balanced manner with its responsibility to society in mind (Davis 1967). Even though the social contract between business and society is implicit (Lantos 2001), ignoring social responsibility may result in a loss of social power by business (Davis and Blomstrom 1975), and ultimately, its legitimacy (Suchman 1995). Suchman defines legitimacy as "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (1995, p. 574). The notions of social power, social contract, and legitimacy together explain that a firm has a societal commitment to use its social power while acting in a socially responsible manner for the benefit of social welfare. In short, failure to conform to the social contract may result in a business losing its 'license to operate'. These notions provided an explanation of the emergent roles of business in society, resulting in heavy emphasis on the social responsibility of the corporation, as illustrated in the definition proposed by Clarence C. Walton (1967, p. 18).

> [T]he new concept of social responsibility recognizes the intimacy of the relationships between the corporation and society and realizes that such relationships must be kept in mind by top managers as the corporation and the related groups pursue their respective goals.

In summary, the evolution of CSR in this era was directed toward the rationale for businesses to operate in a socially responsible manner, understood in terms of the role and impact of business on society within a political perspective. In the 1970s, scholars continued to pursue further motivations for businesses to act in a socially responsible way. A number of new CSR definitions were introduced from a range of perspectives, including economic, socio-political, and managerial.

2.4 Era of Definitional Debates (1970s)

In the 1970s, the concept of CSR remained vague allowing scope for critical arguments against CSR. While the concept of CSR in the 1960s drew much of its force from a political perspective, in the 1970s the concept of CSR expanded into broader perspectives, termed in this thesis as economic, socio-political, and managerial standpoints. The economic standpoint frames the responsibility of the corporation merely in terms of economic objectives. The focus of this perspective relates to financial objectives and suggests that social wealth will automatically be fulfilled once a firm's economic objectives have been achieved (Friedman 1962; 1970). The supporting notions underlying the economic perspective are the 'invisible hand' of the market, neoclassical economics, and 'enlightened self-interest' – an integrative approach within the economic perspective. The socio-political perspective delineates CSR in terms of the relationship between business and society. The notions that underpin the socio-political perspective include power, responsibility, social contract, and legitimacy. Most notably in the 1970s was the definition of CSR, framed from a managerial perspective by Archie B. Carroll (1979). Due to the definitional inconsistency of CSR, resulting from competing perspectives, scholars in the 1970s started to examine an alternative theme, corporate social responsiveness, as a candidate to replace CSR.

2.4.1 The Economic Perspective

The 1970s began with criticism against CSR coming from an economic perspective. The economic critique was greatly influenced by Adam Smith and Milton Friedman. A foundational concept of the economic perspective is Adam Smith's notion of the 'invisible hand of the market' which holds that by being a responsible firm in relation to economic performance, social welfare will eventually be fulfilled (Friedman 1962). That is, when a firm generates substantial profits, it can hire more employees and ease unemployment levels, so in turn communities benefit.

The invisible hand notion is the foundation of the economic perspective's challenge to CSR. Milton Friedman claimed that the only social responsibility of a business is "to make as much money as possible while conforming to the basic rules of society, both those embodied in law and ethical custom (1970, p. 122). Moreover, Friedman deemed expenditure of shareholders' funds on social causes as tantamount to theft; therefore, he was not in favour of a discretionary or altruistic notion of CSR. Friedman's statements are underpinned by neoclassical economic's treatment of the firm as "a production function to which a profit maximization objective has been ascribed" (Williamson 1981, p. 1539), i.e., that the main objective of a firm is to make a profit. This economic perspective is based on 'self-interest'. Michael Brennan (1994) described this as a situation where "people care only about themselves and not at all about others; they have no altruistic tastes in that they are unwilling to sacrifice any of their own time or resources for the betterment of others" (Jensen 1994, p. 5). However, Rand (1964) argued that the best interests of society are ultimately served by allowing individuals to freely exercise their self-interest. Therefore, the gap between the economic and altruistic perspectives of CSR may not be unbridgeable. Moreover, Rand (1966) further suggested that in a free economy businesses should be able to initiate their own version of social responsibility on a voluntary basis, as opposed to being forced by a coercive power. Indeed, Rand (1966) argued that involuntary actions cannot by definition be considered socially responsible.

Whilst the economic perspective is largely influenced by a firm's self-interest, Keim (1978) linked this concept with social expectations to develop the notion of 'enlightened self-interest'. Enlightened self-interest implies that a firm can engage in CSR activities as long as the firm can achieve economic gains from such activities. That is, CSR needs to be an ordered approach. Indeed, this model suggests that CSR is nothing more than an opportunity for a firm to meet higher financial performance standards. Indeed, Jensen (2002) emphasises that a firm should not attempt to set multiple objectives, but rather focus solely on long-term value, because loss of focus might eventually weaken the firm's position and make it impossible to achieve desirable social outcomes. This concept supports the invisible hand of Adam Smith, whereby once a firm's value is maximised, then stakeholders are likely to be satisfied, and eventually desirable social outcomes emerge naturally from economic gains.

2.4.2 The Socio-Political Perspective

While Friedman's opposition to CSR was unwavering, development within the field continued with Davis (1973), who suggested that businesses should consider social values when making managerial decisions. Davis (1973, p. 312-313) further elaborated on the definition of CSR previously given in the 1960s and referred to it as:

> [T]he firm's consideration of, and response to, issues beyond the narrow economic, technical, and legal requirements of the firm. It is the firm's obligation to evaluate in its decision-making process the effects of its decisions on the external social system in a manner that will accomplish social benefits along with the traditional economic gains which the firm seeks. It means that social responsibility begins where the law ends. A firm is not being socially responsible if it merely complies with the minimum requirements of the law, because this is what any good citizen would do.

This definition strongly suggests that the concept of CSR is beyond what is required by law. Davis (1973) also emphasised that refusing to incorporate the notion of CSR into business practices might lead to unfavourable responses from public constituencies, hence emphasising coercive, as opposed to voluntary, motives for adopting CSR.

Preston and Post (1975), on the other hand, critiqued social responsibility as being too broad and lacking a clear linkage between the firm's internal activities and its environment. They suggested that 'public responsibility' was a better term than 'corporate social responsibility', supporting the statement made by Votaw (1973) that the concept of CSR was vague and signified different meanings to different people (Preston and Post 1975). Public responsibility, on the other hand, was proposed as a better managerial guideline in terms of the criteria considered by private businesses, conveying the importance of the public policy process as opposed to individual opinion (Preston and Post 1975). The public policy process is explained as "widely shared and generally acknowledged principles directing and controlling actions that have broad implications for society at large or major portions thereof" (Preston and Post 1975, p. 56). However, this very broad definition made it difficult for public responsibility to be a viable substitute for 'social responsibility' (Carroll 1999; Wartick and Cochran 1985). Regardless of this conflict in terminology, in sum, business was viewed in the 1970s from a socio-political perspective as having an interactive relationship with society, with the potential for further definitional debates regarding CSR.

This potential is evident in the literature of the 1970s, when much scholarship (e.g., Carroll 1979; Eilbirt and Parket 1973; Preston and Post 1975; Sethi 1975; Zenisek 1979) continued to focus on attempting to define CSR in diverging ways. For instance, Eilbirt and Parket (1973) defined CSR in terms of Christian philosophy as being ‘good neighbourliness’, whereby businesses should not do anything to harm their neighbourhood, suggesting they should volunteer to help with neighbours’ problems. Yet another CSR definition from a sociological perspective described social responsibility in relation to corporate behaviour that meets social norms, values and expectations (Sethi 1975).

The socio-political perspective of CSR continued from the 1960s, and attempted to show the relationship between business and society, while seeking a better approach to defining the concept of CSR. As compared to the criticism of the concept of CSR from an economic standpoint, the socio-political perspective was weakened more severely by scholars conceptualising CSR from a range of other perspectives.

2.4.3 The Managerial Perspective

In the early 1970s, Harold Johnson (1971) proposed four different views of CSR explaining firm motivations to engage in social programs including (i) profit increase; (ii) ‘utility maximisation’ (in attempt to achieve multiple goals apart from profit maximisation); and (iii) ability to achieve comparable outcomes as those organisations in similar conditions. The fourth view that Johnson (1971, p. 50) termed ‘conventional wisdom’, referred to a socially responsible firm as:

> [O]ne whose managerial staff balances a multiplicity of interests. Instead of striving only for larger profits for its stockholders, a responsible enterprise also takes into account employees, suppliers, dealers, local communities, and the nation.

This definition of CSR introduced the significance of the stakeholder doctrine which became more prominent in the 1980s, as illustrated in the later sections of this chapter.

As already discussed, previous attempts to define CSR identified mixed societal obligations, those that are required, expected, and desired by society. For instance, the definition of CSR given by Eilbirt and Parket (1973) highlighted expectations related to the firm's ethical and discretionary obligations, while Sethi (1975) was merely concerned with ethical expectations. A model proposed by Archie B. Carroll (1979) attempted to provide a wider range of societal responsibilities as a definitional contribution to CSR, ranging from minimal to desired responsibility. Within the managerial perspective of CSR, this model had great impact on the development of CSR thought in the 1970s.

Carroll proposed that CSR be defined as "the social responsibility of business that encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time" (Carroll 1979, p. 500). Carroll's definition was an advance on previous conceptualisations because it outlined the scope of CSR. These four CSR categories have been well recognized as the basis for much research in recent decades, particularly in the field of management (Aupperle et al. 1985; Wartick and Cochran 1985). Carroll explained that these four categories were not totally exclusive from one another; in fact, they are in hierarchical order from foundation to apex – economic, legal, ethical, and discretionary respectively (Carroll 1991). Economic responsibilities refer to obligations to produce goods and services that fulfil the needs of consumers. Legal responsibilities refer to firms operating for financial purposes under law and regulations. Ethical responsibilities refer to behaviours of firms that conform to societal norms, above and beyond the law. Discretionary responsibilities relates to voluntary activities contributing to society out of generosity (Carroll 1979).

An older theory, Maslow's hierarchy of needs (Davis 1973), also provided some support to Carroll's pyramid of CSR in the sense that higher needs are not satisfied unless the fundamental levels have been fulfilled. For instance, if a corporation has not achieved satisfactory level of economic performance, it is almost impossible for that corporation to participate in philanthropic activities; in fact, it might even hurt the corporation to participate in such activities. Therefore, the definition of CSR given by Carroll allowed firms to think of CSR from a strategic perspective in terms of which CSR activities firms chose to be involved in, and when was best for firms to take action. Although this definition by Carroll reflected substantial progress, during this period, there was a competing concept, ‘corporate social responsiveness’, which received considerable interest as a possible replacement for ‘corporate social responsibility’ (Frederick 1994).

It should also be noted that the focus of CSR varies in different management disciplines. For example, in public relations issues management is often regarded as a corporate planning function, designed to reconcile a firm’s activities with the public interest in order to meet social responsibility criteria (Heath and Nelson 1986). Hence, issues management can be thought of as:

> [A] means for linking the standard public relations and public affairs functions and the management function of the organization in ways that foster the organization’s efforts to be outer directed and reflective, as well as to have a participative organizational culture. Blending these functions is vital for organizations that seek harmonious relationships in an environment that is complex because of the number of publics and the variety of issues to be considered (Heath and Palenchar 2009, p. 12).

2.4.4 The Beginning of Alternative Themes

During the 1970s, due to fragmented conceptualisations, corporate social responsibility came to be referred to as CSR_1, and corporate social responsiveness as CSR_2 (Frederick 1994). Frederick introduced these terminologies in his classic paper first published in 1978, where he stated that CSR_2 relates to “the capacity of a corporation to respond to social pressures” (1994, p. 154). CSR_1 was considered as mainly encompassing philosophical implications. CSR_2, on the other hand, was viewed as more tangible, measureable, and achievable (Frederick 1994). Similarly, Sethi (1975) noted that ‘corporate social responsibility’ could be replaced by ‘corporate social responsiveness’.

While Carroll (1979) treated these terminologies as inter-related, he stated that they were in fact distinct. Carroll used both corporate social responsibility and corporate social responsiveness to explain corporate social performance (CSP), and defined social responsiveness as “the philosophy, mode, or strategy behind business response to social responsibility and social issues” (Carroll 1979, p. 501). In other words, both social responsibility and social responsiveness are part of CSP; therefore, social responsiveness is distinct from social responsibility and cannot take its place. For instance, when a corporation acts responsively in relation to its irresponsible actions, it does not take away the fact that the corporation has been irresponsible. Similarly, Wartick and Cochran (1985) noted that responsiveness is only a supporting dimension of CSP.

This debate continued into the 1980s, when Wartick and Cochran (1985) posited three supportive rationales differentiating social responsibility and social responsiveness. Firstly, social responsiveness was viewed as an ethical approach, satisfying social norms, whereas social responsibility tries to fulfil holistic ethical truths. Social responsiveness may not occur without public recognition of ethical issues. Secondly, social responsibility is more ongoing in allowing firms to evaluate their objectives against social objectives, unlike social responsiveness. That is, social responsiveness may be viewed as being reactive rather than proactive. Lastly, social responsiveness is a process, whereas social responsibility is seen an outcome or products of an action. Therefore, even in the 1980s, the debate about interchangeable terms continued with Wartick and Cochran (1985) suggesting that corporate social responsibility and corporate social responsiveness are distinct and, should not be used interchangeably.

As presented in the preceding section, while scholars attempted to differentiate social responsibility and social responsiveness (Carroll 1979; Frederick 1994; Wartick and Cochran 1985), a new term was introduced – corporate social performance (CSP). CSP was later defined by Wood as “a business organization’s configuration of principles of social responsibility, processes of social responsiveness, and observable outcomes as they relate to the firm's societal relationships" (1991, p. 693). Wood and Jones (1995, p. 230) later refined this definition by adding "internal stakeholder effects, external stakeholder effects, and external institutional effects" to emphasise the outcomes component of the earlier CSP definition (Wood 1991). This suggested the importance of stakeholder management in the CSP model.

The growing interest in CSP continued and, in the 1980s, a greater emphasis was placed on seeking appropriate measures for CSR; especially to investigate the relationship between CSR and a firm's performance. While this section has provided various definitions of CSR, as well as having clarified competing terms which emerged during the1970s, the lack of consensus and diverging definitions continued into the 1980s and will be the focus of the next section.

2.5 The Era of CSR Research (1980s)

During the 1980s, the search for a consensus definition of CSR was almost abandoned. However, using existing definitions of CSR, interest was directed toward its evaluation, particularly in relation to a firm's financial performance (Arlow and Gannon 1982; Aupperle et al. 1985; Cochran and Wood 1984; Wartick and Cochran 1985). While CSR, as a principle, has a philosophical orientation and is abstract in nature (Carroll 1979; Wartick and Cochran 1985), scholars often referred to corporate social performance (CSP) when evaluating and analysing CSR (Wartick and Cochran 1985). It is worth noting that CSP is not a pure translation of CSR as CSP embraces the concepts of both CSR and corporate social responsiveness together (Carroll 1979); this may contribute to the difficulty in quantifying the concept of CSR specifically. In spite of this ambiguity, CSP was generally used as a measure for CSR during this period (Margolis and Walsh 2003).

Although an awareness of CSP existed before the 1980s (e.g., Abbott and Monsen 1979; Bowman and Haire 1975; Carroll 1979; Parket and Eilbirt 1975; Sturdivant and Ginter 1977), it was in the 1980s that there was growing interest in CSP (Margolis and Walsh 2003). As explained in the preceding section, the principles of corporate social responsibility and the processes of corporate social responsiveness link with policies to identify social issues as the basis of the CSP model (Carroll

1979; Wartick and Cochran 1985). Therefore, the CSP model provides a potential framework for guiding how a firm should perform in a socially responsible way. Wartick and Cochran's (1985) CSP model, modified from Carroll's work, provided explanations in response to challenges in the literature including the conflict between social responsibility and economic responsibility, and the use of competing terms as substitutes for CSR such as public responsibility and corporate social responsiveness. Thus, the three CSP dimensions of Wartick and Cochran's (1985) model are economic responsibility, public responsibility, and social issues. Wartick and Cochran (1985) explained the first dimension, economic responsibility, as equivalent to the economic dimension of Carroll's (1979) CSR definition, which also acknowledged the need for both social and economic responsibility. The public responsibility dimension of Wartick and Cochran's (1985) CSP model is explained as equivalent to the legal (narrow perspective of public responsibility) and discretionary (broad perspective of public responsibility) dimensions of Carroll's (1979) CSR definition. The third dimension of Wartick and Cochran's (1985) CSP model relates to organisational responses to social issues (equivalent to the notion of corporate social responsiveness).

In the 1980s, ways of measuring CSP had not yet been agreed upon, so leading scholars continued to pursue the development of more appropriate measurement techniques. The most frequently-used measures for CSP during the 1980s were the Fortune Reputation Ratings and the Council on Economic Priorities (CEP) evaluation (Margolis and Walsh 2003). Many scholars attempted to establish new measures and were reluctant to use previously established measures, so there was little consolidation within the field (Margolis and Walsh 2003). Partly as a consequence, research on the relationship between CSP and a firm's financial performance demonstrated mixed results. That is research found positive, negative, and neutral outcomes (de Bakker et al. 2005; Margolis and Walsh 2003). There has been directional ambiguity regarding whether CSP contributes to a firm's financial performance or vice-versa. Waddock and Graves (1997) suggested that the relationship between CSP and a firm's financial performance represents a 'virtuous circle'. Slack resources theory supports the view that superior financial performance leads to CSP, whilst good management practice supports the converse (Waddock and Graves 1997).

Although the concept of CSR in this era progressed (Aupperle et al. 1985; Wartick and Cochran 1985), there were more concerns and issues to be clarified. As scholars attempted to provide clarification of CSR concepts, a number created alternative terminologies in an attempt to provide a clearer and more precise notion of CSR, and this continued into the 1990s. However, this section concludes that those terminologies are distinct from, and not a perfect substitute for, CSR. The next section of this thesis will focus on frequently-cited alternative notions comparable to CSR.

2.6 The Era of CSR Fragmentation (1990s)

In the 1990s, scholars attempted to further investigate CSP and continued to measure it (e.g., Clarkson 1995; Griffin and Mahon 1997; Swanson 1995; Wood 1991; Wood and Jones 1995). Notably, Wood and Jones (1995) continued their work on the conceptualisation of CSP by refining Wood's definition of CSP in which the importance of stakeholders as the beneficiaries of CSP was added. As a result, stakeholder theory has been concurrently investigated since the 1990s as a managerial and strategic explanation of the CSR concept (e.g., Barnett 2007; Clarkson 1995; Harrison and Freeman 1999; Hillman and Keim 2001; Wheeler et al. 2003). This section provides an overview of stakeholder theory – definitions, classifications, and debates. The relevance of stakeholder theory within this thesis relates to its contribution to measuring CSR. In the 1990s, stakeholder theory was not the only alternative term of CSR. While scholars continued to search for a CSR measure, at the very same time in the 1990s, a group of scholars challenged the concept of CSR by introducing a number of competing concepts, namely corporate citizenship, corporate philanthropy, and cause-related marketing. These concepts are purported to replace the CSR concept. However, this thesis will argue that these concepts are not in fact equivalent to CSR.

2.6.1 The Stakeholder Approach

As scholars continued in the 1980s to seek ways to evaluate CSR, it was difficult to find an appropriate measure when several key questions remained unanswered. A central question related to whose interests the firm should be concerned about. To whom is the term responsible and to what extent? Although in the 1980s, CSP provided a holistic framework for understanding CSR as a principle and corporate social responsiveness as a process (Wartick and Cochran 1985), weaknesses were later identified by Clarkson (1995). Firstly, Clarkson (1995) stated that the concept of CSR, adopted from Carroll (1979) and used in the CSP framework fails to differentiate between socially responsible and irresponsible corporations. Unless there is evidence showing the firm has acted illegally, has failed to generate profits over time, and/or has behaved unethically, it must be regarded as socially responsible based on Carroll's (1979) criteria. Clarkson (1995) acknowledged the usefulness of corporate social responsiveness scale, where corporate posture or behaviour was ranked into reactive, defensive, accommodative, and proactive behaviours, referred to as 'the RDAP scale' (Wartick and Cochran 1985). However, Clarkson (1995) continued to criticise the concept of corporate social responsiveness in general based on the lack of a clear definition and for being a vague construct likely to hamper future empirical research. As both the principles and processes components of CSP remained unclear, there was a blurred conceptualisation of CSP in the mid-1990s. Clarkson (1995) proposed that it was better to view corporate performance in relation to stakeholder issues using the RDAP scale. Stakeholder theory has been challenged ever since it was introduced, for example in the field of public relations with regard to differentiating the terms 'public' and 'stakeholder' (Grunig and Hunt 1984; Mackey 2006). It was in the period from 1991 to 1998, termed stakeholding's 'incremental growth' period, (Laplume, Sonpar, and Litz 2008), that stakeholder theory began to make a notable contribution to CSR research (Clarkson 1995).

Stakeholder theory was popularised by R. Edward Freeman in 1984 through his seminal book *Strategic Management: A Stakeholder Approach*. Freeman (1984) introduced stakeholder theory as a complementary concept to CSR. Freeman (1984, p. 46) defined a stakeholder as "any group or individual who can affect or is affected by the achievement of the organization's objectives". This is a broad definition and includes all of the firm's potential constituencies, making it difficult to operationalise. Consequently, narrower definitions of a stakeholder have been proposed. For instance, Clarkson defined a stakeholder as "persons or groups that have, or claim, ownership, rights, or interests in a corporation and its activities, past, present, or future" (1995, p. 106). This definition suggests that stakeholders include people who have a legitimate claim over a firm. Clarkson also classified stakeholders into two groups: primary and secondary. He defined a primary stakeholder as "one without whose continuing participation the corporation cannot survive as a going concern" (1995, p. 106). Primary stakeholder groups include shareholders, employees, customers, suppliers, and communities. In contrast, a secondary stakeholder is defined as "those who influence or affect, or are influenced or affected by, the corporation, but they are not engaged in transactions with the corporation, and are not essential for its survival" (Clarkson 1995, p. 107). For instance, the media might influence the performance of the firm, but they do not have a legitimate claim over the firm as they are not essential to its survival, hence their classification as a secondary stakeholder group.

2.6.1.1 Stakeholder Legitimacy

While Clarkson's (1995) definition of a stakeholder yields a narrower focus, a number of scholars also emphasised legitimate claims that give certain groups of stakeholders primacy (Kaler 2002; Phillips 1997; 2003). Another supporter of a narrow stakeholder definition, Kaler (2002), proposed that there are three groups of stakeholders categorised as 'claimant', 'influencer', and 'combinatory' stakeholders. Kaler (2002, p. 95) defined 'claimant' stakeholders as "people with a role-specific, strong or weak, morally legitimate claim to have their interests served by that business", whereas anyone who can influence the operation of the firm, is referred to as an 'influencer' (Kaler 2002). Influencers include anyone who has either formal or informal contact with the firm, including competitors and terrorists. Kaler (2002) did, however, acknowledge that as far as business ethics goes, it is claimant stakeholders whose interests should be of most concern. 'Combinatory' stakeholders are simultaneously claimants and influencers (Kaler 2002).

Similarly, Phillips (2003) developed the notion of legitimacy further, viewing stakeholders with legitimate claims as 'normative stakeholders' as opposed to those who could merely influence the firm – 'derivative stakeholders'. It is the interests of the normative stakeholder that a firm should be concerned about ahead of those of the derivative stakeholder. Firms should pay attention to derivative stakeholders because of their capacity to affect the interests of normative stakeholders, rather than because of the intrinsic worth of derivative stakeholders (Phillips, Freeman, and Wicks 2003). Notably, narrower definitions of the term 'stakeholder' emphasise legitimate claims that stakeholders have over the firm, and those stakeholders important to the survival of firm (e.g., Clarkson 1995; Cragg 2002; Donaldson and Preston 1995).

2.6.1.2 Theory of Stakeholder Identification and Salience

Although many scholars proposed a narrower definition of a 'stakeholder', Mitchell et al. (1997) argued that narrow stakeholder definitions generally focus only on *either* the firm's economic interests (relating to limited resources, managers' time, attention, and patience to deal with external issues) *or* its moral claims (focusing on 'normative core' and thus restricting the range of stakeholder groups considered as legitimate). Mitchell et al. (1997) progressed stakeholder theory by proposing the concept of stakeholder identification and salience to evaluate 'who and what really counts'. They supported the broad definition of a stakeholder (e.g., Freeman 1984) suggesting that any group who has power over the firm and is affected by the firm's actions should be considered as a stakeholder. By this definition, stakeholders include virtually all groups that come into contact with the firm causing practical difficulty for the managers attempting to prioritise. The concept of stakeholder identification and salience provides guidance to managers by proposing a typology based on three essential attributes – legitimacy, power, and urgency – as identifiers of stakeholder classes (Mitchell et al. 1997). Legitimacy was conceived by Mitchell et al. (1997) drawing on Suchman's (1995) broad definition of legitimacy. This view of legitimacy is based on sociological theory; legitimate firm actions are those which are socially desirable and appropriate, meeting social norms, values, beliefs, and definitions. Those who have legitimate claims over the firm are, as discussed above, referred to as 'claimants' (Mitchell et al. 1997).

In addition to legitimacy, stakeholders may potentially have power over the firm and hence may be referred to as 'influencers' (Mitchell et al. 1997). Power is derived from three sources including (i) coercive power – including violence or physical resources such as weapons; (ii) utilitarian power – using material or financial resources to impose one's will; and (iii) normative power which refers to the use of symbolic resources such as self-esteem and acceptance (Mitchell et al. 1997). The third attribute of stakeholder identification is urgency defined as "the degree to which stakeholder claims call for immediate attention" (Mitchell et al. 1997, p. 867). Urgency can be thought of as 'time sensitivity' (the length of time available to the organisation in attending to stakeholder claims) or 'criticality' (the importance of the stakeholder's claims and relationship to the organisation) (Mitchell et al. 1997).

Mitchell et al (1997) identified different stakeholder types based on the combination of attributes described in the preceding section in order to determine salience which is defined as "the degree to which managers give priority to competing stakeholder claims" (Mitchell et al. 1997, p. 869). The degree of salience can be categorised as 'latent' (low salience), expectant (moderate salience), or definitive (high salience) (Mitchell et al. 1997). Figure 2.1 illustrates different combinations of stakeholder attributes, while Table 2.1 provides brief descriptions of all eight stakeholder types classified by degree of salience (Mitchell et al. 1997).

Figure 2.1: Different Combinations of Stakeholder Attributes (Mitchell et al. 1997, p. 874)

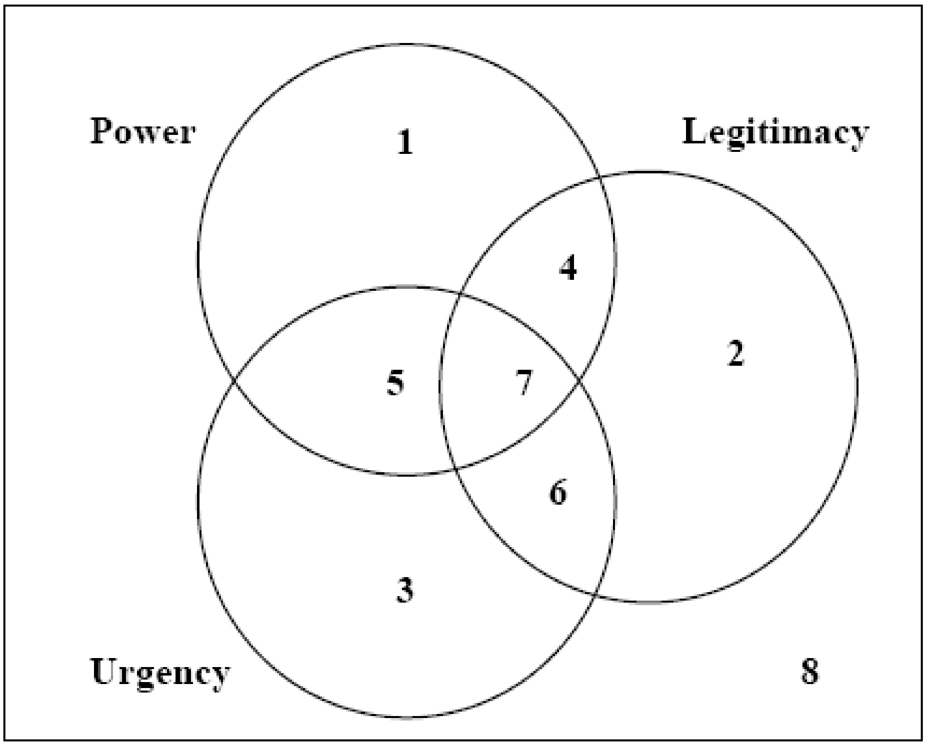


Table 2.1: Stakeholder Typology (Adapted from Mitchell et al. 1997)

No.	Stakeholder Typology	Degree of Salience	Attributes	Description
1	Dormant	Latent (Low)	Power	Those who have either coercive, utilitarian, or symbolic power, but do not interact with a firm in exercising their power.
2	Discretionary		Legitimacy	Those who have no power and whose legitimate claims lack urgency.
3	Demanding		Urgency	Those who make noise or complaint about the firm, but have no power or legitimate claim to draw managers' attention.
4	Dominant	Expectant (Moderate)	Power and Legitimacy	This category includes those who have formal relationships with a firm such as a board of directors, creditor, or investor – managers' attention is expected and received.
5	Dangerous		Power and Urgency	Those who often exercise their unlawful coercive power in acquiring their wishes, such as political terrorists.
6	Dependent		Legitimacy and Urgency	Those who have no power to enforce their will and often depend on other powerful stakeholders e.g., the natural environment.
7	Definitive	Definitive (High)	Power, Legitimacy and Urgency	If all three attributes are present, managers must give immediate attention to this group of stakeholders. Expectant stakeholders can become definitive stakeholders once the missing attribute is acquired.
8	Non-stakeholder	None	None	Those who possess no power, legitimate claim, or urgency; thus they are potential stakeholders until any of the attributes is acquired.

The theory of stakeholder identification and salience (Mitchell et al. 1997) supports the broad definition of a stakeholder and provides a framework for understanding who should be considered as stakeholders, and how managers should prioritise stakeholder desires and expectations based on the degree of salience.

2.6.1.3 Descriptive, Instrumental and Normative Stakeholder Theory

While scholars continued to highlight the definitional issues relating to stakeholders, Donaldson and Preston (1995) introduced the notion that stakeholder theory has three main strands: (i) descriptive – an explanation of a firm's actual characteristics and behaviours in relation to its stakeholders; (ii) instrumental – linking the management of stakeholders to desired corporate outcomes (e.g., financial performance); and (iii) normative – the core values (e.g., property rights, morality, ethics, stakeholder fairness) that ought to underpin the actions of a firm. However, Donaldson and Preston's (1995) tripartite model was criticised on the grounds that the three strands of stakeholder theory are not mutually exclusive (Freeman 1999), thus leading to attempts to create a 'convergent' stakeholder theory (e.g., Jones, Felps, and Bigley 2007; Jones and Wicks 1999).

Jones and Wicks (1999, p. 217) adapted the Donaldson and Preston (1995) model by proposing a convergent theory of instrumental and normative stakeholder theory, defining it as "both normatively sound and practically viable where each version must have a well-defended normative core and supporting instrumental arguments to demonstrate its practicability". Gioia (1999) critiqued Jones and Wicks (1999) for wrongly claiming that their convergent stakeholder model is 'transformational', when in fact the relationship between instrumental and normative stakeholder has long been apparent (as evidenced by the extensive empirical research investigating the CSP/CFP relationship). In commenting on this debate, Freeman (1999) suggested that instrumental stakeholder theory should receive the most attention among the three strands.

An empirical study from an instrumental perspective was conducted by Berman, Wick, Kotha, and Jones (1999), who examined two new models of stakeholder management: the 'strategic stakeholder management model' emphasising firm financial performance; and the 'intrinsic stakeholder commitment model' which stresses morality in the treatment of stakeholders. Two key hypotheses were tested: a direct effects model, where the relationship with a firm's stakeholders has a direct impact on financial performance, and an alternative model in which the relationship is mediated by firm strategy. Berman et al. (1999) hypothesised that only the mediated model would be applicable to intrinsic stakeholder commitment. They examined the proposed hypotheses by obtaining data relating to five areas of the Kinder, Lydenberg, Domini (KLD) multidimensional ratings – employees, the natural environment, workplace diversity, customers/product safety, and community relations. Berman et al. (1999) found no evidence to support the intrinsic stakeholder management model – even when allowing the stakeholder management/financial performance relationship to be mediated by firm strategy. Limited support was found for the direct effects version of the strategic stakeholder management model, however only relationships with employees and customers significantly impacted on financial performance.

2.6.1.4 Stakeholder Theory and the Measurement of CSP

While stakeholder theory remains a contentious area, a number of scholars have used its theoretical framework to measure a firm's CSR performance. As Wood (1991) indicated, the roles of a stakeholder in relation to social performance include: (i) sources of expectations; (ii) experiencing the effect of a firm's actions or behaviours; and (iii) evaluating a firm's performance against expectations. The CSP measures available in the 1990s often related to various stakeholder groups. For instance, the KLD ratings, a commonly-used measure of CSP, use stakeholder issues as components of its measures, including customer relations (product safety), community relations, employee relations, environmental protection, nuclear power issues, and women's and minority issues (Hillman and Keim 2001; McWilliams and Siegel 2001; Waddock and Graves 1997). Although the importance of stakeholders has been stressed in the CSP literature (Wood 1991; Wood and Jones 1995), the lack of identification of who is included in the definition of 'stakeholder' is problematic. CSP research has generally failed to specify whether a narrow or broad definition of stakeholder is appropriate.

For many years, the focus of CSP research in terms of corporate outcomes was on financial performance. However, in more recent times other dependent variables of interest have been investigated including employer attractiveness (Backhaus, Stone, and Heiner 2002; Greening and Turban 2000). In addition, alternative concepts began to emerge during the 1990s, including corporate citizenship, corporate philanthropy, and cause-related marketing. These notions are discussed in the next section.

2.6.2 Competing Concepts

In the early 1990s, Carroll revisited his four proposed dimensions of CSR – economic, legal, ethical, and discretionary – and started to refer to the discretionary dimension as ‘corporate citizenship’ (1991). Since then, the concept of corporate citizenship has received growing interest among scholars and practitioners. For instance, corporate citizenship was described by Smith (1994, p. 107) as “a broad view of their [companies’] own self-interest while instinctively searching for ways to align self-interest with the larger good”. This approach views corporate citizenship in a strategic manner, whereby a firm’s self-interest should coincide with societal interests. Former U.S. President Bill Clinton, on the other hand, outlined during a meeting with Washington business leaders in 1996 that corporate citizenship comprises “family-friendly policies, such as allowing family leave; good health and pension benefits; a safe workplace; training and advancement opportunities; and policies that avoid layoffs” (Carroll 1998, p. 1). This description of corporate citizenship provided precise guidelines on how a good corporate citizen should act. Nevertheless, corporate citizenship, as described by the former President, requires a substantial amount of financial investment. This might reduce the firm’s motivation to become a good corporate citizen.

Carroll (1998, pp. 1-2) noted that a firm becomes a good corporate citizenship when satisfying all of the four expectations of CSR – to “be profitable, obey the law, engage in ethical behaviour and give back through philanthropy”. This definition, of course, is the same as the definition of CSR given by Carroll (1979) in the 1970s. It was therefore unsurprising when he went on to suggest that corporate citizenship is potentially a substitute term for CSR.

Another competing term for CSR in the 1990s was corporate philanthropy, which semantically overlaps with the concept of corporate citizenship, and is viewed by practitioners as in kind or cash donations (Smith 1994). A rise in generous corporate giving in many developed countries was evident in this period including in Australia, the United Kingdom and the United States, and the amount of giving continued to grow into the 2000s (Sargeant and Crissman 2006). Indeed, donating to social causes became a corporate strategy for many organisations. For instance, many U.S. corporations have accelerated the expansion of philanthropic activities to less developed countries (Smith 1994).

As the popularity of corporate philanthropy with a strategic focus grew, a new concept was introduced by marketers known as 'cause-related marketing' (CRM). This refers to an integrative strategy merging marketing and CSR, particularly corporate philanthropy (Smith and Alcorn 1991). Marketers can use CRM as a product marketing strategy. For example, for each unit of product sold, the firm would contribute a designated dollar amount to charitable causes (Kotler and Lee 2005; Smith and Alcorn 1991). A successful example of CRM was initiated by American Express (AMEX) in the mid 1990s to address the issue of hunger in the US, through a collaboration with a non-profit organisation, Share Our Strength (SOS) (Nelson, Kanso, and Levitt 2007). The program entitled 'Charge Against Hunger' (CAH) contributed three cents to SOS for every purchase by AMEX Cardholders and raised more than US$21 million over four years. This campaign created positive attitudes toward AMEX, increased sales volume, and made significant contributions to the hungry citizens of America (Nelson et al. 2007).

Another potentially competing concept takes the form of professional codes of ethics which provide guidance for individuals and organisations in many different disciplines (Nelson 2003; Walle 2003). For example, Walle (2003) has noted that the codes of ethics promoted by public relations institutes in various countries often neglect to mention responsibilities towards society. Hence, practitioners following these codes may consider they are behaving ethically, unaware of the limitations of their chosen guiding framework. Nelson (2003) also argued for the importance of linking good corporate citizenship with the ethical practice of business.

2.6.3 Commonalities of Competing Concepts

As shown, these terminologies – corporate citizenship, corporate philanthropy, and cause-related marketing – share a common emphasis on discretionary activities. For instance, corporate citizenship can also be referred to as philanthropic activities (Carroll 1991), based on altruism and morality. Piliavin and Charng (1990, p. 30) defined altruism as occurring when "an act is or appears to be motivated mainly out of a consideration of another's needs rather than one's own". The literature often refers to altruism in terms of 'internal states' or 'external behaviours' (Kanungo and Conger 1993). Internal states refers to the intention of a firm to act in an altruistic manner, whereas the opposing view, the external behaviour school of thought, disregards intentions and focuses only on behavioural consequences (Kanungo and Conger 1993). As altruistic intentions are difficult to identify, altruism is commonly discussed with reference to external behaviours (Kanungo and Conger 1993). The altruism of a firm can be categorised into two classes: (i) 'utilitarian' or 'mutual' altruism, and (ii) 'genuine' or 'moral' altruism (Kanungo and Conger 1993). When exercising utilitarian or mutual altruism, a firm chooses to be involved in generous activities, whereby both the firm and society can benefit. Genuine or moral altruism focuses on self-sacrifice, where the benefits are for others alone (Kanungo and Conger 1993). Thus, this thesis views utilitarian/mutual altruism in a similar manner to the strategic approach to CSR.

Further debate about the nature of altruistic motives and intentions was sparked by Windsor (2001) in the context of a discussion of the objections to CSR raised by Friedman (1970). Since there are two classes of altruism, it is basically the 'discretionary altruism' (genuine/moral altruism) that was opposed by Friedman (1970), not 'prudent altruism' (utilitarian/mutual altruism). In other words, even Friedman reluctantly conceded it is acceptable to engage in CSR activities in return for the betterment of the firm. Devinney (2009) argued that few in every firms would engage in doing good without expecting to do well in return. Thus terms such as corporate philanthropy and corporate citizenship do not necessarily imply genuine or moral altruism. In other words, it is unlikely for firms to make charitable donations merely for the benefit of society regardless of their own interests. In other words, a firm might be generous for self-interested purposes and the question remains as to whether a firm will ever engage in CSR for truly moral altruistic motives. Hence, scholars critique the moral altruistic approach for two reasons. Firstly, applying a moral altruistic CSR approach might jeopardise a firm's survival in business. Focusing on moral altruistic CSR might also mean grappling with

Friedman's (1970) accusation of CSR being a form of theft – stealing resources from shareholders. Secondly, as stated by Brennan (1994), altruistic CSR, in which a firm is willing to sacrifice its resources and time for others' benefits, raises possible conflict between agents and principals – a prediction of agency theory (Jensen 1994).

In summary, although it is difficult to identify the true intentions (strategic or moral) of a firm engaging in corporate citizenship, corporate philanthropy, and/or cause-related marketing, these concepts generally share a similar utilitarian/mutual altruistic ideology. By the 1990s, the concepts of corporate sustainability and the triple bottom line had also arosen adding further complexity to the debate. Moreover, towards the end of the decade, the concept of corporate citizenship itself shifted towards a more political perspective, emphasising legal as opposed to moral considerations. These developments will be the focus of the next section.

2.7 The Directionally Puzzled Era (2000s)

In the 1990s, the concept of corporate citizenship was conceptualised in a similar manner to corporate philanthropy and was considered altruistic in nature – regardless of the realities of underlying intentions. In the 2000s, Matten, Crane, and Chapple (2003) re-framed corporate citizenship using individual rights as a foundational notion. Matten et al. (2003) used a set of individual rights, including civil, social, and political rights, to explain corporate citizenship. Civil and social rights are purported to protect and enhance the freedom of the individual in society. Political rights, on the other hand, are beyond the individual's personalised domain and refer to the active participation of individuals within society, such as the right to vote. Therefore, the political view of corporate citizenship proposed by Matten and Crane (2005, p. 173) refers to "the role of the corporation in administering citizenship rights for individuals", and was also termed as the 'corporate administration of citizenship'. This view of corporate citizenship suggests that corporations should take action whenever governments are unable to meet the needs of citizens. However, the potential for corporations taking on such an overt political role to come into conflict with government is apparent. Another way in which corporations may take on a more political role is through so-called 'public-private partnerships'. For example, in the 1990s a strategy was developed to control violent crime in metropolitan Miami, Florida (Vidaver-Cohen 1998). This strategy involved business directly funding programs designed to reduce crime in affected inner-city areas (Vidaver-Cohen 1998).

The use of alternative terminologies continued in the 2000s with new terms such as ‘corporate sustainability’ and the ‘triple bottom line’ (TBL) receiving considerable attention. The concept of CSR has many similarities with corporate sustainability and TBL (Norman and MacDonald 2004). While CSR is considered as the foundation enabling a firm to operate in a socially responsible manner (Wartick and Cochran 1985; Wood 1991), sustainability is, on the other hand, defined by the Dow Jones Sustainability Indexes (DJSI) as:

> [A] business approach to create long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments. Corporate sustainability leaders harness the market’s potential for sustainability products and services while at the same time successfully reducing and avoiding sustainability costs and risks (Dow Jones Sustainability Indexes in Collaboration with Sustainable Asset Management 2011, p. 9).

This definition suggests that sustainability should be a firm’s ultimate goal in response to economic, social, and environmental challenges. The notion of corporate sustainability is closely associated with the term ‘triple bottom line’, whereby a firm reports its ‘bottom line’ on economic, social, and environmental performance rather than merely emphasising profit (Norman and MacDonald 2004). Unlike traditional reporting on financial performance, the social and environmental aspects of TBL are difficult to quantify and evaluate (Norman and MacDonald 2004). Thus, efforts to develop appropriate techniques of TBL reporting have been notable over the past decade (Norman and MacDonald 2004).

2.7.1 Future Directions in CSR

After more than 50 years of theoretical and empirical study, scholars are yet to reach a consensus on conceptualising and measuring CSR. However, Carroll (1999) concluded at the end of the 1990s that CSR had a bright future and should remain an important part of business practice. While the definition of CSR remains fragmented, scholars continue to propose new directions (de Bakker et al. 2005; Godfrey and Hatch 2007; Lee 2008; Windsor 2001).

Windsor (2001) argued that CSR is heading towards a more managerial focus, whereby wealth creation is the outcome of socially responsible actions. This approach raises managerial implications, with a firm needing to align responsibility with wealth creation, using stakeholder management as a theoretical support. Likewise, Lee (2008) also posited that the conceptual evolution of CSR is progressing toward managerial and strategic perspectives and moving away from the macro societal level to the organisational level. As is evident from the literature over the past decade, the focus of research is increasingly on the relationship between CSR and various aspects of business performance including: financial performance (e.g., Griffin and Mahon 1997; McWilliams and Siegel 2001), CSR and employer attractiveness (e.g., Backhaus et al. 2002; Greening and Turban 2000; Turban and Greening 1997), and firm identification (e.g., Bhattacharya, Sen, and Korschun 2008; Luo and Bhattacharya 2006). In reviewing 30 years of research, de Bakker et al (2005) suggested that CSR is theoretically and empirically progressing in an upward direction.

2.7.2 CSR and Organisational Performance

Despite ongoing debates relating to the CSR definition, the empirical examination of the CSP/CFP relationship has progressed. A number of meta-analytic studies have investigated whether CSR yields favourable financial performance. Mixed results were found (de Bakker et al. 2005; Margolis and Walsh 2003; Orlitzky et al. 2003). Margolis and Walsh (2003) argued that these mixed results concerning the CSP/CFP relationship exist due to a lack of valid and reliable measures of CSP and CFP, and the omission of relevant moderating and mediating variables from the models examined. As the concept of CSR is embedded in the CSP construct (Carroll 1979; Wartick and Cochran 1985; Wood 1991), it can be inferred that the relationship between CSR and CFP is likewise unclear.

More recently in response to such concerns, a number of scholars have refined the models of the CSP/CFP relationship by proposing additional moderating variables (e.g., Carroll and Shabana 2010; Hull and Rothenberg 2008; Luo and Bhattacharya 2006; 2009; Surroca, Tribó, and Waddock 2010). For instance, Hull and Rothenberg (2008), built on McWilliams and Siegel's (2000) study, and explored research and development (R&D) and advertising intensity (proxies for firm and industry level differentiation respectively) as moderating variables in the CSP/CFP relationship. Their findings suggest that CSP positively impacts CFP in firms with low investment in R&D (low differentiation) and advertising (undifferentiated industry) (Hull and Rothenberg 2008). The inclusion of these moderating variables in models of the CSP/CFP relationship has the potential to correct earlier miss-specified models (which did not consider potential moderating variables) (McWilliams and Siegel 2000). Hence, this thesis incorporates the potential moderating variables innovation (R&D intensity) and advertising intensity into the hypotheses investigated.

As discussed, although the CSR concept has evolved, there remain various distinct perspectives, namely the socio-political, the economic, and the managerial respectively. This thesis adopts a managerial approach to CSR, emphasising the contribution of stakeholder theory. The following section provides an explanation of the CSR conceptualisation adopted in this thesis.

2.8 Conceptualisation of CSR

The previous sections demonstrated that CSR is ambiguous, complex, potentially unstable and still lacking in a consensus definition despite many years of research and debate (Okoye 2009). However, there does appear to be a clear trend to define CSR in terms of stakeholder management (e.g., Basu and Palazzo 2008; Campbell 2007; Johnson and Scholes 2002; Vaaland et al. 2008). For instance, Johnson and Scholes (2002, p. 202) defined CSR as "the ways in which an organization exceeds the minimum obligations to stakeholders specified through regulation and corporate governance". Campbell (2007, p. 951) likewise considered firms as being socially responsible if they do not "knowingly do anything that could harm their stakeholders – notably, their investors, employees, customers, suppliers, or the local community within which they operate". The CSR definition given by Vaaland et al. (2008, p.

931) clearly stresses the equivalency of stakeholder management and CSR by referring to CSR as "management of stakeholder concerns for responsible and irresponsible acts related to environmental, ethical, and social phenomena in a way that creates corporate benefits". Thus, this thesis does not overlook the importance of stakeholders in conceptualising CSR. At a minimum, stakeholders complement the CSR concept given that they are the ones most directly affected by CSR initiatives. As discussed in this chapter, the term stakeholder can be defined in either a narrow or broad manner. This thesis adopts the broad approach proposed by Mitchell et al. (1997), whereby stakeholders are individuals or groups with power, legitimacy, and/or urgency in relation to the firm. Those individuals or groups with none of these attributes are considered as non-stakeholders. No immediate attention should be given to non-stakeholder groups.

In the preceding sections, different perspectives of CSR – economic, socio-political, and managerial – were delineated. While the socio-political perspective of CSR suggests a firm engages in social issues above and beyond normal business practices, prioritising society's needs above those of the firm, the economic perspective suggests that a firm need only be concerned about its profitability. Hence, the socio-political and the economic perspectives are fundamentally incompatible. Indeed, a firm adopting the socio-political approach to CSR may not be able to operate its business in the long-run due to neglect of its economic obligations. On the other hand, a firm that adopts the economic perspective may find difficulty in defending its position in the market in the face of ever rising stakeholder expectations. In other words, the shareholder is no longer the sole focal point of the firm; increasing concern for other groups of stakeholders, such as customers, employees, and community members, is apparent. The managerial perspective of CSR provides a balance between the economic and social-political perspectives, as a firm extends its activities beyond narrow self-interest to encompass broader societal interest, but whilst maintaining a long-term strategic focus. In defining CSR, this thesis adopts the formulation proposed by two leading proponents of the managerial/strategic perspective as "actions that appear to further some social good, beyond the interest of the firm and that which is required by law…going *beyond* obeying the law," (McWilliams and Siegel 2001, p. 17). In other words in order for the term to be meaningful, a CSR-oriented company must engage in additional activities which are not necessarily essential to ‘normal’ business operations. These ‘social good’ actions are related to those with power, legitimate claims, and/or urgency (Mitchell et al. 1997), referred to as stakeholders in this thesis. Taking a strategic approach to CSR implies companies must consider a wide range of stakeholders – both those affected by the organisation and those with the capacity to influence organisational outcomes (Freeman 1984).

2.9 Chapter Summary

This chapter reviewed the concept of CSR in a chronological manner examining the research of different decades, namely: the relational era (1960s), era of definitional debates (1970s), the era of CSR research (1980s), the era of CSR fragmentation (1990s), and the directionally puzzled era (2000s). Definitional shifts have occurred over time, and have led research in the field to branch into different perspectives. Three perspectives of CSR termed in this thesis as the ‘economic’, ‘socio-political’ and ‘managerial’ perspectives were explained. In addition, this chapter briefly described other concepts proposed as supplements or even substitutes for CSR, such as corporate social responsiveness, corporate citizenship, corporate philanthropy, cause-related marketing, corporate sustainability.

This chapter concluded by explaining the conceptualisation of CSR used in this thesis. Given that this thesis adopts a managerial or strategic approach to CSR balancing the focus between firm and society, the definition of McWilliams and Sigel (2001) – two leading proponents of the strategic perspective – is adopted in this thesis. This chapter also highlighted the central importance of stakeholder theory in conceptualising CSR in order to explain to whom an organisation owes responsibilities. Both the narrow and broad approaches to stakeholder theory were described. This thesis adopted the broad stakeholder definition (Freeman 1984; Mitchell et al. 1997) as it is essential to take into account a wide range of stakeholders in order to implement a strategic approach to corporate social responsibility.

Chapter 3

The Evolution of Branding: From Products to Corporations

3.0 Chapter Overview

The previous chapter discussed the evolution of the corporate social responsibility (CSR) concept and concluded by adopting a strategic approach to conceptualising CSR. This chapter focuses on CSR embeddedness and its implications for corporate branding. Specifically this chapter looks at linkages between CSR embeddedness and corporate branding outcomes and, in particular, the chapter examines the proposition that incorporating CSR into the brand building process leads to stronger brands. This chapter begins by providing a brief review of the branding literature and its historical development. It is acknowledged that while historically the branding literature has largely been product and consumer focused, branding research in the 1990s widened its scope, viewing branding from an organisational perspective. This shift has brought to the fore the internal brand-building process, as well as introducing the concept of corporate branding. Indeed, the concept of corporate branding and other corporate-level concepts, such as corporate identity, image, reputation and communication, have been linked under the umbrella of 'corporate-level marketing'. This chapter clarifies confusion about the concepts of corporate brand and corporate identity, which have been interchangeably employed in the literature. In this thesis, corporate brand and corporate identity are considered as distinct, yet inter-related concepts. In fact, identity is viewed as the concept underpinning the brand building process. This chapter will conclude by proposing a CSR approach for corporate branding based on the notion of identity, which will be explained further in the next chapter.

3.1 Introduction

For several decades, the concept of branding was primarily focused on conveying functional attributes and using physical appearance to signal product quality for the purposes of differentiation (Jacoby, Olson, and Haddock 1971; Render and O'Connor 1976). As the concept progressed, there was a tendency different products to promote similar functional and physical attributes making differentiation problematic (Gardner and Levy 1955). From the 1970s, marketers began to acknowledge a shift to postmodernism, with consumers perceived as ‘co-producers’ of a brand rather than as simply granting authority to a firm to determine consumer tastes and needs (Arnould and Thompson 2005; Firat and Venkatesh 1995; Holt 2002; Vargo and Lusch 2004). Furthermore, consumers began to take note of the symbolic meanings of brands in addition to their functional attributes (Firat and Venkatesh 1995), shifting research interest to the psychological responses of customers towards brands. Notions such as customer attitudes (Lutz 1975; Narayana and Markin 1975), self-concept (Grubb and Stern 1971; Ross 1971; Sirgy 1982), and brand personality (Alt and Griggs 1988; Plummer 1985) all came to the fore. Early brand research emphasised the effects and consequences of branding activities. From the 1990s however, scholars became more interested in the brand building and management process through the concept of ‘brand equity’ (Aaker 1991; 1996; Keller 1993), as well as the factors influencing brand success (Elliott and Wattanasuwan 1998; Keller 1999; Urde 1999). These factors included the proposition that branding should be considered as an organisation-wide phenomenon rather than marketing department specific. Thus, the question of brand-building now attracts cross-functional attention within organisations and the traditional perspective has shifted from products and customers to a corporate focus.

Traditionally, corporate branding was not handled by marketing or advertising people, but by public relations causing much of the confusion in the field (J. Hutton, personal communication July 16, 2011). From a practitioner point of view, the concept of corporate branding was well established in the 1930s and 1940s and it was often deeply incorporated into organisational culture. In the 1940s, pioneers in the field such as Henri Henrion and Paul Rand created corporate brands and identities for many well-known companies (e.g., KLM, Olivetti, and IBM), followed by many like-minded individuals such as George Lippincott, Walter Margulies, Walter Landor, Saul Bass, and Robert Miles Runyan in the following decades (J. Hutton, personal communication July 16, 2011).

From an academic perspective, the concept of corporate level branding emerged in the 1990s (Balmer 1995; King 1991). Further development of corporate branding theory has occurred in the past decade under the umbrella term ‘corporate-level marketing’ (Balmer and Greyser 2003). Corporate-level marketing considers the interests of both customer and non-customer stakeholders. The latter are generally more interested in values and the underlying meanings attached to brands. Given that the concept of corporate branding emphasises value propositions (Aaker 2004), marketing scholars have attempted to incorporate concepts such as CSR into the creation of strong, meaningful and ultimately valuable corporate brands (Brønn 2006; Brønn and Vrioni 2001; Knox and Bickerton 2003; Knox and Maklan 2004; Polonsky and Jevons 2006). ‘Integrated marketing communications’, or simply ‘integrated communication’, refers to the attempt to integrate all the elements of corporate level marketing in a single overall communication mix (Hutton 1996).

Over the past decade, CSR reporting has been used to bolster corporate brands. It has become increasingly common for major corporations to formally report on their CSR practices – a trend often referred to as ‘triple bottom line’ reporting (Atkinson 2000). This reporting of CSR activities, however, does not bolster a brand nor create a competitive advantage unless stakeholders accept these practices as authentic representations of the nature of the company in question (Basu and Palazzo 2008). Thus, it is essential to conceptualise CSR corporate branding in terms of organisational identity. Whilst there remains confusion relating to the terms ‘corporate branding’ and ‘corporate identity’ within the literature, this thesis characterises them as distinct but inter-related concepts.

3.2 The Early Age of Brand Research (1970s and 1980s)

Before the use of branding became commonplace, wholesalers had control over manufacturer production levels and what products retailers should sell in their stores (Berry 1992; Schutte 1969). There were few differences between one manufacturer’s products and another’s, causing manufacturers to be pressured by wholesalers into reducing their prices so that their products could be sold in retail stores (Berry 1992). As a result, manufacturers decided to make their products more noticeable by giving them names and employing advertising as means of communicating their attributes. Many of these early brand names which emerged in the late nineteenth century are still enormously successful – for example, Coca Cola, Campbell’s Soups and Budweiser Beer (Berry 1992). Since then, branding has become acknowledged as an effective means of differentiating products from one another. One of the earlier definitions of brand was given in the 1960s by the American Marketing Association (AMA) as “a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors” (de Chernatony and Dall' Olmo Riley 1998, p. 419). Branding attempts to differentiate products, implanting information about the brand in the minds of customers and is considered essential in influencing consumer purchasing behaviour (Bogart and Lehman 1973; Miaoulis and D'Amato 1978). The following section illustrates how companies tried to differentiate their products in the eyes of consumers in the 1970s (Bogart and Lehman 1973; Jacoby et al. 1971; Miaoulis and D'Amato 1978).

3.3.1 Product-oriented Brands

One key research theme in the 1970s focused on attempts to achieve differentiation through an emphasis on product attributes. During this period scholars continued to focus on brands as ‘consumer brands’, which mainly referred to household products such as detergent, toothpaste, soap and shampoo (e.g., Jacoby and Kyner 1973; Jones 1970; Newman and Werbel 1973; Olins 2000; Tucker 1964). The literature at the time concentrated on differentiating brands in the same product category through a variety of indicators (Jacoby et al. 1971; Render and O'Connor 1976). Initially, price was considered as a cue affecting how consumers perceived the quality of a product (Peterson 1970; Stafford and Enis 1969). However, as research in this area progressed other indicators such as brand name and product attributes were also acknowledged (Jacoby et al. 1971; Render and O'Connor 1976). For example, Render and O’Connor (1976) found that a product with a well-known brand name that was offered at a higher price indicated a product that was perceived by customers as high quality. Apart from price and brand name, other product attributes, such as taste and aroma (studied in beer products) also produced similar effects (Jacoby et al. 1971).

Despite these efforts to achieve differentiation through product attributes and brand names, Gardner and Levy’s (1955) argument from an earlier period remained valid;

i.e., marketers displayed a tendency to choose the same attributes as the basis for differentiation, thus causing customer confusion. For instance, many detergent brands advertised the attribute of washing clothes whiter and brighter (Gardner and Levy 1955). Alongside this, brand names, symbols and trademarks were often emulated by lookalike brands creating further uncertainty (Miaoulis and D'Amato 1978).

During this product-focused era of branding, the responsibility for brand management was held by product managers, who were often referred to interchangeably as brand managers (Buell 1975; Cunningham and Clarke 1975). It was around this time that the role of product manager began to evolve to include functions such as marketing, planning and responsibility for advertising, in addition to their existing duties relating to sales volume and market share (Buell 1975). However, with little comprehension of marketing research and with their role often being perceived as an after-thought following the development and manufacture of products, product managers were not always able to achieve the goals set by top management, resulting in product failures (Crawford 1977).

In summary, product-focused branding merely highlighted the functions and physical appearance of products (including brand names and trademarks). This limited approach was not always successful in facilitating consumer decision making. Hence, a shift in emphasis towards the consumer’s psychological state began to emerge. It became evident that consumers held attitudes toward a brand when making a purchase (Lutz 1975; Narayana and Markin 1975). Scholars began to employ the notion of self-concept to comprehend the congruency between customers and brands (Grubb and Stern 1971; Ross 1971; Sirgy 1982) and started to view brands as having a personality similar to that of humans (Alt and Griggs 1988; Plummer 1985).

3.2.2 Consumer-focused Branding

During the 1970s, consumer perceptions of a brand were considered to start at a cognitive level, utilising knowledge about the brand in order to differentiate the quality of different product offerings (Jacoby et al. 1971; Render and O'Connor

1976). This led marketing scholars to examine attitudinal influences; specifically whether the level of consumer brand awareness enhanced purchase selection (Bennett and Harrell 1975; Bogart and Lehman 1973; Narayana and Markin 1975). Narayana and Markin (1975) agreed that brand awareness needed to be in place for customers to purchase a product, but suggested that attitudes towards the brand may mediate the linkage between brand awareness and consumer behaviour in three ways. Firstly, research indicated that customers only consider purchasing those brands towards which they have a positive attitude (their evoked set). Secondly, customers possessing neither positive nor negative evaluations have no intention to purchase because they lack sufficient information to evaluate the brand or they highly maybe satisfied with their current brand so see no advantage in switching (hence the target brand is part of the customer's inert set). Thirdly, purchase intention is affected when customers have rejected a brand in the past because of a negative personal experience or negative word-of-mouth, so place the brand in their 'inept' set (Narayana and Markin 1975). This suggests that, although customers acknowledge differences in the physical attributes offered by various brands, attitudes are the key to understanding actual purchase behaviour. Moreover, it is noteworthy that product attributes can produce attitudinal responses in terms of beliefs about the brand (Lutz 1975). For instance toothpastes with certain advertised attributes, such as whitening or favourable taste, can be perceived as offering a guarantee of product satisfaction (Lutz 1975).

Research indicated that attitudes towards a brand are unlikely to be held indefinitely by consumers. Purchasing behaviours fluctuate (Channon and Ehrenberg 1970). Various studies showed that attitudinal responses towards advertisements affected the attitudes of customers toward the brand itself (Gardner 1985; Machleit and Wilson 1988). Lutz (1975) suggested three strategies using cognitive structures to change consumer attitudes: (i) changing existing customers' perceptions of the brand though advertisements; (ii) convincing customers to reassess the existing product attributes (e.g., the 'bad taste' of Listerine mouthwash is perceived as a good feature); and (iii) adding new functional attributes in response to customer needs. It is important to acknowledge that changes in consumer brand attitudes can arise from the effects of both positive and negative information (Lutz 1975). In other words, consumers may change their favourable attitude toward the brand to unfavourable once they have obtained negative information.

While acknowledging potential fluctuation in customer attitudes (Channon and Ehrenberg 1970), scholars of the 1970s and 1980s were interested in examining the influence of customer attitudes on 'brand preference' or 'purchase intention' as opposed to actual purchasing itself (Bass and Talarzyk 1972; Bass and Wilkie 1973; Bennett and Harrell 1975). One study investigated how confidence, described as the customer's belief that the brand would perform satisfactorily, influences the intentions of consumers to purchase a particular brand (Bennett and Harrell 1975). Ross (1971) examined brand preference through the notion of self-concept grounded in the social psychology discipline and found that consumers preferred to purchase a brand with a similar concept to that of their own self-concept. In other words, consumers purchased a product when there was congruence between self and product image.

The importance of self and product image congruence was first suggested by Gardner and Levy (1955), based on the notion of self-concept described as 'actual self' (the way a person sees herself) and 'ideal self' (the way a person would like to be seen) (Ross 1971). It was found that both actual and ideal self influence a consumer's intention to purchase (Landon 1974), however situational differences are also important (Sirgy 1982). In certain situations, consumers prefer to purchase a brand based on their actual self concept, while in other situations, ideal self is more important (Sirgy 1982). In addition, Grubb and Stern (1971) found that consumers perceive the self-images of other users of the same product to be similar to theirs, thus giving rising to the formation of stereotypical user images. As the interest in self-concept grew in the 1980s, the concept of brand personality was introduced (Alt and Griggs 1988; Plummer 1985) and was defined as "the extent to which consumers perceive a brand to possess various human characteristics or traits" (Alt and Griggs 1988, p. 9). The concept of brand personality has since been used extensively as a strategic tool in advertising development and public communication (Alt and Griggs 1988; Durgee 1988; Plummer 1985). Given that consumers assign a 'for me' label to brands, the emphasis in early research on brand personality was on consumer perceptions (Plummer 1985).

Postmodern thought contends that consumers search for symbolic representations of their self-concept through cultural means such as language, discourses and practices (Firat and Venkatesh 1995). Consumers in a postmodern world are arguably less interested in materialism for its own sake in the absence of emotional, symbolic, or spiritual values (Firat and Venkatesh 1995). Hence, brand research increasingly focused on psychological aspects (e.g., attitudes, self-concept and brand personality) and consumers were perceived to "buy brands not products" (Blackett 1988, p. 7). Marketing scholars discussed the symbolic meaning of brands, such as their personality and cultural suitability (e.g., for particular social classes and occupational groups) manifested in brand names, signs, product attributes as well as the product or service itself (Blackett 1988; Durgee and Stuart 1987; Grønhaug and Trapp 1988; McCracken 1986). The concept of 'symbolic interactionism', borrowed from the discipline of social psychology, states that people interpret the meaning of symbols in order to understand their world and respond accordingly (Solomon 1983). For example, if consumers perceive both a brand and themselves as belonging to the upper/middle classes, then they would be more likely to accept and intend to purchase that particular brand (Grønhaug and Trapp 1988). Moreover, incorporating symbolic meaning is useful in cases where all other qualities of the brand are the same, making it difficult for consumers to differentiate one brand from another (Grønhaug and Trapp 1988).

In summary, it is evident that branding has been examined from a number of perspectives including physical attributes (product appearance, brand names and trademarks), functional attributes (consequences and benefits of using a brand) and characteristics or personality (Plummer 1985). More recently, de Chernatony and Dall'Olmo Riley (1998) identified twelve themes that capture the complex nature of branding: (i) legal ownership of title; (ii) logo as a visual feature of differentiation; (iii) company name communicating identity; (iv) as a shorthand way to rapidly recall brand information; (v) a risk reducer to enhance consumer confidence; (vi) in terms of brand identity which develops brand positioning; (vii) an image perceived in consumers' minds; (viii) in terms of cultural values that affect consumers' decisions; (ix) as a personality expressing psychological values; (x) a relationship that links consumers and brands; (xi) 'added value' creating competitive advantage and enabling premium pricing; and (xii) as an evolving entity. Although brands are complex and perceived to perform multiple roles (de Chernatony and Dall' Olmo Riley 1998), it is agreed among academics that branding's main aim is to implant a positive image in the minds of consumers (e.g., Keller 1993; Rooney 1995; Roth 1992). By the 1990s, branding scholarship was moving away from an output focus towards an input orientation by taking a managerial and organisational approach to creating brand success.

3.3 Brand Management (1990s)

In earlier times as previously discussed, branding was viewed largely from a functional marketing perspective. Brands were managed in relative isolation from other aspects of the organisation, and the emphasis was on their impact on customers alone. From the 1990s, however, there was a growing recognition that brands were too a valuable an asset to be managed in this way. The impact of brands on non-consumer stakeholders – for example shareholders, suppliers, and employees – began to be recognised (de Chernatony and Dall' Olmo Riley 1998; Kerin and Sethuramen 1999; Norris 1992; Rubinstein 1996; Shocker, Srivastava, and Ruekert 1994), together with an emerging focus on brand strength or equity and financial value (Kerin and Sethuramen 1999; Simon and Sullivan 1993). In the marketing discipline 'brand equity' was assessed primarily in terms of consumer interaction with brands (Aaker 1991; 1996; Baldinger and Rubinson 1997; Keller 1993; Knox 1997), whereas financial accounting scholars emphasised financial measures, which were then used to highlight future investment opportunities to shareholders (Kerin and Sethuramen 1999; Simon and Sullivan 1993). A number of studies adopted an integrative approach incorporating both the marketing and the financial accounting perspectives (Motameni and Shahrokhi 1998; Srivastava, Shervani, and Fahey 1998; Wood 2000). As branding became more complex, there were calls for brands to be managed in the context of the organisation as a whole (Rooney 1995; Shocker et al. 1994). In the following section, the concept of brand equity and the nature of this new approach to brand management are discussed. These trends, in turn, were to lay the foundations for the emergence of corporate-level branding during the course of the past decade (Balmer 2009; Balmer and Greyser 2003; 2006).

3.3.1 Brand Equity

For many years, marketers viewed differentiation based on functional and/or symbolic product attributes as the key role of branding (de Chernatony and Dall' Olmo Riley 1998; Gardner and Levy 1955; Grønhaug and Trapp 1988; Grubb and Stern 1971; Plummer 1985; Stafford and Enis 1969). During the 1990s, however, there was an emphasis on brands as assets capable of creating competitive advantage for the firm (Aaker 1991). This perspective is generally referred to as 'brand equity', defined as "a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or that firm's customers" (Aaker 1991, p. 15). Aaker (1991) proposed five categories of brand equity, including brand loyalty, name awareness, perceived quality, brand associations (e.g., brand personality which can create positive attitudes), and other proprietary brand assets (e.g., patents and trademarks). It has been acknowledged that brand equity can enhance a firm's performance through building brand loyalty, offering opportunities for brand extensions and increasing profit margins, hence creating competitive advantage. In addition, brand equity can also provide value for customers by enhancing confidence in purchasing decisions, facilitating information search processes and increasing satisfaction (Aaker 1991).

Within the marketing discipline, the concept of brand equity remained closely associated with consumer evaluations of the brand, and was often referred to as 'consumer brand equity' (Keller 1993; Park and Srinivasan 1994; Wood 2000). Keller (1993, p. 2) defined consumer brand equity as "the differential effect of brand knowledge on consumer response to the marketing of the brand". Consumer brand equity can be explained through the notion of brand knowledge, conceptualised as an "associative network memory model" (Keller 1993, p. 2). This model describes the connection of a set of nodes made up of elements of brand knowledge including brand awareness and brand image (Keller 1993). Brand awareness is a consumer's ability to recognise past exposure to the brand as well as recall information about the brand from memory. Another dimension of brand knowledge is brand image defined as "perceptions about a brand as reflected by the brand associations held in consumer memory" (Keller 1993, p. 3). Thus, consumer-based brand equity is enhanced when consumers are able to recognise and recall information about the brand (e.g., brand name and logo) whilst holding favourable, strong and unique perceptions towards the brand associations (e.g., product/non-product attributes, benefits, and attitudes) (Keller 1993). This, in turn, results in favourable outcomes such as price premiums and competitive advantage (Aaker 1991).

At the same time that the concept of brand equity was being developed in the marketing literature, financial accounting scholars were investigating ways to incorporate the financial value of brands on corporate balance sheets (Kerin and Sethuramen 1999; Simon and Sullivan 1993). Since the same term – 'brand equity' – was used in both contexts, some confusion resulted (Wood 2000). While marketing scholars often referred to brand equity as 'brand strength' (the degree of consumer attachment to a brand, i.e. brand loyalty) and 'brand description' (the beliefs of consumers about a brand), financial accounting scholars referred to brand equity as 'brand value' or 'brand valuation' (the value of the assets to be included in the balance sheet) (Wood 2000). In the financial accounting discipline, financial measures such as incremental earnings and cash flows were used as indicators of a strong brand (Kerin and Sethuramen 1999; Simon and Sullivan 1993). Simon and Sullivan (1993, p. 29) defined brand equity as "the incremental cash flows which accrue to branded products over and above the cash flows which would result from the sale of unbranded products". Kerin and Sethuramen (1999) further examined the relationship between brand value and shareholder value finding that the market-to-book (M/B) ratio (used as a measure of shareholder value) is enhanced by increases in brand value, thus increasing a firm's attractiveness to shareholders.

Some research has suggested an integrative approach to brand equity encompassing both the marketing and financial accounting perspectives (Motameni and Shahrokhi 1998; Srivastava et al. 1998; Wood 2000). For example, Srivastava et al. (1998) pointed out that brand value as measured in terms of a firm's cash flow can be enhanced through greater levels of consumer awareness, improved brand attitudes and market penetration, as well as through brand extensions, co-branding, and brand alliances. This approach represents a holistic view of brand equity. The strength of a brand can be enhanced through consumer attachment to, and beliefs about the brand, as reflected in premium prices and increased market share, which can, in turn, result in building firm financial value (e.g., greater incremental earnings and cash flows).

This suggests that branding is not merely a concern for the marketing department in isolation but a critical consideration for the firm as a whole.

Adopting an integrative approach to brand equity highlights the importance of non-customer stakeholders in creating a strong brand (de Chernatony and Dall' Olmo Riley 1998; Kerin and Sethuramen 1999; Norris 1992; Rubinstein 1996; Shocker et al. 1994). In addition, the broadly based rewards of having a strong brand motivate the organisation to strategically manage its brand portfolio (Keller 2000). The following section highlights a number of factors important to the facilitation of brand management and hence brand success.

3.3.2 Managing Brand Success

Apart from the benefits of brand equity motivating an organisation to better manage its brands as discussed in the preceding section (Keller 2000), changes in environmental forces (de Chernatony 1999; Rooney 1995; Shocker et al. 1994) and organisational management structures (Low and Fullerton 1994; Shocker et al. 1994) during the 1990s also impacted brand management practices. The task of brand management became more complex as a consequence of globalisation, deregulated markets, rapid changes in technology, the increasing power of consumers and distributors, and higher investor expectations with regard to brand equity (Shocker et al. 1994). Given that a strong brand contributes to the future success of the organisation, possessing a buoyant brand became one of the main aims of organisations (Norris 1992). Whilst it was previously believed that mergers and acquisitions were the best method of gaining possession of a strong brand, it was suggested in the 1990s that a successful brand could also be organically developed and managed (Berry 1992; Wood 2000). The key factors contributing to brand success delineated in the following section include: (i) managing brand identity, personality, and value/essence (Berry 1992; Elliott and Wattanasuwan 1998; Keller 1999; Rooney 1995; Rubinstein 1996; Urde 1999); (ii) communication (Keller 1999; 2000); (iii) commitment from top management (Wood 2000); (iv) integration across functions within the organisation (Rubinstein 1996; Shocker et al. 1994; Wood 2000); and (v) a long-term performance focus (Hankinson and Hankinson 1999; Keller 2000).

First, in relation to brand success, it is apparent that consumers select a brand based on its promised functional and symbolic attributes (de Chernatony 1993; de Chernatony and Dall' Olmo Riley 1998), yet it is the brand identity and brand personality that is emphasised in communication (Blackett 1988; de Chernatony 1993; Plummer 1985). The associations, essence, identity and personality of a brand need to be strategically structured, as conveying mixed messages of what a brand stands for can create confusion in the minds of consumers and other stakeholders (Keller 1999). In choosing a brand identity, an organisation needs to be certain that it is consistent with the organisation's core strategy (Rooney 1995). For instance, if an organisation decides to project its brand identity as being environmentally friendly, this should be reflected in all its operational procedures, including procurement processes, logistics and raw materials used (Elliott and Wattanasuwan 1998).

Although brands are principally designed to appeal to consumers, Keller (1999) suggested that brands are potentially just as valuable when communicated internally to employee stakeholders. Brand mantras, defined as "short three to five word phrases that capture the irrefutable essence or spirit of the brand positioning" (Keller 1999, p. 45), can build a unique brand positioning among organisational members. For example, Nike uses 'authentic athletic performance' as its brand mantra, describing how the products of Nike are truly appropriate for athletic purposes (Keller 1999). Each word used in a brand mantra is designed strategically to describe different attributes of the brand, illustrated in the case of Nike whereby 'authentic' refers to the 'emotional modifier', 'athletic' to the 'descriptive modifier', and 'performance' to 'brand functions' (Keller 1999). The primary purpose of brand mantras is to communicate the essence of the brand to organisational members, thereby encouraging them to act as brand ambassadors conveying key messages to external audiences (Keller 1999).

Second, for brand success to occur, once brand identity is determined, it is important to consistently communicate that identity through repeated exposures, either by traditional means such as advertising or more contemporary means such as sponsorship (Keller 2000). The temptation to reduce marketing communication activities after achieving a dominant market position should be resisted as it can result in loss of market share (Keller 2000). In addition, if an organisation chooses to employ more than one channel of communication, synchronisation is needed to make sure the brand identity is presented in a consistent manner (Urde 1994).

Third, brand success requires that brand management should ultimately be the responsibility of a company's top management because of the financial importance of brands to the organisations which own them (Rubinstein 1996; Wood 2000). It is acknowledged that the priorities of the marketing and finance departments can sometimes be in conflict (Rubinstein 1996). While an adequate advertising and marketing budget is needed to ensure consistent exposure for the brand, the finance department is naturally inclined to call for reduced budgets in order to meet short-term financial objectives (Rubinstein 1996). It is therefore left to top management to align the understanding of branding across different functions within the organisation (Rubinstein 1996; Shocker et al. 1994; Wood 2000).

Fourth, a misalignment of brand objectives across different functional areas can destroy brand success and the organisation itself. This has been illustrated by the case of a shoe retailer who promised to deliver products within 24 hours of ordering, but was not able to keep up, resulting from a failure in warehousing and distribution (Rubinstein 1996). This suggests that before making a brand promise, an organisation needs to assess that all relevant functions within the organisation are capable of delivering the promise.

Lastly, in managing a brand and its success, it is important to focus on long-term as opposed to short-term objectives (Hankinson and Hankinson 1999; Keller 1993; Wood 2000). Managers of the world's top 100 brands often take a long-term view based on brand success, image and positioning, whereas the less successful brands only concentrate on increasing their sales volume (Hankinson and Hankinson 1999).

In summary, managing brand success requires the creation of a clear brand identity (Berry 1992; Elliott and Wattanasuwan 1998; Keller 1999; Rooney 1995; Rubinstein 1996; Urde 1999), effective and consistent communication (Keller 1999; 2000), the commitment of top management (Rubinstein 1996; Wood 2000), the integration of all functions within the organisation as part of brand management (Rubinstein 1996; Shocker et al. 1994; Wood 2000), and a focus on the long-term view (Hankinson and Hankinson 1999; Keller 2000). Given the broad organisational implications of these key success factors, it is unsurprising that they have led to a growing level of interest in the concept of branding the organisation as a whole – not merely individual products and services (Balmer 1995; Brown and Dacin 1997; de Chernatony 1999; King 1991; Urde 1999). The next section will therefore discuss the concept of company or corporate branding.

3.3.3 Corporate Branding

The tendency for branding to be managed at the organisational level is demonstrated in the preceding section (de Chernatony 1999; Urde 1999). The call for 'corporate branding' has become wider given that organisations often possesses more than one brand, sometimes with an overall umbrella brand (Montgomery and Wernerfelt 1992), in addition to brand extensions splintering from existing portfolios (Rooney 1995). Moreover, new branding strategies were introduced in the 1990s to encompass additional stakeholder groups, such as suppliers in ingredient branding (Norris 1992) and competitors and business partners in brand alliances and co-branding initiatives (Shocker et al. 1994). King (1991) noted that it would be unlikely for a stand-alone brand to become successful in the 1990s and beyond, highlighting the trend towards 'company branding' which was later referred to as the 'corporate brand' (Balmer 2001b). This thesis refers to both terms interchangeably.

The conceptualisation of corporate branding in the 1990s was underdeveloped, and based largely on existing brand concepts (de Chernatony 1999; King 1991). For instance, King (1991) conceptualised company branding through a service-based approach and identified some differences between company and traditional product brands. The first difference acknowledged was that while mass production was feasible and suitable for a product brand, customers and other stakeholders of company brands expect to be treated individually. Secondly, differences exist when developing a product because innovation is needed so as to create additional time before the product can be copied by a lookalike brand; whereas services can be rapidly copied (as in the case of the banking industry). Thirdly, differences exist because employees become the key point of contact for company brands emphasising the importance of multiple channels of communication both personal (i.e., face-to-face) and impersonal (e.g., publicity). Finally, whilst it is relatively straightforward for customers to form attitudes towards traditional product brands as they experience the product itself, this becomes more difficult with corporate brands as stakeholders take time to make their evaluations (King 1991). In response to these differences, King (1991) suggested an internal brand-building approach for company brands, emphasising internal communication, employee training programs, and an enlarged role for human resources departments as well as the company's leaders in creating a common understanding of its behaviour and personality.

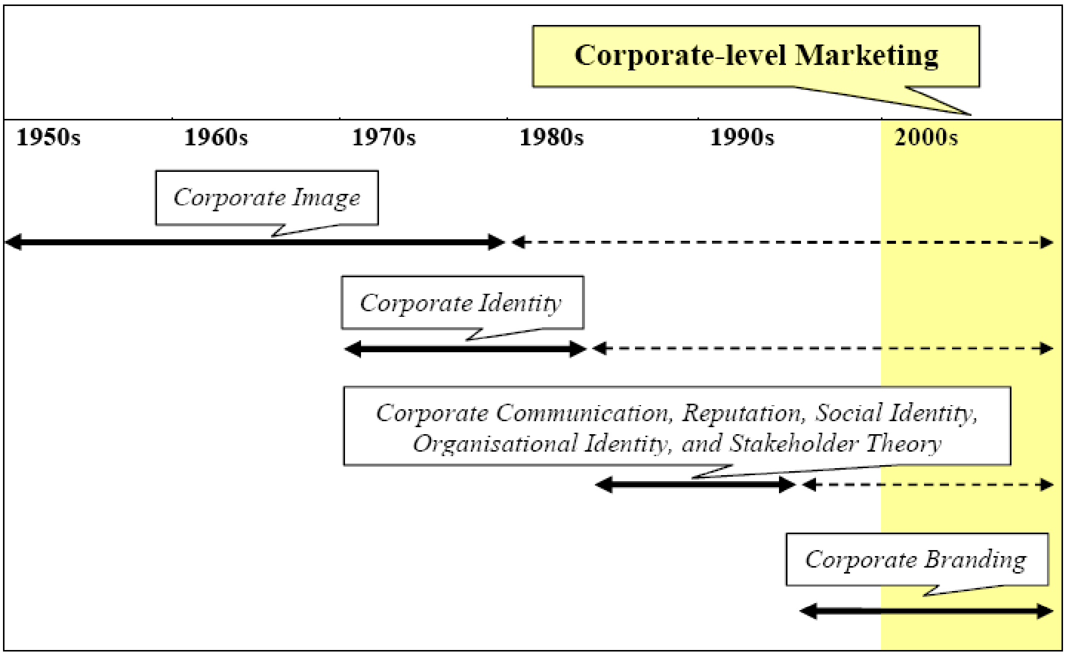
While King (1991) mentioned that consumers were beginning to recognise the cultural aspects of companies, including employee skills, behaviours, and social values; this premise was more fully examined by Brown and Dacin (1997). Their study examined values associated with the company, such as corporate ability (CA) and corporate social responsibility (CSR), seeking to identify the effects of these intangible values on consumer responses to company products (Brown and Dacin 1997). It was concluded that consumers are more likely to purchase products if they hold positive evaluations of the corporation which produces them (Brown and Dacin 1997).

Although the concept of corporate branding in the academic literature remained at an introductory stage in the 1990s, a number of constructive suggestions relating to its conceptualisation were made including the importance of intangible company values and associations, and the management of employees (Brown and Dacin 1997; de Chernatony 1999; King 1991). From 2000, scholars began to refer to company values and associations in terms of the communication of corporate identity, and as components in the corporate brand building process (Balmer 2005; Balmer and Gray 2003; Knox and Bickerton 2003). In the following section, the confusion caused by the interchangeable use of the terms 'corporate brand' and 'corporate identity' is clarified (Balmer and Greyser 2003). Despite the areas of apparent overlap, both concepts have been classified as subsets of an overarching concept referred to as 'corporate-level marketing' (Balmer and Greyser 2003). Moreover, in the 2000s, different conceptualisations of corporate branding have been proposed, while corporate social responsibility (CSR) practices have been extensively viewed as adding value to the corporate brand (Brønn 2006; Brønn and Vrioni 2001; Knox and Bickerton 2003; Knox and Maklan 2004; Polonsky and Jevons 2006).

3.4 Corporate-level Marketing (2000s)

Just as branding has shifted its focus to encompass the organisation as a whole (de Chernatony 1999; King 1991; Urde 1999), the marketing concept itself has also undergone a reassessment over the past decade resulting in a broadening of its scope by focusing on other stakeholder groups apart from customers, emphasising value creation as opposed to profit orientation, and balancing stakeholder and societal needs (Balmer 2009; Balmer and Greyser 2006). The overarching concept of 'corporate-level marketing' has been proposed, encompassing a number of elements under its umbrella including corporate identity, image, reputation and communication in addition to corporate branding (Balmer and Greyser 2003). Corporate-level marketing is an attempt to integrate distinct but inter-related themes which have emerged in the literature over the past half century (Balmer (2009).

Figure 3.1: The Evolution of Corporate-level Marketing (Adapted from Balmer 2009)



As illustrated in Figure 3.1, corporate-level marketing comprises a number of elements introduced over the previous half-century. Balmer (1998; 2006; 2009) proposed a new version of the marketing mix specifically designed to address the needs of corporate-level marketing. Initially Balmer (2009) put forward 10Ps (philosophy and ethos, product, price, place, performance, positioning, personality, promotion, people and perception), later adding an 11th element (promise) (Balmer 2009). However, in more recent work Balmer (2009) has proposed that the corporate marketing mix comprises the following 6Cs:

1. *Character* (corporate identity): The distinct traits of the organisation
2. *Culture* (organisational identification and corporate culture): Employees' collective feelings towards their organisation
3. *Communication* (corporate communication): Organisational messages to stakeholders
4. *Conceptualisations* (corporate reputation): Stakeholder perceptions of the organisation
5. *Constituencies* (stakeholders): Key stakeholders of the organisation
6. *Covenant* (corporate brand): Brand promise offered to the stakeholders.

The elements of the corporate marketing mix are essential for managerial decision-making in order to align all aspects of the company's operations from both an internal and external perspective (Balmer 2009; Griffin 2002). Clearly, relationships are central to the coherence of the corporate marketing mix; for example, how employees feel and what they say about 'what the organisation is' should be consistent with how other stakeholders perceive the organisation (Balmer 2009; Balmer and Greyser 2006). The consequences of any misalignment may result in reputational and brand threats, as evidenced in the well-known cases of Enron (financial fraud) and Nike (alleged use of sweatshops) (Greyser 2009).

Under the umbrella of corporate-level marketing, success lies in building and managing corporate branding in harmony with other related concepts, such as communication, identity and stakeholders (Greyser 2009; Schultz and Kitchen 2004). These differing but related concepts have been incorporated into varying conceptualisations of corporate branding discussed in the following section. It is noteworthy how internal relationships are emphasised in corporate branding, as opposed to the external focus of traditional product branding (Balmer and Gray 2003; Harris and de Chernatony 2001; Urde 2003; 2009).

3.4.1 Conceptualisations of Corporate Branding

Since the introduction of corporate branding (Balmer 1995; King 1991), the differences between product and corporate branding have been delineated (Balmer and Gray 2003). For instance, middle managers are generally responsible for product brands and focus their attention on customer evaluations of the brand. Corporate brands, on the other hand, must appeal to a wide range of non-customer stakeholders, with ultimate responsibility for their management held by the CEO or other top managers (Balmer and Gray 2003). The phenomenon of corporate branding has now been studied in various contexts, such as international retailing (Burt and Sparks 2002), the FMCG sector (Schultz and Kitchen 2004), services (McDonald, de Chernatony, and Harris 2001), and even the British monarchy (Greyser, Balmer, and Urde 2006). At the same time there has been development in the area of corporate brand strategy (Balmer 2001b; Griffin 2002; Rao, Agarwal, and Dahlhoff 2004) and the overall conceptualisation of corporate branding (Balmer 2001b; 2005; de Chernatony 2002; Harris and de Chernatony 2001; Urde 2003; 2009).

Initially, de Chernatony and Dall'Olmo Riley (1998) suggested twelve alternative meanings of the concept of brand, later proposing that a brand can be defined as "a cluster of functional and emotional values, which promises a particular experience" (de Chernatony 2002, p. 116). In other words, regardless of which genre of brand is referred to – product or corporate – it is understood that brands embody a promise of functional and emotional benefit to stakeholders (de Chernatony 2002). For instance, the not-for-profit organisation UNICEF makes promises in relation to children's rights as its functional benefits while expressing integrity as its key emotional brand value (de Chernatony 2002). This conceptualisation of corporate branding places central importance on the creation of value propositions, aligning the understandings of employees with those of the corporation as a whole and the importance of taking a strategic approach to message creation (Aaker 2004).

The embedding of core values in the corporate branding process is perceived to be vital with Urde (2003) proposing a core values-based approach to corporate brand building. At the same time, the corporate brand has been described as a type of collective identity (Balmer and Greyser 2002). The core values-based model views identity in three different ways, namely corporate brand identity (the projected values and promises of the organisation), customer identity (how stakeholders perceive the values of the organisation), and organisational identity (the organisation's actual values) (Urde 2003; 2009). Hatch and Schultz (2001) conceptualised corporate branding in a similar manner, although they termed the three essential elements as vision (corporate brand identity), culture (organisational identity), and image (customer identity). Both approaches are alike in their emphasis on aligning internal and external perceptions of a firm's values.

A more holistic conceptualisation of corporate branding encompassing elements from the preceding corporate branding models was proposed by Balmer (2001b), referred to as the C^2ITE model. The model comprises five characteristics of corporate brands, including (i) the aspects of organisational culture which make the corporate brand distinctive (*cultural*); (ii) the complexity arising from the involvement of different groups of stakeholders (*intricate*); (iii) the physical features (e.g., logos, buildings) as well as brand performance related issues (*tangible*); (iv) the emotional responses related to the corporate brand (*ethereal*); and (v) the commitment of all stakeholders to the characteristics of the corporate brand (*commitment*) (Balmer 2001b).

Despite the differences in these conceptualisations of corporate branding, it is notable that they all refer to corporate branding in terms of a promise, built through an emphasis on relationships with internal stakeholders, and most importantly, rooted in the identity of the organisation (Balmer 2001b; Balmer and Gray 2003; de Chernatony 2002; Harris and de Chernatony 2001; Urde 2003; 2009). The following section further discusses the critical interrelationship between corporate brand and corporate identity.

3.4.2 Corporate Brand vs. Corporate Identity

Corporate identity was first introduced in the discipline of graphic design (Hatch and Schultz 1997; Olins 1989) and is often referred to as 'visual corporate identity'. The original focus was on symbolism, such as logo, name, and colour (Simões, Dibb, and Fisk 2005) causing confusion with terms used in relation to brand, since branding also emphasises symbolic aspects (de Chernatony and Dall' Olmo Riley 1998). However, defining corporate brand in terms of a promise or covenant going beyond a merely symbolic focus (Balmer 2001b), helps to clarify the distinction between a corporate visual identity and a corporate brand. Balmer and Gray (2003) compared corporate brand and corporate identity, and while there are some similarities between the constructs, key differences are apparent (see Table 3.1).

Table 3.1: The Differences between Corporate Identity and Corporate Brand (Adapted from Balmer and Gray 2003)

	Corporate Identity	**Corporate Brand**
Necessary or Contingent?	*Necessary*	*Contingent*
Applicable to all organisations?	*Yes*	*No*
Stability of attributes	*Constantly evolving*	*Relatively stable*
Applicability	*Normally a single entity*	*Normally a single entity but can be multiple*
Principal drivers	*Strategy, culture, vision*	*Branding covenant, culture*
Stakeholder focus	*Mainly internal, external stakeholders vary in importance depending on strategy*	*Mainly external, internal stakeholders also important*
Key elements	*Culture (sub cultures), strategy, structure, communication, performance, perception*	*The branding covenant, communication plus other identity elements - actual, communicated, conceived, ideal and desired identities (AC^2ID Test) (Balmer and Greyser 2002)*
Portability	*Normally difficult*	*Variable*

As illustrated in Table 3.1, corporate identity is essential for every organisation (Balmer and Gray 2003) as it projects the essence of the organisation, making the organisation distinct from others (Albert and Whetten 1985); in contrast, corporate branding is only applicable to some organisations. Balmer (2001a, p. 257) argued that corporate identity attempts to answer the question of "who are we?" as an organisation, as opposed to corporate branding which provides the answer to the question "what is the promise inferred from/communicated by the brand?"

Despite the differences in the nature of corporate branding and corporate identity, it has been recognised that the basis of corporate brand building is the identity of the organisation reconceptualised as a covenant to stakeholders (Balmer 2001b; Balmer and Gray 2003; de Chernatony 2002; Harris and de Chernatony 2001; Urde 2003; 2009). Hawabhay, Abratt, and Peters (2009) discussed the relationship between corporate identity and corporate brand using the metaphor of 'soul' and 'body', in which a body is worthless without a soul – just as is corporate brand without corporate identity. As noted, the distinct attributes making up corporate identity are essential in sustaining a positive image and reputation (Hawabhay et al. 2009). However, the concept of identity has been conceptualised differently in various disciplines. For instance, in social psychology, identity has been referred to as 'social identity' (e.g., Tajfel 1974; Turner 1982) or 'organisational identity' (e.g., Albert and Whetten 1985; Dutton and Dukerich 1991), whereas in marketing, it is often referred to as 'corporate identity' (e.g., Markwick and Fill 1997; van Riel and Balmer 1997). For this reason amongst others, a full discussion of the concept of identity is provided in the following chapter.

3.4.3 CSR: A Strategic Approach for Corporate Branding

As the concept of corporate branding became an area of interest under the umbrella of corporate-level marketing, scholars in the marketing discipline sought to examine the relationship between corporate and product brands (Hawabhay et al. 2009) further, as well as the consequences of corporate branding on product evaluation (Berens, van Riel, and van Bruggen 2005; Souiden, Kassim, and Hong 2006) and identification (de Chernatony 2002; Hatch and Schultz 2003). For instance, although corporate and product brands are separate concepts, it is possible for product brands to enhance or destroy the reputation of corporate brand (Hawabhay et al. 2009). Therefore, it is essential for an organisation to select a strategy that is most applicable to its corporate brand (Berens et al. 2005). Olins (1989) initially outlined three strategies for corporate branding, including 'stand-alone' (individually branded products), 'monolithic' (displaying corporate brand name only), and 'endorsed' strategies (displaying both product and corporate names). Berens et al. (2005) further examined the relationship between corporate associations – corporate abilities (CA) and corporate social responsibility (CSR) – and branding strategies (stand-alone, monolithic, and endorsed). They found that CA associations strongly influenced customers' product evaluations when the organisation employed a monolithic strategy, whereas CSR associations have a limited effect on product evaluation (Berens et al. 2005). This can be explained by a study of Sen and Bhattacharya (2001) in which the effect of CSR information on company evaluation is mediated by the congruence of the company's and customers' identities. In other words, CSR related activities engaged in by the organisation might not directly influence company performance in terms of product evaluation or financial performance but rather through the concept of identity.

CSR has been increasingly used in marketing to reduce public disapproval of a company's actions (e.g., to avoid consumer boycotts and targeting by activists) (Klein et al. 2004) and to build strong, values-based corporate brands (Alexander 2009; Du et al. 2010; Kay 2006). Hence, communication about CSR activities has become a key consideration (Alexander 2009; Meenaghan and Shipley 1999). For example, while sponsorship is increasingly advocated as a contemporary method for corporate communication (Keller 2000), Alexander (2009) demonstrated the importance of aligning the values of sponsors and sponsored organisations in order to create consistent brand messages. Another well-known device for communicating corporate CSR activities is through annual reports and so-called sustainability reports (Basu and Palazzo 2008).

In recent years, the nature of consumer consumption has adopted increasingly postmodern characteristics emphasising symbolic, culturally-processed consumption and co-production by consumers. Modernism – with its emphasis on science and technology, materialism and economics – has become largely outdated as a result of consumers adopting a more critical approach (Firat and Venkatesh 1995). For instance, consumers are increasingly resistant to commercialisation, less trustful of marketers and interested in seeking truth and 'reality' when consuming a product or brand (Firat and Venkatesh 1995). Moreover the separation between production and consumption in modernism, whereby consumers accepted whatever producers provided, has become blurred (Firat and Venkatesh 1995) with consumers involved in the 'co-creation' of brands (Vargo and Lusch 2004). As a result, using a traditional marketing approach to communication when making CSR claims is unlikely to be accepted by consumers or other stakeholders (Basu and Palazzo 2008). Brands need to be 'authentic', a state achieved only when stakeholders perceive as genuine the cultural values the company projects through its identity (Holt 2002). According to Beverland (2005, p. 461), an authentic brand is one that represents "a genuine expression of an inner personal truth or an expression of identity". Hence, organisations need to embed CSR values into their everyday practices rather than simply promoting their credentials in this regard through conventional corporate communication (Holt 2002). In a postmodernism world, brands may be perceived as 'authentic cultural resources' contributing to the development of consumers' 'identity projects' (Holt 2002). Hence, the notion of identity is central to the construction of corporate brands (Du et al. 2007). In conceptualising CSR branding, this thesis adopts the elements of Balmer's (2001b) model of corporate branding most closely associated with the notion of identity, i.e. the cultural, tangible, and ethereal aspects. The relationship of corporate branding to the often ambiguous concept of identity is examined in depth in the following chapter.

3.5 Chapter Summary

This chapter described the evolution of branding as it emerged from a product focus and moved towards the corporate level. The chapter began by providing a brief historical review of brand research, specifically its product and customer focused origins during the 1970s and 1980s. The discussion reviewed the increasing importance of the psychological attributes of branding which affect customer attitudes, behaviours, and eventually brand purchase. In addition, the influence of the postmodern perspective reinforced the tendency for brands to be evaluated in terms of a symbolic representation. In the 1990s, as brands became viewed as a valuable asset of the organisation, the notion of brand equity was stressed, shifting brand management to the level of top management. Also, the term 'company brand' was introduced for the first time during this period in response to the new brand management approach. The final section of this chapter discussed branding in the 2000s, with a number of concepts introduced under the umbrella term ‘corporate-level marketing’, including corporate branding. This section described a number of different conceptualisations of corporate branding and clarified the inter-relationship between corporate brand and identity, arguing that the basis of corporate brand building is the reconfiguration of organisational identity into a promise made to stakeholders. This chapter concluded by proposing CSR as a strategic approach for corporate branding drawing on Balmer’s (2001b) C^2ITE model. In particular, it was proposed that embedding CSR practices into the day-to-day operations of the firm is crucial to the creation of strong and authentic brands.

Chapter 4

Identity and Identification

4.0 Chapter Overview

The previous chapter covered the essence of corporate branding and other related aspects of corporate-level marketing. Chapter Three illustrated the differences between the corporate brand and corporate identity; however, it was proposed the two constructs are inter-related. This chapter elaborates further on` the concept of corporate identity and introduces the concepts of organisational identity and identification through the overarching theory of social identity. This chapter is structured in a chronological manner, including the origins of social identity theory (SIT) in the 1970s, the initial attempts to extend SIT in the 1980s, the proliferation of scholarship on identity and its related concepts in the 1990s, and finally, this chapter outlines how, in the 2000s, the concept of identity has been further clarified, extended, and integrated. This chapter concludes by contending that the notions of organisational identity and corporate identity are distinct but inter-related, and that they are best understood holistically as integrated concepts.

4.1 Introduction

The emergence of identity theory in organisational research is based on the study of identity and social identity theory (SIT) in the field of social psychology. Although social identity had been studied prior to the 1970s, it was the social psychologist Henri Tajfel who first defined social identity as "an individual's self-concept which derives from his knowledge of his membership of a social group (or groups) together with the emotional significance attached to that membership" (Tajfel 1974, p. 69). During the 1970s, social identity was studied concurrently with the notions of intergroup behaviour and social comparison to identify the minimal conditions required to create in-group favouritism and out-group discrimination (Brewer 1979; Tajfel, Billig, Bundy, and Flament 1971; Turner 1975). In the 1980s, a number of new concepts and theories were introduced based on the foundation of SIT, including self-categorisation theory (SCT) (e.g., Turner 1982), organisational identity (e.g., Albert and Whetten 1985), and organisational identification (e.g., Ashforth and Mael 1989). Thereafter, in the 1990s, these concepts and theories have been developed and conceptually challenged by a number of scholars. For instance, a new perspective on organisational identity was introduced in terms of collective understandings, also known as sense-making, derived from the concepts of organisational culture and image (e.g., Fiol 1991; Gioia and Thomas 1996; Hatch and Schultz 1997). This is in contrast to the institutional claims perspective, also known as sense-giving, introduced by Albert and Whetten (1985), whereby the identity of the organisation is determined by its leaders. Additionally, a new concept was introduced around this time in the marketing discipline, similar to the concept of organisational identity, referred to as ‘corporate identity’(van Riel and Balmer 1997). Corporate identity is rooted in corporate communication, graphic design, and organisational behaviour (Simões et al. 2005). The 2000s was a decade of clarifying the misunderstandings, extending and integrating existing concepts, and advancing theories aimed at a holistic understanding within the area of identity.

4.2 The Origin of Social Identity Theory (1970s)

Prior to the development of SIT in the late 1970s, a number of scholars were interested in understanding the conditions and outcomes of intergroup behaviours when individuals categorise themselves in a particular social group (Brewer 1979; Tajfel et al. 1971; Turner 1975). For instance, Tajfel et al. (1971) used an experimental design whereby each participant was assigned to a group with no meaning attached to a particular group, observing when the participants would begin to discriminate against out-groups. Participants generated in-group favouritism, and discrimination against the out-group based on the knowledge that they were categorised in a particular group evidenced by the relative distribution of rewards within and outside the group. Turner (1975) proposed that there are two bases for competition between groups namely ‘objective competition’ and ‘social competition’. Objective competition occurs when a group aims to win in relation to an object, such as bidding in an auction. Social competition, on the other hand, occurs when a group is concerned about the position of the group rather than the object itself, for example as in the case of in-group members distributing higher points (as a substitute for real money) to members within their in-group as opposed to the out-groups.

Turner (1975) found that individuals prefer a positive evaluation of themselves against negative one. Therefore, by comparing themselves against the out-group, the in-group members were able to generate competitive feelings referred to as ‘positive distinctiveness’ (Haslam and Ellemers 2005). In other words, individuals, when categorising themselves as the in-group, would like their group to be seen as distinct when compared to the out-group. Brewer (1979) found that there are other factors, including intergroup competition, similarity, and status differentials, that can affect in-group bias. In fact, some of these factors, such as intergroup competition and similarity, were used as a basis to formulate the self-categorisation theory (Turner, Hogg, Oakes, Reicher, and Wetherell 1987).

In sum, in the 1970s the study of social identity was mainly focused on intergroup behaviour and how categorising individuals into a particular social group could generate in-group favouritism and out-group discrimination. The seminal contribution from these group studies was that classifying oneself in a particular group is sufficient for the group members to act in favour of their in-group members as opposed to out-groups. In the 1980s, the focus of social psychology shifted away from simply examining intergroup behaviours towards the process by which individuals categorise themselves in a social group. In addition, the new concepts of organisational identity and identification were introduced in the 1980s as extensions of SIT.

4.3 SIT: Growth and Development (1980s)

In the 1970s, a number of scholars in social psychology focused their research on developing knowledge about SIT, social categorisation, intergroup behaviour, and social comparison (e.g., Brewer 1979; Tajfel et al. 1971; Turner 1975) using experimental research designs. This set the foundation for scholars in the 1980s to further research in this area. For instance, Oakes and Turner (1980) replicated the study of Tajfel et al. (1971) and found that classifying individuals into a particular group and providing them with minimal knowledge and interaction about other members within and outside the group, is sufficient to increase their self-esteem.

As study on intergroup behaviour continued, a number of scholars started to introduce new concepts and theory based on SIT, including self-categorisation theory (Turner 1982), organisational identity (Albert and Whetten 1985), and organisational identification (Ashforth and Mael 1989). This section provides an overview of these theories.

4.3.1 Self-categorisation Theory (SCT)

Whilst SIT focuses on specific intergroup behaviour (e.g., in-group favouritism, out-group discrimination) resulting from the categorisation of individuals into a particular social group; self-categorisation theory (SCT), on the other hand, was developed to broaden understanding of the process of how individuals act within a group. To develop SCT, related terminologies were introduced including self-concept, depersonalisation, and self-stereotyping. Self-concept is defined as "the set of cognitive representations of self available to a person" (Turner et al. 1987, p. 44). Turner (1982) explained that the continuum of self-concept ranges from personal definition of self (e.g., a feeling of competence) to the definition of self in terms of a group by classifications such as gender, ethnic group, or nationality, referred to as personal identity and social identity, respectively. Therefore, individuals are able to form self-categorisations through cognitively classifying themselves in a group with similar self-concepts (Turner et al. 1987). The process of switching from personal to social identity is referred to as 'depersonalisation', which can be strengthened through 'self-stereotyping' whereby individuals perceive their characteristics interchangeably with those of their social group classification (Turner 1982).

The seminal contribution of SCT the 1980s was focused on the implications of depersonalisation. A number of key propositions were developed as follows (Turner et al. 1987):

(i) Individuals perceive themselves to be somewhat assimilated to those within the same group and somewhat differentiated to out-groups;

(ii) The levels of abstraction of self-categorisation include superordinate, intermediate, and subordinate levels whereby the higher levels of abstraction lead to more inclusiveness of self within that category;

(iii) The salience of self-categorisation depends upon comparison of individuals at a higher level of abstraction. For instance, it is more salient to categorise apples as a type of fruit (superordinate level of abstraction) as opposed to a Fuji apple (subordinate level of abstraction);

(iv) Although each category holds specific prototypical features, the members within the category may display more or less prototypicality, depending upon how those individuals compare themselves to others within the same category;

(v) As self-categorisation becomes more salient, individuals perceive themselves as having similarities to those within the group and differences to outsiders.

In summary, SCT – in contrast to SIT – provides a broader understanding of how individuals categorise themselves into a particular social group and what makes their social identity salient. In the next section, another term will be introduced, 'organisational identity', which has also been developed from the basis of SIT.

4.3.2 Organisational Identity

While social psychology scholars were attempting to launch a new theory to broaden the notion of SIT, Stuart Albert and David A. Whetten were conceptualising SIT in an organisational context. A number of scholars had recognised the effects of SIT in a group context (e.g., Oakes and Turner 1980; Tajfel 1982; Turner, Brown, and Tajfel 1979), including in an organisational context, but it was not until 1985 that Albert and Whetten first coined the term 'organisational identity'. They defined organisational identity as the organisational attributes perceived to be (i) central – the core of an organisation; (ii) enduring – maintaining same character over time; and (iii) distinctive – the attributes of an organisation that differ from those of other organisations (Albert and Whetten 1985).

The concept of organisational identity proposed by Albert and Whetten (1985) during the 1980s framed organisational identity as a functionalist phenomenon, suggesting the three dimensions of organisational identity – that it is central, enduring, and distinctive – are 'scientifically tractable' for empirical study. An understanding of each dimension of organisational identity is essential. Firstly, the central dimension of organisational identity is explained as a construct that is assigned by leaders of the organisation and differs from one organisation to another. Therefore, it is not feasible to provide a clear-cut definition of the characteristic of centrality; in fact, the organisation's own judgement is the basis upon which to make sense of what should be considered as essential attributes of an organisation (Albert and Whetten 1985).

For the second dimension of organisational identity, Albert and Whetten (1985, p. 272) explained the enduring dimension as "a sense of continuity over time". Relating to endurance is the timing of when to consider an identity as having sameness over time. This could be affected by factors such as changes in leadership, mergers and acquisitions, and rapid organisational growth (Albert and Whetten 1985). This dimension brought a number of criticisms in later decades on the grounds that if organisational identity is altered in accordance with changes in organisational image, the concept of organisational identity must be considered relatively fluid (Gioia, Schultz, and Corley 2000; Gioia and Thomas 1996).

The last dimension of organisational identity explained in this seminal work is distinctiveness, which may be somewhat overlapping with the central attribute of organisational identity. Albert and Whetten (1985), however, clarified this by pointing out that something central to the organisation may not be distinctive. For instance, being environmentally friendly may be perceived by members as their organisation's essence; however, this attribute may also be held by other organisations. Therefore, for the environmental attribute to be distinctive, an organisation needs to make certain that such an attribute is different to that of other organisations. Indeed, the distinctiveness dimension of organisational identity is also supported by the theory of self-categorisation whereby the characteristics of individuals need to be assimilated within a group and differentiated against other groups (Turner et al. 1987). In other words, an organisation needs to have similar attributes to those of other organisations within the same category, but it is only those attributes which are distinctive that make organisational identity salient.

Within the decade of the 1980s, Albert and Whetten (1985) contributed to new knowledge in this area, but also called for further research. Although the concept of organisational identity in the 1980s did not progress greatly beyond what Albert and Whetten proposed, from this decade onwards, a number of scholars in various disciplines (e.g., organisational behaviour, marketing, social psychology) have constructively critiqued Albert and Whetten's (1985) conceptualisation and proposed other perspectives in related fields. In the next section another related concept, also introduced at the end of the 1980s, is discussed – 'organisational identification'.

4.3.3 Organisational Identification

While organisational identity was used to answer 'who are we?' questions, organisational identification, on the other hand, was introduced as a consequence of organisational identity formation when individuals effectively categorise themselves as members of an organisation (Ashforth and Mael 1989). Although the concept of organisational identification had been discussed previously, little prior attention had been given to this concept by scholars. However, toward the end of the 1980s, the level of empirical and theoretical research on organisational identification increased following the conceptualisation of organisational identification by Ashforth and Mael (1989), grounded on the concepts of SIT and SCT (Riketta 2005). Ashforth and Mael (1989, p. 34) proposed a definition of organisational identification as "the perception of oneness with or belongingness to a group, involving direct or vicarious experiences of its success and failures".

According to SIT, there are a number of factors influencing the increase in organisational identification among organisational members including: (i) *distinctiveness* of the organisation's values as compared to other organisations; (ii) extent to which identifying with an organisation enhances members' *self-esteem*; (iii) salience of the out-group reinforcing awareness of the in-group; and (iv) *other traditional factors*, namely interpersonal interaction, similarity, and liking (Ashforth and Mael 1989). In addition, through the notion of SIT, Ashforth and Mael (1989) noted a number of consequences of organisational identification. Firstly, once organisational members view their identities as congruent with that of the organisation, they would be likely to internalise their organisational identity. Secondly, organisational identification could affect traditional group formation, such as intragroup cohesion, co-operation, altruism and positive group evaluation (Turner 1982). Finally, there exists the possibility of feedback loops whereby organisational identification reinforces the organisational identity which gave rise to identification in the first place (Ashforth and Mael 1989).

Prior to the introduction of organisational identification in the literature (Ashforth and Mael 1989), there was great confusion among scholars involving alternative terminologies often used interchangeably with organisational identification, namely organisational commitment and internalisation (Ashforth and Mael 1989). However, Mael's (1988) study of organisational identification and commitment, demonstrated that these constructs are distinct. Ashforth and Mael (1989) called for future study to clarify these differences. The contribution of Ashforth and Mael (1989) to organisational identification in the 1980s set the foundation for researchers in later decades to empirically and theoretically examine the concept of organisational identification (e.g., Ahearne, Bhattacharya, and Gruen 2005; Bergami and Bagozzi 2000; Cole and Bruch 2006; Dutton et al. 1994; Kreiner and Ashforth 2004; Pratt 1998).

In the 1980s, apart from introducing new terminologies (self-categorisation theory, organisational identity, and organisational identification), little research was done within the area of social identity theory. However, in the 1990s, a great deal of research was conducted based on the concepts introduced previously. For instance, a number of scholars proposed alternatives to the conceptualisation of organisational identity posited by Albert and Whetten (1985) (e.g., Fiol 1991; Gioia and Thomas 1996). In addition a competing concept, referred to as 'corporate identity', which had been acknowledged previously by practitioners (e.g., Olins 1989), became increasingly discussed in the academic literature (e.g., Balmer 1998; van Riel and Balmer 1997).

4.4 Theoretical Fragmentation (1990s)

After the theory of self-categorisation was introduced in the 1980s (Turner 1982; Turner et al. 1987), scholars in the 1990s worked to differentiate between the concept of personal and collective self through the notion of SCT (Brewer 1991; Brewer and Gardner 1996; Turner, Oakes, Haslam, and McGarty 1994). For instance, Turner et al. (1994) explained how, based on SCT, the self can be explained at different levels, including a personal and collective self. The notion of a 'personal self' was referred to as the individual's uniqueness compared to other individuals, such as comparing a specific characteristic of a woman against another woman. A collective self, on the other hand, was explained as the characteristics of individuals shared with members of the same social group (Turner et al. 1994). For instance, a group of women perceiving themselves as sharing the same characteristics as other women differentiated from a group of men. Moreover, in the 1990s, a third type of self-concept was introduced, referred to as the 'relational self', defined as "the self-concept derived from connections and role relationships with significant others" (Brewer and Gardner 1996, p. 84). Through the splintering of the concept of self into multiple levels – personal, relational, and collective – a new concept was introduced, referred to as 'organisational identity orientation' (Brickson 2000; 2005; 2007).

Given the number of new concepts and theories introduced in the 1980s, scholars attempted to further investigate conceptualisations of these terms leading to new perspectives of organisational identity (e.g., Dutton and Dukerich 1991; Dutton and Penner 1993; Fiol 1991; Hatch and Schultz 1997). For instance, Hatch and Schultz (1997) proposed an inter-relationship between organisational culture, identity, and image, whereby organisational culture and image could affect the formation of, and cause changes in, organisational identity. In addition, the term 'corporate identity' attracted increased attention (van Riel and Balmer 1997). At the same time, empirical research into the antecedents (e.g., organisational identity and image) and consequences (e.g., behaviours) of organisational identification continued apace (e.g., Dutton et al. 1994; Terry and Hogg 1996).

4.4.1 Alternative Perspectives of Organisational Identity

While the original conceptualisation of organisational identity proposes useful dimensions, namely central, enduring, and distinctive attributes (Albert and Whetten 1985), in a postmodern society it is essential for organisations to continuously define and redefine these embedded values (Christensen 1995). For instance, from a marketing perspective, it has been suggested that organisations need to incorporate flexibility in order to respond to ever-changing markets (Christensen 1995). As a result, the enduring component of organisational identity was challenged since it suggests the organisation's attributes should be the same over time (Albert and Whetten 1985). Although Albert and Whetten (1985) did clarify how organisational identity could be somewhat changeable in the long term, a study of the top management in the higher education sector in the U.S. suggested that an organisation needs to develop the ability to adapt quickly (Gioia and Thomas 1996).

While the enduring dimension of organisational identity received much attention during the 1990s, other factors, such as organisational culture and image were also introduced to the shifting debate on organisational identity, leading support to 'collective understanding' perspective, whereby identity is derived from both the internal and external environment (e.g., Dutton and Dukerich 1991; Dutton and Penner 1993; Fiol 1991; Hatch and Schultz 1997). Prior evidence had suggested that organisational identity was an 'institutional claim', whereby the leaders of the organisation assign the attributes of who they are as an organisation (Albert and Whetten 1985). Subsequently, however, a number of scholars suggested that organisational culture plays an important role in making organisational identity more salient (Dutton and Dukerich 1991; Dutton and Penner 1993; Fiol 1991).

Organisational culture is separately defined in the literature by research traditions – sociology and anthropology (Deshpande and Webster Jr. 1989). In the field of sociology, organisational culture is viewed as a tool to be used in effectively implementing organisational strategy (Deshpande and Webster Jr. 1989). While the sociological perspective views organisational culture as what an organisation *has*, the anthropological perspective refers to organisational culture as what an organisation *is* by using it as a metaphor to understand organisational knowledge systems, shared symbols and meanings, and the unconscious mind of organisational members (Deshpande and Webster Jr. 1989). Given that organisational culture is a basis for constructing organisational identity (Hatch 1993), the notion of organisational culture as a metaphor because increasingly popular during this period with the concept defined as "the pattern of shared values and beliefs that help individuals understand organizational functioning and thus provide them norms for behavior in the organization" (Deshpande and Webster Jr. 1989, p. 4). This definition suggests that there are a number of components making up the notion of organisational culture, such as behaviours, patterns of shared values and beliefs, and identity.

Fiol (1991) attempted to understand the notion of organisational culture, identity and behaviours using a linguistic-based model explaining culture in terms of a set of language rules, whereby organisational identity was equated to speech acts referred to as a contextual understanding of a set of rules. Likewise, in the context of linguistics, behaviour was compared to words used in the language, suggesting that they were observable expressions of the corporate culture (Fiol 1991). For instance, in order to make meaningful use of language, words are combined to make speech correspond to the rules of a particular language. By analogy, a similar process can be observed in the expression of organisational culture. In brief, the roles of organisational culture, identity, and behaviour are inter-related: behaviours can be seen as the expressive actions of organisational identity and thus indicative of the whole cultural system of the organisation (Fiol 1991). In summary, Fiol (1991) proposed that there are linkages between (i) organisational culture and identity and (ii) organisational identity and behaviours, and thus identities can "represent aspects of culture translated into a specific context" (p. 193). Fiol (1991) also criticised the conceptualisation of organisational identity by Albert and Whetten (1985) for omitting to explain the linkages between organisational culture and identity making it hard to understand the mechanism of how a single identity turns into a dual or multiple identities, as well as how the organisation should balance and maintain these identities.

Given that organisational culture, as an internal phenomenon, plays an important role in organisational identity (Fiol 1991), an antecedent such as organisational image should also be considered in formulating the identity of an organisation (Dutton and

Dukerich 1991; Dutton and Penner 1993; Hatch and Schultz 1997), as evidenced in the case of the New York Port Authority (NYPA) (Dutton and Dukerich 1991; Dutton and Penner 1993). Homelessness was an issue faced by the NYPA from the early 1980s, since homeless people used NYPA facilities as their own personal shelters. Over time, the number of homeless people around bus terminals increased dramatically leading to other negative issues, such as drugs and crime. As a result, the NYPA received a number of complaints and came under pressure from commuters. Previously, the NYPA did not perceive the homelessness issue as part of its responsibility since the NYPA, as an organisation, did not claim itself to be a social service provider. However, because of the legitimacy and importance of the issue, it was necessary for it to be embraced as part of its organisational identity, due to the pressure of both internal and external feedback (Dutton and Dukerich 1991; Dutton and Penner 1993). The NYPA case is a good example of how organisational image might have an effect on the formation of organisational identity.

Image can be described in various forms either through the perceptions of organisational insiders or outsiders (Gioia et al. 2000), as shown in Table 4.1.

Table 4.1: Forms of Image (Gioia et al. 2000, p. 67)

Label	Definition in Literature	Representative Examples
Construed external image	Organisational members' perceptions of how outsiders perceive the organisation.	Dutton and Dukerich (1991) Dutton, Dukerich, and Harquail (1994)
Projected image	Image created by an organisation to be communicated to constituents; might or might not represent ostensible reality; singular image of the organisation.	Alvesson (1990) Berstein (1984)
Desired future image	Visionary perception the organisation would like external others and internal members to have of the organisation sometime in the future.	Gioia and Chittipeddi (1991) Gioia and Thomas (1996)
Corporate identity	Consistent and targeted representations of the corporation emphasised through the management of corporate symbols and logos; strategically planned and operationally applied internal and external self-representation.	Olins (1989) van Riel and Balmer (1997)
Transient impression	Short-term impression constructed by a receiver either through direct observation or interpretation of symbols provided by an organisation.	Berg (1985) Grunig (1993)
Reputation	Relatively stable, long-term, collective judgements by outsiders of an organisation's actions and achievements.	Fombrun (1996) Fonbrun and Shanley (1990)

As can be seen, image has different forms and can be used interchangeably used with terms such as corporate identity or reputation, although corporate identity is often viewed as focusing on corporate symbols and logos and reputation is seen as a long-term judgement made about the organisation by external audiences. Despite the various forms of image, Dutton and Dukerich (1991) viewed organisational image from an insider's perspective and defined it as "attributes members believe people outside the organization use to distinguish it" (p. 547) which differs from organisational identity, i.e., how organisational members view themselves. From this perspective, organisational identity is a reflection of self, whereas organisational image is a reflection of the feedback from outsiders to the organisation (Dutton and Dukerich 1991). As a result, the acknowledgement of outside feedback could motivate the organisation's members to be involved with positive activities in order to promote a more positive image (Dutton and Penner 1993). Some organisations have used social issues to shape their image through 'issue advertising' (Heath and Palenchar 2009). For example, Ford created the 'Quality is Job One' campaign to reshape its image at a time when American automakers were under pressure on the issue of quality (Zagotta and Robinson 2002). While Gioia and Thomas (1996) viewed image as a desired future vision held by both internal and external audiences, they also agreed with Dutton and Penner (1993) that altering in its image, an organisation can also alter its identity. In other words, changes in the projection of organisational image cause organisational identity to become unstable and shift towards an alignment with its image (Gioia and Thomas 1996).

Hatch and Schultz (1997) proposed that organisational identity is a function of both organisational culture and image. In other words, organisational identity shifts through cultural changes taking place within the organisation and in accordance with how others see the organisation. However, Hatch and Schultz (2002) further proposed that focusing solely on either organisational culture or image could lead to dysfunction in organisational identity, referred to as 'narcissism' and 'hyper-adaptation'; that is, a lack of stakeholder feedback, and loss of self as a result of being too considerate of stakeholder feedback, respectively.

As illustrated, the influence of both organisational culture and image has resulted in a shift in perspectives on organisational identity from 'institutional claims' in the 1980s (Albert and Whetten 1985) to 'collective understandings' in the 1990s (Dutton and Dukerich 1991; Dutton and Penner 1993; Hatch and Schultz 1997). Dutton and Penner (1993, p. 104) defined the concept of shared or collective organisational identity as "what individuals agree is unique, enduring, and distinctive about an organization". This definition is narrower than the conceptualisation offered by Albert and Whetten (1985) since the knowledge of collective organisational identity is limited to only those organisational attributes that members believe to be central, enduring, and distinctive (Dutton and Penner 1993).

In sum then, the newly emergent perspective suggests it may no longer be sufficient for a single person in the organisation (e.g., the CEO) to simply assign how organisational members should view their organisation (Dutton and Penner 1993). Instead, how members make sense of who they are through an understanding of culture, as well as feedback from outsiders, is now recognised as a significant ingredient of organisational identity. However, as suggested, organisational identity is a cognitive state of self and needs to be expressed to both internal and external constituencies (Fiol 1991; Hogg, Terry, and White 1995; Turner et al. 1994). Therefore, in the next section, another inter-related concept is described, i.e., 'corporate identity' (van Riel and Balmer 1997).

4.4.2 The Introduction of Corporate Identity

As discussed during the 1980s and 1990s, a number of scholars in organisational behaviour (e.g., Albert and Whetten 1985; Dutton and Dukerich 1991; Dutton and Penner 1993; Hatch and Schultz 1997) emphasised organisational identity in terms of perceptions of organisational members towards attributes that describe who they are as an organisation. Marketing scholars, on the other hand, often emphasised the related concept referred to as 'corporate identity' (Balmer 1998; Balmer and Gray 1999; Balmer and Soenen 1999; Balmer and Wilson 1998; Melewar and Saunders 1999; Stuart 1999; van Riel and Balmer 1997). However, the concept of corporate identity was quite vague because its existence was derived from different disciplines including graphic design, communication, and organisational behaviour (Balmer 1998; van Riel and Balmer 1997).

Corporate identity was not a new concept, having been discussed widely by practitioners for many years (e.g., Olins 1989). But it was during the 1990s that the term began to receive sustained attention in the academic literature (e.g., Balmer 1998; Markwick and Fill 1997; van Riel and Balmer 1997). Corporate identity originated in the discipline of graphic design, whereby corporate identity is expressed through names, logos, and symbols (Hatch and Schultz 1997; Olins 1989), and how they are linked to enhance the image of an organisation (Balmer 1998). This notion has also been referred to as 'corporate visual identity', which Melewar and Saunders (1999) defined as being one facet of corporate identity. The second approach to corporate identity to emerge was by way of integrated corporate communication, whereby an organisation needs to communicate consistent messages to different groups of stakeholdesr, not just its customers (Balmer and Wilson 1998; Hatch and Schultz 1997). The third approach to corporate identity was referred to as 'interdisciplinary', integrating all related disciplines to explain that corporate identity can be revealed through communication, symbolism, and behaviour to both internal and external constituencies (van Riel and Balmer 1997). In this respect, a number of scholars including Balmer, Greyser, Markwick, and van Riel served on the steering committee of the International Corporate Identity Group (ICIG) to formulate a statement on corporate identity entitled, 'The Strathclyde Statement', quoted below (Balmer 1998, p. 985):

> Every organization has an identity. It articulates the corporate ethos, aims and values and presents a sense of individuality that can help to differentiate the organization within a competitive environment.
>
> When well managed, corporate identity can be a powerful means of integrating the major disciplines and activities essential to an organization's success. It can also provide the visual cohesion necessary to ensure that all corporate communications are coherent with each other and result in an image consistent with the organization's defining ethos and character.
>
> By effectively managing its corporate identity, an organization can build an understanding and commitment among its diverse stakeholders. This can be manifested in an ability to attract and retain customers and employees, achieve strategic alliances, gain the support of financial markets and generate a sense of direction and purpose. Corporate identity is a strategic issue.
>
> Corporate identity differs from traditional brand marketing since it is concerned with all of an organization's stakeholders and the multifaceted way in which an organization communicates.

This statement promotes an interdisciplinary approach to corporate identity (van Riel and Balmer 1997) together with a number of motivations for and consequences of effective corporate identity management. In fact, this statement shifts the focus of marketing towards corporate marketing where the emphasis is on a variety of stakeholder groups rather than customers alone. As a result, definitions of corporate identity often include a reference to stakeholders. For instance, Markwick and Fill (1997, p. 397) defined corporate identity as “the organization’s presentation of itself to its various stakeholders and the means by which it distinguishes itself from all other organizations”.

In the 1990s, scholars continued to work on the conceptualisation of corporate identity relating it to other concepts, such as corporate image, corporate reputation, corporate culture and corporate personality. Markwick and Fill (1997) proposed a model to manage corporate identity, referred to as ‘the corporate identity management process’ (CIMP), based on Abratt’s model (1989), composed of corporate image, corporate reputation, and corporate personality. Marwick and Fill (1997, p. 398) take an external perception of corporate image by defining it as “what stakeholders perceive the organisation to be”. In order to differentiate the definition of corporate image from that of corporate reputation, Marwick and Fill (1997, p. 398) clarified reputation as “a reflection of the historical, accumulated impacts of previously observed identity cues and possible transactional experience”. In other words, corporate reputation may take some time to form in the minds of the stakeholders.

The last component of the proposed corporate identity model was corporate personality (Markwick and Fill 1997). In fact, corporate personality, which is closely associated with corporate culture, has been mentioned repeatedly in the corporate identity literature (e.g., Balmer 1995; Olins 1989). Davies, Chun, Vinhas da Silva, and Roper (2004, p. 127) labelled corporate personality as ‘corporate character’ and defined it as “how a stakeholder distinguishes an organization expressed in terms of human characteristics”. Although the definition of corporate character is similar to ‘brand personality’ (Aaker 1997), its focus lies at the corporate level as opposed to product brand image (Davies et al. 2004). In the Marwick and

Fill (1997) study, corporate personality is defined as "what the organization actually is" and is examined through two main aspects including mission, strategies, and philosophy; and culture. The CIMP model of Marwick and Fill (1997) claimed the linkage between corporate identity and personality could be used as a tool of self-analysis in examining the alignment between the actual identity of an organisation and how it is presented (see Abratt 1989; Balmer 1998; Stuart 1999).

Towards the end of the 1990s, another conceptualisation of corporate identity was introduced, referred to as 'the ACID test', composed of four types of corporate identity (Balmer and Soenen 1999, p. 82):

(i) The actual identity: what the organisation is,

(ii) The communicated identity: how the organisation is perceived by its publics and how the organisation communicates,

(iii) The ideal identity: the optimum positioning of the organisation in its market or markets taking cognisance of its strengths and abilities in addition to environmental considerations,

(iv) The desired identity: the identity which the chief executive and management board wish to acquire.

Figure 4.1 presents 'the ACID test' in diagrammatic form, highlighting potential gaps between each aspect of identity. Each gap is numbered and the nature of these gaps is explicated in Table 4.2

Figure 4.1: The ACID Test of Corporate Identity Management (Balmer and Soenen 1999)

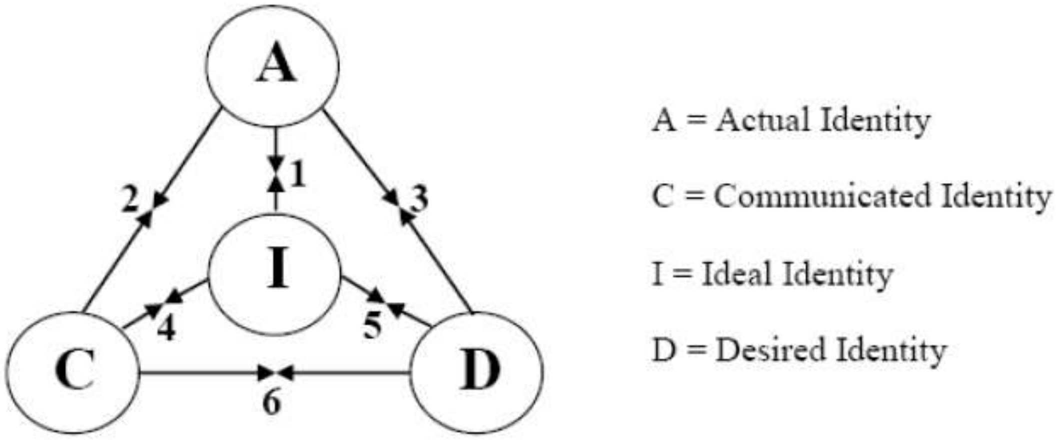


Table 4.2: Gap Analysis of ACID Test Interfaces (Balmer and Soenen 1999, p. 88)

Interface	Gap Analysis	Examination of Interface
1	A→←I	Is the organisation's positioning optimal? Do internal values, employees' behaviour, product and services performance, market coverage, and management policies reflect this ideal?
2	A→←C	Are all the organisation's communications portraying the organisation as it truly is? Does the corporate reputation reflect the organisational reality? Do third parties (e.g., the media) give a realistic account of the organisation?
3	A→←D	Does the reality of the organisation accurately reflect top management's vision?
4	I→←C	To what extent is the ideal positioning possible in light of the organisational, industry, and country reputation? To what extent can the current reputation be improved?
5	I→←D	Are the corporate mission and management vision strategically sound, and do they fully exploit the firm's capabilities and market opportunities?
6	C→←D	Is the corporate mission and management vision effectively communicated, both internally and externally? Are the corporate reputation and total corporate communication policies congruent with the management vision?

The ACID test has broadened the concept of corporate identity by adopting an interdisciplinary approach. For instance, the actual identity dimension has been explained in a similar manner to how organisational behaviourists define organisational identity (Albert and Whetten 1985; Dutton and Dukerich 1991; Dutton and Penner 1993). The interdisciplinary approach was recommended as appropriate to the management of corporate identity (van Riel and Balmer 1997), especially in terms of measurement. Indeed, as shown the ACID test can be used as a tool in identifying six possible gaps involving different types of identities (Balmer and Soenen 1999). For example, the organisation can examine what the organisation is (actual identity) as compared to how the public perceives it to be through its formal communication (communicated identity). If a discrepancy exists between the two types of identity, then the organisation will need to take action to align actual and communicated identity through either reconsidering what the organisation is, or revising its communication processes. Once the organisation identifies all the gaps between the different types of identity, it can diagnose and make changes accordingly (see Table 4.2).

In summary the 1990s saw a number of conceptualisations of corporate identity introduced, but they were yet to be empirically tested. More recently still, the essence of corporate identity has been included in a new overarching concept, referred to as 'corporate-level marketing' (Balmer 1998; Balmer and Greyser 2003), which was discussed in the previous chapter.

4.4.3 The Rise of Organisational Identification

Another concept introduced and briefly discussed in the 1980s was organisational identification (Ashforth and Mael 1989). In the 1990s, organisational identification was developed in more depth clarifying a number of issues, such as its relation to competing terminologies, processes, motivations, downsides, and effects on organisational behaviour (Ashforth and Saks 1996; Barker 1998; Dukerich, Kramer, and McLean Parks 1998; Dutton et al. 1994; Glynn 1998; Harquail 1998; Pratt 1998; Terry and Hogg 1996). As discussed above, in the 1980s the concept of organisational identification was often confused with other terminologies (Ashforth and Mael 1989). In the 1990s, scholars sought to avoid this by distinguishing terms such as internalisation, organisational commitment and person-organisation (P-O) fit from organisational identification (O'Reilly III, Chatman, and Caldwell 1991; Pratt 1998).

Internalisation is a term that can be difficult to differentiate from identification. Pratt (1998) used two distinct paths to identification to differentiate it from internalisation: (i) affinity – individuals identify with an organisation when the values of self and organisation are defined in a similar manner; and (ii) emulation – individuals identify with an organisation when they incorporate the organisation's values and beliefs into their identities. That is, internalisation is described as the degree to which individuals embrace another's identity as their own, and this occurs through 'emulation'. On the other hand, identification is described as the degree of sameness of identity that individuals share with the organisation, and this occurs through 'affinity'. Therefore, internalisation may be considered as being the same as, or different from, identification, depending upon how identification is defined – whether in terms of affinity, emulation or both.

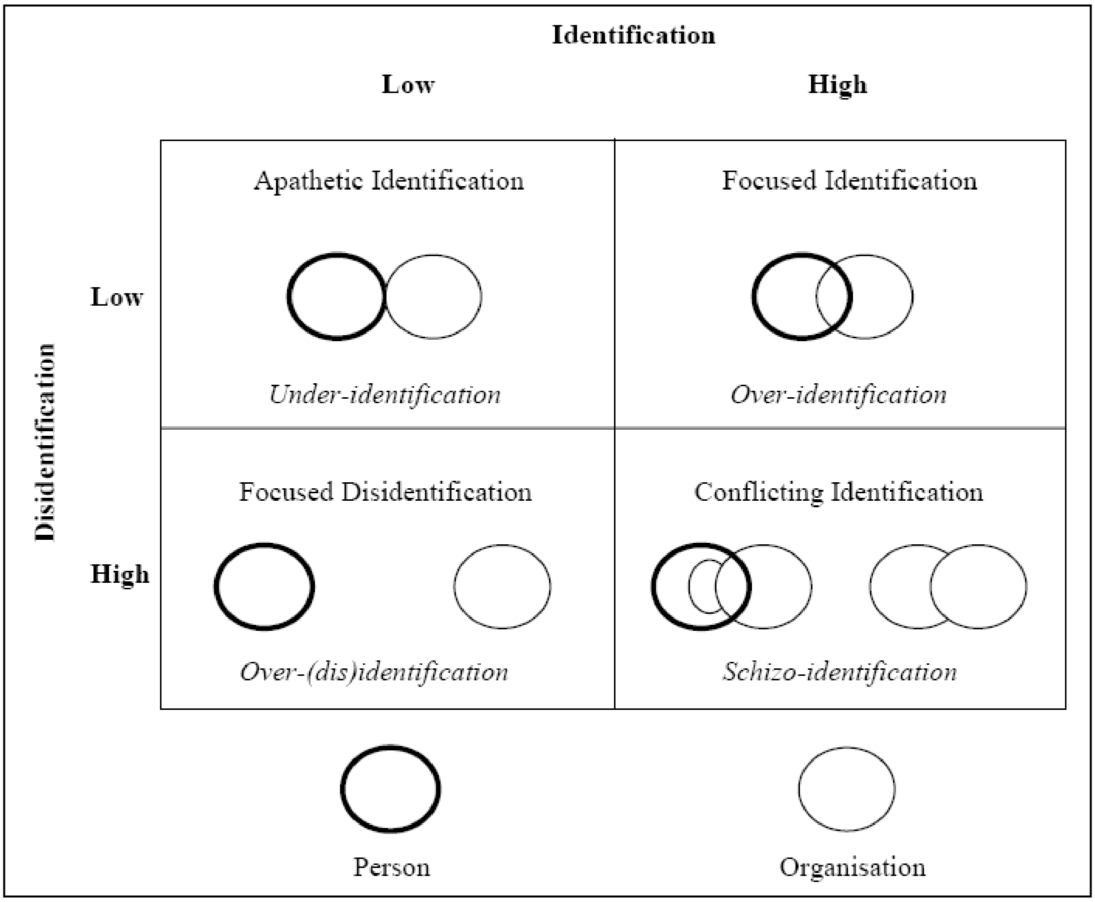
Organisational commitment is another overlapping term. The difference between the two concepts is that organisational identification can be seen as sharing or accepting organisational identity as one's own, versus organisational commitment which is the general acceptance of the values and beliefs of the organisation without having to make reference to one's own values (Pratt 1998). Therefore, organisational commitment is concerned with how satisfied or happy a person is with the organisation, as opposed to how individuals perceive themselves in relation to the organisation, i.e., organisational identification (Pratt 1998). Another term that has been equated with identification is person-organisation (P-O) fit, which examines the *compatibility* of the individual's values and beliefs with those of the organisation. In fact, P-O fit was coined with reference to the compatibility between an individual's skills and job-related tasks, as opposed to who the person 'is' or the individual's identity (Kristof 1996; O'Reilly et al., 1991).

Despite the confusion arising from competing terminologies, an attempt has been made to enlarge the concept of organisational identification allowing individuals to define themselves in relation to their affect and behaviour towards their organisations

(Harquail 1998) as opposed to merely thinking of themselves as organisational members (Ashforth and Mael 1989; Rousseau 1998). In other words, the enlarged understanding of organisational identification also includes how individuals think, feel and act towards their organisations, hence this conceptualisation refers to the 'whole person' (Harquail 1998). When organisational members identify with the values of the organisation, they will be more likely to act in a constructive manner. Although the Harquail (1998) conceptualisation provides a holistic view of organisational identification, the debate about whether organisational identification should encompass an affective component remains unresolved (e.g., Ashforth, Harrison, and Corley 2008; Edwards 2005; Riketta 2005; van Dick 2001).

Initially, the concept of organisational identification was seen only as a potentially positive organisational phenomenon. Dukerich, Kramer, and McLean Parks (1998), however, discussed four different dysfunctions of identification, namely under-identification, over-identification, over-disidentification, and conflicting identification. While identification has been defined as the extent to which individuals evaluate their values to be the same as those of the organisation (Ashforth and Mael 1989; Pratt 1998), disidentification, on the other hand, has been defined as "the active differentiation and distancing of oneself from the entity or organization – where one's identity is defined by not being identified with the organization" (Dukerich et al. 1998, p. 245). In other words, disidentification is the extent to which organisational members define their values as different from those of the organisation.

Figure 4.2: Identification Pathologies (Dukerich et al. 1998, p. 246)



The four pathologies proposed by Dukerich et al. (1998) are formed from the combinations of identification and disidentification (see figure 4.2). The first pathology of identification involves low levels of both identification and disidentification and can be termed as 'apathetic' or under-identification. This takes place when the organisation's members do not acknowledge the overlap between their own identity and the organisational identity, and so are indifferent as to whether they are with the organisation or elsewhere. The second pathology of identification is a result of high levels of both identification and disidentification leading to conflicting identifications, referred to as 'schizo-identification' whereby organisational members identify and disidentify with the organisation at the same time. An example of this pathology can be seen in 'whistle-blowing', whereby an individual may identify with specific attributes of the organisation, but not others to the exest of leaking damaging information to the media or public authorities.

The third pathology is characterised by high levels of disidentification and low levels of identification, and is termed focused disidentification or overdisidentification. While apathetic identification implies little overlap between self and organisational identity, focused disidentification, on the other hand, exemplifies a greater distance between self and organisational identities to the point that they are opposing one another (Dukerich et al. 1998). In fact, this type of identification may result in aggressive behaviours because the organisation's members uphold vastly different visions of themselves compared with their organisations.

Lastly, focused identification or over-identification is seen as a low level of disidentification and high level of identification resulting in strong identification among organisational members (Dukerich et al. 1998). This pathology may be perceived to be beneficial for the organisation; however, being too identified with the organisation may cause individuals to lose their personal identities. In addition, if organisational members totally embrace the identity of their organisation as their own identity, then they will not be able to question the organisation in the case of any wrongdoing. Therefore, the level of identification is most effective at the optimal distinctiveness point, where the needs for assimilation and differentiation are at an equilibrium (Brewer 1991). In other words, organisational members acquire the desire to be included in the organisation whilst still maintaining their uniqueness as individuals. If there is great diversity amongst the organisational members, they will feel isolated and exclude themselves from the organisation. In contrast, if the organisational members have a strong desire to be included in the organisation, then the members might lose their personal selves thus making it difficult for them to assign their self-definitions (Brewer 1991). Therefore, it is essential to balance the needs of both differentiation and assimilation in order to optimise the level of inclusiveness in the collective self.

Given that organisational identification can have both positive and negative outcomes, proactive management of organisational identification is necessary to promote positive behaviour among organisational members (Barker 1998). As one of the drivers leading organisational members to identify with the organisation is the meanings embodied by the organisation (Pratt 1998); to manage organisational identification, the organisation first needs to manage its identity and meanings (Barker 1998). As has been outlined in the above overview, scholars in the 1990s made the concept of organisational identification clearer in terms of its conceptualisation. In addition, the empirical studies on organisational identification within this period also began to examine organisational identification in different situations, such as the effects of organisational identification on newcomers as opposed to existing employees (Ashforth and Saks 1996). Forge

4.5 Extension and Integration (2000s)

During the 2000s, there was on an expansion of organisational identity scholarship. A number of scholars sought to examine the effects of multiple organisational identities on organisational identification, as well as delineate managerial strategies for dealing with multiple identities, including compartmentalisation (preserving all current identities with no attempt to synergise them), deletion (eliminating one or more of the organisation's multiple identities), integration (integrating all of the multiple identities into a new identity), and aggregation (retaining all of the identities whilst attempting to forge links between them) (Foreman and Whetten 2002; Pratt and Foreman 2000). Further development of organisational identity was offered by Brickson (2007), who researched 'organisational identity orientation'. This can be described as the sense of interaction with organisational stakeholders classified in three ways including (i) individualistic (views organisation as a sole entity); (ii) relational (views organisation as a dyadic inter-entity relationship); and (iii) collectivistic (views organisation as a member of a larger group). Despite recent work on the notion of organisational identity, the two seminal perspectives of organisational identity developed in previous decades – 'institutional claims' and 'collective understandings' – remain prominent. In the 2000s, while a number of scholars have attempted to clarify both these perspectives, there has been a call for the development of an integrative perspective (Brown 2001; Ravasi and van Rekom 2003) seeking a consensus regarding the conceptualisation of organisational identity across a range of disciplines.

Organisational identity is not the only relevant concept that has been recently reviewed in the literature; the concept of organisational identification has also been revisited to differentiate its conceptualisation from other competing concepts, including organisational commitment (Edwards 2005; Riketta 2005). Despite the confusion of terminology, organisational identification continues to be used in empirical studies including in the development of new measures (Bergami and Bagozzi 2000) as well as in testing its relationship with various outcomes, such as extra-role behaviours (Ahearne et al. 2005), affective commitment (Bergami and Bagozzi 2000), and turnover intention (Cole and Bruch 2006).

4.5.1 The Integrative View of Organisational Identity

The concept of organisational identity in the 1990s, with its tripartite definition of central, enduring, and distinctive (CED) attributes (Albert and Whetten 1985), was critiqued for, amongst other things, not explicitly explaining each of its components. A competing conceptualisation was introduced, referred to as 'collective understandings' (Dutton and Dukerich 1991; Dutton and Penner 1993; Fiol 1991). Subsequently, Whetten (2006) attempted to revisit the conceptualisation of organisational identity given by Albert and Whetten (1985) by explicating the components of organisational identity into functional (distinctive) and structural (central and enduring) categories.

On the one hand, the functional distinctive definition describes those attributes claimed as the properties of the organisation to illustrate its distinctive values (Whetten 2006). Optimal distinctiveness can be achieved through the notion of legitimacy (Deephouse 1999), whereby the organisation can achieve competitive advantage through obtaining distinction from its competitors within the boundaries set by legitimate norms. The structural central and enduing definition on the other hand, provides the required basis for distinctive attributes. In other words, attributes of an organisation are only considered to be distinctive if they are repeatedly present in the organisation (Whetten 2006). This suggests that the CED definition of organisational identity, although segregated in a hierarchical fashion (structural and functional, respectively), needs to be viewed as a unidimensional construct (D. Whetten, personal communication May 22, 2009) in which attributes of the identity are firstly central and enduring, and then subsequently become what is distinctive about the organisation (Whetten 2006).

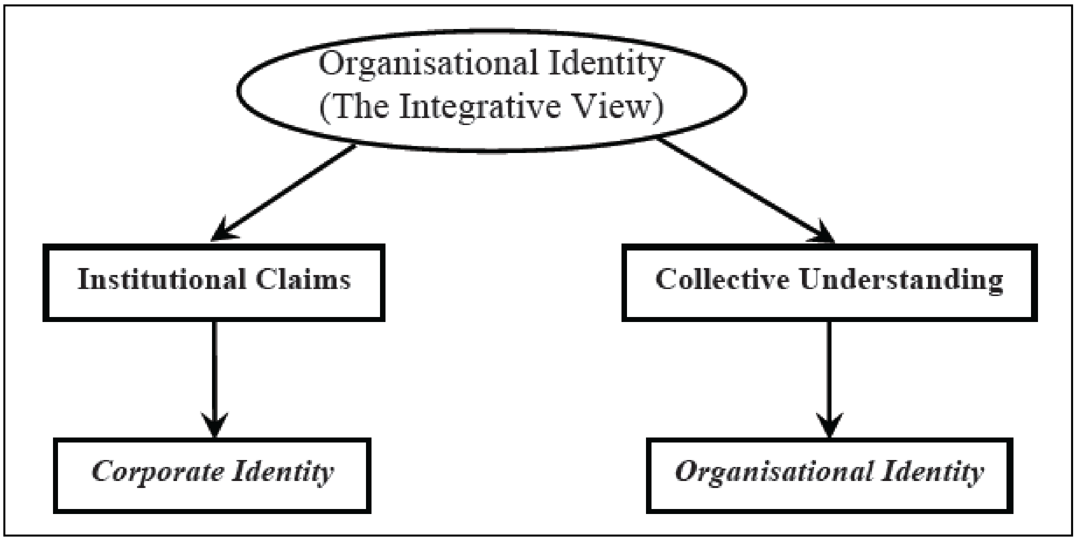
In the institutional literature, other related concepts have been discussed, adding more depth to the concept of organisational identity. For instance, Whetten and Mackey (2002) proposed a 'social actor' approach to organisational identity through the elements of a 'self-management' model, which includes organisational identity, image and reputation when evaluating the communication process between the self (organisation) and others (stakeholders). This model operationalises an organisation's image as self-presentation, whereby the organisational members do their best to present the attributes that are considered to be central, enduring, and distinctive about their organisation. Organisational reputation, on the other hand, is viewed as the feedback from the stakeholders regarding the organisational claims. By taking both organisational image and reputation into account, the congruence of organisational identity is enhanced (Whetten and Mackey 2002). In other words, this model evaluates the accuracy of the communication process, whereby the attributes of the organisation that are central, enduring, and distinctive have been perceived by stakeholders as intended.

Although there are a number of scholars who view organisational identity from the perspective of institutional claims (Whetten 2006; Whetten and Mackey 2002), there is dispute about what is claimed to be the central, enduring, and distinctive attributes of the organisation, and whether they consistently represent organisational reality (Ravasi and van Rekom 2003). Therefore, the collective understandings perspective of organisational identity, introduced in the 1990s, based its conceptualisation on the notion of organisational culture and image, allowing true organisational identity to be revealed (Corley and Gioia 2004; Gioia et al. 2000; Hatch and Schultz 2002). The trend in organisational identity theory in the 2000s is directed towards an integrative view by incorporating both formal claims and organisational members' understandings of their organisation (Brown, Dacin, Pratt, and Whetten 2006; Lievens et al. 2007; Ravasi and Schultz 2006).

The need to integrate both perspectives – institutional claims and collective understandings – arose from methodological issues and the need to adapt to a changing environment. In the collective understandings perspective, research has been undertaken through qualitative methods, while other related constructs, such as identification, have been investigated using quantitative tools. This has led to an inability to empirically test the relationship between organisational identity and identification (Ravasi and van Rekom 2003). Another reason for shifting the perspective of organisational identity to an integrative view is the fact that the institutional claims perspective emphasises how the organisation is deeply committed to its values and beliefs through time (Whetten and Mackey 2002). Therefore, the identity of the organisation tends to be resistant to any changes or pressures from its environment (Ravasi and Schultz 2006). By integrating both views, the identity claims made by organisational leaders can be reinforced by the understandings of organisational members. Ravasi and Schultz (2006) proposed a theoretical model to respond to identity threats from environmental changes by integrating both institutional claims and collective understandings. The integrative view of organisational identity represents both institutional claims and collective understandings as inter-related dimensions producing an 'embedded dynamic' to "reflect organizational leaders' interpretations and to influence other members' understandings" (Ravasi and Schultz 2006, p. 436).

Through the integrative view, different conceptualisations of organisational identity from multiple disciplines can be incorporated into a single framework (Balmer and Greyser 2002; Cornelissen, Haslam, and Balmer 2007; Ravasi and Schultz 2006). In the marketing discipline, corporate identity has been described as how an organisation wants to present itself to its stakeholders, which is equated to other terminology, such as projected image (Gioia et al. 2000). Moreover, in attempting to unify the terminology, Brown et al. (2006) termed the question *what does the organisation want others to think about the organisation?* as *intended image*, describing this as "mental associations about the organization that organizational leaders want important audiences to hold" (2006, p. 102). It is evident that the intended image described by Brown et al. (2006) is aligned with the institutional claims perspective of organisational identity as well as corporate identity. Therefore, by integrating both the institutional claims and collective understandings perspectives, the field of organisational identity has gained a more holistic framework to capture both organisational members' understandings of what the organisation is and how the organisation would like to present itself.

Figure 4.3: The Conceptualisations of Organisational and Corporate Identity (Adapted from Brown et al. 2006; Ravasi and Schultz 2006)



This study integrates the institutional claims and collective understandings perspectives of organisational identity in a single conceptual framework by visualising the institutional claims perspective as 'corporate identity', i.e. projected identity. Further, the collective understandings perspective encompasses 'organisational identity' – the identity of the organisation perceived by organisational members (see Figure 4.3). However, given that organisational identity from a collective understandings perspective has hitherto provided resistant to quantifiable measurement, the CED components have been operationalised to develop an appropriate measurement instrument.

4.5.2 Clarification of the Organisational Identification Construct

In the 2000s, a number of scholars (Ashforth et al. 2008; Edwards 2005) reviewed the concept of organisational identification, mainly to clarify its conceptualisation and operationalisation. Previously, organisational identification was conceptualised as a cognitive state of sameness between organisational members and the organisation, however this was hard to distinguish from other competing concepts such as organisational commitment and internalisation. As a result, in the 2000s the conceptualisation of organisational identification has been extended to include the affective aspect. For instance, van Dick (2001) segregated the definition of social identity theory, used as a basis for organisational identification, into cognitive (the knowledge of classifying oneself in a group) and affective (emotional attachment) components. Although the new conceptualisation of organisational identification somewhat overlaps with the concept of organisational commitment, the difference lies in the fact that organisational commitment excludes the cognitive state of an individual (van Dick 2001).

Riketta (2005) studied the differences between the two constructs of organisational identification and commitment using meta-analysis. The study referred to attitudinal organisational commitment (AOC) as "the relative strength of an individual's identification with and involvement in a particular organization" (Mowday, Steers, and Porter 1979, p. 226), while it conceptualised organisational identification through the definition proposed by Ashforth and Mael (1989). As is readily apparent, this definition of AOC includes the notion of identification, suggesting the two terms overlap. Moreover, Riketta (2005) attempted to illustrate the differences between the two constructs by comparing scales developed to measure organisational identification and AOC. The scales used in Riketta's (2005) study are the organisational identification scale developed by Mael (1988) known as the 'Mael scale', and two commonly used scales for AOC namely the organisational commitment questionnaire (OCQ) developed by Mowday, Steers and Porter (1979) and the affective commitment scale (ACS) developed by Allen and Meyer (1990). Riketta (2005) found that the two concepts are statistically distinct based on their scale items. For instance, the items from the Mael scale are only weakly correlated with the items from the affective commitment scale, which suggests that previous studies in the field of organisational identification had correctly operationalised the construct as being distinctively from that of organisational commitment. In fact, the typical scale of organisational identification, especially the Mael scale, has a narrower focus and works best in measuring organisational consequences, such as extra-role behaviour, as compared to the organisational commitment scale (Riketta 2005).

The debate about the cognitive and affective components of organisational identification has prompted a number of scholars to develop new measures (Bergami and Bagozzi 2000; Smidts, Pruyn, and van Riel 2001). For instance, Bergami and

Bogozzi (2000) used a single item visual diagram to operationalise organisational identification cognitively. A number of scholars (e.g., Ahearne et al. 2005) have subsequently found the instrument effective in examining the overlap between self-definition and organisational identity (Bergami and Bagozzi 2000). However, a number of scholars (e.g., Cole and Bruch 2006) having replicated Mael's study of organisational identification, and Riketta (2005), using meta-analysis, concluded that Mael's scale is the best available measurement for organisational identification to date. In fact, the use of Mael's scale has been extended to further explicate other types of organisational identification, such as disidentitication (over-disidentification), ambivalent identification (over-identification or conflicting identification), and neutral identification (under-identification) (Kreiner and Ashforth 2004).

In summary, organisational identification has been distinguished from similar concepts, such as organisational commitment, through empirical research and theoretical development. In addition, through overarching social identity and self-categorisation theories, organisational identification can be conceptually separated into cognitive and affective aspects (van Dick 2001). Therefore, in operationalising organisational identification, this study will use the Mael and Ashforth (1992, p. 106) definition – "the extent to which the individual defines him or herself in terms of an organization".

4.6 Chapter Summary

As the previous chapter emphasised the role of identity in the formation of corporate brands, this chapter described the evolution of the overarching theory of social identity (SIT) underpinning the concept of identity. SIT in the 1970s emphasised intergroup behaviours and the effects of categorising individuals in a particular social group. In the 1980s, SIT created offshoots such as organisational identity and identification, the latter being a consequence of organisational identity formation once individuals effectively categorise themselves as members of the organisation (Ashforth and Mael 1989). During this time, Albert and Whetten (1985) defined organisational identity in terms of central, enduring, and distinctive (CED) attributes of the organisation. In the following decades, a new perspective of organisational identity emerged, emphasising how members make sense of who they are through an understanding of culture. In contrast, marketing scholars related the concept of identity to corporate identity, which derives from different disciplines including graphic design, communication, and organisational behaviour (Balmer 1998; van Riel and Balmer 1997). In the 2000s, it was clear that there are two differing perspectives of organisational identity, namely 'institutional claims' and 'collective understandings' and the need to integrate both perspectives arose from methodological issues and the imparative to adapt to a changing environment (Ravasi and Schultz 2006; Ravasi and van Rekom 2003). This chapter concluded by proposing that this thesis would take a holistic view of identity and attempt to integrate the two main perspectives.

Chapter 5

Hypothesis Development and Conceptual Framework

5.0 Chapter Overview

The preceding chapters suggest an increasing interest in CSR branding underpinned by the concept of identity. The domain of CSR branding was outlined based on a number of notions explicated in the previous chapters. This thesis refers to CSR branding as the extent to which CSR practices are embedded in the operations of the firm and incorporated as a key component of its corporate brand. Chapter Five begins by identifying a number of research gaps evident in the literature, which define the purpose of this thesis and form the basis of the research questions and related objectives. Finally, this chapter develops hypotheses to be empirically tested as illustrated in a proposed conceptual framework.

5.1 Introduction

CSR has been a growing concern for organisations in the context of building strong corporate brands (Alexander 2009; Du et al. 2010). A thorough review in the previous chapters suggested a number of research gaps. While it is evident that CSR is widely scrutinised within the marketing discipline, the literature is fragmented and often focused on particular aspects of CSR such as cause-related marketing, corporate philanthropy, and corporate citizenship (Alexander 2009; Pracejus and Olsen 2004; Willmott 2003). The argument made in Chapter Two proposed that the spectrums of these competing concepts are not equivalent to the concept of CSR. Accordingly, comparing the effectiveness of engaging in CSR activities across different companies is a complex task. Currently available measures of CSR appear to be problematic, with some methods (e.g., content analysis, social responsibility indexes, reputation ratings) arguably being susceptible to bias resulting in an inauthentic evaluation of organisational character (Basu and Palazzo 2008; Graves and Waddock 1994; Laufer 2003; Snider, Hill, and Martin 2003). Although academics generally agree on the importance of identity to corporate branding, there has been a failure to develop an appropriate measurement scale since extant research has emphasised the use of qualitative techniques (Balmer 2001a; 2005; Balmer and Gray 2003; Balmer and Soenen 1999; Corley and Gioia 2004; Du et al. 2007; Knox and Bickerton 2003). One of the few attempts to develop an identity scale addresses corporate identity in general whereas this thesis seeks to focus specifically on CSR-related identity (Simões et al. 2005). Although the relationship between CSR and corporate financial performance (CFP) has been extensively examined, a clear direction has not as yet been determined (de Bakker et al. 2005; Margolis and Walsh 2003). In summary, this thesis aims to build on existing knowledge of corporate branding by developing a psychometrically robust and generalisable measure of CSR branding and examining its relationship with corporate financial performance and non-financial performance, specifically organisational identification.

5.2 Research Questions and Objectives

The research gaps identified in the previous section form the basis of the following research questions.

1. What are the salient dimensions of CSR branding and how can the construct be measured?
2. What is the impact of adopting CSR branding on firm performance?
3. What are the potential mediators and/or moderators of the CSR branding/corporate performance relationship?

Accordingly, the specific research objectives are identified as follows.

1. To identify the salient dimensions of CSR branding.
2. To develop a psychometrically valid, reliable, and generalisable measure of CSR branding.
3. To examine the effects of CSR branding on corporate financial and non-financial performance (organisational identification).
4. To examine the mediating effects of organisational identification on the relationship between CSR branding and corporate financial performance (CFP).

5. To examine the moderating effects of research and development (R&D) intensity, advertising intensity, and CSR-Company Ability (CA) beliefs on the CSR branding/firm performance relationship.
6. To identify which of the CSR branding dimensions contribute the most to corporate financial performance and organisational identification.

5.2.1 The Salient Dimensions of CSR Branding

The first objective of this thesis is to identify the salient dimensions of CSR branding. Although the concept of identity has been discussed widely in the literature, its measurement has not yet been satisfactorily achieved. Chapter Four discussed a tripartite conceptualisation of organisational identity encompassing central, enduring, and distinctive (CED) elements (Albert and Whetten 1985). Whetten has pointed out that the CED conceptualisation cannot be operationalised as a multi-dimensional model (D. Whetten, personal communication May 22, 2009). In other words, an attribute must be central, enduring, and distinctive for it to be considered part of an organisation's identity. Moreover, identity is described differently in different traditions – e.g., as 'organisational identity' in organisational behaviour, and 'corporate identity' in marketing – inhibiting the adoption of the interdisciplinary approach often recommended (Ravasi and Schultz 2006; van Riel and Balmer 1997). In addition, the preceding chapter demonstrated that organisational identity is based on the 'collective understandings' perspective, whereas corporate identity is based on the 'institutional claims' approach (Ravasi and Schultz 2006). To avoid future confusion, this thesis simply refers to 'identity' based on the integrative perspective of organisational and corporate identity, with its conceptualisation framed in terms of the shared understandings of organisational members which the organisation intend to project to its external stakeholders. The findings of the exploratory stage of this thesis, fully described in Chapter Six, suggest that separate constructs of organisational and corporate identity cannot be clearly distinguished in the minds of organisational members.

As this thesis aims to develop a scale to evaluate an organisation's CSR branding, Chapter Two provided a conceptualisation of CSR as used in this thesis. The CSR definition of McWilliams and Siegel (2001, p. 117) is adopted: "[A]ctions that appear to further some social good, beyond the interests of the firm and that which is required by law... going *beyond* obeying the law". These 'social good' actions are limited only to those with power, legitimate claims, and/or urgency, referred to as stakeholders in this thesis (Mitchell et al. 1997). The definition of Mitchell et al. (1997) allows this thesis to expand the stakeholder groups in question to include the natural environment which is often excluded from stakeholder analysis (Starik 1995). In addition, it was evident from the depth interviews with Australian managers, which took place during the preliminary stage of this research project, that the environment is a major component of the CSR concept. This thesis initially identified the dimensions of CSR branding in terms of the environment, customers, suppliers, employees, and the community. However, the exploratory round of data collection suggested only four dimensions of CSR branding namely environmental awareness, financial fairness (a combination of financial dealings with customers and suppliers), employee concern, and community commitment (a full description of all steps taken is provided in Chapter Six). Since stakeholder theory underpins the proposed dimensions of the CSR branding, it is unsurprising that the dimensions are based on specific aspects of organisational behaviour relating to each stakeholder group. This framework is similar to that of the reputation quotient scale in which the perceptions of stakeholders are paramount; but the dimensions themselves are categorised as 'emotional appeal', 'products and services', 'vision and leadership', 'workplace environment', 'social and environmental responsibility', and 'financial performance' as opposed to simply according to stakeholder groups such as 'customers', 'employees', 'community', and 'suppliers' (Fombrun, Gardberg, and Sever 2000, p. 253). Thus, the following hypotheses are proposed.

H_{1a}: *The covariance among CSR branding items can be explained by a four-factor model (environmental awareness, financial fairness, employee concern, and community commitment) where each item belongs to only one dimension.*

H_{1b}: *While CSR branding is categorised in four dimensions (environmental awareness, financial fairness, employee concern, and community commitment), the covariance among CSR branding items can be explained as a single, CSR branding factor.*

5.2.2 Validity and Reliability

The second objective of this thesis is to develop a psychometrically valid, reliable, and generalisable measure of CSR branding. This thesis demonstrates that the CSR branding scale processes three types of validity, namely 'content validity', 'criterion-related' or 'predictive validity', and 'construct validity' (Nunnally and Bernstein 1994). Flynn and Pearcy (2001) noted that, although a few scholars perceive construct validity to be the most essential form of validity as it relates to the theoretical underpinnings, without establishing content and criterion-related validity the items in the scale may not capture the true nature of what this should be measuring. Each type of validity holds different implications for generalisability (Nunnally and Bernstein 1994), thus this thesis assesses all three types of validity. Reliability is assessed in order to establish that the measures provide steady performance when repeated over time. This thesis employs a robust measure of reliability in which standardised loadings and measurement error are accounted for, i.e., 'composite reliability' or 'construct reliability' (Hair, Black, Babin, and Anderson 2010; Shook, Ketchen, and Hult 2004). Since achieving scale validity does not ensure its reliability and vice versa (DeVellis 1991; Nunnally and Bernstein 1994), both validity and reliability are assessed in this thesis. Hypotheses on validity and reliability are provided in the following section.

5.2.2.1 Content Validity

When generating the items in a scale, meaning of each item needs to adequately reflect the defined construct domain, often referred to as 'content validity' (DeVellis 1991) or 'face validity' (Churchill 1995). In general, content validity is usually established before the actual investigation of the construct commences (Nunnally and Bernstein 1994). Appropriate procedures are critical to establishing content validity, whereby a clear construct domain needs firstly to be identified in order to generate a large pool of potential items (Churchill 1995). In refining the items to be used in the later stage, expert validation is often employed (Churchill 1995; DeVellis 1991). These procedures used in this thesis are fully specified in Chapter Six. The following related hypotheses are proposed:

H_{2a}: The CSR branding scale will possess content validity.

H_{2b}: The scale measuring the environmental awareness dimension of CSR branding will possess content validity.

H_{2c}: The scale measuring the financial fairness dimension of CSR branding will possess content validity.

H_{2d}: The scale measuring the employee concern dimension of CSR branding will possess content validity.

H_{2e}: The scale measuring the community commitment dimension of CSR branding will possess content validity.

5.2.2.2 Criterion-related Validity

Criterion-related validity is perceived from a practical point of view to examine "how well the measure predicts the criterion" (Churchill 1995, p. 533). While 'predictive' validity can refer to the relationship of 'predictor' and criterion with regard to events occurring before, during or after the predictor is applied, the advantage of the term 'criterion-related validity' is its temporal neutrality (DeVellis 1991; Nunnally and Bernstein 1994). Notably, use the term predictive validity may cause misunderstanding, as the correlation coefficient of predictor and criterion cannot simply be translated as an estimate for predicting the relevant criterion (DeVellis 1991). In determining criterion-related validity, the correlation coefficient between predictor and criterion is ascertained with a score of .30 or above deemed as acceptable (Nunnally and Bernstein 1994). Thus, it is hypothesised that:

H_{3a}: The CSR branding scale will possess criterion-related validity.

H_{3b}: The scale measuring the environmental awareness dimension of CSR branding will possess criterion-related validity.

H_{3c}: The scale measuring the financial fairness dimension of CSR branding will possess criterion-related validity.

H_{3d}: The scale measuring the employee concern dimension of CSR branding will possess criterion-related validity.

H_{3e}: The scale measuring the community commitment dimension of CSR branding will possess criterion-related validity.

5.2.2.3 Construct Validity

While content and criterion-related validity are essential, it is construct validity that illustrates the proper theoretical performance of the construct in a larger model (Flynn and Pearcy 2001). Construct validity can be defined as "the extent to which a measure behaves the way that the construct it purports to measure should behave with regard to established measures of other constructs" (DeVellis 1991, p. 46). Three forms of construct validity were explained in this thesis: convergent, discriminant and nomological. Convergent validity exists when there is a high correlation between two independent instruments intended to measure the same construct, whereas discriminant validity exists when the measure does not correlate too highly with measures that are intended to be different (Churchill 1995). Nomological validity can be assessed through investigation of the theoretical relationships between the measure and other constructs. For instance, if constructs A and B are theoretically related and hypothesised to have a strong relationship, to the extent that A is accepted as construct valid, a high correlation between the two constructs implies that B is also construct valid (Peter 1981). Thus, it is hypothesised that:

H_{4a}: *The CSR branding scale will possess convergent validity.*

H_{4b}: *The scale measuring the environmental awareness dimension of CSR branding will possess convergent validity.*

H_{4c}: *The scale measuring the financial fairness dimension of CSR branding will possess convergent validity.*

H_{4d}: *The scale measuring the employee concern dimension of CSR branding will possess convergent validity.*

H_{4e}: *The scale measuring the community commitment dimension of CSR branding will possess convergent validity.*

H_{4f}: *The CSR branding scale will possess discriminant validity.*

H_{4g}: *The scale measuring the environmental awareness dimension of CSR branding will possess discriminant validity.*

H_{4h}: *The scale measuring the financial fairness dimension of CSR branding will possess discriminant validity.*

H_{4i}: The scale measuring the employee concern dimension of CSR branding will possess discriminant validity.

H_{4j}: The scale measuring the community commitment dimension of CSR branding will possess discriminant validity.

H_{4k}: The CSR branding scale will possess nomological validity.

H_{4l}: The scale measuring the environmental awareness dimension of CSR branding will possess nomological validity.

H_{4m}: The scale measuring the financial fairness dimension of CSR branding will possess nomological validity.

H_{4n}: The scale measuring the employee concern dimension of CSR branding will possess nomological validity.

H_{4o}: The scale measuring the community commitment dimension of CSR branding will possess nomological validity.

5.2.2.4 Reliability

Reliability is concerned with the consistency of scale performance, aiming for it to be free of random and systematic errors (Cooper and Schindler 1998). Hence, if a minimal level of error exists the scale is deemed to be reliable (Nunnally and Bernstein 1994). Although reliability is vital, it does not imply that a construct is necessarily valid (Hair et al. 2010). Coefficient alpha or Cronbach's alpha, a commonly used measure in assessing internal consistency reliability, has a key limitation in that all items are assumed to contribute equally to reliability. A more robust measure of reliability is used in stage two of this research as it is appropriate in conjunction with the use of structural equation modelling (SEM) i.e., 'composite reliability' or 'construct reliability' which "draws on the standardized loadings and measurement error for each item" (Shook et al. 2004, p. 400). A construct reliability of .70 is generally regarded as acceptable (Hair et al. 2010; Shook et al. 2004). Internal consistency is indicated through high construct reliability signifying that all indicators consistently represent the same latent construct (Hair et al. 2010). Thus, the following hypotheses are proposed.

H_{5a}: The CSR identity scale will possess an acceptable level of reliability

H_{5b}: The scale measuring the environmental awareness dimension of CSR identity will possess an acceptable level of reliability.
H_{5c}: The scale measuring the financial fairness dimension of CSR identity will possess an acceptable level of reliability.
H_{5d}: The scale measuring the employee concern dimension of CSR identity will possess an acceptable level of reliability.
H_{5e}: The scale measuring the community commitment dimension of CSR identity will possess an acceptable level of reliability.

5.2.3 CSR Branding and Firm Financial Performance

The third objective of this thesis is to examine the relationship between CSR branding and firm performance. This thesis investigates firm performance in two parts including financial and non-financial performance. This section will discuss the impact of CSR branding on firm financial performance. As discussed in Chapter Two, the long-running debate on corporate social responsibility has resulted in a proliferation of terms such as corporate social responsiveness (CSR_2) and corporate social performance (CSP) (Carroll 1979; Frederick 1994; Wartick and Cochran 1985). Although a single definition of CSR has not been universally accepted (Okoye 2009), there have been many attempts to evaluate the relationship of CSP – an observable outcome of CSR (Frederick 1994) – with corporate financial performance (CFP) with mixed results (de Bakker et al. 2005; Margolis and Walsh 2003; Orlitzky et al. 2003). The inconsistent findings in the CSP/CFP research literature stem from a number of things, including the use of inconsistent measures often evaluating only a single dimension of CSR (Waddock and Graves 1997), the lack of sound theoretical frameworks (Waddock and Graves 1997), different interpretations of the CSR concept, and a failure to include relevant moderating and/or mediating variables (Carroll and Shabana 2010). This thesis contributes to the body of knowledge on CSR by proposing a new instrument to evaluate the extent to which CSR practices are embedded in organisations, as well as examining the roles of a number of key variables in mediating or moderating the CSP/CFP relationship (Carroll and Shabana 2010; Hull and Rothenberg 2008; McWilliams and Siegel 2000; Surroca et al. 2010).

Existing measures of CSP include forced-choice surveys (Aupperle et al. 1985), reputational indexes (Luo and Bhattacharya 2009), content analyses of company reports (Montabon et al. 2007), and the evaluations of independent CSP ratings agency Kinder, Lydenberg, Domini (KLD) (Hull and Rothenberg 2008; McWilliams and Siegel 2000; Waddock and Graves 1997). There are limitations with all of the above methodologies. For example, content analysis of a company's annual or sustainability report, while offering details on company behaviour in terms of social responsibility, could be biased due to selective omission and inclusion of information by the company itself (Waddock and Graves 1997). Concerns have been raised in the literature about CSR reporting because of the issue of authenticity, i.e. the possibility that firms use CSR as a façade as opposed to considering it of central importance to the organisation (Laufer 2003). While reputational indexes based on the judgements of independent third parties provide broadly based measures of organisational performance, CSR is generally only one component under consideration (Waddock and Graves 1997). The commonly used reputational based CSR surveys – often comprised of a single item in a measure – capture only limited aspects of a firm's corporate social performance and generally lack sound theoretical foundations, as in the case of Sen and Bhattacharya's (2001) study.

This thesis regards the CSR branding scale described in the previous section as an improvement on existing measures for three main reasons. Firstly, the CSR branding scale is grounded in stakeholder theory offering a multi-dimensional approach to the evaluation of firm social performance. Secondly, since CSR is evaluated in terms of its embeddedness in the identity of the firm, the scale offers the opportunity to understand the genuine collective understanding of CSR practices within the organisation thus mitigating the issue of CSR authenticity. Thirdly, the CSR branding scale specifically relates to CSR_1 (Frederick 1994), as opposed to corporate social responsiveness (CSR_2), since practicing CSR_1 implies proactive concern for the well-being of stakeholder groups regardless of public pressure, whereas the concept of CSR_2 relates to the actions of firms in response to the explicit needs and wants of stakeholder (Wartick and Cochran 1985). It is arguable that the failure to clearly distinguish between these aspects of CSR_1 and CSR_2 is one reason for the ambiguous results in prior CSP/CFP research.

Although the extensive research literature on the CSP/CFP relationship has produced mixed results (Margolis and Walsh 2003), there is an adequate body of empirical research to justify the hypothesis that corporate social performance is positively related to corporate financial performance (Hart and Ahuja 1996; Hull and Rothenberg 2008; Luo and Bhattacharya 2006; Waddock and Graves 1997). For instance, Waddock and Graves (1985) found a positive relationship exists between CSP and CFP predicated on 'good management theory' explained as 'do well by doing good'. Other research has argued involvement in CSR is financially rewarding because of its benefits (such as attracting and retaining high quality staff) outweigh its costs (Hart and Ahuja 1996).

As described in the previous section, this thesis conceptualises CSR in terms of stakeholder theory, arguing that the CSR/CFP relationship is positive when firm behaviour is acknowledged as legitimate by multiple stakeholder groups leading in turn to favourable performance outcomes (Husted and Allen 2007; Jones 1995; Jones and Wicks 1999; Wood and Jones 1995). In other words, stakeholders such as customers, employees, and investors use the firm's corporate social performance as an indicator in making purchasing or investment decisions (Luo and Bhattacharya 2006; Sen, Bhattacharya, and Korschun 2006; Turban and Greening 1997) thus positively impacting the firm's financial performance (Jones and Murrell 2001).

This thesis postulates that the CSR/CFP relationship is optimally measured in terms of CSR branding. As suggested by Basu and Palazzo (2008), it is essential for internal stakeholders at all levels to make sense of the firm's CSR character (grounded in the concept of organisational identity) in order to achieve a positive reputation, build customer loyalty and enhance firm financial performance. This thesis proposes that merely engaging in superficial CSR activities without truly embedding them into the organisation's identity will not create a clear image in the mind of stakeholders and thus may not contribute positively to the firm's financial bottom line. Equally, companies who do not engage in CSR at all, or who have a negative reputation in this regard, should expect relatively lower levels of financial success. Companies in this position would receive a lower mean score on the CSR branding scale (i.e., below the mid-point of the scale). Treating CSR as a key component of organisational identity may help resolve the ambiguous CSR/CFP relationship found in the extant literature (Margolis and Walsh 2003; Orlitzky et al. 2003). Thus, it is hypothesised that:

H_{6a}: Embedding CSR branding in an organisation will positively impact on corporate financial performance.

5.2.4 CSR Branding and Firm Non-Financial Performance (Organisational Identification)

The second part to the third objective of this thesis aims to investigate the impact of CSR branding on non-financial performance specifically organisational identification. Organisational identification can be defined as the degree to which organisational members perceive their identities to be identical to that of the organisation (Ashforth and Mael 1989). Organisational identification is proposed as a dependent variable in this research for two main reasons. Firstly, organisational identification has been perceived to have a strong theoretical link to organisational identity, since they both stem from the same theory – social identity theory (van Dick 2001). As Scott and Lane (2000) noted, acceptance of the identity of the organisation is an essential prerequisite for subsequent stakeholder identification with the organisation. An extended version of social identity theory has been applied to the case of the Body Shop, with the finding that positive perceptions about CSP lead to greater levels of organisational identification (Turban and Greening 1997). Secondly, increasing interest in the concept of internal marketing (de Bussy, Ewing, and Pitt 2003) has led to the suggestion that employee identification is a potentially important measure of firm performance (Lichtenstein, Netemeyer, and Maxham 2010). This thesis suggests that organisational identification among managers and employees is a relevant indicator of internal performance. However, it is worth noting that an excessively high degree of organisational identification among internal stakeholders is not necessarily always desirable because it may result in 'over-identification', as discussed in Section 4.4.3.

This thesis proposes that possessing a strong CSR branding leads to a greater degree of organisational identification among organisational members. This premise is supported by Peterson (2004) who found a positive relationship between CSR and organisational commitment (a similar construct to organisational identification). Research in the marketing discipline has referred to organisational identification as 'company-customer (C-C) congruence', and has also suggested a positive relationship between CSR and organisational identification (Sen and Bhattacharya 2001). While C-C congruence appears to be an appropriate term for customer studies, this thesis refers to organisational identification instead since an internal stakeholder perspective is undertaken. Thus, the following hypothesis is formulated:

H_{6b}: Embedding CSR branding in an organisation will positively impact on corporate non-financial performance (organisational identification).

5.2.5 The Mediating Role of Organisational Identification

The fourth objective of this study is to investigate the mediating effects of organisational identification on the CSR branding/CFP relationship. As discussed above, research on the CSR/CFP relationship has resulted in mixed findings (Berman et al. 1999; Graves and Waddock 1994; Hillman and Keim 2001). For instance, Hillman and Keim (2001), who conceptualised corporate social performance in terms of both stakeholder management and social issue participation, failed to establish a causal relationship between CSR and CFP. A number of other studies have suggested a mediator, such as employee commitment, customer loyalty, customer satisfaction and stakeholder satisfaction, in explaining the CSR/CFP relationship (de Bussy 2005; Luo and Bhattacharya 2006; Maignan et al. 1999).

Given that the investigation of relevant mediating variables is appropriate in examining the CSR/CFP relationship, this thesis proposes organisational identification as a potentially important mediator. Organisational identification has, previously, been positively linked to aspects of firm performance (Lichtenstein et al. 2010). A recent study found that favourable financial performance is influenced by an organisational identification 'chain of effect' from managers to employees, and from employees to customers (Lichtenstein et al. 2010). In other words, for customers to identify with the organisation, initial organisational identification among managers and employees needs to exist. It is suggested that managers provide an important link between the organisation and its stakeholders (Scott and Lane 2000). Hence, the following hypothesis is proposed.

H_{6c}: The relationship between CSR branding and corporate financial performance will be mediated by the degree of organisational identification.

5.2.6 The Moderating Role of Innovation and Advertising Intensity

The first part of the fifth objective of this study is to examine the moderating effect of R&D and advertising intensity on the CSR branding/CFP relationship. The extant literature suggests complexity in the relationship between CSR and CFP with increasing emphasis placed on the roles of mediating and moderating variables (Carroll and Shabana 2010; Hull and Rothenberg 2008; Lai, Chiu, Yang, and Pai 2010; Luo and Bhattacharya 2006; 2009; McWilliams and Siegel 2000; Surroca et al. 2010). McWilliams and Siegel (2000) demonstrated the complexity of the CSR/CFP relationship through an econometric model incorporating the additional variables of R&D and advertising intensity, as proxies for differentiation at the firm and industry levels respectively. The findings show that including R&D and advertising intensity in the model results in the apparent disappearance of the positive CSR/CFP relationship observed in other studies which excluded these variables (McWilliams and Siegel 2000). Hull and Rothenberg (2008) built on McWilliams and Siegel's (2000) study by proposing that R&D and advertising intensity moderate the CSR/CFP relationship. Their findings suggest that CSR positively impacts firm financial performance in firms with low investment in R&D (undifferentiated firms) and advertising (undifferentiated industry) as opposed to firms with higher investment in R&D (differentiated firm) and advertising (differentiated industry). In other words, not all firms engaging in CSR activities enjoy superior financial performance as a consequence. This thesis acknowledges the potential importance of R&D and advertising intensity as moderators of the CSR/CFP relationship.

Investing in R&D enhances the firm's ability to effectively deliver product and process innovations, thus attracting consumers to purchase (Luo and Bhattacharya 2009). However, engaging in CSR activities can also be thought of as a form of product and/or process innovation (McWilliams and Siegel 2000). For example, a restaurant offering 'free range' meat on animal welfare grounds may be perceived as providing a higher quality product (McWilliams and Siegel 2000). This suggests a potentially high correlation between CSR and innovation. Luo and Bhattacharya (2009) examined the relationship between CSR and firm-idiosyncratic risk – unsystematic risk highly associated with firm value and financial performance – and found that R&D intensity positively moderates the relationship between CSR and firm-idiosyncratic risk. In other words, CSR initiatives enhance firm performance (in the form of risk reduction) when R&D investment is high. These findings appear to accord with those of Hull and Rothenberg (2008) in the sense that R&D intensity moderates the CSR/CFP relationship. However, it is unclear from the extant literature whether the moderating effect is positive or negative. Thus, it is hypothesised that:

H_{6d}: The relationship between CSR branding and corporate financial performance will be moderated by R&D intensity.

Advertising intensity at the industry level has also been proposed as a moderating variable of relevance to the CSR/CFP relationship (Hull and Rothenberg 2008). The effects of advertising intensity can be viewed as anti-competitive in that high intensity creates entry barriers for new players and discourages existing competitors from staying in the market (Mizik and Jacobson 2003). As companies in such industries allocate substantial amounts of spending on advertising activities, these industries appear to be highly differentiated with less emphasis on price-based competition (Hull and Rothenberg 2008). The extant research has tested the relationship between advertising intensity – a proxy for industry differentiation – and firm financial performance and found that differentiation within an industry positively impacts firm financial performance (Hull and Rothenberg 2008; McWilliams and Siegel 2000). However, practising CSR in highly differentiated industries appears to result in negligible impact on firm financial performance (Hull and Rothenberg 2008). In other words, a firm successfully operating in a differentiated industry has typically already achieved superior financial performance, hence engaging in CSR does not significantly add to financial performance. Luo and Bhattacharya (2009) also found that advertising intensity moderates the relationship between CSR and firm performance (indicated through risk reduction).

However, their study suggested CSR's impact on CFP is positively moderated by higher levels of advertising intensity (Luo and Bhattacharya 2009). As in the case of R&D intensity, there is apparent agreement that advertising intensity moderates the CSR/CFP relationship but disagreement about whether this effect is positive or negative. Thus, it is hypothesised that:

H_{6e}: The relationship between CSR branding and corporate financial performance will be moderated by advertising intensity.

5.2.7 The Moderating Role of CSR-Company Ability (CA) Beliefs

The second part to the fifth objective of this study aims to investigate the moderating effects of CSR-CA beliefs on the CSR branding/organisational identification relationship. While the definition of organisational identification acknowledges the degree of sameness between organisational members' identities and that of organisation (Mael and Ashforth 1992), organisational members' emotional responses to the firm's identity are also important in fully explaining the way in which organisational members think and feel (Harquail 1998). The previous chapter revealed that the concept of organisational identification has been extended to capture both cognitive and affective responses of organisational members (van Dick 2001). For instance, while highlighting the positive relationship between CSR and organisational commitment, Peterson (2004) also found that the relationship is enhanced when organisational members hold positive personal beliefs about the importance of CSR activities. Likewise, in this thesis it is proposed that the personal beliefs of individual managers about the value of CSR will moderate the CSR branding/organisational identification relationship. Sen and Bhattacharya (2001) investigated the impact of CSR information on customer evaluations of the company and found support for the mediating role of C-C congruence in this relationship. Moreover, Sen and Bhattacharya (2001) found that the relationship between CSR information and C-C congruence is moderated by 'CSR-CA beliefs' – the extent to which customers believe that engaging in CSR activities threatens the firm's effectiveness in other areas such as product innovation and financial performance. Although Sen and Bhattacharya's (2001) study investigated the above relationships from a customer's point of view, this thesis extends their premise to consider the perspective of organisational managers. Thus, it is hypothesised that:

H_{6f}: The relationship between CSR branding and organisational identification will be moderated by managerial CSR-company ability beliefs.

5.2.8 The Contribution of Different Dimensions of CSR Branding to CFP

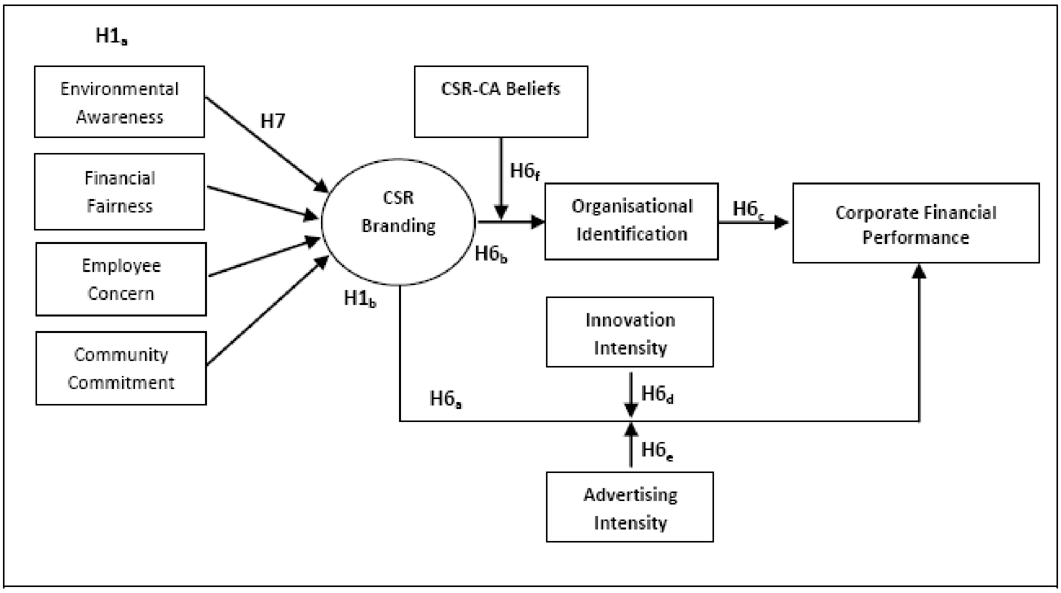
Finally, the last objective of this thesis is to identify which of the CSR branding dimensions contribute the most to corporate financial performance. Although it is hypothesised that strengthening all four dimensions of CSR branding will enhance corporate financial performance, from a practical point of view an organisation may not be able to prioritise all four aspects at once. It is important to examine the impact of each CSR branding dimension on corporate financial performance in order to strategically manage overall CSR branding. Thus, it is hypothesised that:

H_7: Each dimension of CSR branding will affect corporate financial performance to a different degree.

5.3 Conceptual Framework

Based on the hypotheses proposed above, Figure 5.1 presents the conceptual framework for this thesis.

Figure 5.1: Conceptual Framework



5.4 Chapter Summary

This chapter outlined the research questions, objectives, hypotheses and proposed conceptual framework for this research. The chapter commenced by explaining the research gaps leading to the need to develop the CSR branding scale. The fundamental purpose of this study has been described as developing a valid and reliable CSR branding scale to measure the extent to which CSR practices are embedded in the operations of the firm and incorporated as a key component of its corporate brand. It was proposed that the CSR branding scale will possess content, criterion-related, and construct (convergent, discriminant, and nomological) validity, and reliability. The two dependent variables – financial and non-financial (organisational identification) performance – were hypothesised to be affected by adopting CSR branding. In addition, a potential mediator (organisational identification) and moderators (R&D intensity, advertising intensity, and CSR-CA beliefs) were identified and hypothesised to affect the CSR branding/firm performance relationship. The chapter concluded by providing a conceptual framework illustrating the hypothesised relationships of all the constructs identified in this thesis. The following chapter describes the research methodology adopted for the development of the CSR branding scale and testing of all hypotheses.

Chapter 6

Research Methodology

6.0 Chapter Overview

The research objectives, a series of research hypotheses and a conceptual framework were outlined in the previous chapter. This chapter presents the study's philosophical approach and details the methodology adopted. A primary consideration was to follow appropriate psychometric scale development procedures in order to construct the scale to measure corporate social responsibility (CSR) branding used in this research to evaluate the relationship of CSR branding with corporate financial and non-financial performance and other key variables of interest. Firstly, this chapter outlines the research paradigm within which this research was undertaken. This is following by a full description of the scale development procedures undertaken. This chapter also justifies the procedures used to identify the appropriate unit of analysis, the survey design and sampling strategy, and data collection methodology. The analysis of the data collected is discussed in Chapter Seven.

6.1 Introduction

The nature of the research cycle is often discussed in three stages including description, explanation, and testing (Meredith, Raturi, Amoako-Gyampah, and Kaplan 1989). A research project commences by addressing the questions of who, what, when, where, and how in order to clarify the research subject (Cooper and Schindler 1998). Exploratory research is used in situations where not much is known about the topic of the study, and is often qualitative and/or descriptive in nature (Meredith et al. 1989). Following an exploratory study, or as a result of examining the extant literature, it may be possible for researchers to identify potential casual relationships, leading to the development of a conceptual framework or model (Meredith et al. 1989). The framework should be based on sound theories which can explain the phenomena in question and can be used to formulate testable research hypotheses (Cooper and Schindler 1998; Meredith et al. 1989). However, it is worth noting that there is an important difference between explanation and prediction. While prediction simply involves the observation of correlations, explanation provides a causal understanding of the relationships amongst the constructs (Meredith et al. 1989). Finally, the last stage in the research cycle is ‘testing’, which is designed to produce data which may confirm or disconfirm the hypotheses under investigation. Although testing involves prediction, it may also play an integral role in explanation, as is the case in this thesis (Meredith et al. 1989).

Meredith et al. (1989) define research paradigms as a series of methods following a similar pattern defined in relation to ‘rational/existential’ and ‘natural/artificial’ dimensions as shown in Figure 6.1.

Figure 6.1: A Framework for Research Methods (Meredith et al. 1989, p. 309)

Natural ⟷ **Artificial**

Rational ↕ **Existential**

	Direct Observation of Objective Reality	*People’s Perceptions of Objective Reality*	*Artificial Reconstruction of Objective Reality*
Axiomatic			- Reason/logic/ theorems - Normative Modelling - Descriptive Modelling
Logical positivist/Empiricist	- Field Studies - Field Experiments	- Structured Interviewing - Survey research	- Prototyping - Physical Modelling - Laboratory Experimentation - Simulation
Interpretive	- Action Research - Case Studies	- Historical Analysis - Delphi studies - Intensive Interviewing - Expert Panels - Futures/ Scenarios	- Conceptual Modelling - Hermeneutics
Critical Theory		- Introspective Reflection	

The dimension of 'rational/existential' relates to the knowledge structure of the research process, whether it is based on the formal/logical structure in measuring truth (rational) or acquired through human interactions in the subjects' own environment (existentialism). As this thesis involves using questionnaires as a means of data collection, it is best explained in terms of the rational/existential dimension. This thesis adopts a logical positivist/empiricist perspective, assuming "the phenomenon under study can be isolated from the context in which it occurs and that facts or observations are independent of the laws and theories used to explain them" (Meredith et al. 1989, p. 306). As mentioned previously, prior empirical studies of CSR have frequently relied on secondary data sources (Hull and Rothenberg 2008; Waddock and Graves 1997). Recently, a call to examine CSR in terms of the identity of the organisation has been made (Basu and Palazzo 2008), providing a justification for the theme of this research. As suggested by Scott and Lane (2000), the identity of the organisation can be understood through investigating managerial perceptions, as managers are generally aware of and responsible for the obligations the organisation has to its constituencies (Clarkson 1995). Hence, the managers' perceptions of their organisations' identities are obtained through the use of questionnaires. The second dimension, 'natural/artificial', relates to the type of information used in a study, as well as to where the information is acquired from. Since this study acquired information from marketing managers or those with similar responsibilities, the findings are based on their perceptions of natural reality as is the norm for most types of survey research (Meredith et al. 1989).

6.2 Scale Development

Psychometric methods are described as "procedures for psychological measurement" whereby the measurement describes the data in numbers using the notion of mathematical thinking (Guilford 1954, p. 1). However, past literature suggests that research in physical science differs from that of social science in that the former relies on a few sound and mature theories and the latter on a number of less mature theories which rapidly evolved in an attempt to measure intangible phenomena (DeVellis 1991). Accordingly, using measurement methods developed in the field of physical science is not applicable to psychology and other social sciences, leading to a need to develop appropriate psychological measurement instruments (DeVellis

1991). Measurement scales are often referred to as “measurement instruments that are collections of items intended to reveal levels of theoretical variables, not readily observable by direct means” (DeVellis 1991, p. 8). In other words, the scales are developed to measure phenomena, which the researcher believes to exist on theoretical grounds yet which are unable to be assessed directly.

In the marketing field, the best known methodology for developing measurement scales based on psychometric principles was developed by Churchill (1979). Numerous marketing scales have been developed using Churchill’s (1979) eight-step process comprising: specify the construct domain, generate sample items, collect first round data, purify measure, collect second round data, assess reliability, assess validity, and develop norms. This thesis follows Churchill’s procedures in developing the CSR branding scale, and descriptions of eight steps taken are provided in the following sections.

6.3 The Construct Domain of Corporate Social Responsibility

Churchill (1979) suggested that in order to develop a better measure, establishing a well-clarified construct domain (what is included and excluded from its definition) is a vital first step. Chapter Two reviewed the literature on CSR and found a lack of universally accepted definitions in the field since the concept is evaluative, descriptive, complex and fluctuates rapidly (Okoye 2009). In addition, there has been growth in competiting terminologies such as corporate social responsiveness (CSR_2) (Frederick 1994) and corporate citizenship (Carroll 1998). However, this thesis argues that CSR, often described as ‘CSR_1’ (Frederick 1994) is different from these alternative terms.

Among a number of CSR definitions presented in the literature, McWilliams and Siegel’ s (2001, p. 117), described CSR as “actions that appear to further some social good, beyond the interests of the firm and that which is required by law”. This is adopted as the conceptual definition of CSR in this thesis. For instance, a firm engaging in a human rights program should not necessarily claim itself to be socially responsible if as such actions are required by law and expected by the public. As noted by Friedman (1962; 1970), any organisational behaviour that is required by law or ethical custom should not be considered 'CSR' but merely as 'business as usual'. Thus, any actions taken by an organisation categorised under CSR should be on voluntary basis (Jones 1980).

Moreover, this thesis incorporates the concept of CSR with identity in positioning CSR as the collective understandings and institutional claims of an organisation (Balmer and Greyser 2002; Cornelissen et al. 2007; Ravasi and Schultz 2006). Although there is an attempt in the literature to break down the concept of identity into organisational identity (collective understandings) (Fiol 1991; Gioia and Thomas 1996; Hatch and Schultz 1997) and corporate identity (institutional claims) (Whetten 2006; Whetten and Mackey 2002), this thesis argues that both concepts are empirically inseparable. Thus, an integrative view of organisational identity is adopted. As there is a lack of organisational identity measures in the extant literature, this thesis uses the central, enduring, and distinctive framework (CED) (Albert and Whetten 1985) as an operational construct in developing an appropriate CSR branding scale.

6.4 The Generation of a Sample Item Pool

The second step for scale development is generating a sample of items which accord with the dimensions specified in the construct domain (Churchill 1979). It is noted that items should convey somewhat different tones of meaning and should also be sufficiently comprehensive to cover all aspects of the construct domain (Churchill 1979). All items should reflect the latent variable underlying them, given that each item falls into the construct of interest (DeVellis 1991). Thus, unidimensionality – each item falling into a single factor – is expected at a later stage. The item pool should have some redundancy because this helps in validating the final selection of items. While redundant items should convey similar ideas, they should be grammatically different in structure (DeVellis 1991). Although high internal consistency reliability is expected, having too many sample items may dilute the intended meaning due to vagueness. It is generally accepted that the sample item pool can be three to four times as large as the final scale (DeVellis 1991). Common errors scale developers should avoid include very lengthy items, as they usually generate confusion in the minds of respondents (Churchill 1979; DeVellis 1991). Double-barrelled questions should be split into two different items (Churchill 1979).

When generating the sample items, both deductive and inductive approaches can be employed (Hinkin 1995). The deductive approach is based on a comprehensive literature review in order to understand the theoretical definition of the construct; the inductive approach, on the other hand, builds understanding on the basis of insights from expert informants (Hinkin 1995). The initial sample of items for this study was firstly generated using a deductive approach whereby a thorough literature review was conducted. Subsequently, an inductive approach was taken utilising eight in-depth interviews with business owners and managers from the retail, construction and advertising industries in Western Australia between November 2008 and February 2009. The representatives from advertising agencies were selected because of their knowledge of CSR implementation in various client organisations. The length of the interviews was between 45 minutes and an hour – the conversations were recorded and transcribed. The interviewees were asked about their general knowledge of CSR, how CSR fits into the organisation's day-to-day operations, and the nature of the claims made by the organisation about its CSR involvement. The findings from the interviews suggested CSR comprises different components relating to various groups of stakeholders including employees, customers, suppliers, the community, and the environment. For instance, a business owner in the retail apparel industry said:

> Corporate social responsibility is putting back into the society, looking after your people, making sure that they're not only having [a] good [working] environment but they also have someone to mentor them, someone to prepare them for future life being with us or being with somebody else.

6.4.1 Initial Item Pool and Expert Review

The first sample item pool for this study was developed following suggestions given in the literature and the interviews. Since the concept of CSR is extremely broad, a total of 155 items was generated composed of 82 items covering CSR-related organisational identity and 73 CSR-related corporate identity items. As discussed, this thesis attempts to incorporate the concept of CSR into organisational and corporate identity, thus similar CSR items were generated to tap both perspectives on identity. The CSR-related organisational and corporate identity items were sent to five and three experts in the field, respectively. Each expert review fulfilled the requirement for face validity which refers to whether the items appear 'at face value' to tap the constructs of interest (Nunnally and Bernstein 1994). The feedback from this process clarified the nature of the CSR branding domain, in particular the need for items to refer to specific policies or practices associated with CSR. The inclusion of too many items deemed to be indicative of 'normal' business alone was said by the expert reviewers to run the risk of diluting the essence of the proposed research instrument (D. Gioia, personal communication May 16, 2009). A second sample item pool was subsequently developed to take into account this expert feedback.

The attempt to differentiate CSR-related organisational and corporate identity remains reflected in the composition of the second sample item pool whereby two sets of items were generated including 105 covering CSR-related organisational identity (three preliminary dimensions each with 35 items) and 15 centred on CSR-related corporate identity. The resulting 120 items in the second sample item pool were sent for review to four experts in the field. A pre-test was also conducted among staff in the School of Marketing and postgraduate students at Curtin Business School, with a total of 26 responses. The retained items from both the expert review and the pre-test are listed in Tables 6.1, 6.2, 6.3, and 6.4. The final set of items used for in data collection will be presented in the following chapter.

Table 6.1: CSR-related Organisational Identity (Central Dimension)

Central Dimension of CSR-related Organisational Identity	Retained Items after Expert Review and Pre-test
1. Programs to promote employee health and well-being are of fundamental importance to our organisation.	Yes
2. Achieving work/life balance for employees is of central importance to our organisation.	Yes
3. Providing employees with opportunities for personal development is considered fundamental in our organisation - even if it does not directly benefit the business.	Yes
4. Providing employment opportunities for indigenous people is of central importance to our organisation.	No
5. Programs to promote opportunities in the workplace for people from different ethnic backgrounds are a fundamental focus of our organisation.	No
6. A central focus of our organisation is to promote opportunities in the workplace for women.	No
7. Programs to promote opportunities in the workplace for people with disabilities are a fundamental focus of our organisation.	No
8. Providing employees with study support (e.g., tuition reimbursement, study leave) is considered of central importance in our organisation.	No
9. Making sure customers do not engage in unnecessary consumption of our products is considered of central importance in our organisation.	Yes
10. High pressure marketing techniques are of fundamental importance in our organisation.*	No
11. A central focus of our organisation is to ensure our prices reflect fair value for customers - even if we could get away with charging more.	Yes
12. It is of fundamental importance to our organisation to avoid advertising techniques which cause clutter (e.g., giant signage).	No
13. Educating our customers to consume what is good for them in the long run is a central focus of our organisation, even if it reduces sales in the short term.	Yes
14. It is of fundamental importance to our organisation to offer customers the latest innovations, even if we could make more money selling existing products.	No
15. Supporting local suppliers is of central importance in our organisation.	Yes
16. A central focus of our organisation is to ensure we pay our suppliers a fair price - even if we could get away with paying less.	Yes

Table continued on page 130

Central Dimension of CSR-related Organisational Identity	Retained Items after Expert Review and Pre-test
17. Paying supplier invoices in a timely manner is of fundamental importance in our organisation.	Yes
18. Providing opportunities for small businesses to be become suppliers is a central focus of our organisation.	Yes
19. Providing opportunities for people from disadvantaged groups to be become suppliers is a central focus of our organisation.	No
20. It is of fundamental importance in our organisation to give suppliers a second chance if they make a small mistake.	No
21. Making cash donations to the local community is of central importance to our organisation.	Yes
22. Making donations in kind to the local community (e.g., free products) is of central importance to our organisation.	Yes
23. Encouraging our staff to volunteer in the local community is of fundamental importance in our organisation.	Yes
24. It is a fundamental focus of our organisation to give staff paid leave to volunteer in the local community.	No
25. Taking a fair share of the responsibility for long term community development is of central importance in our organisation.	No
26. Respecting the culture of the local community is a fundamental focus in our organisation.	No
27. Minimising the impact of our operations on the lifestyle of the local community is of central importance in our organisation.	No
28. Adopting environmental best practice is a fundamental focus for our organisation.	Yes
29. Reducing our carbon footprint is of central importance in our organisation.	Yes
30. Reducing energy consumption is a fundamental focus for our organisation.	Yes
31. Educating our suppliers about environmental best practice is of central importance in our organisation.	No
32. Educating our customers about using our products in an environmentally aware manner is of central importance in our organisation.	No
33. Educating our customers about disposing of our products after use in an environmentally friendly manner is of central importance in our organisation.	No
34. Recycling programs are of fundamental importance in our organisation.	Yes
35. Reducing waste to help the environment is of central importance in our organisation.	No

*Reverse scored item.

Table 6.2: CSR-related Organisational Identity (Enduring Dimension)

Enduring Dimension of CSR-related Organisational Identity	Retained Items after Expert Review and Pre-test
1. This organisation has had programs to promote employee health and well-being for a long time.	Yes
2. Achieving work/life balance for employees has always been valued in our organisation.	Yes
3. For a long time our organisation has provided employees with opportunities for personal development - even if it does not directly benefit the business.	Yes
4. Our organisation has always provided employment opportunities for indigenous people.	No
5. Our organisation has run programs to promote opportunities in the workplace for people from different ethnic backgrounds for a long time.	No
6. Our organisation has always promoted opportunities in the workplace for women.	No
7. For a long time, our organisation has run programs to promote opportunities in the workplace for people with disabilities.	No
8. Our organisation has always provided employees with study support (e.g., tuition reimbursement, study leave).	No
9. Our organisation has always made sure that customers do not engage in unnecessary consumption of our products.	Yes
10. Our organisation has used high pressure marketing techniques for a long time.*	No
11. Our organisation has always ensured that our prices reflect fair value for customers - even if we could get away with charging more.	Yes
12. Our organisation has avoided advertising techniques which cause clutter (e.g., giant signage) for a long time.	No
13. Our organisation has always educated customers to consume what is good for them in the long run - even if it reduces sales in the short term.	Yes
14. Our organisation has always offered customers the latest innovations, even if we could make more money selling existing products.	No
15. Our organisation has supported local suppliers for a long time.	Yes
16. Our organisation has always ensured that we pay our suppliers a fair price - even if we could get away with paying less.	Yes
17. Our organisation has always paid supplier invoices in a timely manner.	Yes

Table continued on page 132

Enduring Dimension of CSR-related Organisational Identity	Retained Items after Expert Review and Pre-test
18. Our organisation has provided opportunities for small businesses to be become suppliers for a long time.	Yes
19. Our organisation has always provided opportunities for people from disadvantaged groups to become suppliers.	No
20. Our organisation has always given suppliers a second chance if they make a small mistake.	No
21. Our organisation has made cash donations to the local community for a long time.	Yes
22. Our organisation has made donations in kind to the local community (e.g., free products) for a long time.	Yes
23. Our organisation has always encouraged staff to volunteer in the local community.	Yes
24. Our organisation has always given staff paid leave to volunteer in the local community.	No
25. Our organisation has always taken a fair share of the responsibility for long term community development.	No
26. Our organisation has always respected the culture of the local community.	No
27. Our organisation has always minimised its impact on the lifestyle of the local community.	No
28. Our organisation has adopted environmental best practice for a long time.	Yes
29. Our organisation has been reducing its carbon footprint for a long time.	Yes
30. Our organisation has been reducing its energy consumption for a long time.	Yes
31. Our organisation has always educated suppliers about environmental best practice.	No
32. Our organisation has always educated customers about using our products in an environmentally aware manner.	No
33. Our organisation has always educated customers about disposing of our products after use in an environmentally friendly manner.	No
34. Our organisation has run recycling programs for a long time.	Yes
35. Our organisation has been reducing waste to help the environment for a long time.	No

*Reverse scored item.

Table 6.3: CSR-related Organisational Identity (Distinctive Dimension)

Distinctive Dimension of CSR-related Organisational Identity	Retained Items after Expert Review and Pre-test
1. Programs to promote employee health and well-being set our organisation apart from our competitors.	Yes
2. Achieving work/life balance for employees makes our organisation distinctive.	Yes
3. Our organisation is distinctive because it provides employees with opportunities for personal development - even if it does not directly benefit the business.	Yes
4. Providing employment opportunities for indigenous people sets our organisation apart from our competitors.	No
5. Programs to promote opportunities in the workplace for people from different ethnic backgrounds make our organisation distinctive.	No
6. Promoting opportunities in the workplace for women sets our organisation apart from our competitors.	No
7. Programs to promote opportunities in the workplace for people with disabilities make our organisation distinctive.	No
8. Providing employees with study support (e.g., tuition reimbursement, study leave) sets our organisation apart from our competitors.	No
9. Making sure customers do not engage in unnecessary consumption of our products set us apart from our competitors.	Yes
10. The use of high pressure marketing techniques makes our organisation distinctive. *	No
11. Our organisation is distinctive because it ensures that our prices reflect fair value for customers - even if we could get away with charging more.	Yes
12. Avoiding advertising techniques which cause clutter (e.g., giant signage) sets our organisation apart from our competitors.	No
13. Our organisation is distinctive because it educates our customers to consume what is good for them in the long run - even if it reduces sales in the short term.	Yes
14. Our organisation is distinctive because it offers customers the latest innovations, even if we could make more money selling existing products.	No
15. Supporting local suppliers sets our organisation apart from our competitors.	Yes
16. Our organisation is distinctive because we pay our suppliers a fair price - even if we could get away with paying less.	Yes

Table continued on page 134

Distinctive Dimension of CSR-related Organisational Identity	Retained Items after Expert Review and Pre-test
17. Paying supplier invoices in a timely manner sets our organisation apart from our competitors.	Yes
18. Our organisation is distinctive because we provide opportunities for small business to become suppliers.	Yes
19. Providing opportunities for people from disadvantaged groups to be become suppliers sets our organisation apart from our competitors.	No
20. Our organisation is distinctive because we give suppliers a second chance if they make a small mistake.	No
21. Making cash donations to the local community sets our organisation apart from its competitors.	Yes
22. Making donations in kind to the local community (e.g., free products) sets our organisation apart from its competitors.	Yes
23. Our organisation is distinctive because we encourage staff to volunteer in the local community.	Yes
24. Our organisation is distinctive because we give staff paid leave to volunteer in the local community.	No
25. Our organisation is distinctive because we take a fair share of the responsibility for long term community development.	No
26. Respecting the culture of the local community sets our organisation apart from its competitors.	No
27. Our organisation is distinctive because we minimise our impact on the lifestyle of the local community.	No
28. Adopting environmental best practice sets our organisation apart from its competitors.	Yes
29. Our organisation is distinctive because we are reducing our carbon footprint.	Yes
30. Our organisation is distinctive because we are reducing our energy consumption.	Yes
31. Our organisation is distinctive because we educate suppliers about environmental best practice.	No
32. Our organisation is distinctive because we educate customers about using our products in an environmentally aware manner.	No
33. Our organisation is distinctive because we educate customers about disposing of our products after use in an environmentally friendly manner.	No
34. The use recycling programs in our organisation set us apart from our competitors.	Yes
35. Our organisation is distinctive because we are reducing waste to help the environment.	No

*Reverse scored item.

Table 6.4: CSR-related Corporate Identity

CSR-related Corporate Identity	Retained Items after Expert Review and Pre-test
1. Our organisation presents itself as environmentally responsible.	Yes
2. Our organisation presents itself as a caring employer.	Yes
3. We present ourselves as an organisation which is committed to the community.	Yes
4. Our organisation presents itself as fair to suppliers.	Yes
5. We present ourselves as an organisation that has the long-term interests of customers at heart.	Yes
6. Our organisation likes to be known as environmentally responsible.	No
7. Our organisation likes to be known as a caring employer.	No
8. We like to be known as an organisation which is committed to the community.	No
9. Our organisation likes to be known as fair to suppliers.	No
10. We like to be known as an organisation that has the long-term interests of customers at heart.	No
11. Our organisation emphasises environmental responsibility in its communication with stakeholders.	Yes
12. Our organisation emphasises its credentials as a caring employer when communicating with stakeholders.	Yes
13. Our organisation emphasises its commitment to the community when communicating with stakeholders.	Yes
14. Our organisation emphasises fair treatment of suppliers when communicating with stakeholders.	Yes
15. Our organisation emphasises our concern for the long-term interests of customers when communicating with stakeholders.	Yes

As discussed in Chapter Three, the approach to corporate branding in this thesis is based partly on corporate identity (in the sense of the way the organisation presents itself to external stakeholders) and partly on the notion of the organisation's promises or stakeholder covenant (Balmer 2001b; Balmer and Gray 2003; de Chernatony 2002; Harris and de Chernatony 2001; Urde 2003; 2009). Thus, five additional items designed to tap the CSR-related corporate brand construct were included in the first round of data collection. These items are presented in Table 6.5.

Table 6.5: CSR-related Corporate Brand Items

1. Our organisation has made a clear promise to be environmentally responsible.
2. Our organisation has made a clear promise to be a caring employer.
3. We have made a clear promise as an organisation to be committed to the community.
4. Our organisation has made a clear promise to be fair to suppliers.
5. We have made a clear promise as an organisation to keep the long-term interests of customers at heart.

In summary, a total of 66 items were administered in the first round of data collection composed of 51 CSR-related organisational identity items (17 items for each facet of CED), 10 CSR-related corporate identity items, and five CSR-related corporate brand items. However, subsequent data analysis suggested that the three aspects of organisational identity (central, enduring and distinctive) are inseparable. This accords with the views of the co-developer of the CED framework who believes the construct to be unidimensional (D. Whetten, personal communication May 22, 2009). In addition, the findings from the first round of data analysis suggested no clear empirical distinction between the concepts of organisational identity, corporate identity, and corporate branding. A full analysis of the data is provided in Chapter Seven.

6.4.2 Dependent Variable Measures: Corporate Financial Performance (CFP)

The CSR branding measures discussed above address the first research question of this thesis – *what are the salient dimensions of CSR branding and how can the construct be measured?* This section deals with the second research question which asks *what is the impact of adopting CSR branding on corporate performance?* This section identifies and justifies the measures used for the corporate financial performance (CFP) construct – one of the two dependent variables investigated in this study.

Although the CSR/CFP relationship has been subject to extensive empirical testing in the past, the measures used to evaluate CFP often rely on secondary financial databases such as Compustat (e.g., Hull and Rothenberg 2008; McWilliams and Siegel 2000; Waddock and Graves 1997). However, when conducting survey based research it is generally accepted for financial performance to be assessed using a ‘self-reporting’ approach (Dess and Robinson 1984; Samiee and Roth 1992). The specific self-reporting measures typically used overcome the issue of industry differences by asking about performance relative to competitors in the same industry (Samiee and Roth 1992). Maignan, Ferrell, and Hult (1999) used the CFP scale developed by Samiee and Roth (1992) with the addition of an item on relative profit growth to examine the relationship between corporate citizenship and business benefits. This thesis adapts the CFP scale used by Maignan et al. (1999). The items used to measure CFP in this thesis are illustrated in Table 6.6.

Table 6.6: Corporate Financial Performance Items

1. Relative to our competitors, our return on investment over the past three years has been excellent.
2. Relative to our competitors, our return on assets over the past three years has been excellent.
3. Relative to our competitors, our sales growth over the past three years has been excellent.
4. Our market share has been growing relative to our competitors over the past three years.

6.4.3 Intervening Variable Measures: Organisational Identification

As discussed above, organisational identification is investigated in this thesis both as a dependent variable and as a potential mediating variable. A number of studies have investigated the CSR/CFP relationship using different mediating variables such as employee commitment, customer loyalty, customer satisfaction and stakeholder satisfaction (de Bussy 2005; Luo and Bhattacharya 2006; Maignan et al. 1999). This thesis proposes that organisational identification, defined as the degree to which organisational members perceive their identities to be identical to that of the organisation (Ashforth and Mael 1989), mediates the impact that CSR branding has on CFP.

The organisational identification construct is closely associated with organisational commitment – the main difference between the two constructs is that organisational commitment does not necessarily take into account the cognitive state of the individual (van Dick 2001). This similarity enables the assumption to be made that a positive relationship exists between CSR branding and organisational identification, in keeping with prior research which has established such a relationship between CSR and organisational commitment (Peterson 2004). This relationship has been examined previously in a marketing context using a single item measure developed by Bergami and Bagozzi (2000) which refers organisational identification to as 'company-customer (C-C) congruence' (Sen and Bhattacharya 2001). A positive relationship was found to exist between the constructs (Sen and Bhattacharya 2001). Because of the inadequacies of single item measures, this thesis uses Mael and Ashforth's (1992) measures which were adapted from Mael's (1988) earlier thesis. The Mael and Ashforth study employed the measures to assess the level of organisational identification among alumni of an academic institution (Mael and Ashforth 1992). It is noted that high levels of organisational identification amongst managers may be transferrable to employees and customers resulting in favourable financial performance (Lichtenstein et al. 2010). In other words, for customers to identify with the organisation, initial organisational identification among managers and employees needs to exist. Thus, the measures of organisational identification used in this thesis are presented in Table 6.7.

Table 6.7: Organisational Identification Items

1. When someone criticises my organisation, it feels like a personal insult.
2. I am very interested in what others think about my organisation.
3. When I talk about my organisation, I usually say 'we' rather than 'they'.
4. My organisation's successes are my success.
5. When someone praises my organisation, it feels like a personal compliment.
6. If a story in the media criticised my organisation, I would feel embarrassed.

6.4.4 Measures of Moderating Variables: Research and Development (R&D) and Advertising Intensity

Within the CSR/CFP research literature, a number of moderating variables such as research and development (R&D) intensity (firm-level differentiation) and advertising intensity (industry-level differentiation) have been suggested (Hull and Rothenberg 2008; McWilliams and Siegel 2000). However, as is the case with CFP there has been a tendency to measure both variables using secondary databases. In order to collect data of this nature, Powell (1996) developed a number of economic-based financial performance measures designed to overcome issues associated with using accounting-based performance measures. The measures tap into managerial perceptions using a conventional survey format. However the Powell (1996) financial performance measures only include single items to evaluate R&D and advertising intensity respectively. Hence three additional items were developed to measure each variable, given that single item scales are widely acknowledged to be inadequate indicators of a construct (Churchill 1979); as they are highly specific and subject to significant measurement errors resulting in unreliability (Nunnally and Bernstein 1994). In summary, R&D intensity and advertising intensity were each measured using four-item scales as shown in Tables 6.8 and 6.9. The first item in both cases is adapted from Powell (1996).

Table 6.8: R&D Intensity Items

1. Our company is generally considered more innovative than its competitors.
2. Our company invests more in research and development (R&D) than our competitors.
3. Our company's investment in innovation is high compared with its competitors.
4. The ratio of R&D spending relative to sales in our company is high compared with our competitors.

Table 6.9: Advertising Intensity Items

1. Firms in our industry advertise heavily compared with other industries.
2. Compared with other industries, firms in our industry are highly differentiated from one another.
3. The ratio of advertising spending relative to sales in our industry is high compared with other industries.
4. A high level of expenditure on promotion is considered normal in our industry.

6.4.5 Moderating Variable Measures: CSR-CA (Company Ability) Beliefs

The measures outlined in section 6.4.3 assess the level of identification that managers have with their organisations. This section explains the measures used to assess managers' personal beliefs about CSR in relation to its effect on company ability (CA). It is apparent that such personal beliefs may moderate the impact of adopting CSR branding on managerial identification. If managers are personally supportive of the notion of CSR and its importance to overall business performance, working for a company with a strong CSR branding is likely to increase identification. Clearly, the opposite may also be the case (Peterson 2004). The measures of CSR-CA beliefs used in this thesis are taken from Sen and Bhattacharya (2001), although in their study the measures were used to assess customer beliefs. The items are listed in Table 6.10.

Table 6.10: CSR-CA Beliefs Items

1. Socially responsible behaviour detracts from companies' ability to provide the best possible products.*
2. Socially responsible behaviour is a drain on a company's resources.*
3. Socially responsible behaviour by firms is often a cover-up for inferior product offerings.*
4. Socially responsible firms produce worse products than firms that do not worry about social responsibility.*
5. All else equal, a socially responsible firm is likely to have lower technological expertise than a firm that is not socially responsible.*
6. Firms that devote resources towards socially responsible actions have fewer resources available for increasing employee effectiveness.*
7. A company can be both socially responsible and manufacture products of high value.
8. Firms engage in socially responsible behaviours to compensate for inferior product offerings.*
9. Resources devoted to social responsibility come at the expense of improved product offerings.*

*Reverse scored item.

All of the items used in this thesis including the measures of the independent, intervening, moderating and dependent variables (Tables 6.1 - 6.10) are assessed using seven-point Likert-type scales anchored by the statements strongly disagree (1) to strongly agree (7). No descriptors were attached to the intermediate points of the scales.

6.5 Data Collection

As this thesis aims to develop a psychometrically robust scale of CSR branding and examine the impact of adopting CSR branding on firm performance through the eyes of Australian marketing managers, mail questionnaires were utilised because of their formal, business-like format and relatively low cost (Dillman 1991). Although the use of web surveys is rapidly increasing, there are a number of pitfalls such as problems of coverage, sampling error and non-response bias (Couper 2000). Coverage error occurs when elements of the target population are missing from the sample frame resulting in a failure to reach an appropriate proportion of the desired population (Couper 2000). Non-response error is another issue of particular concern in web-based surveys. When using e-mail, it is often difficult to accurately estimate the actual response rate (Couper 2000). Evidence indicating a higher response rate for e-mail surveys compared with traditional mail surveys relates only to e-mail messages addressed directly to respondents (Schaefer and Dillman 1998). In this case, such e-mail addresses were not available, hence traditional mail distribution was preferred.

6.5.1 Unit of Analysis

The unit of analysis in this thesis is organisations. The investigation of organisational values is often conducted in the context of organisational culture research (Agle and Caldwell 1999), which attempts to understand such values in terms of the collective understandings of organisational members manifested in managerial perceptions of organisational claims. Since marketing managers are often closely involved in the company's implementation of CSR branding activities, they are in a position to provide information about the claims made by their organisations in this regard.

6.5.2 Sampling Strategy

The commercially available ORBIS database was used to identify businesses with at least 15 employees, generating a list of approximately 3,000 companies in all States of Australia. ORBIS database, owned by Bureau van Dijk (BvD) company, contains comprehensive information of both privately and publicly owned companies worldwide (Bureau van Dijk 2011). Although other commercial databases are accessible at Curtin University, ORBIS is the only database that provides information for privately owned companies in Australia.

Very small organisations were excluded from the sample frame, as CSR branding is widely assumed to be a less relevant consideration for such companies. As a result of falling response rates in recent years (Tourangeau 2004), it was anticipated that response rate could fall slightly below what has been achieved in the past for similar studies (e.g., de Bussy 2005; Maignan et al. 1999). A response rate of 10% was anticipated. This was based on a recent article about a comparison of marketing managers' perceptions published in *Journal of Business Research*, where a response rate of 8.2% (Singhapakdi, Sirgy, and Lee 2010). Another similar study published in *Journal of the Academy of Marketing Science* reported a 9.6% response rate (Singhapakdi and Vitell 2007).

Questionnaires were distributed to all organisations on the ORBIS list, with each company randomly assigned to either the first or second round of data collection. The ORBIS database only provided the names of CEOs – not those of other senior executives such as marketing managers. A systematic attempt was made to obtain the names of the relevant marketing managers by searching company websites and conducting Google searches. Letters were addressed by name to the marketing manager for those companies where this approach was successful. In other cases, a slightly different letter was addressed by name to the company CEOs asking them to forward the questionnaire to the most appropriate marketing manager within their organisation. Examples of the cover letters used are provided in Appendices I and IV.

6.5.3 Administration of Research Instrument (Rounds One and Two)

A low response rate has long been an issue with mail surveys due to respondents being overloaded with requests to return questionnaires (Dillman 1991; Sax, Gilmartin, and Bryant 2003). In order to improve the response rate, both questionnaires used in this research were presented in a distinctive and attractive colour booklet format. A Curtin University logo was placed on the cover of booklets to emphasise the formality and credibility of the research. The cover letter was printed on School of Marketing, Curtin University letterhead for the same reason. The objectives of the research and instructions on how to complete the questionnaire were specified in the cover letter. In addition, respondents were assured of confidentiality and that the required ethical approval process had been followed. Two versions of the cover letter were produced. One targeted marketing managers, the other was mailed to CEOs with a request for the survey to be forwarded to the most appropriate marketing manager in the organisation. As mentioned above, this was a result of the limitations of the ORBIS database.

In the first round of data collection, a total of 1,717 questionnaires were distributed by post in March 2010 to 217 marketing managers and 1,500 CEOs of medium to very large Australian companies randomly selected from the ORBIS database. A reply-paid envelope was enclosed for the questionnaire to be returned. By the deadline, 106 questionnaires had been completed and returned. Given the relatively low response rate, a follow up by fax was conducted offering a link to an online version of the survey. An additional three questionnaires were received by post after the deadline and 27 online surveys were completed of which 15 were usable. Hence, at the end of first round data collection, a total of 136 questionnaires were returned with 124 usable responses; a response rate of 7.92%. The relative low response rate achieved in this study reflects the difficulty of surveying senior executives (Erdogan and Tagg 2003). Such executives are normally time poor and may be reluctant to reveal information about their organisations' activities to external entities (Cycyota and Harrison 2002).

To maximise the response rate for the second round of data collection conducted in September 2010, questionnaires were distributed to all companies with contacts provided by the ORBIS database, including those contacted in the first round. The covering letter advised companies who had participated in the first round to disregard the second mailing and thanked them for their earlier participation (see Appendix IV). A total of 2,732 questionnaires were distributed to 372 marketing managers and 2,360 CEOs using similar cover letters to the first round. As suggested by Churchill (1979), the items on the questionnaires were purified for the second round of data collection. By the deadline, a total of 170 questionnaires were completed and returned and an additional 31 questionnaires were received after the deadline. Hence, at the end of the second round of data collection, a total of 201 questionnaires were returned with a response rate of 7.36%. Although non-response bias is often considered a problem in survey based research, the response rate for this thesis is within the range of response rates reported in the literature when marketing managers were selected as respondents in a similar context (Singhapakdi et al. 2010; Singhapakdi and Vitell 2007). The existence possible of non-response bias was investigate by conducting early versus late respondent analysis in both rounds of data collection. No significance differences were found (Armstrong and Overton 1977).

6.6 Techniques of Statistical Analysis

As discussed in the previous section, the data were firstly analysed for the possibility of non-response bias using the procedure recommended by Armstrong and Overton (1977). There are number of causes of non-response such as unreachable respondents, refusal to respond, and lack of ability to response (Tourangeau 2004). Thus, a test is conducted to compare the responses of early and late respondents on the grounds that late respondents are likely to have similar characteristics to non-respondents (Armstrong and Overton 1977). This analysis was conducted following both rounds of data collection.

The first round data were analysed using exploratory factor analysis (EFA) to investigate the first research question relating to the salient dimensions of CSR branding. Exploratory factor analysis allows the observed variables to inter-correlate freely (Anderson and Gerbing 1988). Varimax, an orthogonal rotation method, is the most commonly used method for factor rotation which maximises "the sum of variances of required loadings of the factor matrix" (Hair et al. 2010, p. 115). Loadings closer to positive or negative one indicate high association between the variable and the factor, whereas loadings closer to zero indicate a lack of association (Hair et al. 2010). Once EFA is completed, a reliability test is conducted to assess the measures are consistent (Peter 1979). This thesis employed a widely used measure of reliability, the coefficient alpha (Cronbach's alpha), in assessing the internal consistency of the scale. An alpha score of .70 or above is generally considered acceptable (Hair et al. 2010). The analysis was conducted for the first round of data collection using SPSS 17 statistical software.

The round two data were analysed using confirmatory factor analysis (CFA) followed by structural equation modelling (SEM) to evaluate the full model under investigation. While EFA allows observed variables to freely correlate into different factors, in CFA the researcher specifies the factor structure (Gerbing and Anderson 1988). The primary purpose of CFA is testing for unidimensionality, i.e., the observed variance may be explained by only a single underlying factor (Gerbing and Anderson 1988). Until unidimensionality is established, model testing should not be conducted (Anderson and Gerbing 1988). Convergent validity is assessed by "determining whether each indicator's estimated pattern coefficient on its posited underlying construct factor is significant (greater than twice its standard error)" (Anderson and Gerbing 1988, p. 416). This thesis used two measures to help validate the scales used in the second round of data analysis: average variance extracted (AVE) and construct reliability (CR) (Hair et al. 2010). AVE is calculated "as the mean variance extracted for the items loading on a construct" (Hair et al. 2010, p. 709). Construct reliability is based on "the standardized loadings and measurement error for each item" (Shook et al. 2004, p. 400). Discriminant validity is "the extent to which a construct is truly distinct from other constructs" (Hair et al. 2010, p. 710). This can be demonstrated by comparing the correlations between the constructs to a hypothetical model in which all of the correlations have been set to one (Dunn, Seaker, and Waller 1994). Once all the above analyses were completed, structural equation modelling (SEM) was conducted in order to simultaneously examine all hypotheses. Both CFA and SEM analysis was conducted using AMOS 17 software.

6.7 Chapter Summary

This chapter presented the study's philosophical approach and detailed the research methodology adopted in the thesis. This chapter identified the use of questionnaires as a means to data collection from a positivist approach. The methodology used to generate an initial sample pool of 155 items was described, although it was largely discarded following a process of expert review. A second pool of 120 items was subsequently developed and similarly subject review by experts in the field. Following a pre-test and expert review, these items formed the basis of the research instrument used for the first round of data collection with a total of 66 items. This chapter went on to describe the measures used for the intervening, moderating and dependent variables. The key methodological considerations including the method of data collection used, the unit of analysis, sampling strategy, and administrative procedures for the two rounds of data collection were also described. Finally, the techniques chosen for purposes of statistical analysis were outlined and justified.

The following chapter provides the results of both rounds data analysis with summary of the evidence relating to the hypotheses identified in Chapter Five. Chapter Eight will discuss the implications of this analysis.

Chapter 7

Data Analysis and Results

7.0 Chapter Overview

Chapter Six explained the philosophy underpinning the research methodology for this thesis. The chapter also explained all the steps taken in the scale development process as well as the measures used to evaluate other constructs of interest, and provided a justification for the sampling strategy. In addition, the statistical techniques used for data analysis were outlined and justified. This chapter presents the results of the data analysis. The chapter begins by analysing the characteristics of the data obtained, including an assessment of non-response bias. The use of round one data to purify the CSR branding scale is described. Next, the chapter provides the results of the confirmatory factor analyses using second round data in order to demonstrate unidimensionality for each construct. Finally, the hypotheses relating to the conceptual model explicated in Chapter Five are examined using structural equation modelling in conjunction with moderated regression analysis. A summary of the evidence in relation to each research hypothesis is provided.

7.1 Introduction

This thesis aims to answer three research questions as follows.

- *What are the salient dimensions of CSR branding and how can the construct be measured?*
- *What is the impact of adopting CSR branding on corporate performance?*
- *What are the potential mediators and/or moderators of the CSR branding/corporate performance relationship?*

In seeking to answer these research questions, data were collected in two rounds and analysed in three main stages. Firstly, data collected in the first round were subject to exploratory factor analysis in order to understand the dimensions of the CSR branding construct. The reliability of the resultant scales for each dimension was also assessed.

There were two stages in the analysis of the round two data. Firstly, a confirmatory factor analysis of each CSR branding dimension was conducted with the aim of establishing unidimensionality of the constructs in question. Tests were also performed to assess convergent, discriminant, and criterion-related validity for each component scale. A summary of the evidence in relation to the research hypotheses concerning validity and reliability is provided at the end of this section. Secondly, once the CSR branding scale was demonstrated to be psychometrically valid and reliable, its nomological network was investigated in order to test the remaining hypotheses outlined in Chapter Five. This stage involved testing two structural equation models evaluating direct effects and mediating effects respectively. The hypotheses relating to moderating effects were examined using moderated regression analysis. A summary of the evidence is then provided in relation to the remaining research hypotheses regarding the impact of adopting CSR branding on corporate financial and non-financial performance, the mediating effects of organisational identification on the relationship of CSR branding and corporate financial performance, the moderating effects of R&D and advertising intensity on the relationship of CSR branding and corporate financial performance, and the moderating effects of CSR-CA beliefs on the relationship of CSR branding and organisational identification.

7.2 Non-Response Bias

Non-response bias can be described as differences in the answers of non-respondents and respondents (Armstrong and Overton 1977; Lambert and Harrington 1990). Techniques such as attractive questionnaire design, enclosing reply-paid envelopes, and personalised cover letters can be used to obtain a higher response rate and minimise non-response bias (Lambert and Harrington 1990). Despite the use of such techniques in both rounds of data collection, the response rates were relatively modest, albeit in line with published studies of a similar nature (Singhapakdi et al. 2010; Singhapakdi and Vitell 2007). As discussed in Chapter Six the response rates were 7.92% and 7.36% for the first and second rounds respectively.

Non-response bias may jeopardise the ability to generalise research results (Lambert and Harrington 1990). In other words, if non-response bias exists it cannot be concluded that the results found in the study represent the characteristics of the population of interest. In order to estimate the extent of non-response bias in this study, a comparison was made of early and late respondents from both rounds of data collection. Late respondents are considered to have similar characteristics to non-respondents because they are less willing to respond to the questionnaire (Armstrong and Overton 1977). Differences in the responses of the first and last 25% of respondents were analysed using t-tests. Since there was missing data in the case of some respondents, the actual number included in the analysis fell marginally below 25% of the total number of responses. With the minor exception of one item in round two, the findings indicate no significant differences between early and late respondents thus indicating that non-response bias was not a problem. The item showing a significant difference in the mean scores of early and late respondents related to corporate financial performance – not to the CSR branding scale. Tables 7.1 and 7.2 provide the t-test statistics relating to items used in the CSR branding scale in rounds one and two respectively. Table 7.3 illustrates the t-test statistics of the items from other related constructs obtained in round two.

Table 7.1: A Comparison of Early versus Late Respondents (Round One Data)

Item No.	Respondent Group	N	Mean	t	df	Sig. (2-tailed)
1	Early	28	4.8571	-.149	54	.882
	Late	28	4.9286		52.772	
2	Early	28	3.8750	-1.626	54	.110
	Late	28	4.7143		53.744	
3	Early	28	4.3929	.999	54	.322
	Late	28	3.8929		53.904	
4	Early	28	4.1071	-.144	54	.886
	Late	28	4.1786		53.967	
5	Early	28	5.3393	1.738	54	.088
	Late	28	4.6429		49.771	
6	Early	28	5.2143	-.177	54	.860
	Late	28	5.2857		52.979	
7	Early	28	5.0357	.424	54	.674
	Late	28	4.8571		48.672	
8	Early	28	4.3571	-.956	54	.343
	Late	28	4.7500		48.540	
9	Early	28	4.6429	.658	54	.513
	Late	28	4.3929		43.926	
10	Early	28	4.2857	.506	54	.615
	Late	28	4.0357		52.679	
11	Early	28	5.6786	.687	54	.495
	Late	28	5.3929		46.976	
12	Early	28	4.8571	.573	54	.569
	Late	28	4.6071		52.392	
13	Early	28	5.7143	.710	54	.481
	Late	28	5.4286		49.003	
14	Early	28	4.8750	-.202	54	.841
	Late	28	4.9643		49.201	
15	Early	28	3.9643	-.957	54	.343
	Late	28	4.3929		53.226	
16	Early	28	4.2500	.697	54	.489
	Late	28	4.0000		53.741	

Table continued on page 151

Item No.	Respondent Group	N	Mean	t	df	Sig. (2-tailed)
17	Early	28	3.8929	-1.576	54	.121
	Late	28	4.6071		52.059	
18	Early	28	6.0000	1.140	54	.259
	Late	28	5.5714		48.807	
19	Early	28	4.4643	.586	54	.560
	Late	28	4.2143		53.960	
20	Early	28	5.1429	.173	54	.864
	Late	28	5.0714		49.616	
21	Early	28	4.7500	.272	54	.787
	Late	28	4.6429		50.458	
22	Early	28	4.4286	.616	54	.541
	Late	28	4.2143		43.173	
23	Early	28	4.1429	.493	54	.624
	Late	28	3.8929		53.925	
24	Early	28	5.3571	.690	54	.493
	Late	28	5.1071		49.398	
25	Early	28	3.9643	-.085	54	.933
	Late	28	4.0000		53.925	
26	Early	28	4.5357	.233	54	.817
	Late	28	4.4286		53.332	
27	Early	28	4.0179	-.546	54	.587
	Late	28	4.2857		53.951	
28	Early	28	4.9107	.736	54	.465
	Late	28	4.6071		52.089	
29	Early	28	4.0714	.321	54	.749
	Late	28	3.9286		53.990	
30	Early	28	5.2500	-.090	54	.929
	Late	28	5.2857		49.362	
31	Early	28	5.4286	1.831	54	.073
	Late	28	4.6429		53.746	
32	Early	28	4.7143	.000	54	1.000
	Late	28	4.7143		52.493	
33	Early	28	3.7857	-1.029	54	.308
	Late	28	4.2857		53.621	

Table continued on page 152

Item No.	Respondent Group	N	Mean	t	df	Sig. (2-tailed)
34	Early	28	5.2857	.971	54	.336
	Late	28	4.8571		53.966	
35	Early	28	5.0000	-.089	54	.930
	Late	28	5.0357		49.073	
36	Early	28	4.7500	.137	54	.892
	Late	28	4.6786		53.339	
37	Early	28	5.4286	1.667	54	.101
	Late	28	4.6786		50.003	
38	Early	28	5.1071	.172	54	.864
	Late	28	5.0357		50.077	
39	Early	28	4.6071	.435	54	.665
	Late	28	4.4286		49.559	
40	Early	28	5.0000	.587	54	.560
	Late	28	4.7500		53.671	
41	Early	28	3.9286	-.207	54	.837
	Late	28	4.0000		48.538	
42	Early	28	4.5357	.670	54	.506
	Late	28	4.1786		53.272	
43	Early	28	4.5179	1.418	54	.162
	Late	28	3.9286		52.391	
44	Early	28	5.0714	.295	54	.769
	Late	28	4.9286		53.939	
45	Early	28	4.7321	.128	54	.899
	Late	28	4.6786		45.193	
46	Early	28	4.0000	-.492	54	.625
	Late	28	4.2500		53.673	
47	Early	28	4.6071	-.339	54	.736
	Late	28	4.7500		49.461	
48	Early	28	4.7143	-.730	54	.468
	Late	28	5.0000		52.951	
49	Early	28	3.4286	-1.749	54	.086
	Late	28	4.1786		49.627	
50	Early	28	4.3571	.272	54	.787
	Late	28	4.2500		53.698	

Table continued on page 153

Item No.	Respondent Group	N	Mean	t	df	Sig. (2-tailed)
51	Early	28	4.4286	1.988	54	.052
	Late	28	3.7500		53.259	
52	Early	28	5.2500	1.168	54	.248
	Late	28	4.7500		51.880	
53	Early	28	4.8393	.283	54	.778
	Late	28	4.7143		53.956	
54	Early	28	4.6071	.084	54	.933
	Late	28	4.5714		48.383	
55	Early	28	3.8214	-.765	54	.448
	Late	28	4.1429		53.738	
56	Early	28	5.0714	.518	54	.606
	Late	28	4.8571		48.940	
57	Early	28	5.0000	1.638	54	.107
	Late	28	4.2857		53.952	
58	Early	28	4.8571	-.233	54	.817
	Late	28	4.9643		52.120	
59	Early	28	4.2500	.676	54	.502
	Late	28	4.0000		51.066	
60	Early	28	3.6071	-.607	54	.546
	Late	28	3.8571		49.473	
61	Early	28	4.6071	-.198	54	.844
	Late	28	4.6786		44.574	
62	Early	28	4.5357	.234	54	.815
	Late	28	4.4286		52.364	
63	Early	28	4.3571	1.594	54	.117
	Late	28	3.7857		49.780	
64	Early	28	4.0714	-.076	54	.940
	Late	28	4.1071		53.566	
65	Early	28	5.5357	.263	54	.794
	Late	28	5.4286		49.067	
66	Early	28	5.6071	.897	54	.374
	Late	28	5.2500		49.857	

Table 7.2: A Comparison of Early versus Late Respondents for CSR Branding (Round Two Data)

Item No.	Respondent Group	N	Mean	t	df	Sig. (2-tailed)
A1	Early	51	5.4314	.292	100	.771
	Late	51	5.3529		97.221	
A2	Early	51	5.6863	1.594	100	.114
	Late	51	5.2353		99.519	
A3	Early	51	5.1765	1.463	100	.147
	Late	51	4.8039		99.895	
A4	Early	51	6.1961	-.356	100	.723
	Late	51	6.2549		97.843	
A5	Early	51	4.1765	.565	100	.573
	Late	51	4.0196		98.808	
A6	Early	51	4.9216	-.767	100	.445
	Late	51	5.1373		99.737	
A7	Early	51	6.0980	-.190	100	.850
	Late	51	6.1373		99.998	
A8	Early	51	4.7255	.423	100	.673
	Late	51	4.5882		97.808	
A9	Early	51	5.3137	.764	100	.447
	Late	51	5.0980		99.994	
A10	Early	51	5.6667	-.090	100	.928
	Late	51	5.6863		97.726	
A11	Early	51	4.0784	-.115	100	.908
	Late	51	4.1176		99.934	
A12	Early	51	5.1373	.136	100	.892
	Late	51	5.0980		98.444	
A13	Early	51	5.5882	.592	100	.555
	Late	51	5.4314		97.236	
A14	Early	51	4.8235	-.368	100	.713
	Late	51	4.9412		99.997	
A15	Early	51	4.0000	-.280	100	.780
	Late	51	4.0784		96.200	

Table continued on page 155

Item No.	Respondent Group	N	Mean	t	df	Sig. (2-tailed)
A16	Early	51	5.3922	.259	100	.796
	Late	51	5.3137		97.566	
A17	Early	51	4.8431	.168	100	.867
	Late	51	4.8039		99.991	
A18	Early	51	4.8627	.000	100	1.000
	Late	51	4.8627		99.618	

Table 7.3: A Comparison of Early versus Late Respondents for All Other Variables (Round Two Data)

Item No.	Respondent Group	N	Mean	t	df	Sig. (2-tailed)
B1	Early	51	2.0392	-.976	100	.331
	Late	51	2.2745		98.812	
B2	Early	51	2.2157	-1.351	100	.180
	Late	51	2.5490		99.983	
B3	Early	51	2.1961	-.899	100	.371
	Late	51	2.4314		92.284	
B4	Early	51	1.6863	-1.774	100	.079
	Late	51	2.0784		81.850	
B5	Early	51	1.6667	-.727	100	.469
	Late	51	1.8235		93.199	
B6	Early	51	2.3333	.415	100	.679
	Late	51	2.2353		99.278	
B7	Early	51	6.5098	1.003	100	.318
	Late	51	6.3529		82.333	
B8	Early	51	2.2549	1.115	100	.268
	Late	51	1.9804		98.239	
B9	Early	51	2.0784	-.339	100	.735
	Late	51	2.1569		97.250	
C1	Early	51	5.4118	.226	100	.821
	Late	51	5.3529		98.571	
C2	Early	51	6.2353	.740	100	.461
	Late	51	6.1176		92.681	

Table continued on page 156

Item No.	Respondent Group	N	Mean	t	df	Sig. (2-tailed)
C3	Early	51	6.4706	.686	100	.494
	Late	51	6.3333		78.989	
C4	Early	51	6.0784	.191	100	.849
	Late	51	6.0392		97.899	
C5	Early	51	5.8824	1.089	100	.279
	Late	51	5.6471		94.623	
C6	Early	51	5.5098	.855	100	.394
	Late	51	5.2549		99.844	
D1	Early	51	4.8824	1.190	100	.237
	Late	51	4.5098		99.128	
D2	Early	51	4.9216	1.871	100	.064
	Late	51	4.3725		99.860	
D3	Early	51	5.0980	2.062	100	.042
	Late	51	4.4510		99.230	
D4	Early	51	4.8627	1.559	100	.122
	Late	51	4.3725		98.790	
D5	Early	51	5.2941	1.934	100	.056
	Late	51	4.7843		98.737	
D6	Early	51	4.6863	1.336	100	.184
	Late	51	4.2941		98.971	
D7	Early	51	4.9020	1.112	100	.269
	Late	51	4.5882		99.205	
D8	Early	51	4.5294	.762	100	.448
	Late	51	4.2941		97.633	
D9	Early	51	3.2157	-.269	100	.789
	Late	51	3.3137		98.987	
D10	Early	51	3.2157	.322	100	.748
	Late	51	3.1176		99.844	
D11	Early	51	2.9412	.278	100	.782
	Late	51	2.8431		97.396	
D12	Early	51	3.2157	-.614	100	.541
	Late	51	3.4314		99.965	

7.3 Descriptive Statistics: Round One and Two

A summary of the demographic profile of respondents is presented in Table 7.4 illustrating similarities between the two rounds of data collection. In general, respondents in both rounds one and two are mostly males aged 35 and over with a Bachelor qualification or higher. Chapter Six explained that questionnaires were either addressed to marketing managers or to CEOs/managing directors with a request for the survey to be forwarded to the most appropriate person within the organisation with marketing responsibilities.

Table 7.4: Summary Descriptive Statistics

Respondent Demographic Profile	Round One (n = 124)	Round Two (n = 201)
Gender:		
• Male	63.0%	79.4%
• Female	37.0%	20.6%
Ages:		
• 18 – 24 years	1.7%	1.0%
• 25 – 34 years	16.8%	9.5%
• 35 – 44 years	33.6%	26.5%
• 45 – 54 years	31.1%	38.5%
• 55 years or over	16.8%	24.5%
Percentage of respondents with tertiary qualifications	93.3%	89.4%
Respondents' job titles:		
• CEO/Managing Director	25.9%	34.4%
• Marketing Manager	25.0%	26.7%
• Communication Officer	14.7%	4.6%
• General Manager	10.3%	8.2%
• Business Development/Strategy Manager	4.3%	5.7%
• Corporate Service	2.6%	2.6%
• CSR/Sustainability Officer	9.5%	5.6%
• Other	7.7%	12.2%
Respondents' mean tenure with current organisation (years)	7.56	10.36
Median number of employees	270	300

Table continued on page 158

Respondent Demographic Profile	Round One (n = 124)	Round Two (n = 201)
Main industry of the organisation:		
• Agriculture, Forestry, and Fishing	5.6%	4.0%
• Mining	16.7%	25.0%
• Manufacturing	17.6%	11.0%
• Electricity, Gas, and Water Supply	2.8%	3.5%
• Construction	.9%	4.5%
• Wholesale Trade	2.8%	3.5%
• Retail Trade	4.6%	3.0%
• Accommodation, Cafes, and Restaurants	1.9%	1.5%
• Transport and Storage	1.9%	5.0%
• Communication Services	3.7%	3.0%
• Finance and Insurance	10.2%	10.5%
• Property and Business Services	2.8%	4.5%
• Government Administration and Defence	.9%	1.5%
• Education	.9%	.5%
• Health and Community Services	5.6%	4.0%
• Personal and Other Services	0%	.5%
• Other	21.1%	14.5%

7.4 Item Non-Response: Round One

Hair, Black, Babin, and Anderson (2010) pointed out that missing data can arise either randomly or with distinct patterns, thus remedies are applied based on the type of missing data. This study adopted a four-step process including determining the type of missing data, the extent of missing data, degree of randomness, and selecting the imputation method (Hair et al. 2010). Firstly, the type of missing data in the first round was determined as not 'ignorable' since it resulted from respondents having insufficient knowledge of the item in question (Hair et al. 2010). For example, a comment provided by one of the respondents explained their organisation's position as a 'non-consumer product manufacturer' making the items relating to customers not applicable for the respondent in their opinion. Secondly, as the missing data were not ignorable the extent of the issue was determined (Hair et al. 2010). A rule of thumb suggests that items with less than 10% missing data do not constitute a problem and may be treated in the same manner as items with no missing data (Hair et al. 2010). However, in the first round there were 18 items with more than 10% missing data, specifically questions regarding CSR practices towards customers (11 items), the community (three items), and suppliers (four items). This was not altogether surprising at this stage of the scale purification process as respondents were given instructions to omit irrelevant items. Despite the relatively substantial amount of missing data, these items were retained for the exploratory factor analysis as the number of respondents with no missing data was sufficient for such analysis (Hair et al. 2010). Thirdly, the missing data in this round were found to be missing completely at random (MCAR) indicated by a non-significant *p*-value ($p>.05$) when comparing "the actual missing data with what would be expected if the missing data were totally randomly distributed" (Hair et al. 2010, p. 60). Fourthly, due to the exploratory nature of this stage of the research, no substitution of values for missing data was made in order to capture the true responses of the sample. Hence the alternative approach, case deletion, was followed. There are two methods of case deletion: listwise or complete case approach (delete all cases with missing data in any item) and pairwise or all-available approach (use all non-missing data). Since pairwise deletion can cause negative eigenvalues in the correlation and variance/covariance matrices, listwise deletion was preferred (Hair et al. 2010). Although this approach reduces the sample size, the number of respondents was sufficient for exploratory factor analysis (Hair et al. 2010).

7.5 Exploratory Factor Analysis (EFA): Round One Data

The exploratory factor analysis in this study was conducted in three stages to accommodate the requirement for an appropriate sample size. The literature recommends a minimum of five respondents per item for the purposes of exploratory factor analysis (DeVellis 2003; Hair et al. 2010). This study achieved the recommended standard by initially analysing the 66 round one items in four groups, based on the three theorised facets of organisational identity (i.e., central, enduring and distinctive attributes) and corporate identity/branding. Of the 66 items, 17 related to each facet of organisation identity and 15 items were intended to capture the notion of corporate identity/branding. After performing exploratory factor analysis, the total number of items was reduced to 45 as a result of cross-loadings, i.e. items found to load significantly onto more than one factor which should therefore be deleted (Hair et al. 2010). The number of items retained for subsequent analysis comprised 12, 9, and 10 items relating to the central, enduring, and distinctive aspects of organisational identity respectively, and 14 items relating to corporate identity/branding. The retained items were examined in their respective categories to determine the suitability of the data for factor analysis using Bartlett's test of sphericity and the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy. An acceptable result for Bartlett's Test of Sphericity is when "the correlation matrix has significant correlations among at least some of the variables" (Hair et al. 2010, p. 104). For the KMO test, a score of .70 is considered adequate while .80 or higher is excellent (Hair et al. 2010). Tables 7.5-7.8 provide the Bartlett's and KMO test results for the items relating to the central, enduring, and distinctive facets of organisational identity and corporate identity/branding. It is apparent that the minimum standards have been met or exceeded, therefore it is appropriate to continue further analysis.

Table 7.5: MSA and Bartlett's Test (Central Facet of Organisational Identity)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.851
Bartlett's Test of Sphericity	Approx. Chi-Square	533.051
	Df	66
	Sig.	.000

Table 7.6: MSA and Bartlett's Test (Enduring Facet of Organisational Identity)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.794
Bartlett's Test of Sphericity	Approx. Chi-Square	525.536
	Df	55
	Sig.	.000

Table 7.7: MSA and Bartlett's Test (Distinctive Facet of Organisational Identity)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.851
Bartlett's Test of Sphericity	Approx. Chi-Square	523.486
	Df	55
	Sig.	.000

Table 7.8: MSA and Bartlett's Test (Corporate Identity and Corporate Brand)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.873
Bartlett's Test of Sphericity	Approx. Chi-Square	1175.287
	Df	91
	Sig.	.000

As data reduction is of primary concern at this stage, principal component factor analysis was performed using the eigenvalues greater than one rule to ensure that the reduced set of factors explained an adequate amount of variance in the data; a total variance explained of 60% or better is generally acceptable (Hair et al. 2010). Table 7.9 shows that the factors identified in all four individual factor analyses explained an adequate amount of data to justify further consideration (Hair et al. 2010).

Table 7.9: Total Variance Explained (Stage One)

Analysis	Variance Explained			
	Factor			Total
	1	2	3	
Organisational Identity: *Central*	26.00%	25.82%	14.06%	65.88%
Organisational Identity: *Enduring*	31.28%	23.59%	18.01%	72.88%
Organisational Identity: *Distinctive*	31.12%	20.86%	20.42%	72.40%
Corporate Identity/Branding	31.08%	24.99%	18.86%	74.93%

Rotated component matrices demonstrating similar solutions were obtained for each of the four factor analyses with items loading onto three factors representing environmental issues, communities, and customers/employees/suppliers respectively, as illustrated in Tables 7.10-7.13. It should be noted that in all of the following tables showing factor loadings, loadings below .3 have been excluded for ease of interpretation.

Table 7.10: Rotated Component Matrix (Central Dimension of Organisational Identity)

Item	Component		
	1	2	3
Paying supplier invoices in a timely manner is of central importance in our organisation.	**.728**		
Providing employees with opportunities for personal development is considered of central importance to our organisation - even if it does not directly benefit the business.	**.714**	.325	
A central focus of our organisation is to ensure we pay our suppliers a fair price - even if we could get away with paying less.	**.683**	.334	
Programs to promote employee health and well-being are of central importance to our organisation.	**.667**	.307	
A central focus of our organisation is to ensure our prices reflect fair value for customers - even if we could get away with charging more.	**.662**		
Achieving work/life balance for employees is of central importance to our organisation.	**.642**		
Adopting environmental best practice is a central focus in our organisation.		**.856**	
Reducing our carbon footprint is of central importance in our organisation.		**.846**	
Reducing energy consumption is a central focus in our organisation.		**.812**	
Recycling programs are of central importance in our organisation.	.358	**.733**	
Making cash donations to the local community is of central importance to our organisation.			**.843**
Making donations in kind to the local community (e.g., free products) is of central importance to our organisation.			**.815**

Table 7.11: Rotated Component Matrix (Enduring Dimension of Organisational Identity)

Item	Component		
	1	**2**	**3**
Our organisation has been reducing its carbon footprint for a long time.	**.884**		
Our organisation has been reducing its energy consumption for a long time.	**.810**		.320
Our organisation has adopted environmental best practice for a long time.	**.781**		
Our organisation has run recycling programs for a long time.	**.743**		.324
Our organisation has always ensured that we pay our suppliers a fair price - even if we could get away with paying less.	.308	**.810**	
Our organisation has always ensured that our prices reflect fair value for customers - even if we could get away with charging more.		**.777**	
Our organisation has supported local suppliers for a long time.		**.768**	
Our organisation has always encouraged staff to volunteer in the local community.			**.835**
Our organisation has made cash donations to the local community for a long time.			**.775**

Table 7.12: Rotated Component Matrix (Distinctive Dimension of Organisational Identity)

Item	Component		
	1	**2**	**3**
The use of recycling programs in our organisation sets us apart from our competitors.	**.880**		
Our organisation is distinctive because we are reducing our energy consumption.	**.858**		
Our organisation is distinctive because we are reducing our carbon footprint.	**.829**		.318
Adopting environmental best practice sets our organisation apart from its competitors.	**.799**		
Our organisation is distinctive because we pay our suppliers a fair price - even if we could get away with paying less.		**.791**	
Our organisation is distinctive because it ensures that our prices reflect fair value for customers - even if we could get away with charging more.		**.791**	
Paying supplier invoices in a timely manner sets our organisation apart from our competitors.		**.759**	
Our organisation is distinctive because we encourage staff to volunteer in the local community.	.331		**.777**
Making cash donations to the local community sets our organisation apart from its competitors.			**.760**
Our organisation is distinctive because we provide opportunities for small businesses to become suppliers.			**.740**

Table 7.13: Rotated Component Matrix (Corporate Identity and Corporate Brand)

Item	Component		
	1	2	3
We have made a clear promise as an organisation to keep the long-term interests of customers at heart.	**.835**		
We present ourselves as an organisation that has the long-term interests of customers at heart.	**.816**		
Our organisation emphasises our concern for the long-term interests of customers when communicating with stakeholders.	**.784**	.331	
Our organisation has made a clear promise to be fair to suppliers.	**.714**		.314
Our organisation presents itself as fair to suppliers.	**.703**		
Our organisation has made a clear promise to be a caring employer.	**.673**	.411	
Our organisation presents itself as a caring employer.	**.661**	.461	
We present ourselves as an organisation which is committed to the community.		**.869**	
Our organisation emphasises its commitment to the community when communicating with stakeholders.		**.857**	
We have made a clear promise as an organisation to be committed to the community.		**.847**	
Our organisation emphasises its credentials as a caring employer when communicating with stakeholders.	.395	**.731**	
Our organisation presents itself as environmentally responsible.			**.876**
Our organisation emphasises environmental responsibility in its communication with stakeholders.		.350	**.822**
Our organisation has made a clear promise to be environmentally responsible.	.382		**.821**

The second stage of exploratory factor analysis involved conducting three separate factor analyses incorporating all the items that were found in stage one to relate to the environment (16 items), the community (10 items), and customers/employees/suppliers (19 items) respectively (See Tables 7.17-7.19). It was apparent at this point that, as posited by D. Whetten (personal communication May 22, 2009), the CED conceptualisation of organisational identity is unidimensional. In other words, when considering a particular organisational characteristic, respondents did not distinguish between items describing that characteristic as central, enduring or distinctive. Similarly, respondents did not distinguish corporate identity from corporate branding or either of these two constructs from organisational identity. As in the first stage of the exploratory factor analysis, a number of items were deleted due to cross-loadings. On this occasion, the total number of items was reduced from 45 to 31. Again, the reduced sets of items were subject to Bartlett's and KMO tests indicating that they met the basic requirements for factor analysis, as shown in Tables 7.14-7.16.

Table 7.14: MSA and Bartlett's Test (Items relating to the Environment)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.929
Bartlett's Test of Sphericity	Approx. Chi-Square	1208.498
	Df	55
	Sig.	.000

Table 7.15: MSA and Bartlett's Test (Items relating to Customers, Employees, and Suppliers)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.845
Bartlett's Test of Sphericity	Approx. Chi-Square	1012.053
	Df	78
	Sig.	.000

Table 7.16: MSA and Bartlett's Test (Items relating to the Community)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.825
Bartlett's Test of Sphericity	Approx. Chi-Square	462.108
	Df	21
	Sig.	.000

Table 7.17 shows the rotated factor matrix for the environmental items. As can be seen, a two-factor solution was obtained (accounting for 80.17% of the total variance). One factor (42.10% of the variance) relates to specific environmental practices, such as recycling and reducing energy consumption. The second factor (38.07% of the variance) concerns communication and policy on environmental issues. Table 7.18 provides the results of the factor analysis for the

customer/employee/supplier items. A three-factor solution was obtained (76.40% of the total variance). Items loading onto factor one (25.95% of the variance) are all concerned with the needs and interests of employees. Factor two (25.56% of the variance) relates to engaging in fair financial dealings with both customers and suppliers. Factor three (24.89% of the variance) groups together items which concern various aspects of customer relations. Table 7.19 shows the rotated factor matrix for the community items. A two-factor solution was obtained (75.59% of the total variance). The first factor (43.45% of the variance) refers to the organisation's communication and policy on community relations. Factor two (32.14% of the variance) refers to corporate philanthropy in cash and kind.

Since the sample size was still inadequate to factor analyse all 31 remaining items simultaneously, it was decided to further purify the nascent scales by deleting semantically redundant or repetitive items. As a guide, the items with the highest factor loading were chosen for retention when choosing between two or more items with identical or extremely similar meanings. For example, as illustrated in Table 7.17, the items *Our organisation presents itself as environmentally responsible* and *Our organisation emphasises environmental responsibility in its communication with stakeholders* were intended to measure the concept of corporate identity relating to environmental issues. The item *Our organisation presents itself as environmentally responsible* was chosen for retention as it obtained a higher factor loading compared to the other item. A similar process was followed with all potentially redundant items in the three groups, i.e., practices relating to the environment, customers/employees/suppliers, and the community. It was further decided to eliminate both items referring to environmental best practice as they did not load on the same factor as other items relating to more tangible environmental behaviours. Arguably, the environmental best practice items were too vague in comparison to more concrete measures referring to specific environmental initiatives such as recycling and the reduction of energy consumption.

Table 7.17: Rotated Component Matrix (Items relating to Environment)

Item	Component	
	1	2
Our organisation is distinctive because we are reducing our carbon footprint.*	**.854**	.323
Reducing energy consumption is a central focus in our organisation.*	**.844**	.372
Our organisation has been reducing its energy consumption for a long time.	**.813**	.356
Our organisation has been reducing its carbon footprint for a long time.	**.811**	.381
Our organisation is distinctive because we are reducing our energy consumption.	**.797**	.370
The use of recycling programs in our organisation sets us apart from our competitors.*	**.703**	.468
Our organisation has adopted environmental best practice for a long time.		**.846**
Our organisation has made a clear promise to be environmentally responsible.*	.391	**.825**
Adopting environmental best practice is a central focus in our organisation.	.444	**.822**
Our organisation presents itself as environmentally responsible.*	.429	**.790**
Our organisation emphasises environmental responsibility in its communication with stakeholders.	.349	**.788**

*Items selected for the third stage of exploratory factor analysis

Table 7.18: Rotated Component Matrix (Items relating to Customers, Employees, and Suppliers)

Item	Component		
	1	2	3
Achieving work/life balance for employees is of central importance to our organisation.*	**.911**		
Achieving work/life balance for employees makes our organisation distinctive.	**.894**		
Our organisation presents itself as a caring employer.*	**.726**		.507
Our organisation has made a clear promise to be a caring employer.*	**.654**		.558
Providing employees with opportunities for personal development is considered of central importance to our organisation - even if it does not directly benefit the business.*	**.646**	.344	
Our organisation is distinctive because we pay our suppliers a fair price - even if we could get away with paying less.*		**.876**	
Our organisation has always ensured that we pay our suppliers a fair price - even if we could get away with paying less.		**.873**	
A central focus of our organisation is to ensure we pay our suppliers a fair price - even if we could get away with paying less.		**.811**	
Paying supplier invoices in a timely manner sets our organisation apart from our competitors.*	.454	**.635**	
A central focus of our organisation is to ensure our prices reflect fair value for customers - even if we could get away with charging more.*		**.583**	.401
Our organisation emphasises our concern for the long-term interests of customers when communicating with stakeholders.*			**.877**
We have made a clear promise as an organisation to keep the long-term interests of customers at heart.*		.312	**.872**
We present ourselves as an organisation that has the long-term interests of customers at heart.			**.848**

*Items selected for the third stage of exploratory factor analysis

Finally, two items which loaded onto factors relating to the community were also deleted at this stage (see Table 7.19). The rationale for this decision was the apparent semantic ambiguity of these items: *Our organisation emphasises its credentials as a caring employer when communicating with stakeholders* and *Our organisation is distinctive because we provide opportunities for small businesses to* *become suppliers*. It can be seen that each of these items could be interpreted as referring to both the community (i.e., use of the terms 'stakeholders' and 'small business') and/or to other stakeholder groups (employees and suppliers). Hence, these items were deemed to be ambiguous and unsatisfactory for retention.

Table 7.19: Rotated Component Matrix (Items relating to Community)

Item	Component	
	1	**2**
Our organisation emphasises its commitment to the community when communicating with stakeholders.*	**.871**	
We present ourselves as an organisation which is committed to the community.	**.835**	.366
Our organisation emphasises its credentials as a caring employer when communicating with stakeholders.	**.832**	
We have made a clear promise as an organisation to be committed to the community.*	**.798**	.457
Making donations in kind to the local community (e.g., free products) is of central importance to our organisation.*		**.828**
Our organisation is distinctive because we provide opportunities for small businesses to become suppliers.		**.792**
Making cash donations to the local community sets our organisation apart from its competitors.*	.403	**.729**

*Items selected for the third stage of exploratory factor analysis

Hence in the third and final stage of exploratory factor analysis, 18 CSR branding items were retained. Thus the number of items was now small enough to analyse simultaneously given the sample size available. Principal components factor analysis with Varimax rotation was conducted on the 18 retained items. Using Kaiser's eigenvalues greater than one rule, a five factor solution was initially obtained. However, only two items loaded onto the fifth factor – *Our organisation emphasises our concern for the long-term interests of customers when communicating with stakeholders* and *We have made a clear promise as an organisation to keep the long-term interests of customers at heart*. Both of these items were intended to capture the corporate identity/branding component of CSR branding. Since other items loading onto different factors adequately capture these aspects of CSR branding, it was decided to eliminate the two items in question on grounds of parsimony.

The analysis was re-run with 16 items. Bartlett's and KMO tests were performed, with the results indicating the data were appropriate for further analysis as demonstrated in Table 7.20.

Table 7.20: MSA and Bartlett's Test (CSR Branding: Round One Data)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.851
Bartlett's Test of Sphericity	Approx. Chi-Square	1047.260
	Df	120
	Sig.	.000

Table 7.21 shows a four-factor solution for the 16 remaining items in the CSR branding scale, explaining 74.13% of the total variance. Meaningful titles were used to designate each factor as follows: 'environmental awareness' (Factor 1 - accounting for 24.0% of the variance explained); 'community commitment' (Factor 2 - 18.31% of the variance); 'employee concern' (Factor 3 - 18.29% of the variance); and 'financial fairness' (Factor 4 - 13.54% of the variance). All items clearly load onto a single factor. The purified 16 item scale of CSR branding was used in the second round of data collection described in the next section of this chapter.

Table 7.21: Rotated Component Matrix (CSR Branding: Round One Data)

Item	Component			
	1	**2**	**3**	**4**
Our organisation presents itself as environmentally responsible.	**.828**			
The use of recycling programs in our organisation sets us apart from our competitors.	**.817**			
Reducing energy consumption is a central focus in our organisation.	**.810**	.330		
Our organisation is distinctive because we are reducing our carbon footprint.	**.804**	.314		
Our organisation has made a clear promise to be environmentally responsible.	**.774**		.373	
Making donations in kind to the local community is of central importance to our organisation.		**.810**		
We have made a clear promise as an organisation to be committed to the community.	.329	**.796**		
Making cash donations to the local community sets our organisation apart from its competitors.		**.783**		
Our organisation emphasises its commitment to the community when communicating with stakeholders.	.332	**.686**		
Our organisation presents itself as a caring employer.			**.845**	
Our organisation has made a clear promise to be a caring employer.	.309		**.810**	
Achieving work/life balance for employees is of central importance to our organisation.			**.792**	
Providing employees with opportunities for personal development is considered of central importance to our organisation - even if it does not directly benefit the business.			**.621**	.390
A central focus of our organisation is to ensure our prices reflect fair value for customers - even if we could get away with charging more.				**.757**
Paying supplier invoices in a timely manner sets our organisation apart from our competitors.			.311	**.747**
Our organisation is distinctive because we pay our suppliers a fair price - even if we could get away with paying less.				**.718**

7.6 Scale Reliability Analysis: CSR Branding (Round One Data)

A reliability analysis was performed on the 16 remaining items in the CSR branding scale. A Cronbach's alpha of .919 (.921 based on standardised items) was achieved. Each sub-scale (environmental awareness, community commitment, employee concern, and financial fairness) was then subject to separate reliability analysis. The

Cronbach alpha coefficient for three of the scales exceeded .80 – widely considered to be an indication of excellent reliability (Nunnally and Bernstein 1994). The lowest recorded alpha coefficient was for the financial fairness sub-scale. However, the coefficient in this case was still above the minimum standard of .70 (Nunnally and Bernstein 1994), as shown in Table 7.22.

Table 7.22: Scale Reliability Analysis (CSR Branding: Round One Data)

	Corrected item-total correlation	**Alpha if item deleted**
Environmental Awareness Scale		
Our organisation presents itself as environmentally responsible.	.749	.899
The use of recycling programs in our organisation sets us apart from our competitors.	.782	.892
Reducing energy consumption is a central focus in our organisation.	.838	.880
Our organisation is distinctive because we are reducing our carbon footprint.	.789	.892
Our organisation has made a clear promise to be environmentally responsible.	.748	.901
Scale alpha		**.913**
Scale alpha based on standardised items		**.914**
Community Commitment Scale		
Making donations in kind to the local community (e.g., free products) is of central importance to our organisation.	.689	.826
We have made a clear promise as an organisation to be committed to the community.	.782	.786
Making cash donations to the local community sets our organisation apart from its competitors.	.696	.821
Our organisation emphasises its commitment to the community when communicating with stakeholders.	.654	.838
Scale alpha		**.857**
Scale alpha based on standardised items		**.860**

Table continued on page 174

	Corrected item-total correlation	Alpha if item deleted
Employee Concern Scale		
Our organisation presents itself as a caring employer.	.689	.826
Our organisation has made a clear promise to be a caring employer.	.782	.786
Achieving work/life balance for employees is of central importance to our organisation.	.696	.821
Providing employees with opportunities for personal development is considered of central importance to our organisation - even if it does not directly benefit the business.	.654	.838
Scale alpha		**.869**
Scale alpha based on standardised items		**.873**
Financial Fairness Scale		
A central focus of our organisation is to ensure our prices reflect fair value for customers - even if we could get away with charging more.	.511	.663
Paying supplier invoices in a timely manner sets our organisation apart from our competitors.	.518	.658
Our organisation is distinctive because we pay our suppliers a fair price - even if we could get away with paying less.	.596	.571
Scale alpha		**.718**
Scale alpha based on standardised items		**.723**

7.7 Confirmatory Factor Analysis (CFA): CSR Branding Round Two Data

Once the factors in the CSR branding scale were identified through exploratory factor analyses, a second round of data collection was conducted to examine the unidimensionality of the constructs and investigate the impact of adopting CSR branding on corporate financial and non-financial performance using a full structural model (Gerbing and Anderson 1988). This is to provide evidence in relation to the second research question identified in this thesis: *What is the impact of adopting CSR branding on corporate financial and non-financial performance*?

Prior to the collection of round two data, an additional two items were added to the financial fairness scale. This was done because the three financial fairness items remaining after exploratory analysis all related to organisational identity, and not to corporate identity or branding. The three other CSR branding sub-scales (environmental awareness, employee concern, and community commitment) all included a mixture of items relating to both organisational and corporate identity, and corporate branding. The additional financial fairness items were *We have made a clear promise as an organisation to be fair in all our financial dealings* and *Our organisation presents itself as a financially fair in all its dealings*. The wording of these items was sent to 61 of the round one respondents who had requested a summary report of the research and had therefore provided their contact details. These respondents were asked to notify the researcher if they believed the additional items were inappropriate for the financial fairness sub-scale. No objections were raised and two respondents reported that they specifically agreed with the proposed new items.

The round two research instrument contained 45 items, including the purified 18-item CSR branding scale. The other 27 items related to the proposed intervening, moderating, and dependent variables including organisational identification (six items), CSR-Company Ability (CA) beliefs (nine items), research and development (R&D) intensity (four items), advertising intensity (four items), and corporate financial performance (four items). As in the first round, the steps recommended by Hair et al. (2010) were followed to deal with the issue of missing data. Firstly, the missing data were once again classified as not 'ignorable' (Hair et al. 2010). Secondly, the extent of missing data was observed to be considerably less than in the first round with no item recording more than 10% missing data (Hair et al. 2010). The three items with the highest number of missing cases were, in order, those related to R&D intensity, financial dealings with customers, and corporate financial performance. The item *The ratio of R&D spending relative to sales in our company is high compared to our competitors* had the highest number of missing cases (12 or 6.0% of the sample), followed by the items *A central focus of our organisation is to ensure our prices reflect fair value for customers – even if we could get away with charging more* (11 or 5.5% of the sample) and *Relative to our competitors, our sales growth over the past three years has been excellent* (10 or 5.0%). With low missing data, any of the imputation methods can be applied and it is unnecessary to assess the degree of randomness (Hair et al. 2010). Finally, the imputation method selected for the second round missing data was an ‘expectation-maximisation’ algorithm (EM). This method calculates the ‘best guess’ as a substitute for the missing data based on an estimation of the observed data (Hair et al. 2010; Schafer and Graham 2002; Schreiber, Nora, Stage, Barlow, and King 2006). Since a minimum of 200 responses is required to perform structural equation modelling using AMOS (Hair et al. 2010), case deletion methods either listwise or pairwise were not applicable for this thesis as they would have reduced the sample size to below the minimum.

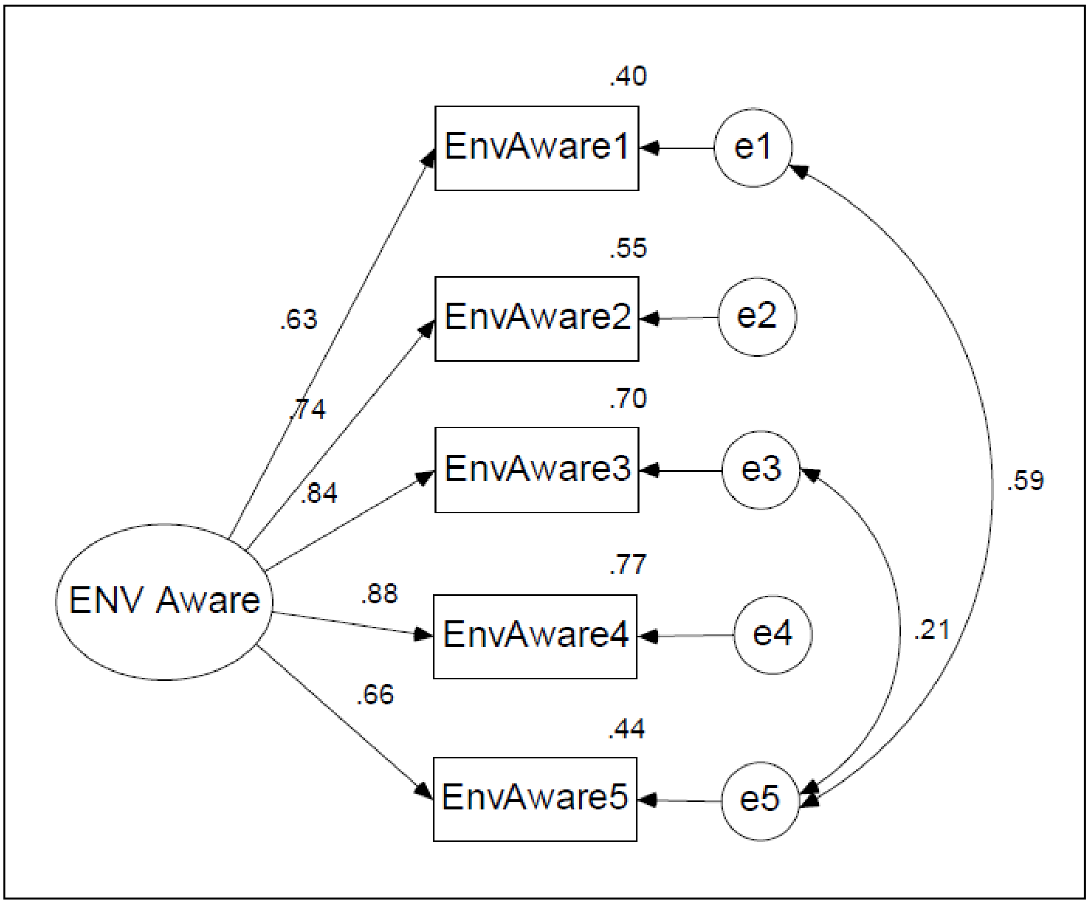
7.7.1 Environmental Awareness Scale

The sub-scales identified in round one through exploratory factor analysis were subject to confirmatory factor analysis using the AMOS 17 program. In addition, confirmatory factor analysis was also performed for the second order factor of CSR branding as well as all other intervening, moderating, and dependent variables. The measurement model for the environmental awareness scale (five items) is illustrated in Figure 7.1, with the wording of items listed in Table 7.23.

Table 7.23: Environmental Awareness Scale

Label	Item
EnvAware1	Our organisation presents itself as environmentally responsible.
EnvAware2	The use of recycling programs in our organisation sets us apart from our competitors.
EnvAware3	Reducing energy consumption is a central focus in our organisation.
EnvAware4	Our organisation is distinctive because we are reducing our carbon footprint.
EnvAware5	Our organisation has made a clear promise to be environmentally responsible.

Figure 7.1: CFA – Environmental Awareness



In measurement models, the indicators act collectively to define the latent construct (Hair et al. 2010). The relationships between indicators and the latent construct are evaluated through the factor loading estimates as in exploratory factor analysis (Hair et al. 2010). The standardised regression weight (lambda) for each of the indicators exceeded the minimum requirement (significant *p*-value) demonstrating that the indicators of environmental awareness are relatively strong with respect to their associated construct (Gallagher, Ting, and Palmer 2008; Hair et al. 2010). An adequate standardised factor loading is considered to be a minimum of .50, whilst .70 or higher is preferable (Hair et al. 2010). Squared multiple correlations (R^2) represent “the extent to which a measured variable’s variance is explained by a latent factor”, referred to as communality in exploratory factor analysis (Hair et al. 2010, p. 708). No specific rule is given for the interpretation of R^2 values in confirmatory factor analysis as they are a function of the loading estimates (Hair et al. 2010). Figure 7.1 illustrates the standardised regression weights and squared multiple correlations for each indicator of the environmental awareness construct. An examination of the modification indices produced by AMOS suggested that the error terms for indicators 1 and 5 covary. This is theoretically unsurprising as the two items relate to the closely interconnected constructs of corporate identity and corporate branding respectively (Balmer 2001b; Balmer and Gray 2003; de Chernatony 2002; Harris and de Chernatony 2001; Urde 2003; 2009). In addition, the model fit was improved by allowing the error terms for variables EnvAware3 and EnvAware5 to covary. Table 7.24 shows selected model fit statistics for the environmental awareness scale.

Table 7.24: CFA Model Fit Statistics – Environmental Awareness

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.885	.216	.0072	.999	.994	.999	1.014	1.000

Different model fit indices have been suggested in the SEM literature, with traditional chi-square statistics in combination with *p*-values being the most often reported. A non-significant *p*-value (p>.05) indicates an acceptable model fit (Hair et al. 2010). However, the measure of chi-square for model fit is sensitive to the sample size, increasing the risk of a Type I error – the model is wrongly accepted when it should be rejected (Gallagher et al. 2008; Schermelleh-Engel, Moosbrugger, and Muller 2003). Hence, it is suggested that the measure of chi-square for model fit should be use in conjunction with other fit indices (Singh 2009). There are different types of fit indices including absolute, incremental, and parsimony fit indices. While absolute fit indices assess the fit of the model based on the observed data collected with no reference model used, incremental fit indices or 'comparative fit indices' assess the model in comparison with a baseline model generally known as the 'null model', assuming that none of the observed variables are related (Gallagher et al. 2008; Hair et al. 2010). The most commonly reported absolute fit measure is the 'normed chi-square', calculated using the ratio of the chi-square statistic to the degrees of freedom (df); a ratio of 3:1 or less is generally accepted (Gallagher et al. 2008; Hair et al. 2010). This thesis also uses the 'Goodness-of-Fit Index' (GFI) as an additional measure of absolute fit. The general rule of thumb indicating a good model fit is a GFI value greater than .95, while values greater than .90 are generally accepted as adequate (Schermelleh-Engel et al. 2003; Schreiber et al. 2006). In addition to goodness of fit indices, residual analysis can also be useful in assessing 'badness of fit' by observing "the discrepancy between observed correlations and model reproduced correlations" with a small discrepancy indicating high model fit (Singh 2009, p. 203). Hu and Bentler (1999) suggested that with a sample size of less than 250, use of the 'standardised root mean squared residual' (SRMR) is desriable and should be used together with the 'comparative fit index' (CFI) – an incremental fit statistic comparing default model fit with the null model. The general rule of thumb for an acceptable value of SRMR is .08 or lower and for CFI .95 or higher. Thus, given the second round sample size of 201, SRMR and CFI are appropriate measures for residual analysis and incremental fit statistics. Alternatively, the 'normed fit index' (NFI) and 'non-normed fit index' (NNFI) or 'Tucker-Lewis index' (TLI) may be reported, with values of .95 or higher considered acceptable (Hu and Bentler 1999; Schreiber et al. 2006). The TLI can exceed 1 and a good model fit is indicated when the TLI approaches a value of 1 (Hair et al. 2010). Another type of fit index is based on parsimony fit, which involves determining which is the best of the competing models. Parsimony fit indices – such as the Adjusted Goodness-of-Fit Index (AGFI) – take into account different degrees of model complexity by "adjusting GFI by a ratio of the degrees of freedom used in a model to the total degrees of freedom available" (Hair et al. 2010, p. 669). The general rule of thumb indicating good model fit is an AGFI value greater than .95 (Schermelleh-Engel et al. 2003; Schreiber et al. 2006). Once all of the selected fit indices have been evaluated and acceptable values recorded, it can be concluded that the theoretical model has an acceptable level of fit in relation to the observed data collected and thus unidimensionality is established (Dunn et al. 1994; Hair et al. 2010; Steenkamp and van Trijp 1991). Unidimensionality is "aimed at selecting a set of data items that can be empirically demonstrated to correspond to a single social-psychological dimension" (Gorden 1977, p. 26). Generally, unidimensionality can be assessed through scale refinement by eliminating items that load weakly onto the hypothesised factors (Dunn et al. 1994). This is generally accomplished by using confirmatory factor analysis (Dunn et al. 1994). A scale that does not demonstrate unidimensionality will exhibit a reduction in variance because "items that are reflecting one construct in a scale will, to some extent, off-set changes in items in the same scale that reflect another construct" (Dunn et al. 1994, p. 163). In the case of the environmental awareness scale, the indicators loaded onto only one construct with evidence of an acceptable level of model fit, as illustrated in Table 7.24.

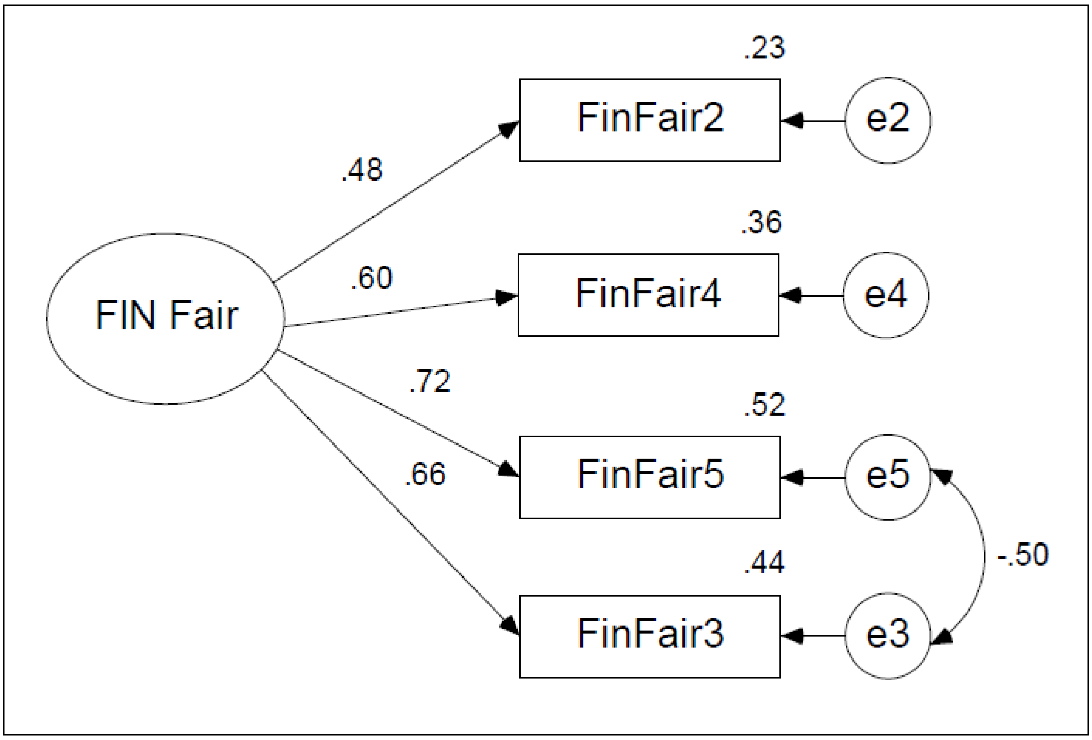
7.7.2 Financial Fairness Scale

Ultimately, the financial fairness construct was measured by four items, as shown in Figure 7.2 with the wording of the items provided in Table 7.25. One of the additional scale items added after the first round of data collection (see Section 7.7) (*Our organisation presents itself as financially fair in all its dealings)* was dropped in the interests of improved model fit following examination of the modification indices.

Table 7.25: Financial Fairness Scale

Label	Item
FinFair2	We have made a clear promise as an organisation to be fair in all our financial dealings.
FinFair3	A central focus of our organisation is to ensure our prices reflect fair value for customers - even if we could get away with charging more.
FinFair4	Our organisation is distinctive because we pay our suppliers a fair price - even if we could get away with paying less.
FinFair5	Paying supplier invoices in a timely manner sets our organisation apart from our competitors.

Figure 7.2: CFA – Financial Fairness



Only one of the indicators for financial fairness falls marginally below the accepted standard of .50 (Hair et al. 2010). This lambda was, however, significant at the *p*<.001 level. Also, the error terms for FinFair3 and FinFair5 have been allowed to covary in accordance with the suggestion provided by the modification indices. The key model fit statistics are provided in Table 7.26.

Table 7.26: CFA Model Fit Statistics – Financial Fairness

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.610	.260	.0086	.999	.994	.998	1.040	1.000

All of the model fit indices are acceptable and it can be concluded that the financial fairness construct is unidimensional.

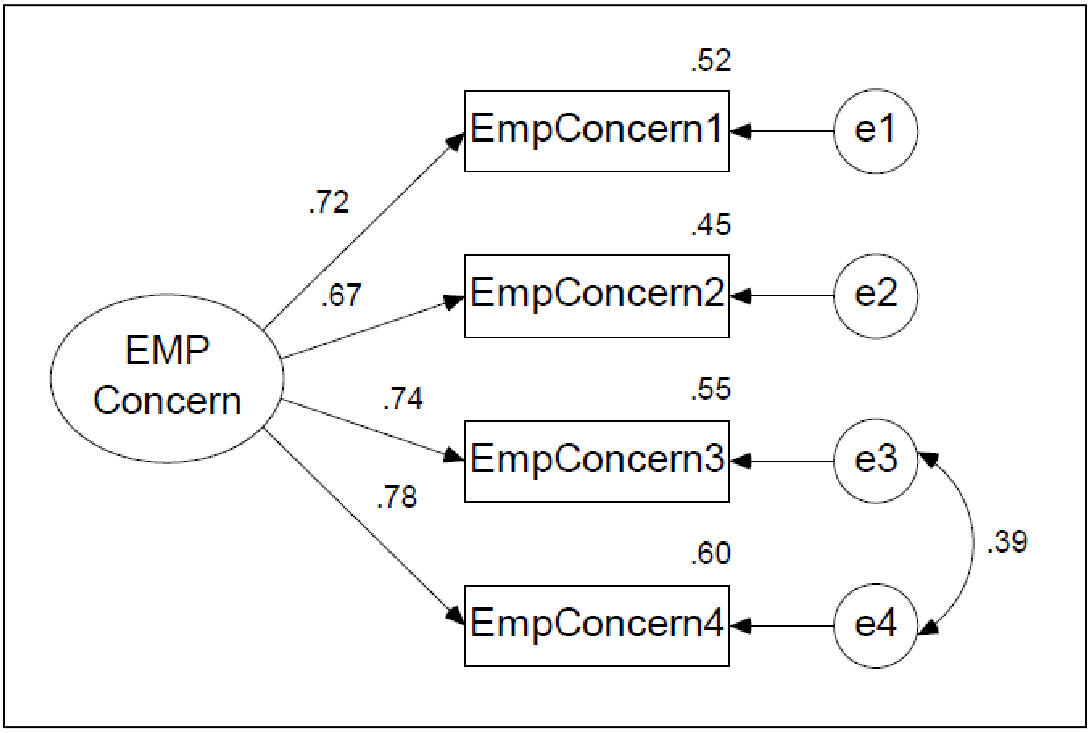
7.7.3 Employee Concern Scale

Table 7.27 provides the wording of items measuring the employee concern construct. The lambdas and R^2 of each the indicators are shown in Figure 7.3.

Table 7.27: Employee Concern Scale

Label	Item
EmpConcern1	Achieving work/life balance for employees is of central importance to our organisation.
EmpConcern2	Providing employees with opportunities for personal development is considered of central importance to our organisation - even if it does not directly benefit the business.
EmpConcern3	Our organisation presents itself as a caring employer.
EmpConcern4	Our organisation has made a clear promise to be a caring employer.

Figure 7.3: CFA – Employee Concern



Given the previously noted inter-relationship between corporate identity and corporate brand (Balmer 2001b; Balmer and Gray 2003; de Chernatony 2002; Harris and de Chernatony 2001; Urde 2003; 2009), the error terms for variables intended to measure corporate identity (EmpConcern3) and corporate brand (EmpConcern4) have been allowed to covary. All of the indicators obtained lambdas of greater than .70, except for EmpConcern2 which fell somewhat short but still met the minimum standard of .50 (Hair et al. 2010). All the lambdas are significant at the p<.001 level. Table 7.28 provides the key model fit statistics.

Table 7.28: CFA Model Fit Statistics – Employee Concern

P	CMIN/DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.593	.286	.0044	.999	.993	.999	1.013	1.000

The model appears to possess acceptable model fit in related to the observed data, thus it can be concluded that employee concern is a unidimensional construct.

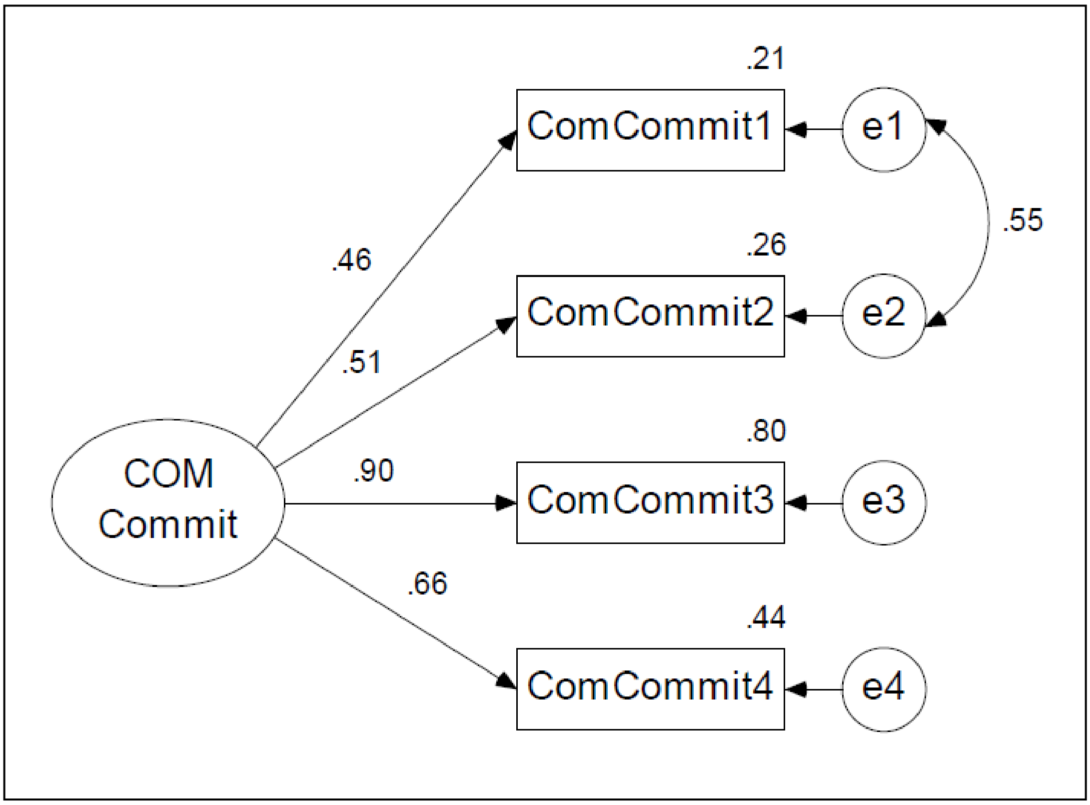
7.7.4 Community Commitment Scale

Table 7.29 presents the wording of the four items in the community commitment scale. The measurement model is shown in Figure 7.4.

Table 7.29: Community Commitment Scale

Label	Item
ComCommit1	We have made a clear promise as an organisation to be committed to the community.
ComCommit2	Our organisation emphasises its commitment to the community when communicating with stakeholders.
ComCommit3	Making donation in kind to the local community is of central importance to our organisation.
ComCommit4	Making cash donations to the local community sets our organisation apart from its competitors.

Figure 7.4: CFA – Community Commitment



Once again, the error terms for variables intended to measure corporate identity (ComCommit2) and corporate brand (ComCommit1) have been allowed to covary (Balmer 2001b; Balmer and Gray 2003; de Chernatony 2002; Harris and de Chernatony 2001; Urde 2003; 2009). All but one of the indicators achieved minimum standard lambdas of .50. Although the ComCommit1 indicator falls marginally below minimum standard, all lambdas are significant at the p<.001 level. Selected model fit statistics are provided in Table 7.30.

Table 7.30: CFA Model Fit Statistics – Community Commitment

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.523	.407	.0061	.999	.990	.998	1.015	1.000

The model appears to provide acceptable model fit with the data, thus unidimensionality can be assumed for the community commitment construct.

7.8 Discriminant Validity: CSR Branding

To establish construct validity for the CSR branding scale, discriminant validity needs to be established. Discriminant validity is "the extent to which a construct is truly distinct from other constructs" (Hair et al. 2010, p. 710). This can be demonstrated by comparing the correlations between the constructs to a hypothetical model in which all of the correlations have been set to one (Dunn et al. 1994). Discriminant validity exists when the correlations of the constructs are significantly different (Dunn et al. 1994; Steenkamp and van Trijp 1991).

Discriminant validity was evaluated using the round two data which produced a chi-square difference score between the freely correlated and hypothetical models of 22.388 with 6 degrees of freedom. With alpha set at .005 and 6 degrees of freedom, the critical value of the chi-square statistic is 18.548. Thus, the chi-square difference test indicates that all four of the constructs are distinct from one another and the existence of discriminant validity is supported. The correlations between each of the constructs are provided in Table 7.31.

Table 7.31: CSR Branding Inter-Dimensional Correlations

Community Commitment/Financial Fairness	.436
Community Commitment/Environmental Awareness	.534
Employee Concern/Financial Fairness	.665
Employee Concern/Environmental Awareness	.559
Employee Concern/Community Commitment	.610
Environmental Awareness/ Financial Fairness	.450

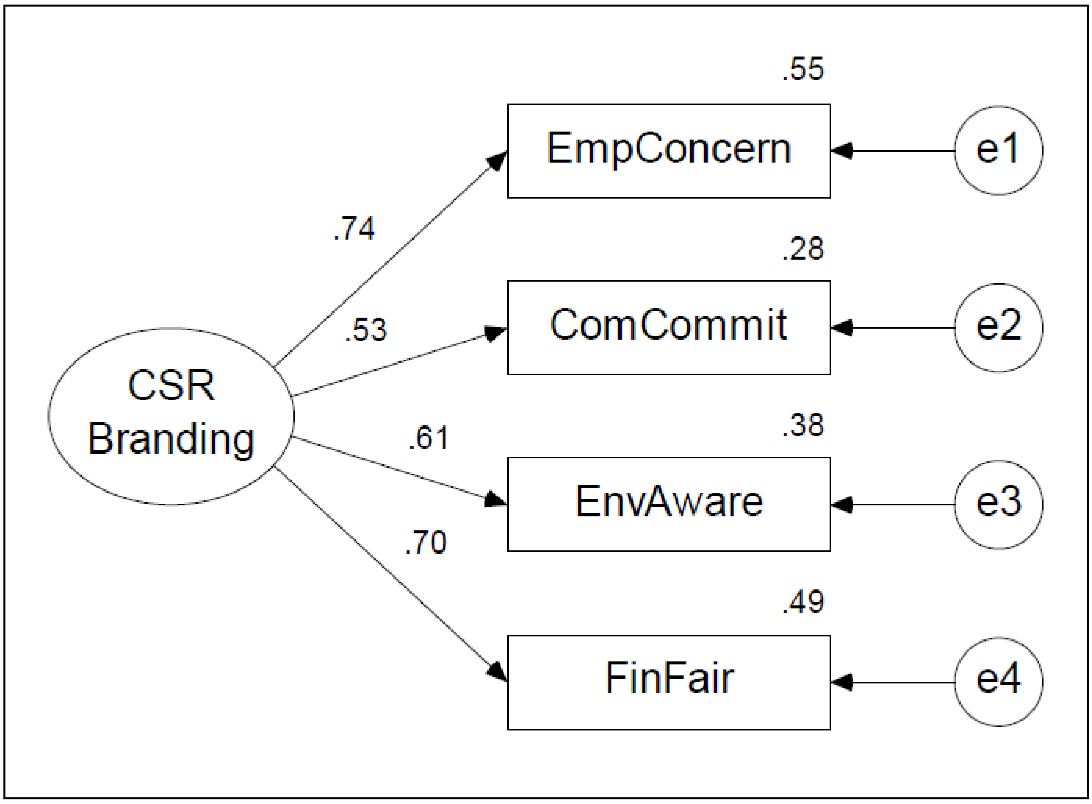
7.9 Confirmatory Factor Analysis (CFA): CSR Branding as a Second Order Factor

As discussed above, the first-order constructs of CSR branding – environmental awareness, financial fairness, employee concern, and community commitment – appear to be unidimensional. Since an adequate level of correlation between each of the constructs is also apparent, the overall construct of CSR branding may be considered as a second order factor model (Dunn et al. 1994). The traditional method of computing composite scale scores using mean scale values is deemed problematic, as it ignores the weighting attached to each indicator of the relevant construct (Hair et al. 2010; Michon and Chebat 2008). In other words, the traditional method treats each indicator as having the same weight with regard to its respective latent construct and generally ignores potential measurement error (Michon and Chebat 2008). Hence, this thesis uses factor scores which take into account the individual and joint measurement errors of the indicators in computing composite values for each dimension of CSR branding. Factor scores are "computed based on the factor loadings of all variables on the factor" (Hair et al. 2010, p. 127). The factor scores were used to create new variables taking into account the fact that each variable contributes differently to the CSR branding scale based on the size of its loadings (Hair et al. 2010; Young 1998). The formula to calculate composite scores for each dimension of the CSR branding scale is provided below, where w_i is the factor weight for the i^{th} item (Young 1998).

$$\frac{\sum\left(w_1 * item_1, w_2 * item_2, ...w_i * item_i\right)}{\sum\left(w_i\right)}$$

Figure 7.5 illustrates the results of the CFA.

Figure 7.5: CFA – CSR Branding as a Second Order Factor



All of the indicators achieved minimum standard lambdas of .50, with the lambdas for EmpConcern and FinFair meeting the desirable standard of .70 (Hair et al. 2010). All the lambdas are significant at the p<.001 level. Table 7.32 presents the key fit statistics.

Table 7.32: CFA Model Fit Statistics – CSR Branding as a Second Order Factor

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.496	.702	.0163	.997	.983	.992	1.011	1.000

The model appears to demonstrate acceptable fit with the data, thus supporting the hypothesis that CSR branding may be considered a second order factor.

7.10 Confirmatory Factor Analysis (CFA): Corporate Financial Performance (CFP)

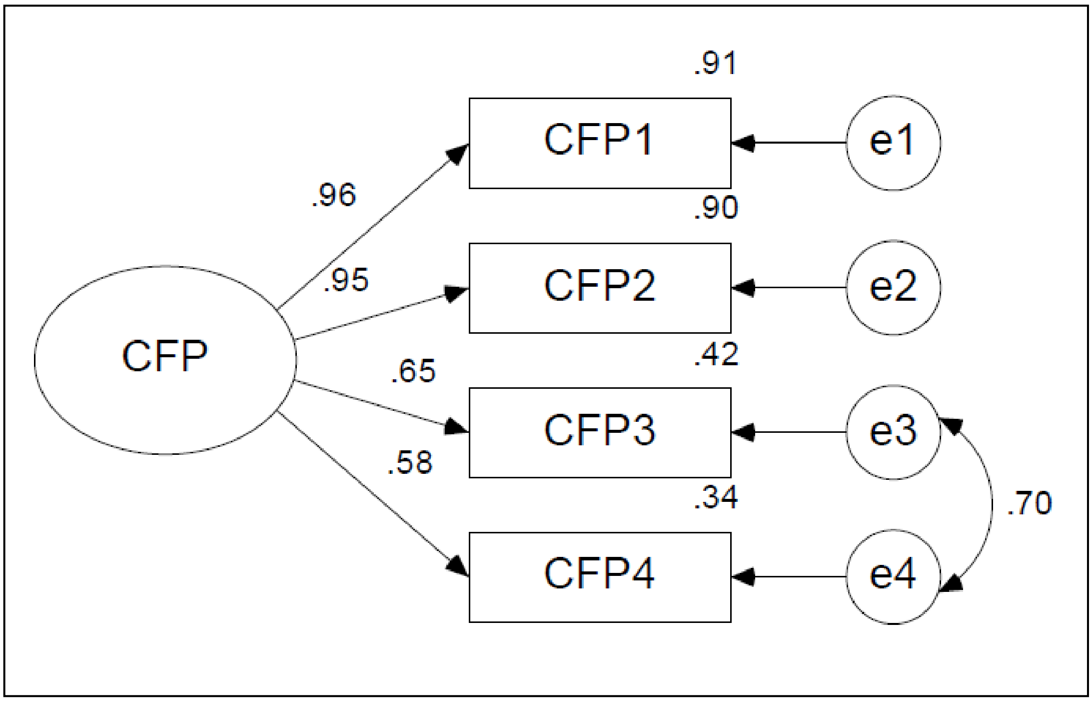
Since items relating to corporate financial performance were not included in the first round of data collection, scale reliability tests were performed before conducting confirmatory factor analysis.

Table 7.33: Scale Reliability: Corporate Financial Performance (CFP)

	Corrected item-total correlation	**Alpha if item deleted**
Relative to our competitors, our return on investment over the past three years has been excellent.	.780	.845
Relative to our competitors, our return on assets over the past three years has been excellent	.777	.846
Relative to our competitors, our sales growth over the past three years has been excellent.	.760	.853
Our market share has been growing relative to our competitors over the past three years.	.698	.876
Scale alpha	**.887**	
Scale alpha based on standardised items	**.887**	

As shown in Table 7.33, a Cronbach's alpha of .887 (.887 based on standardised items) was achieved, exceeding the minimum requirement (Nunnally and Bernstein 1994). As scale reliability was found to be acceptable, confirmatory factor analysis was performed to establish the unidimensionality of the corporate financial performance construct (see Figure 7.6).

Figure 7.6: CFA – Corporate Financial Performance (CFA)



Following an inspection of modification indices, the error terms for variables CFP3 and CFP4 were allowed to be covary. All of the indicators achieved minimum standard lambdas of .50, with indicators CFP1 and CFP2 well above the desirable standard of .70 (Hair et al. 2010). All the lambdas are significant at the p<.001 level. Table 7.34 below provides the model fit statistics.

Table 7.34: CFA Model Fit Statistics – Corporate Financial Performance (CFA)

P	CMIN/DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.644	.213	.0015	.999	.995	1.000	1.007	1.000

The model appears to display acceptable model fit with the data, thus the unidimensionality of the corporate financial performance construct can be assumed.

7.11 Confirmatory Factor Analysis (CFA): Organisational Identification

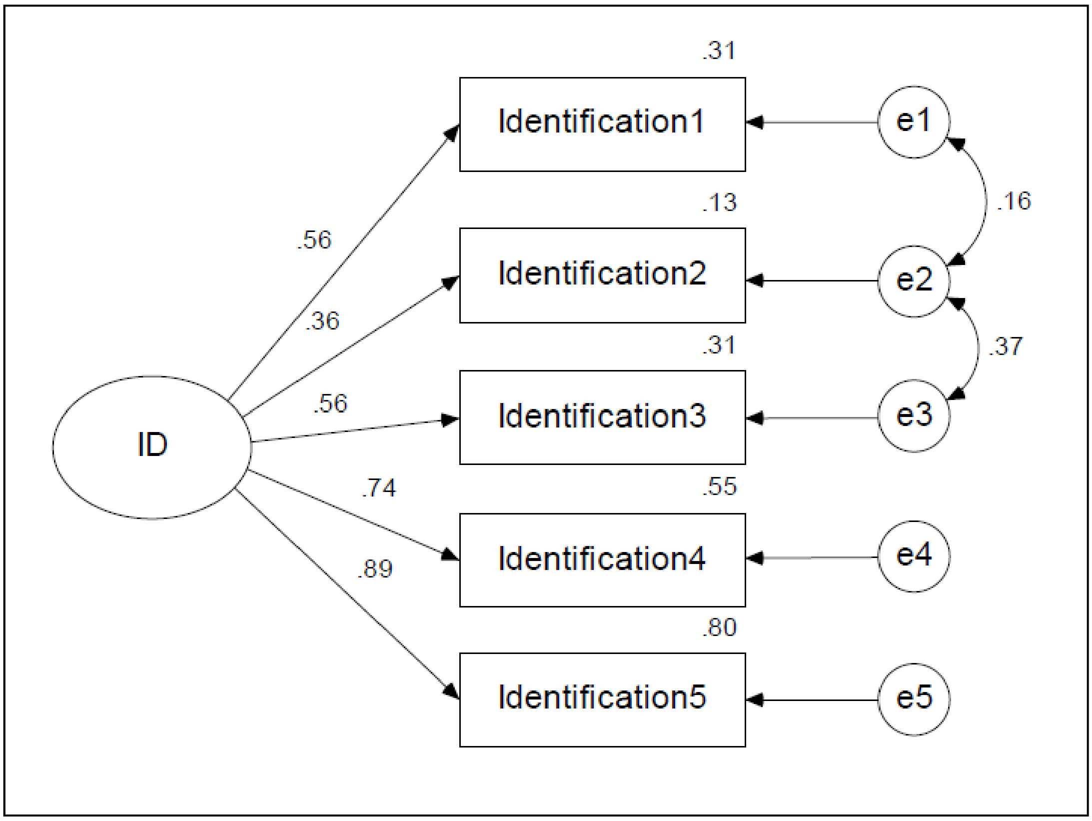
The organisational identification items were only included in the second round of data collection, thus a scale reliability test was performed prior to conducting confirmatory factor analysis, as illustrated in Table 7.35.

Table 7.35: Scale Reliability: Organisational Identification

	Corrected item-total correlation	**Alpha if item deleted**
When someone criticises my organisation, it feels like a personal insult.	.512	.685
I am very interested in what others think about my organisation.	.431	.711
When I talk about my organisation, I usually say 'we' rather than 'they'.	.538	.688
My organisation's successes are my successes.	.547	.675
When someone praises my organisation, it feels like a personal compliment.	.662	.640
If a story in the media criticised my organisation, I would feel embarrassed.	.273	.773
Scale alpha		**.734**
Scale alpha based on standardised items		**.760**

Although an alpha coefficient of .734 (.760 based on standardised items) was achieved, the item *If a story in the media criticised my organisation, I would feel embarrassed* was dropped due to low item-to-total-correlation leading to an increase in the scale alpha to .773 (.784 based on standardised items). Once this item was eliminated, the organisational identification construct as measured by the remaining five items was then subject to confirmatory factor analysis, as illustrated in Figure 7.7.

Figure 7.7: CFA – Organisational Identification



Following inspection of the modification indices, the error term of indicator Identification2 was allowed to covary with the error terms of indicators Identification1 and Identification3 in order to improve the model fit. All but one indicator achieved the minimum standard loading of .50 (Hair et al. 2010). In addition, all the lambdas are significant at the p<.001 level. Steenkamp and van Trijp (1991, p. 289) stated that a statistically significant factor regression coefficient is considered as a "weak condition for convergent validity". Hence, the indicator Identification2 was retained in the model in order to achieve an acceptable level of model fit (see Table 7.36).

Table 7.36: CFA Model Fit Statistics – Organisational Identification

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.102	2.069	.0241	.988	.939	.980	.964	.989

The model displays an acceptable fit with the data, thus unidimensionality can be assumed for the organisational identification construct.

7.12 Confirmatory Factor Analysis (CFA): Research and Development (R&D) and Advertising Intensity

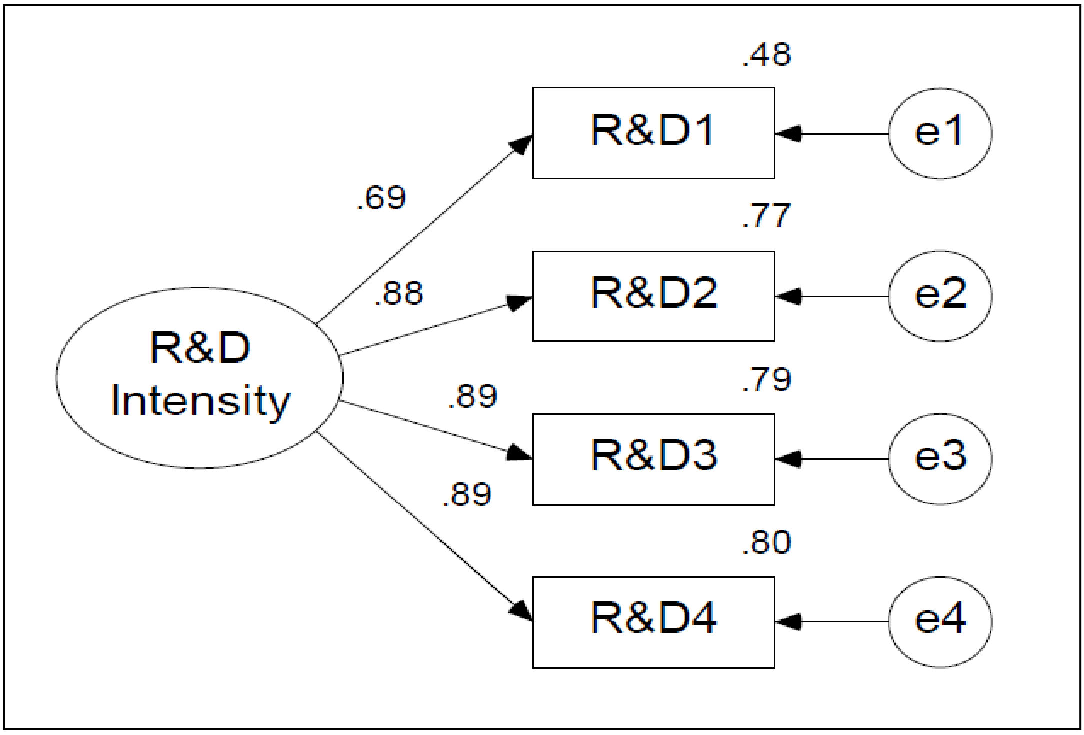
As the research and development (R&D) and advertising intensity items were also not included in the first round of data collection, scale reliability tests were performed before conducting confirmatory factor analysis, as shown in Table 7.37.

Table 7.37: Scale Reliability: Research and Development (R&D) and Advertising Intensity

	Corrected item-total correlation	Alpha if item deleted
Research and Development (R&D) Intensity		
Our company is generally considered more innovative than its competitors.	.658	.916
Our company invests more in research and development (R&D) than our competitors.	.822	.859
Our company's investment in innovation is high compared with its competitors.	.830	.856
The ratio of R&D spending relative to sales in our company is high compared with our competitors.	.823	.859
Scale alpha		**.903**
Scale alpha based on standardised items		**.902**
Advertising Intensity		
Firms in our industry advertise heavily compared with other industries.	.708	.613
Compared with other industries, firms in our industry are highly differentiated from one another.	.195	.864
The ratio of advertising spending relative to sales in our industry is high compared with other industries.	.731	.606
A high level of expenditure on promotion is considered normal in our industry.	.649	.649
Scale alpha		**.759**
Scale alpha based on standardised items		**.749**

Alpha coefficients of .903 (.902 based on standardised items) and .759 (.749 based on standardised items) were obtained for the R&D and advertising intensity scales respectively, above the minimum standard required (Nunnally and Bernstein 1994). Confirmatory factor analysis was then conducted in order to establish the unidimensionality of the two constructs, as illustrated in Figures 7.8 and 7.9.

Figure 7.8: CFA – Research and Development (R&D) Intensity



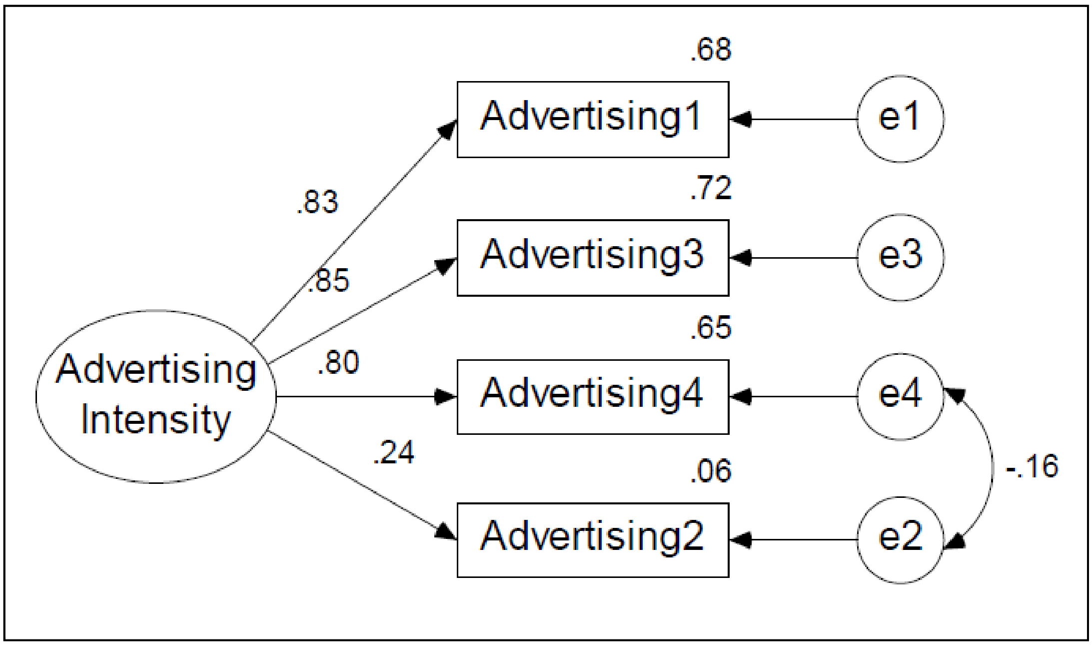
All indicators appear to meet the desirable standard (Hair et al. 2010) and are significant at the *p*<.001 level. Table 7.38 below provides selected model fit statistics.

Table 7.38: CFA Model Fit Statistics – Research and Development (R&D) Intensity

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.219	1.520	.0119	.993	.963	.994	.994	.998

The model appears to provide an acceptable fit with the data, thus unidimensionality can be assumed for the R&D intensity construct.

Figure 7.9: CFA – Advertising Intensity



The results of the confirmatory factor analysis for the advertising intensity construct are provided in Figure 7.9. Following an inspection of modification indices, the error terms for indicators Advertising2 and Advertising4 have been allowed to covary. One indicator (Advertising2) fell substantially below the minimum standard of .50 (Hair et al. 2010). However, all the lambdas are significant at the p<.001 level which is considered a weak requirement for convergent validity (Steenkamp and van Trijp 1991). Hence, indicator Advertising2 was retained in the model in order to achieve an acceptable level of model fit. (See Table 7.39.)

Table 7.39: CFA Model Fit Statistics – Advertising Intensity

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.811	.057	.0029	1.000	.999	1.000	1.019	1.000

The model appears to provide acceptable fit with the data, thus the unidimensionality of the advertising intensity construct can be assumed.

7.13 Confirmatory Factor Analysis (CFA): CSR-Company Ability (CA) Beliefs

Once again the CSR-company ability (CA) beliefs items were only included in the second round data collection, thus a scale reliability test was performed prior to conducting confirmatory factor analysis for this construct, as illustrated in Table 7.40.

Table 7.40: Scale Reliability: CSR-CA (Company Ability) Beliefs

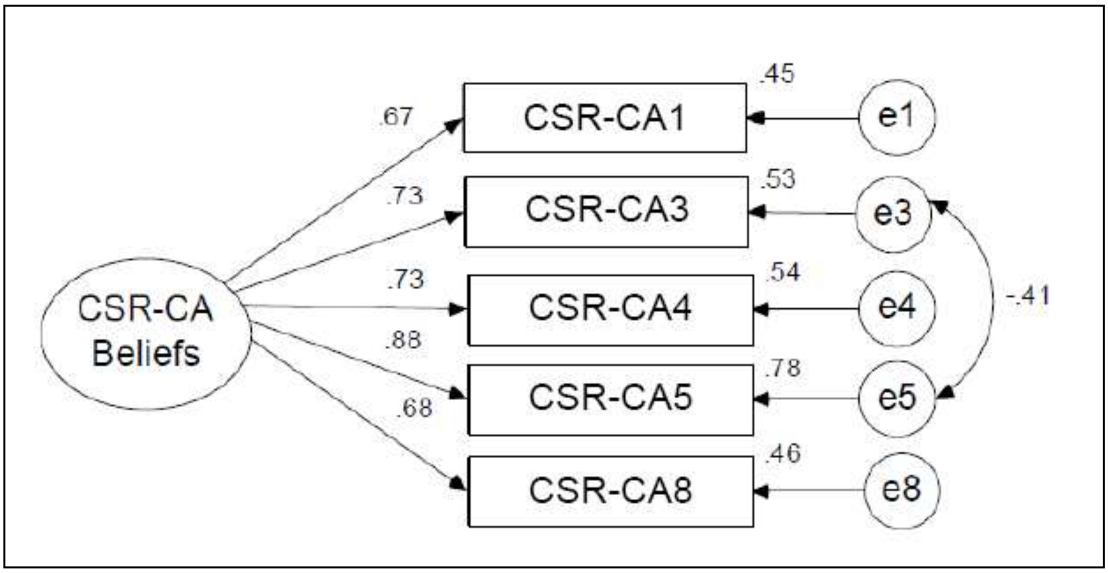
	Corrected item-total correlation	**Alpha if item deleted**
Socially responsible behaviour detracts from companies' ability to provide the best possible products.*	.717	.858
Socially responsible behaviour is a drain on a company's resources.*	.587	.871
Socially responsible behaviour by firms is often a cover-up for inferior product offerings.*	.581	.871
Socially responsible firms produce worse products than firms that do not worry about social responsibility.*	.664	.864
All else equal, a socially responsible firm is likely to have lower technological expertise than a firm that is not socially responsible.*	.731	.858
Firms that devote resources towards socially responsible actions have fewer resources available for increasing employee effectiveness.*	.592	.870
A company can be both socially responsible and manufacture products of high value.	.419	.882
Firms engage in socially responsible behaviours to compensate for inferior product offerings.*	.619	.867
Resources devoted to social responsibility come at the expense of improved product offerings.*	.722	.859
Scale alpha		**.880**
Scale alpha based on standardised items		**.880**

*Reverse scored item

An alpha coefficient of .880 (.880 based on standardised items) was obtained. Before proceeding with confirmatory factor analysis, the item *A company can be both socially responsible and manufacture product of high value* was eliminated because of a relatively low item-to-total correlation resulting in an amended alpha coefficient of .882 (.884 based on standardised items). Confirmatory factor analysis was then conducted to examine the unidimensionality of CSR-CA beliefs construct, as measured by the eight retained items.

The modification indices were used as a guide to identifying potential cross-loadings (Hair et al. 2010). A number of items were eliminated on this basis. For example, the item *Socially responsible behaviour is a drain on a company's resources* was found to be highly correlated with *Socially responsible behaviour detracts from companies' ability to provide the best possible products* (CSR-CA1). The semantic similarity of these two items is apparent. Since item CSR-CA1 produced a higher lambda than the other item, it was retained in the model. A similar procedure resulted in the deletion of the items *Firms that devote resources towards socially responsible actions have fewer resources available for increasing employee effectiveness* and *Resources devoted to social responsibility come at the expense of improved product offerings*.

Figure 7.10: CFA – CSR-CA (Company Ability) Beliefs



The final CSR-CA beliefs scale comprised five items, as illustrated in Figure 7.10. In addition, the error terms for indicators CSR-CA3 and CSR-CA5 were allowed to covary as recommended by the modification indices. All the indicators met the minimum standard of .50 (Hair et al. 2010) and were significant at the p<.001 level. Table 7.41 provides the key model fit statistics.

Table 7.41: CFA Model Fit Statistics – CSR-CA (Company Ability) Beliefs

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.996	.043	.0038	1.000	.999	1.000	1.024	1.000

The model appears to provide acceptable fit with the data, thus unidimensionality can be assumed for CSR-CA beliefs construct.

7.14 Average Variance Extracted and Construct Reliability

In the previous section, factor loadings were utilised as a means to assess convergent validity, i.e. when the indicators of a construct were found to share a high proportion of common variance, the existence of convergent validity could be assumed. Other methods available for estimating convergent validity are 'average variance extracted' (AVE) and 'construct reliability' (CR) (Hair et al. 2010). AVE is calculated "as the mean variance extracted for the items loading on a construct" (Hair et al. 2010, p. 709). The formula used in calculating AVE is provided below, where L_i is "the standardized factor loading and i is the number of items" (Hair et al. 2010, p. 709). For n items, AVE is the sum of all the squared standardised factor loadings divided by the number of items.

$$\textbf{Average variance extracted} = \frac{\sum_{i=1}^{n} L_i^2}{n}$$

A construct with an AVE score of .50 or higher is acceptable indicating adequate convergence (Hair et al. 2010). Another indicator to demonstrate convergent validity is construct reliability which can be computed using the formula provided below, where L_i is "the squared sum of factor loadings" and e_i represents "the sum of the error variance terms for a construct" (Hair et al. 2010, p. 710).

$$\textbf{Construct reliability} = \frac{\left(\sum_{i=1}^{n} L_i\right)^2}{\left(\sum_{i=1}^{n} L_i\right)^2 + \left(\sum_{i=1}^{n} e_i\right)}$$

Given that acceptable results are obtained for the indicator factor loadings and AVE of a particular construct, a minimum of .70 is considered acceptable for construct reliability indicating that the measures represents the same latent construct (Hair et al. 2010). Table 7.42 illustrates the construct reliability and average variance extracted scores for each of the constructs.

Table 7.42: Construct Composite Reliabilities and Average Variance Extracted

Construct	CR	AVE
Environmental Awareness	.8679	.5720
Financial Fairness	.7114	.3861
Employee Concern	.8186	.5308
Community Commitment	.7376	.4293
Corporate Social Responsibility Branding	.7451	.4264
Corporate Financial Performance	.8743	.6458
Research and Development Intensity	.9059	.7087
Advertising Intensity	.7964	.5273
Organisational Identification	.7691	.4193
Corporate Social Responsibility-Company Ability Beliefs	.9122	.6103

It can be seen that the construct reliabilities for all constructs exceed the minimum standard of .70 (Hair et al. 2010). Although the AVE score for the financial fairness and community commitment sub-scales, as well as the overall CSR branding construct, fell marginally below the minimum standard of .50, they have previously met the standards of other methods used to establish convergent validity – factor loadings and construct reliability. Thus, all of the constructs under investigation may be deemed to exhibit acceptable levels of convergent validity. Given that the development of the CSR branding scale is currently at an early stage, it is reasonable to proceed with further investigation concerning the relationship of CSR branding with other constructs of interest.

7.15 Discriminant Validity

Previously, discriminant validity has been demonstrated in relation to the theorised dimensions of the CSR branding construct. This section examines discriminant validity in relation to the latent constructs in the full structural model including CSR branding, organisational identification and corporate financial performance. A chi-square difference test was conducted by comparing the nested measurement model with the hypothetical model where all correlations between the constructs are set to one (Dunn et al. 1994). A chi-square difference score of 76.745 with 3 degree of freedom was obtained. The critical value of chi-square with 3 degree of freedom and alpha set at .005 is 12.838. Hence, the hypothesis that the three constructs are distinct from one another is supported.

7.16 Criterion-Related Validity

As discussed in Chapter Five, criterion-related validity involves an estimation of "how well the measure predicts the criterion" (Churchill 1995, p. 533). The criteria of interest in this thesis include organisational identification and corporate financial performance. The composite scores for all the constructs used in examining criterion-related validity were computed using weighted factor scores, following the same procedure adopted for the CSR branding scale itself (see Section 7.9). Table 7.43 provides the bivariate correlation coefficients for all constructs under investigation.

Table 7.43: Composite Scales Bivariate Correlation Metrix

	Env	Com	Emp	Fin	CSRB	ID	CFP
Env	1	.364**	.438**	.427**	.702**	.113	.196**
Com	.364**	1	.395**	.343**	.610**	.141*	.258**
Emp	.438**	.395**	1	.530**	.852**	.256**	.364**
Fin	.427**	.343**	.530**	1	.799**	.208**	.274**
CSRB	.702**	.610**	.852**	.799**	1	.253**	.373**
ID	.113	.141*	.256**	.208**	.253**	1	.104
CFP	.196**	.258**	.364**	.274**	.373**	.104	1

** Correlation is significant at the .01 level (2-tailed)

* Correlation is significant at the .05 level (2-tailed)

In determining criterion-related validity, a correlation coefficient of .30-.40 is deemed acceptable (Nunnally and Bernstein 1994). Although the correlations between each dimension of CSR branding and corporate financial performance fall below the level of .30 with the exception of *employee concern*, the overall CSR branding scale adequately correlates to corporate financial performance. The strength of the correlation between CSR branding and organisational identification is weaker than that between CSR branding and corporate financial performance.

7.17 Composite Scales Descriptive Statistics

Table 7.44 provides descriptive statistics for all composite scales used in the full structural equation model in addition to the moderating variables (CSR-CA beliefs, R&D intensity and advertising intensity), which were investigated using moderated regression analysis.

Table 7.44: Composite Scales Descriptive Statistics

Construct	Minimum	Maximum	Mean	Std. Deviation
EnvAware	1.16	7.00	4.481	1.376
ComCommit	1.09	7.00	4.811	1.371
EmpConcern	1.99	7.00	5.334	1.018
FinFair	2.66	7.00	5.109	.972
CSR Branding	2.61	6.87	5.052	.850
Identification	2.49	7.00	5.858	.969
CSR-CA Beliefs*	1.78	7.00	5.790	1.009
CFP	1.00	7.00	4.766	1.470
Advertising	1.00	7.00	3.062	1.463
R&D	1.00	7.00	4.535	1.328

*Reverse scored item

As can be seen, the mean scores of the variables under investigation are close to the mid-points of the scales with an adequate degree of variance. The composite scale of CSR branding was computed from the weighted factor scores of each sub-scale.

7.18 Summary of Evidence in Relation to Research Hypotheses: Part I

A summary of the evidence relating to the research hypotheses outlined in Chapter Five is provided in this section.

H_{1a}: The covariance among CSR branding items can be explained by a four-factor model (environmental awareness, financial fairness, employee concern, and community commitment) where each item belongs to only one dimension.

Supported. An exploratory factor analysis of the round one data resulted in a four-factor model comprising the dimensions of 'environmental awareness', 'financial fairness', 'employee concern', and 'community commitment'. These dimensions are related to stakeholder groups including employees, customers, suppliers, and the community as well as the environment. The financial fairness factor relates to two primary stakeholder groups – customers and suppliers.

H_{1b}: While CSR branding is categorised in four dimensions (environmental awareness, financial fairness, employee concern, and community commitment), the covariance among CSR branding items can be explained as a single, CSR branding factor.

Supported. Confirmatory factor analysis demonstrated an acceptable model fit for the CSR branding latent construct using composite scales representing the four dimensions of environmental awareness, financial fairness, employee concern, and community commitment. Thus, CSR branding may be regarded as a second order factor.

H_{2a}: The CSR branding scale will possess content validity.
H_{2b}: The scale measuring the environmental awareness dimension of CSR branding will possess content validity.
H_{2c}: The scale measuring the financial fairness dimension of CSR branding will possess content validity.
H_{2d}: The scale measuring the employee concern dimension of CSR branding will possess content validity.
H_{2e}: The scale measuring the community commitment dimension of CSR branding will possess content validity.

All supported. As discussed previously, content validity should be ensured prior to the administration of the instrument rather than tested post hoc (Nunnally and Bernstein 1994). This was achieved by obtaining judgements from four experts in the field together with a pre-test conducted among staff in the School of Marketing and postgraduate students at Curtin Business School. Following Churchill's eight-step procedure used in scale development, expert judgements are critical in establishing content validity and clarifying the construct domain (Churchill 1995).

H_{3a}: The CSR branding scale will possess criterion-related validity.
H_{3b}: The scale measuring the environmental awareness dimension of CSR branding will possess criterion-related validity.

H_{3c}: The scale measuring the financial fairness dimension of CSR branding will possess criterion-related validity.

H_{3d}: The scale measuring the employee concern dimension of CSR branding will possess criterion-related validity.

H_{3e}: The scale measuring the community commitment dimension of CSR branding will possess criterion-related validity.

All supported. Bivariate correlation analysis shows that the four dimensions of CSR branding are the significant predictors of corporate financial performance and organisational identification.

H_{4a}: The CSR branding scale will possess convergent validity.

H_{4b}: The scale measuring the environmental awareness dimension of CSR branding will possess convergent validity.

H_{4c}: The scale measuring the financial fairness dimension of CSR branding will possess convergent validity.

H_{4d}: The scale measuring the employee concern dimension of CSR branding will possess convergent validity.

H_{4e}: The scale measuring the community commitment dimension of CSR branding will possess convergent validity.

All supported. Generally, confirmatory factor analysis demonstrated that the lambdas for all constructs were both statistically significant and large enough to indicate the existence of convergent validity. Convergent validity was also established through obtaining generally acceptable AVE and construct reliability scores.

H_{4f}: The CSR branding scale will possess discriminant validity.

H_{4g}: The scale measuring the environmental awareness dimension of CSR branding will possess discriminant validity.

H_{4h}: The scale measuring the financial fairness dimension of CSR branding will possess discriminant validity.

H_{4i}: The scale measuring the employee concern dimension of CSR branding will possess discriminant validity.

H_{4j}: The scale measuring the community commitment dimension of CSR branding will possess discriminant validity.

All supported. The four CSR branding dimensions were examined for discriminant validity in relation to one another using a chi-square difference test (Dunn et al. 1994; Steenkamp and van Trijp 1991). The overall CSR branding construct was examined similarly in relation to organisational identification and corporate financial performance. The chi-square difference test indicated that all constructs are distinct from one another. Thus, discriminant validity for each dimension as well as the overall construct of CSR branding is indicated.

H_{5a}: The CSR branding scale will possess an acceptable level of reliability
H_{5b}: The scale measuring the environmental awareness dimension of CSR branding will possess an acceptable level of reliability.
H_{5c}: The scale measuring the financial fairness dimension of CSR branding will possess an acceptable level of reliability.
H_{5d}: The scale measuring the employee concern dimension of CSR branding will possess an acceptable level of reliability.
H_{5e}: The scale measuring the community commitment dimension of CSR branding will possess an acceptable level of reliability.

All supported. The construct reliabilities for CSR branding and its four dimensions – environmental awareness, financial fairness, employee concern, and community commitment – all exceed the acceptable standard of .70 (Hair et al. 2010; Shook et al. 2004).

The remaining hypotheses refer to nomological validity; the relationships between CSR branding, organisational identification, and corporate financial performance; the moderating contributions of R&D and advertising intensity to the relationship of CSR branding to corporate financial performance, and CSR-CA beliefs to the relationship of CSR branding to organisational identification; and the relative contributions of each CSR branding dimension to corporate financial performance. Evidence relating to these hypotheses will be provided in the next section through structural equation models and moderated regression analysis.

7.19 Structural Equation Models (SEM)

In the previous section, stage one of the two-step SEM procedure was described; its purpose was to establish construct unidimensionality as well as validate the measures used in this thesis (Gerbing and Anderson 1988). Stage two of the SEM procedure aims to examine the full structural equation models including the direct and mediating versions. The direct effects model examines the relationships between the impacts of adopting CSR branding on organisational identification and corporate financial performance in order to test hypotheses H_{6a} and H_{6b} which are *Embedding CSR branding in an organisation will positively impact on corporate financial performance* and *corporate non-financial performance (organisational identification)*. The second model examines hypothesis H_{6c} namely *The relationship between CSR branding and corporate financial performance will be mediated by the degree of organisational identification*. For all the moderating relationships, this thesis will employ hierarchical moderated regression analysis as explained in section 7.20.

Figure 7.11: SEM – Direct Effects Model

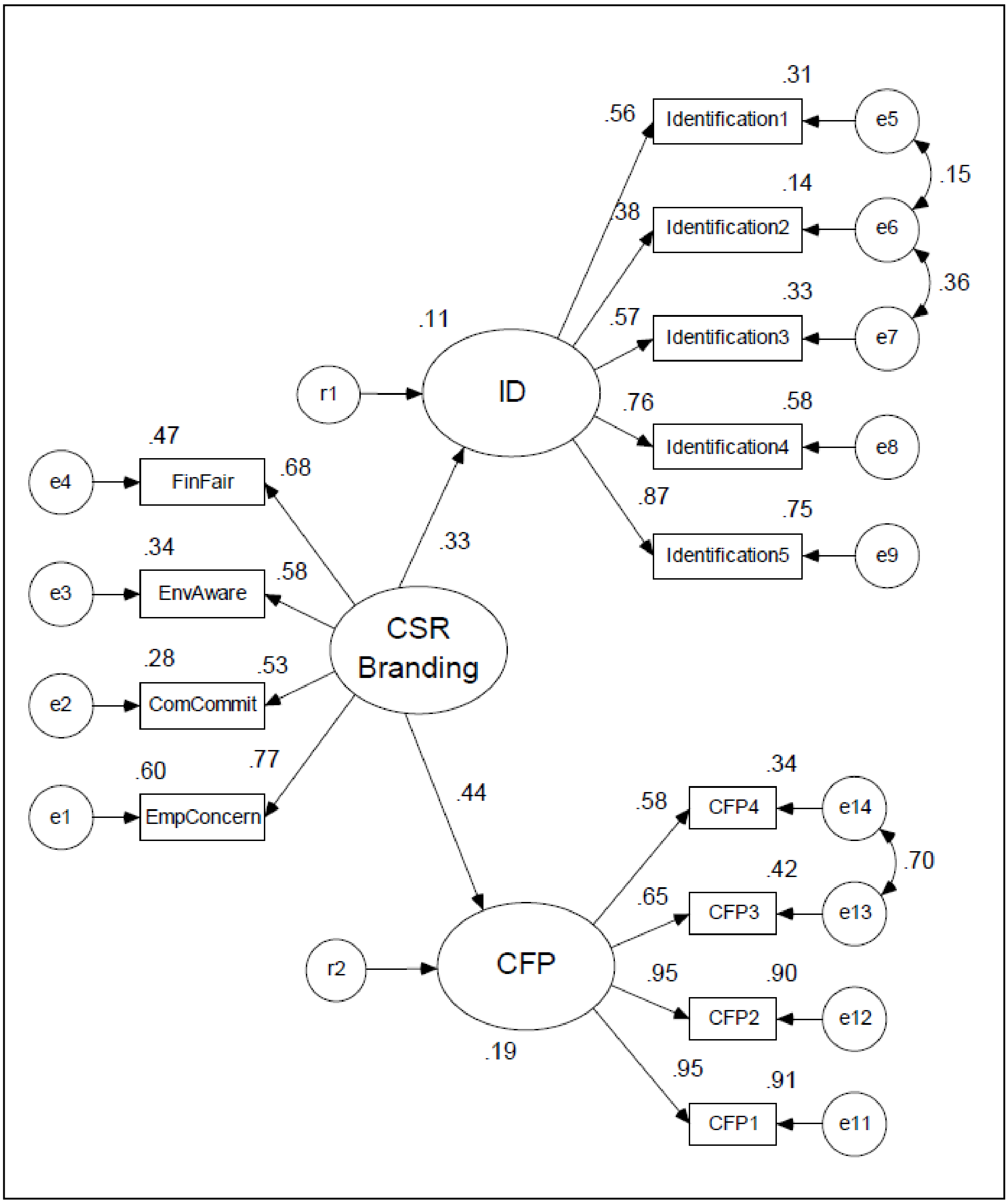


Figure 7.11 illustrates the direct effects model. All standardised regression weights are significant at the *p*<.001 level. The R^2 statistics for corporate financial performance and organisational identification indicate that 19% of the variance in the former and 11% of the variance in the latter can be accounted for by CSR branding. As indicated by the R^2 statistics, the employee concern dimension makes the greatest contribution to CSR branding followed by financial fairness, environmental awareness, and community commitment respectively. Table 7.45 provides selected

model fit statistics for the direct effects model. Although AGFI is slightly below the desirable standard of .95, it still falls within the acceptable range of .90 or greater (Schermelleh-Engel et al. 2003). Nomological validity can be examined through the investigation of the theoretical relationships between the measure of interest and other constructs. The direct effects model appears to provide acceptable model fit with the data (see Table 7.45), with evidence to support the hypothesis that adopting CSR branding positively impacts on corporate financial performance and organisational identification. Hence there is evidence for the existence of nomological validity since the theoretical relationship between the measure and other constructs is demonstrated (Peter 1981).

Table 7.45: SEM Model Fit Statistics – Direct Effects Model

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.301	1.087	.0503	.953	.929	.947	.994	.996

Figure 7.12 demonstrates the mediating effect of organisational identification on the relationship of CSR branding and corporate financial performance. All regression weights are significant at the p<.001 level, with the exception of organisational identification/corporate financial performance which produced a non-significant regression weight. In fact, this lambda is weakly negative.

Figure 7.12: SEM – Mediating Effects Model

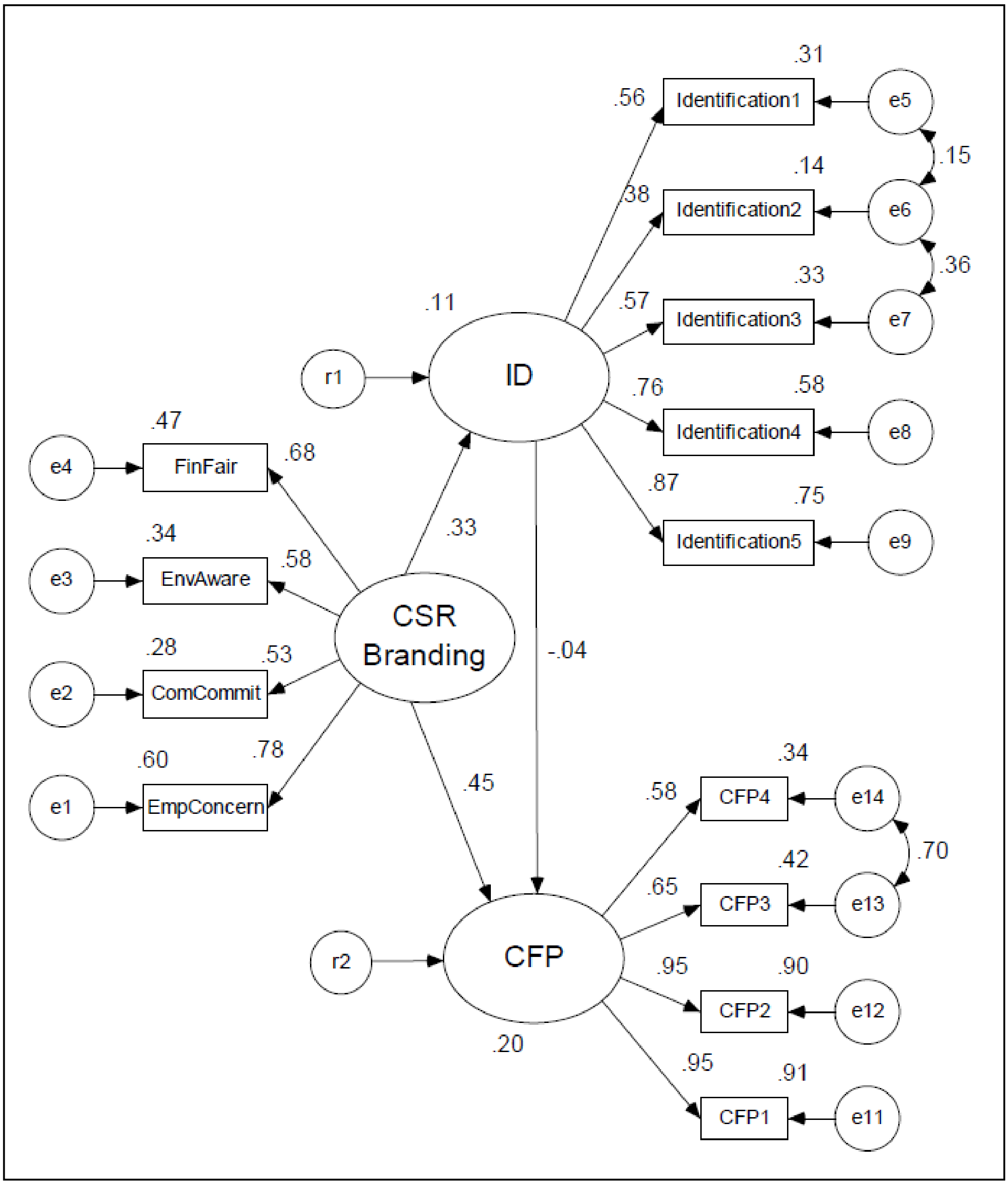


Table 7.46 provides the key model fit statistics for the mediating effects model.

Table 7.46: SEM Fit Statistics – Mediating Effects Model

P	CMIN/ DF	SRMR	GFI	AGFI	NFI	TLI	CFI
.276	1.102	.0505	.953	.927	.948	.993	.995

As can be seen, model fit for the mediating effects model is marginally weaker than that for the direct effects model. In fact, the non-significant lambda for the organisational identification/corporate financial performance relationship indicates that the mediating effects hypothesis relating to organisational identification is not supported.

7.20 Moderated Regression

While both the direct and mediating effects models were examined through SEM, the moderating effects of CSR-CA beliefs on the relationship of CSR branding to organisational identification; and R&D and advertising intensity on the relationship of CSR branding to corporate financial performance were analysed by hierarchical moderated regression analysis using the SPSS 17 software package. Hierarchical moderated regression was conducted using an F test to determine whether the interaction effect of the moderating variable is significant (Anderson 1986). A significant incremental change in R^2 indicates that the moderating variable improves the relationship between the independent and dependent variables (Anderson 1986). An issue of concern in performing analyses of this type is the potentially high level of multicollinearity between the interaction term and the independent variable(s) (Anderson 1986). Multicollinearity leads to unstable regression coefficients and larger error terms, ultimately decreasing the power of the moderated regression (Aguinis 2004). This problem can be resolved by centring the predictors through "subtracting the mean from each score" (Aguinis 2004, p. 36). This thesis takes into account the potential for multicollinearity by calculating centred scores for the interaction terms and independent variables of interest. As described in Section 7.9, composite scores for each latent construct of interest had previously been computed using weighted factor scores in order to take into account the different contributions of each item as well as measurement error. These composite scores were then centred prior to conducting the hierarchical moderation regression.

Table 7.47: Regression Analysis for All Variables

Independent Variable	Dependent Variable	Sig.	R^2	Beta
CSR Branding	Organisational Identification	.000	.064	.253
CSR-CA Beliefs	Organisational Identification	.839	.000	.014
CSR Branding	Corporate Financial Performance	.000	.139	.373
R&D Intensity	Corporate Financial Performance	.000	.125	.354
Advertising Intensity	Corporate Financial Performance	.046	.020	.141

Table 7.47 provides the results of the regression analyses of the direct models. As can be seen, with one exception each independent variable is significantly related to its dependent variable. The exception is the relationship of CSR-CA beliefs and organisational identification which is non-significant. Table 7.48 shows the interaction effects of CSR-CA beliefs with regard to the relationship between CSR branding and organisational identification, and the interaction effects of R&D intensity and advertising intensity on the relationship of CSR branding and corporate financial performance.

Table 7.48: Moderated Regression

Interactions	Dependent Variable	Sig.	R^2	R^2 Change	F Change
CSR-CA Beliefs and CSR Branding	Organisational Identification	.378	.068	.004	.782
R&D Intensity and CSR Branding	Corporate Financial Performance	.612	.196	.001	.258
Advertising Intensity and CSR Branding	Corporate Financial Performance	.279	.147	.005	1.178

The results show no support for H_{6f} namely that CSR-CA beliefs moderate the relationship between CSR branding and organisational identification. Likewise, there is no evidence to support the hypothesised moderating effects of R&D and advertising intensity on the relationship between CSR branding and corporate financial performance, thus hypotheses H_{6d} and H_{6e} were rejected.

7.21 Summary of Evidence in Relation to Research Hypotheses Part II

Based on the evidence provided in the previous section, the following conclusions in relation to the remaining hypotheses may be drawn.

H_{4k}: The CSR branding scale will possess nomological validity.
H_{4l}: The scale measuring the environmental awareness dimension of CSR branding will possess nomological validity.
H_{4m}: The scale measuring the financial fairness dimension of CSR branding will possess nomological validity.
H_{4n}: The scale measuring the employee concern dimension of CSR branding will possess nomological validity.
H_{4o}: The scale measuring the community commitment dimension of CSR branding will possess nomological validity.

Supported. The direct effects model provides evidence for the theorised relationships between the constructs of interest.

H_{6a}: Embedding CSR branding in an organisation will positively impact on corporate financial performance.

H_{6b}: Embedding CSR branding in an organisation will positively impact on corporate non-financial performance (organisational identification).

Supported. The direct effects model shows that approximately 19% of the variance in corporate financial performance and 11% of the variance in organisational identification can be accounted for by CSR branding.

H_{6c}: The relationship between CSR branding and corporate financial performance will be mediated by the degree of organisational identification.

Rejected. The mediating effects model shows that specifying organisational identification as a mediator does not significantly improve model fit compared to the direct effects model.

H_{6d}: The relationship between CSR branding and corporate financial performance will be moderated by R&D intensity.

Rejected. The moderated regression analysis shows that R&D intensity does not moderate the relationship between CSR branding and corporate financial performance.

H_{6e}: The relationship between CSR branding and corporate financial performance will be moderated by advertising intensity.

Rejected. The moderated regression analysis shows that adverting intensity does not moderate the relationship between CSR branding and corporate financial performance.

H_{6f}: The relationship between CSR branding and organisational identification will be moderated by managerial CSR-company ability beliefs.

Rejected. The moderated regression analysis shows that CSR-CA beliefs do not moderate the relationship between CSR branding and organisational identification.

H_{7}: Each dimension of CSR branding will affect corporate financial performance to a different degree.

Supported. The direct effects model shows employee concern makes the largest contribution to the model, followed by financial fairness, environmental awareness, and community commitment, respectively.

7.22 Chapter Summary

This chapter has reported the results from both rounds of data analysis, including initial screening tests for non-response bias and item non-response in order to ensure the appropriateness of the data for further analysis. The results of the exploratory factor analysis in round one identified four dimensions of CSR branding – environmental awareness, financial fairness, employee concern, and community commitment – which demonstrated acceptable factor loadings and internal consistency. In the second round of data analysis, confirmatory factor analysis for each of the CSR branding dimensions was conducted in order to demonstrate the unidimensionality of each construct. Convergent validity was demonstrated by obtaining acceptably strong and significant regression weights, average variance extracted and construct reliability scores (Hair et al. 2010). Discriminant validity was examined through conducting chi-square difference tests which found each of the dimensions of CSR branding are distinct from one another. Thus construct validity appears to be supported.

Finally, two structural equation models were analysed to investigate the direct relationship between CSR branding and corporate financial and non-financial performance and the potential mediating effects of organisational identification on the relationship between CSR branding and corporate financial performance. The results from the structural equation modelling support the direct effects model, indicating a relationship between CSR branding and corporate financial performance and organisational identification, but no evidence was found to support the mediating effect of organisational identification on the relationship between CSR branding and corporate financial performance. The moderating effects of CSR-CA beliefs on the relationship of CSR branding and organisational identification; and R&D and advertising intensity on the relationship of CSR branding and corporate financial performance were examined using moderated regression analysis and no evidence was found to support any of the hypothesised moderating effects.

In the final chapter, a number of important theoretical and managerial implications related to CSR branding will be discussed. In addition, the limitations of this study will be provided together with recommendations for future research.

Chapter 8

Conclusions and Implications

8.0 Chapter Overview

The introductory chapter of this thesis discussed the background and research gaps in the field of CSR, highlighting key issues such as the definitional confusion surrounding CSR, the search for authentic CSR measures, and the empirical relationship between CSR and firm performance. This thesis responded to the research gaps outlined in the introductory chapter by specifying the research questions and objectives of this study. Hence, a psychometrically valid and reliable measure of CSR branding was developed, followed by an investigation of its impact on corporate financial and non-financial performance. Extant research on the CSR/CFP relationship has reported contradictory findings. Chapter One also outlined briefly the significance of the study, the research methodology used, and the scope of the research.

Chapter Two reviewed the historical evolution of the CSR concept, focusing particularly on the definitional shifts which have occurred over time, leading to research in the field branching into different perspectives. Three perspectives of CSR termed in this thesis as the economic, socio-political and managerial were explained and the reasons for adopting a managerial or strategic perspective were discussed. In addition, Chapter Two clarified the similarities and differences between CSR and alternative terminologies intended to supplement or even substitute for the original concept. The discussion highlighted the central importance of stakeholder theory in conceptualising CSR. The necessity of adopting a broad definition of stakeholder for the purposes of this study was explained (Mitchell et al. 1997). Chapter Two discussed the reasons for drawing on McWilliams and Siegel's (2001) definition of CSR. This formulation was subsequently used in identifying CSR's construct domain – the first step in the scale development process (Churchill 1979).

Chapter Three discussed the evolution of the concept of branding, noting the shift over time from a product to a corporate focus. This chapter explained the relatively recent emergence of the umbrella term ‘corporate-level marketing’, which draws together various related concepts including corporate image, reputation, communication, identity and branding (Balmer and Gray 2003). In addition, the confusion concerning the concepts of corporate brand versus corporate and organisational identity was clarified. It was noted that the concepts are inter-related and, importantly, corporate branding is rooted in the notion of organisational identity (Balmer 2001b; Balmer and Gray 2003; de Chernatony 2002; Harris and de Chernatony 2001; Hawabhay et al. 2009; Urde 2003; 2009). A thorough review of the organisational and corporate identity literature was provided in Chapter Four. Chapter Three concluded by proposing the argument that CSR can be used as a key underpinning of corporate branding.

Chapter Four described the evolution of the overarching theory of social identity which has created offshoots such as organisational identity and identification. This chapter explained the concept of organisational identity from the point of view of two differing perspectives, namely ‘institutional claims’ and ‘collective understandings’ (Ravasi and Schultz 2006). Chapter Four explained that this thesis would take an holistic view of identity and attempt to integrate the two main perspectives.

Chapter Five outlined the hypotheses and conceptual framework proposed in this thesis. The chapter commenced by explaining the research gaps leading to the need to develop the CSR branding scale. Churchill’s (1979) eight-step procedure was described starting with identifying the construct domain of CSR branding as the first step in the scale development process. Chapter Five went on to justify the theoretical underpinnings for each of the hypotheses proposed.

Chapter Six presented the study’s philosophical approach and detailed the research methodology adopted in the thesis. The application of the psychometric scale development procedure, outlined in the previous chapter, was explained in detail. The initial sample pool of 155 items was largely discarded following a process of expert review. A second pool of 120 items was subsequently developed and similarly subject to review by experts in the field. Following a pre-test, these items formed the basis of the research instrument used for the first round of data collection. Chapter Six went on to describe the measures used for the intervening, moderating and dependent variables, the method of data collection used, the unit of analysis, sampling strategy, and administrative procedures for the two rounds of data collection. Finally, the techniques chosen for purposes of statistical analysis were outlined and justified.

Chapter Seven illustrated the results of the data analyses for rounds one and two. Evidence relating to the hypotheses proposed in Chapter Five was presented. Round one data were examined using exploratory factor analysis and tests for internal consistency (Cronbach's alpha). The round two data were examined in two stages: confirmatory factor analysis to establish the unidimensionality of key constructs under investigation and structural equation model to examine their nomological network. In addition, hypothesised moderating effects were examined through performing moderated regression analysis. The evidence presented in this thesis only supports the direct model for the impact of CSR branding on corporate financial and non-financial performance (organisational identification). No evidence was found to support the proposed mediating and moderating effects hypothesised in Chapter Five.

Chapter Eight will now discuss the results of analyses provided in previous chapters, highlighting the theoretical and managerial implications for CSR branding and business practice. In addition, this chapter will also identify the limitations of this study, followed by recommendations for future research.

8.1 Introduction

The gaps in prior research which provided the direction for this thesis were identified in the previous chapters. A valid and reliable instrument to measure authentic CSR claims made by organisations is lacking in the extant literature. Currently available measures (e.g., content analyses of annual and sustainability reports) are arguably susceptible to inauthentic claims (Basu and Palazzo 2008; Laufer 2003; Snider et al. 2003). The impact of CSR on corporate performance has long been empirically researched, but mixed results have been reported (positive, negative, and neutral) (Abbott and Monsen 1979; de Bakker et al. 2005; Margolis and Walsh 2003; McWilliams and Siegel 2000; Orlitzky et al. 2003). As explained in the previous chapters, the mixed findings with regard to the CSR/CFP relationship may be due to the lack of a valid and reliable measure of CSR and/or the absence or misspecification of various mediating and moderating variables (Margolis and Walsh 2003; McWilliams and Siegel 2000). Thus, in the discussion to follow, these issues are explored and the contributions of this research thesis delineated.

8.2 Discussion

As discussed in Chapter Two, CSR means various things to people in different disciplines (McWilliams et al. 2006; Votaw 1973; Weyzig 2009). Despite the definitional debates over the past decades, the strategic approach to CSR has recently been gaining ground (Basu and Palazzo 2008; Lee 2008; Vaaland et al. 2008; Windsor 2001). This perspective highlights the view that "good deeds are believed to be good for business as well as society" (Lantos 2001, p. 618). However, the very nature of this proposition can create perceptions of 'window dressing' if firms do not authentically embed their CSR practices into day-to-day operations. The infamous case of Enron and Arthur Andersen illustrates the potential pitfalls (Basu and Palazzo 2008; Laufer 2003). To avoid accusations of superficiality with respect to CSR claims, this thesis integrated the notion of CSR with that of corporate branding, understood as a promise made to both internal and external stakeholders and rooted in the concept of organisational identity (Balmer 2001b; Balmer and Gray 2003; de Chernatony 2002; Harris and de Chernatony 2001; Urde 2003; 2009). Thus, the new CSR branding scale was developed to measure the extent to which CSR practices are embedded in the operations of the firm and incorporated as a key component of its corporate brand.

While extant research has frequently investigated the nature of the CSR/firm financial performance relationship, the results have been inconsistent with both positive, negative, and neutral effects reported (de Bakker et al. 2005; Margolis and Walsh 2003; Orlitzky et al. 2003). This may be partly due to the lack of valid and reliable measures of CSR and neglecting to include other key variables which may mediate or moderate the CSR/CFP relationship (Margolis and Walsh 2003). Accordingly, this thesis investigated the moderating effects of research and development (R&D) and advertising intensity, as proxies for differentiation at the firm and industry levels respectively, on the CSR/CFP relationship. Apart from the impact that CSR branding could have on firm financial performance, this thesis also investigated its effects on non-financial performance, specifically the degree of managerial/organisational identification. Thus, the primary purposes of this thesis include developing a psychometrically robust scale to measure authentic CSR branding, examining its impact on corporate financial and non-financial performance (organisational identification), and investigating potential mediating and moderating effects to the above relationships.

8.2.1 Developing and Validating the CSR Branding Scale

Although a few scales have been developed to measure CSR (Maignan et al. 1999; Turker 2009), there are a number of reasons making them inappropriate for this study. Firstly, although stakeholder theory is commonly used to understand the beneficiaries of CSR actions, different groups of stakeholders have been researched in different studies for this purpose. For instance, Maignan et al. (1999) developed a corporate citizenship scale – a concept closely related to CSR – by adopting Carroll's (1979) four dimensional conceptualisation of CSR (economic, legal, ethical, and discretionary). The corporate citizenship scale emphasised only primary stakeholders (customers, employees, and public) for its construct domain (Maignan et al. 1999). This study, on the contrary, expands the stakeholder groups under consideration by adopting a broad definition to include a wider range of legitimate, powerful and/or urgent constituencies (Mitchell et al. 1997) – including the natural environment (Starik 1995). Secondly, while previous CSR scales simply consider a list of specific initiatives (e.g., Maignan et al. 1999; Turker 2009), the scale developed in this study emphasises the *authenticity* of CSR claims. Hence, this study integrates the concepts of CSR, corporate branding and organisational identity in developing the CSR branding scale. Finally, the CSR branding scale may be considered more psychometrically robust than at least one other which achieved validation through a split sample analysis rather than confirmatory factor analysis (Turker 2009).

This thesis recognises the linkage between corporate branding and organisational identity suggested in the literature (Alexander 2009; Hawabhay et al. 2009), whilst acknowledging the debates over the nature of organisational identity itself (Ravasi and Schultz 2006). Drawing on the integrative view of organisational identity (Ravasi and Schultz 2006), the 'institutional claims' and 'collective understandings' perspectives are merged using the tripartite conceptualisation of identity (i.e., the organisation's central, enduring, and distinctive facets) as a basis (Albert and Whetten 1985). Importantly, the word '*our organisation*' was incorporated into each of the items of the CSR branding scale to capture the sense of collectiveness within the organisation. The initial work of item development treated the three CED (central, enduring and distinctive) elements as separate dimensions. However, it became clear following the first round of data analysis that the three aspects must be regarded holistically. They do not factor into three dimensions during data analysis. This realisation accords with the initial observations on the initial item pool made by one of the originators of the CED conceptualisation, David Whetten, who stated that:

> Inasmuch as CED is a three-part definitional standard, e.g., something this is central but not distinguishing is not, by definition, part of an organization's identity...anything short of 3/3 doesn't satisfy the A&W definition" (D. Whetten, personal communication May 22, 2009).

Thus, the salient dimensions of CSR branding comprise actions with the following characteristics.

1. The actions are associated with a broad range of stakeholders who are legitimate, powerful, and/or urgent in terms of their relationship with the firm.
2. The actions go beyond the narrow, short-term interests of the firm and mere legal requirements.
3. The behaviours in question form an integral component of the organisation's identity (that which is central, enduring and distinctive) based on the collective understandings of internal stakeholders.

4. The organisation has made a clear promise to its stakeholders to uphold these standards.

It was evident from the depth interviews with Australian managers undertaken during the preliminary stage of this research project that CSR is viewed by managers in terms of key organisational stakeholders. This thesis therefore categorised the dimensions of CSR branding in terms of the environment, customers, suppliers, employees, and the community. As a result of the exploratory factor analysis conducted on the first round of data, a factor structure for the construct emerged comprising four dimensions termed as '*environmental awareness*', '*financial fairness*' (a combination of financial dealings with customers and suppliers), '*employee concern*', and '*community commitment*'.

The first dimension, *environmental awareness*, refers to public commitments made about the firm's environmental policies in addition to its practical actions such as recycling and reduction of energy consumption. The second dimension, *financial fairness*, refers to the ethics of organisational behaviours in relation to financial dealings with customers and suppliers. For example, this dimension evaluates the commitment of the organisation to charging its customers fair prices even if it could get away with charging more and paying its suppliers in a timely manner while making sure that they are compensated appropriately for their contributions. The third dimension, *employee concern*, refers to organisational practices which go beyond conventional human resource development strategies. Such practices include genuine concern for the well-being and personal development of employees even when this is not directly relevant to the needs of the business. The fourth dimension, *community commitment*, refers to traditional philanthropic activities whereby the organisation gives back to society through in kind and cash donations.

Through confirmatory factor analysis which treated CSR branding as a second order factor, *employee concern* was found to be the most salient dimension contributing to an organisation's CSR brand. This finding can be explained in terms of the theory of stakeholder identification and salience (Mitchell et al. 1997). While Mitchell et al. (1997) identified three important attributes of stakeholder salience, namely legitimacy, power and urgency, the degree of stakeholder salience is indicated through the combination of these attributes. In other words, a stakeholder group with two or more attributes will possess a greater degree of salience compared to stakeholders with only a single attribute. Notably, a stakeholder group with all three attributes is known to be the most salient, referred to as a 'definitive stakeholder', calling for the immediate attention of managers (Mitchell et al. 1997). It is apparent that employees meet the criteria for classification as 'definitive stakeholders' for most types of organisation.

8.2.2 Examining the Relationship between CSR Branding and Firm Performance

In view of the inconclusive findings of prior research on the CSR/CFP relationship (Margolis and Walsh 2003; Orlitzky et al. 2003), this study proposed a new measure of CSR – the CSR branding scale – to examine the impact of adopting this approach on firm performance. Given that previous studies have generally focused only on firm financial performance as the dependent variable (e.g., Hull and Rothenberg 2008; Luo and Bhattacharya 2009; McWilliams and Siegel 2000), this study also considered an additional indicator of firm performance, namely the degree to which managers identify with their organisations – organisational identification. The relationship between CSR branding and firm performance was examined through two structural equation models: the direct and mediating effects models. Analysis of the direct effects model indicated that adopting CSR branding enhances the performance of the firm in terms of organisational identification and financial performance. A similar conclusion was drawn by Maignan et al. (1999) who demonstrated that companies which outperform their competitors in the areas of economic, legal, ethical and discretionary citizenship can expect superior outcomes in employee commitment, customer loyalty, and most importantly, financial performance. Although the impact of CSR branding on organisational identification, illustrated in the direct effects model, is weaker than that on firm financial performance, the prior study of Lichtenstein, Netemeyer, and Maxham (2010) found that a high degree of organisational identification on the part of managers produces a chain effect on employee and customer organisational identification. This can, in turn, enhance financial performance (Lichtenstein et al. 2010). In other words, increasing levels of organisational identification on the part of managers by adopting CSR branding can potentially lead to a number of other favourable outcomes.

8.2.3 Investigating Potential Mediating and Moderating Effects

The organisational identification ‘chain effect’ (from managers to employees and thence from employees to customers) (Lichtenstein et al. 2010) helps to explain the results found in the mediating effects model. Lichenstein et al (2010) found that the organisational identification of managers does not directly affect financial performance, rather the relationship is mediated by employee and customer identification respectively. Since data relating to employee and customer identification were not collected for this thesis, the absence of these variables from the mediating effects model explains the results of a chi-square difference test designed to compare that model with its direct effects counterpart. The mediating effects model was not found to significantly improve model fit and hence was rejected on grounds of parsimony.

This thesis also investigated two potential moderators of the CSR branding/CFP relationship. McWilliams and Siegel (2000) suggested research and development (R&D) and advertising intensity as moderators of the CSR/CFP relationship as proxies for differentiation at the firm and industry levels respectively. McWilliams and Siegel (2000) found that including R&D intensity in their model neutralised the positive impact of CSR on CFP since CSR and R&D are highly correlated. Another study found companies with low investment in R&D and from low advertising intensity industries are more successful financially when they adopt CSR (Hull and Rothenberg 2008). However, this thesis found no evidence to support the hypotheses that R&D and advertising intensity respectively moderate the CSR branding/CFP relationships. Both CSR branding and R&D intensity were found to independently predict enhanced financial performance. (A very weak but statistically significant relationship was also found to exist between advertising intensity and firm financial performance – see Table 7.47.) This suggests that it would be advisable for firms to implement CSR branding and R&D programs simultaneously. There are a number of possible factors which could explain the differences between the findings of this thesis and previous research in this regard (Hull and Rothenberg 2008; McWilliams and Siegel 2000). For example, the earlier studies were based on secondary data such as KLD ratings and examined a different conceptualisation of CSR from that considered here. Indeed, it was suggested previously that investigation of the CSR/CFP relationship should be extended beyond the use of secondary data towards primary data to shed light on managerial perceptions (Hull and Rothenberg 2008). Another factor contributing to the different findings compared to prior research (e.g., McWilliams and Siegel 2000) is related to the correlation of CSR branding and R&D intensity. This thesis found the two constructs to be significantly ($p \leq .01$, 2-tailed) but not highly correlated (.358). The fact that this thesis focused specifically on CSR branding and not other aspects of CSR is again of potential relevance in this regard.

This study also investigated the potential moderating effect of 'CSR-company ability (CA) beliefs', i.e. managerial perceptions about the extent to which the company's effectiveness in other areas such as product innovation and firm performance is threatened by the implementation of CSR practices, on the CSR branding/organisational identification relationship. The possible significance of this moderating variable was suggested by Sen and Bhattacharya (2001) in a study focused on customer perspectives. However, this thesis found no evidence to support the above moderation hypothesis. This may be due to the fact that this thesis focused on managers whilst, as stated above, Sen and Bhattacharya (2001) studied customer perceptions. Sen and Bhattacharya (2001) noted that customers are more sensitive to negative – rather than positive - information about CSR. The theoretical justification for including CSR-CA beliefs as a moderating variable was that managers with a negative score on this variable would not be expected to exhibit a higher level of organisational identification as a result of their company adopting CSR branding. However, in the event that managers have a positive view on CSR-CA (i.e., they see no conflict between 'doing good and doing well'), no moderating effect would be anticipated. The second round data analysis suggests managers do, in fact, have a largely positive view on CSR-CA – hence the moderation hypothesis was not supported.

In summary, this thesis has developed a psychometrically valid and reliable four-dimensional CSR branding scale and used it to examine the relationship between the focal construct and both firm financial and non-financial performance. It can be concluded that adopting CSR branding leads to superior financial and non-financial firm performance (at least in terms of organisational identification), although further investigation is need with respect to potential moderating and mediating effects. The following section discusses the theoretical and managerial implications arising from this study.

8.3 Implications

This study has theoretical and practical implications. The theoretical implications of this study include shedding new light on the CSR_1 versus CSR_2 dichotomy (Frederick 1994; Wartick and Cochran 1985), the institutional claims versus collective understandings perspectives of organisational identity (Ravasi and Schultz 2006; Ravasi and van Rekom 2003), and corporate brand versus corporate identity (Hawabhay et al. 2009). In addition, this study also sheds light on the dimensionality of the central, enduring, and distinctive (CED) conceptualisation of organisational identity (Albert and Whetten 1985). The empirical evidence presented in this study on the relationship between CSR branding and firm performance and other mediating and moderating variables contributes to the extant literature relating to the CSR/CFP relationship. In terms of practical implications, the newly developed CSR branding scale can be used as a tool to assist managers in strategically implementing practices which contribute to firm success.

8.3.1 Theoretical Implications

The first theoretical implication of this study relates to the dichotomy in the extant literature between *corporate social responsibility (CSR_1)* and *corporate social responsiveness (CSR_2)*. Frederick (1994, p. 154) first introduced CSR_2 as "the capacity of a corporation to respond to social pressures" proposing to replace the concept of CSR_1. By adopting the McWilliams and Sigel (2001) definition of CSR as actions above and beyond the interest of the firm and required by law, this thesis necessarily places more emphasis on CSR_1 than CSR_2. This is because the aim of CSR_1 is not merely to meet stakeholder expectations – which is the case for CSR_2 - but to act in their best interests. Hence, the items included in the CSR branding scale developed in this thesis relate to actions which go beyond the direct benefit of the firm such as employee work/life balance, opportunities for employee personal development, donations to the community, fair pricing for customers and suppliers, and recycling programs.

The definition of CSR_2 given by Frederick (1994) suggests an essentially reactive approach by firms in relation to their social constituencies (Carroll and Shabana 2010; Frederick 1994), whereas CSR_1 is proactive in nature (Wartick and Cochran 1985). In other words, CSR_2 represents the actions that firms take in response to stakeholders' *expressed* needs and wants, whilst practicing CSR_1 implies proactively enhancing the well-being of stakeholder groups regardless of public pressure (Wartick and Cochran 1985). The results of this thesis suggest that CSR_1 is integral to the creation of an authentic CSR brand. A reactive approach (CSR_2) is by itself insufficient. However in order to practice CSR_1, it is clearly necessary to listen carefully to stakeholders and be responsive to their needs. In other words, the distinction between CSR_1 and CSR_2 is arguably a false dichotomy. CSR_2 is a component of CSR_1 and a holistic strategy encompassing a proactive approach to the well-being of key stakeholders, including the environment, is necessary for the successful practice of CSR branding.

The second theoretical implication of this study is that organisational identity is best understood holistically by integrating two hitherto diverse perspectives – institutional claims and collective understandings – which have been independently studied in the past (Ravasi and Schultz 2006; Ravasi and van Rekom 2003). As previously mentioned, the institutional claims perspective emphasises the identity of the organisation assigned by the leader, whereas the collective understandings perspective relates to the basic understandings of organisational members about its identity (Ravasi and Schultz 2006). This can be thought of in terms of corporate identity (what the company claims to be, i.e. the identity of the organisation as assigned by the leadership) versus organisational identity (what the company actually is, i.e. the collective understanding of a representative sample of internal stakeholders). The empirical findings resulting from the exploratory factor analysis conducted in round one of this study support taking an integrated view of these two approaches. In other words, the institutional claims and collective understandings perspectives cannot be separated in practice – 'corporate' and 'organisational' identity cannot be operationalised as distinct constructs, they load onto the same factors.

Thirdly, this thesis helps to clarify the relationship between the corporate brand and organisational identity. The centrality of identity to the construction of a strong corporate brand has been acknowledged previously (Hawabhay et al. 2009). This study adopted this viewpoint when developing the CSR branding construct and conceptualised corporate brand as a promise made by the firm based on its actual identity. By conceptualising corporate brand in this way, a firm can, indeed, build an *authentic* brand defined by Holt (2002) as a state achieved when stakeholders perceive the cultural values projected through identity to be genuine. The results from both rounds of data collection support the inter-relationship of corporate brand and identity, which (as was the case with corporate identity and organisational identity) cannot be separated empirically.

A fourth theoretical implication relates to the dimensionality of the central, enduring, and distinctive (CED) conceptualisation of organisational identity (Albert and Whetten 1985). Despite the notionally tripartite nature of this construct, one of its originators has previously stated that the CED conceptualisation should be thought of as unidimensional (D. Whetten, personal communication May 22, 2009). In other words, any characteristic claimed by the organisation to be part of its identity must be simultaneously central, enduring and distinctive to that organisation or it cannot properly be considered as part of its organisational identity. For example, an organisational attribute which, although perceived as central and distinctive, has not endured over time does not form part of the organisation's identity. The findings from the exploratory factor analysis in this thesis demonstrate that items relating to central, enduring, and distinctive attributes of organisational identity load onto one – not three factors – exactly as Whetten predicted (D. Whetten, personal communication May 22, 2009). Thus, the CED conceptualisation of organisational identity must be regarded as a unidimensional construct.

Finally, while extant research on the relationship between CSR and corporate financial performance has reported mixed findings (de Bakker et al. 2005; Margolis and Walsh 2003), this study has proposed a way forward by focusing on a particular conceptualisation of CSR, namely CSR branding. The evidence presented in this thesis suggests that CSR branding (if not other forms of CSR) does positively impact firm performance – both in a financial and non-financial sense (organisational identification). It is also worth noting that this positive effect relates to all four dimensions of CSR branding encompassing a broad range of stakeholder groups including employees, the community, customers, suppliers and the environment. Hence this thesis has answered the challenge set by previous researchers in the field who stressed the need to avoid drawing conclusions on the basis of a single dimension (or stakeholder group) alone (Waddock and Graves 1997).

8.3.2 Practical Implications

Currently, organisations wishing to implement corporate social responsibility programs are able to utilise such frameworks as the Global Reporting Initiative (GRI) (Global Reporting Initiative 2000-2006) and the recently formulated ISO 26000 social responsibility standards (International Organization for Standardization 2010). However, these frameworks operate at the corporate level and do not necessarily enable marketing managers, in particular, to readily align their activities with the CSR practices of their organisations as a whole. The development of the CSR branding scale in this thesis offers marketing managers a practical diagnostic tool facilitating the implementation of CSR practices in all marketing activities and providing a means to benchmark progress. The scale can be used to evaluate the extent to which the manager's own organisation has created an authentic brand based on CSR values and also for comparison with other organisations and industries. Compared with the relatively complex ISO 26000 guidelines and the qualitative GRI, the CSR branding scale is straightforward to use and provides quantitative data.

A second practical implication of this study relates to the way in which the firm can employ the concept of CSR branding as an instrumental means to achieving superior performance. It is crucial that managers responsible for the implementation of CSR branding should understand that the concept is based on actual organisational identity. The aim of effective CSR branding as developed in this thesis is to avoid superficial reporting or making inauthentic claims about CSR involvement. Thus, managers can only build a strong CSR brand having first assured themselves that the appropriate CSR practices are truly embedded in the organisation's practices. In other words, CSR practices need to be aligned with the mission, vision, and objectives of the firm and consistently communicated to both internal and external stakeholders. Managers should think of CSR practices as a central focus of the firm and not a stand-alone or add-on merely to gain a favourable image or public approval. Once the implementation of CSR branding is in place, managers can then leverage the brand's values to differentiate themselves from competitors. This study found that investment in innovation combined with CSR branding can make a strong contribution to corporate financial performance. No evidence was found to support the hypothesis advanced previously that CSR does not significantly enhance performance in those organisations already making above average investments in innovation (Hull and Rothenberg 2008).

The third practical implication concerns the importance of employees to firm success when implementing CSR branding practices. Although it is recommended to embed all four aspects of CSR branding in day-to-day company operations, firms with limited resources could choose to prioritise the most salient dimension of CSR branding (*employee concern*), which makes the greatest contribution to the success of firm. The importance of employees can be explained in terms of the theory of stakeholder identification and salience which classifies employees as 'definitive stakeholders', possessing all three of the attributes legitimacy, power, and urgency hence demanding immediate managerial attention (Mitchell et al. 1997). Firms should demonstrate their concern for employees in a way that goes beyond conventional human resource practices. This concern for employees should emphasise work/life balance and provide employees with opportunities for personal development. Moreover, firms must effectively communicate their posture towards employees, and develop mutual understanding among internal stakeholders at all levels, before making a public commitment. Likewise, a similar approach should be considered for other stakeholders relevant to CSR branding practice.

8.4 Limitations

This study has several limitations. Firstly, since the names of marketing managers were not provided by the ORBIS database, an additional search through company websites and Google was conducted. Where the names of marketing managers could not be found, the questionnaires were sent with a cover letter to the CEO requesting them to forward the mailed item to the marketing manager, or person with similar responsibilities. This could have affected the response rate in the event that the CEO did not pass on the request to complete the survey. Although the response rate was relatively modest – 7.92% in the first round and 7.36% in the second round – a comparison of early and late respondents indicated no significant differences in either round of data collection (Armstrong and Overton 1977).

While the ability to generalise the findings of the study across different industries and contexts is important for the utility of the CSR branding scale, this study was conducted solely among Australian organisations. This may limit the use of the scale in other countries until further research has been conducted to investigate the possible effects of cross-cultural differences. As explained throughout this thesis, there are numerous ways to define the concepts of CSR, stakeholders, corporate branding and organisational identity. Hence, the conclusions drawn in this thesis apply only to the particular conceptualisations of these terms explicated in previous chapters.

Another limitation relates to the analysis conducted on the second round data. It was found that the average variance extracted scores for two dimensions of CSR branding fall below the generally accepted standard of .5 (Hair et al. 2010) – namely, *financial fairness* (.386) and *community commitment* (.429). The average variance extracted score of the overall CSR branding scale (.426) also falls marginally below the accepted standard. This implies that the latent variable in each case explained less than 50% of the variance in its respective observed indicators. Since research into CSR branding is still at an exploratory stage and that other measures of validity and reliability proved to be satisfactory, it appears reasonable to continue with the analysis nevertheless.

Due to skewness in the responses relating to CSR-CA beliefs, only cautious conclusions can be drawn about the potential moderating effect of this variable on the CSR branding/organisational identification relationship. Overwhelmingly, the managerial respondents in this study do not believe that CSR branding is a threat to their firms' advancement in other respects. Hence, the lack of a moderating effect on CSR branding/organisational identification is unsurprising. The results for a group of managers with contrary views on CSR-CA could produce a different outcome.

Finally, this study excluded small Australian organisations on the assumption that their capacity to implement CSR, as well as their awareness of its potential benefits, is limited. As suggested by Jenkins (2006), small businesses may not have the same level of understanding in developing and implementing CSR as their larger counterparts. Thus adapting tools designed for large businesses for use by smaller firms is not appropriate.

8.5 Recommendations for Future Research

Based on the preceding sections, a number of recommendations can be made for future research. Firstly, the CSR branding scale should be validated in different national and cultural settings. It would be interesting to learn whether the adoption of CSR branding leads to different results in developing compared to developed countries. Secondly, research using a wider range of performance-related dependent variables would be of value. The results from this study show that adopting CSR branding impacts more positively on firm financial compared to non-financial performance and that organisational identification by managers does not mediate CSR branding/firm financial performance relationship. However, it would be interesting to investigate the impact of CSR branding on other variables (e.g., employee and customer organisational identification) as suggested by Lichtenstein et al (2010). Future research could also investigate the impact of differences in target markets (e.g., business-to-business or business-to-consumer). For instance, firms operating in business-to-consumer markets might be more concerned about CSR branding than those in the business-to-business sector, reflecting the differing priorities of their principal customers.

In addition, while this study was conducted from a managerial perspective, future research could consider the perspectives of other stakeholders such as employees, customers, and suppliers. Indeed, future research could compare the gaps between the perceptions of different stakeholder groups regarding the CSR brand of specific organisations. Likewise, while the perceptions of marketing executives were emphasised in this study, it would be interesting to obtain data from different managerial perspectives, such as corporate communication or public relations. This could well make a valuable practical – as well as academic – contribution.

While extant literature on CSR has suggested an inter-relationship between CSR_1 and CSR_2 (Carroll 1979), it would be interesting to investigate both concepts simultaneously to provide a holistic view of firm actions intended to both satisfy primary stakeholders and promote the social good above and beyond the interest of the firm and legal requirements (McWilliams and Siegel 2001). The comparative impacts of CSR_1 and CSR_2 on both financial and non-financial performance should be investigated.

8.6 Chapter Summary

This study addressed three primary research questions:

- What are the salient dimensions of CSR branding and how can the construct be measured?
- What is the impact of adopting CSR branding on corporate performance?
- What are the potential mediators and/or moderators of the CSR branding/corporate performance relationship?

The results of this study in relation to the research questions were discussed in this chapter. A number of implications of both theoretical and practical importance were identified. In terms of theoretical contributions, this study provides some clarification of concepts which have hitherto caused confusion in the literature including CSR_1 versus CSR_2, the institutional claims versus collective understandings perspectives of organisational identity, and corporate brand versus corporate identity. This study offers empirical support to the much debated proposition that CSR leads to superior corporate performance. From the practical perspective, the CSR branding scale can be used as a tool to benchmark organisations and industries.

A number of limitations were identified in this chapter including (i) the relatively modest response rate; (ii) the lack of cross-cultural validation; (iii) relative low average variance extracted scores for some of the CSR branding dimensions; (iv) skewness of the responses relating to CSR-CA beliefs; and (v) the exclusion of small firms from the research. In addition, recommendations on the direction of future research were offered.

In conclusion, this study has contributed to a number of important research topics including CSR, corporate branding, and organisational identity, and resulted in the development of a new psychometrically robust CSR branding scale. The CSR branding scale has been assessed for its psychometric properties and found to be both valid and reliable. Subsequently, the scale was used to examine the impact of CSR branding on both firm financial and non-financial performance (organisational identification). A positive relationship was found. Thus, this study has achieved the objectives outlined in the introductory chapter and developed at greater length in subsequent chapters.

References

Aaker, D. A. 1991. *Managing Brand Equity: Capitalizing on the Value of a Brand Name*. New York: The Free Press.

--------. 1996. Measuring Brand Equity Across Products and Markets. *California Management Review* 38 (3): 102-120.

--------. 2004. Leveraging the Corporate Brand. *California Management Review* 46 (3): 6-18.

Aaker, J. L. 1997. Dimensions of Brand Personality. *Journal of Marketing Research* 34 (3): 347-356.

Abbott, W. F., and R. J. Monsen. 1979. On the Measurement of Corporate Social Responsibility: Self-Reported Disclosures as a Method of Measuring Corporate Social Involvement. *Academy of Management Journal* 22 (3): 501-515.

Abratt, R. 1989. A New Approach to the Corporate Image Management Process. *Journal of Marketing Management* 5 (1): 63-76.

Agle, B. R., and C. B. Caldwell. 1999. Understanding Research on Values in Business: A Level of Analysis Framework. *Business & Society* 38 (3): 326-387.

Aguinis, H. 2004. *Regression Analysis for Categorical Moderators*. Edited by D. A. Kenny. New York: The Guilford Press.

Ahearne, M., C. B. Bhattacharya, and T. Gruen. 2005. Antecedents and Consequences of Customer-Company Identification: Expanding the Role of Relationship Marketing. *Journal of Applied Psychology* 90 (3): 574-585.

Albert, S., and D. A. Whetten. 1985. Organizational Identity. *Research in Organizational Behavior* 7 (1): 263-295.

Alexander, N. 2009. Defining Brand Values through Sponsorship. *International Journal of Retail & Distribution Management* 37 (4): 349-357.

Allen, N. J., and J. P. Meyer. 1990. The Measurement and Antecedents of Affective, Continuance, and Normative Commitment to the Organization. *Journal of Occupational Psychology* 63 (1): 1-18.

Alt, M., and S. Griggs. 1988. Can a Brand be Cheeky? *Marketing Intelligence & Planning* 6 (4): 9-16.

Anderson, C. H. 1986. Hierarchical Moderated Regression Analysis: A Useful Tool for Retail Management Decisions. *Journal of Retailing* 62 (2): 186-203.

Anderson, J. C., and D. W. Gerbing. 1988. Structural Equation Modeling in Practice: A Review and Recommended Two-Step Approach. *Psychological Bulletin* 103 (3): 411-423.

Arlow, P., and M. J. Gannon. 1982. Social Responsiveness, Corporate Structure, and Economic Performance. *The Academy of Management Review* 7 (2): 235-241.

Armstrong, J. S., and T. S. Overton. 1977. Estimating Nonresponse Bias in Mail Surveys. *Journal of Marketing Research* 14 (3): 396-402.

Arnould, E. J., and C. J. Thompson. 2005. Consumer Culture Theory (CCT): Twenty Years of Research. *Journal of Consumer Research* 31 (4): 868-882.

Ashforth, B. E., S. H. Harrison, and K. G. Corley. 2008. Identification in Organizations: An Examination of Four Fundamental Questions. *Journal of Management* 34 (3): 325-374.

Ashforth, B. E., and F. Mael. 1989. Social Identity Theory and the Organization. *Academy of Management Review* 14 (1): 20-39.

Ashforth, B. E., and A. M. Saks. 1996. Socialization Tactics: Longitudinal Effects on Newcomer Adjustment. *The Academy of Management Journal* 39 (1): 149-178.

Atkinson, G. 2000. Measuring Corporate Sustainability. *Journal of Environmental Planning and Management* 43 (2): 235-252.

Aupperle, K. E., A. B. Carroll, and J. D. Hatfield. 1985. An Empirical Examination of the Relationship between Corporate Social Responsibility and Profitability. *Academy of Management Review* 28 (2): 446-463.

Backhaus, K. B., B. A. Stone, and K. Heiner. 2002. Exploring the Relationship between Corporate Social Performance and Employer Attractiveness. *Business & Society* 41 (3): 292-318.

Baldinger, A. L., and J. Rubinson. 1997. The Jeopardy in Double Jeopardy. *Journal of Advertising Research* 37 (6): 37-49.

Balmer, J. M. T. 1995. Corporate Branding and Connoisseurship. *Journal of General Management* 21 (1): 24-46.

--------. 1998. Corporate Identity and the Advent of Corporate Marketing. *Journal of Marketing Management* 14 (8): 963-996.

--------. 2001a. Corporate Identity, Corporate Branding and Corporate Marketing: Seeing through the Fog. *European Journal of Marketing* 35 (3/4): 248-291.

--------. 2001b. The Three Virtues and Seven Deadly Sins of Corporate Brand Management. *Journal of General Management* 27 (1): 1-17.

--------. 2005. Corporate Brands: What's New? *Communicação e Sociedade* 8 (1): 163-178.

--------. 2006. *Comprehending Corporate Marketing and the Corporate Marketing Mix, Working Paper Series*. Bradford: Bradford University School of Management.

--------. 2009. Corporate Marketing: Apocalypse, Advent and Epiphany. *Management Decision* 47 (4): 544-572.

Balmer, J. M. T., and E. R. Gray. 1999. Corporate Identity and Corporate Communications: Creating a Competitive Advantage. *Corporate Communication: An International Journal* 4 (4): 171-176.

--------. 2003. Corporate Brands: What are They? What of Them? *European Journal of Marketing* 37 (7/8): 972-997.

Balmer, J. M. T., and S. A. Greyser. 2002. Managing the Multiple Identities of the Corporation. *California Management Review* 44 (3): 72-86.

--------. 2003. *Revealing the Corporation: Perspectives on Identity, Image, Reputation, Corporate Branding, and Corporate-level Marketing*. London: Routledge.

--------. 2006. Corporate Marketing: Integrating Corporate Identity, Corporate Branding, Corporate Communications, Corporate Image, and Corporate Reputation. *European Journal of Marketing* 40 (7/8): 730-741.

Balmer, J. M. T., and G. B. Soenen. 1999. The Acid Test of Corporate Identity Management. *Journal of Marketing Management* 15 (1): 69-92.

Balmer, J. M. T., and A. Wilson. 1998. Corporate Identity: There is more to It than Meets the Eye. *Journal of International Studies of Management and Organization* 28 (3): 12-31.

Banerjee, S. B. 2008. Corporate Social Responsibility: The Good, the Bad, and the Ugly. *Critical Sociology* 34 (1): 51-79.

Barker, J. R. 1998. Managing Identification. In *Identity in Organizations: Building Theory through Conversations*, ed. D. A. Whetten and P. C. Godfrey, 257-267. Thousand Oaks: Sage Publications.

Barnett, M. L. 2007. Stakeholder Influence Capacity and the Variability of Financial Returns to Corporate Social Responsibility. *Academy of Management Review* 32 (3): 794-816.

Bass, F. M., and W. W. Talarzyk. 1972. An Attitude Model for Study of Brand Preference. *Journal of Marketing Research* 9 (1): 93-96.

Bass, F. M., and W. L. Wilkie. 1973. A Comparative Analysis of Attitudinal Predictions of Brand Preference. *Journal of Marketing Research* 10 (3): 262-269.

Basu, K., and G. Palazzo. 2008. Corporate Social Responsibility: A Process Model of Sensemaking. *Academy of Management Review* 33 (1): 122-136.

Bennett, P. D., and G. D. Harrell. 1975. The Role of Confidence in Understanding and Predicting Buyers' Attitudes and Purchase Intensions. *Journal of Consumer Research* 2 (2): 110-117.

Berens, G., C. B. M. van Riel, and G. H. van Bruggen. 2005. Corporate Associations and Consumer Product Reponses: The Moderating Role of Corporate Brand Dominance. *Journal of Marketing* 69 (3): 35-48.

Bergami, M., and R. P. Bagozzi. 2000. Self-categorization, Affective Commitment and Group Self-esteem as Distinct Aspects of Social Identity in the Organization. *British Journal of Social Psychology* 39 (4): 555-577.

Berman, S., A. C. Wicks, S. Kotha, and T. M. Jones. 1999. Does Stakeholder Orientation Matter? The Relationship between Stakeholder Management Models and Firm Financial Performance. *The Academy of Management Journal* 42 (5): 488-506.

Berry, N. C. 1992. Revitalizing Brands. *Journal of Product and Brand Management* 1 (2): 19-24.

Beverland, M. 2005. Brand Management and the Challenge of Authenticity. *Journal of Product & Brand Management* 14 (7): 460-461.

Bhattacharya, C. B., S. Sen, and D. Korschun. 2008. Using Corporate Social Responsibility to Win the War for Talent. *MIT Sloan Management Review* 49 (2): 37-44.

Blackett, T. 1988. Researching Brand Names. *Marketing Intelligence & Planning* 6 (3): 5-8.

Bogart, L., and C. Lehman. 1973. What Makes a Brand Name Familiar? *Journal of Marketing Research* 10 (1): 17-22.

Bowan, H. R. 1953. *Social Responsibilities of the Businessmen*. New York: Harper & Row. Quoted in Carroll, 1999, 270.

Bowman, E. H., and M. Haire. 1975. A Strategic Posture toward Corporate Social Responsibility. *California Management Review* 18 (2): 49-58.

Brennan, M. 1994. Incentives, Rationality, and Society. *Journal of Applied Corporate Finance* 7 (2): 31-39. Quoted in Jensen, 1994, 5.

Brewer, M. B. 1979. In-group Bias in the Minimal Intergroup Situation: A Cognitive-motivational Analysis. *Psychological Bulletin* 86 (2): 307-324.

--------. 1991. The Social Self: On Being the Same and Different at the Same Time. *Personality and Social Psychology Bulletin* 17 (5): 475-482.

Brewer, M. B., and W. Gardner. 1996. Who is This "We"? Levels of Collective Identity and Self Representations. *Journal of Personality and Social Psychology* 71 (1): 83-93.

Brickson, S. L. 2000. The Impact of Identity Orientation on Individual and Organizational Outcomes in Demographically Diverse Settings. *Academy of Management Review* 25 (1): 82-101.

--------. 2005. Organizational Identity Orientation: Forging a Link Between Organizational Identity and Organizations' Relations with Stakeholders. *Administrative Science Quarterly* 50 (4): 576-609.

--------. 2007. Organizational Identity Orientation: The Genesis of the Role of the Firm and Distinct Forms of Social Value. *Academy of Management Review* 32 (3): 864-888.

Brønn, P. S. 2006. Building Corporate Brand through Community Involvement: Is it Exportable? The Case of the Ronald McDonald House in Norway. *Journal of Marketing Communications* 12 (4): 309-320.

Brønn, P. S., and A. B. Vrioni. 2001. Corporate Social Responsibility and Cause-related Marketing: An Overview. *International Journal of Advertising* 20 (2): 207-222.

Brown, A. D. 2001. Organization Studies and Identity: Towards a Research Agenda. *Human Relations* 54 (1): 113-121.

Brown, T. J., and P. A. Dacin. 1997. The Company and the Product: Corporate Associations and Consumer Product Responses. *Journal of Marketing* 61 (1): 68-84.

Brown, T. J., P. A. Dacin, M. G. Pratt, and D. A. Whetten. 2006. Identity, Intended Image, Construed Image, and Reputation: An Interdisciplinary Framework and Suggested Terminology. *Journal of the Academy of Marketing Science* 34 (2): 99-106.

Buell, V. P. 1975. The Changing Role of the Product Manager in Consumer Goods Companies. *Journal of Marketing* 39 (3): 3-11.

Bureau van Dijk. 2011. http://www.bvdinfo.com (accessed April 21, 2011).

Burt, S. L., and L. Sparks. 2002. Corporate Branding, Retailing, and Retail Internationalization. *Corporate Reputation Review* 5 (2/3): 194-212.

Campbell, J. L. 2007. Why Would Corporations Behave in Socially Responsible Ways? An Institutional Theory of Corporate Social Responsibility. *Academy of Management Review* 23 (3): 946-967.

Carroll, A. B. 1979. A Three-Dimensional Conceptual Model of Corporate Performance. *Academy of Management Review* 4 (4): 497-505.

--------. 1991. The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders. *Business Horizons* 34 (4): 39-48.

--------. 1998. The Four Faces of Corporate Citizenship. *Business and Society Review* 100 (1): 1-7.

--------. 1999. Corporate Social Responsibility: Evolution of a Definitional Construct. *Business & Society* 38 (3): 268-295.

Carroll, A. B., and K. M. Shabana. 2010. The Business Case for Corporate Social Responsibility: A Review of Concepts, Research and Practice *International Journal of Management Reviews* 12 (1): 85-105.

Channon, M. B., and A. S. C. Ehrenberg. 1970. Brand Image and Brand Usage. *Journal of Marketing Research* 7 (3): 307-314.

Christensen, L. T. 1995. Buffering Organizational Identity in the Market Culture. *Organizational Studies* 16 (4): 651-672.

Churchill, G. A., Jr. 1995. *Marketing Research: Methodological Foundations*. Fort Worth: The Dryden Press.

Churchill, G. A. J. 1979. A Paradigm for Developing Better Measures of Marketing Constructs. *Journal of Marketing Research* 16 (1): 64-73.

Clarkson, M. B. E. 1995. A Stakeholder Framework for Analysing and Evaluating Corporate Social Performance. *Academy of Management Review* 20 (1): 92-117.

Cochran, P., and R. A. Wood. 1984. Corporate Social Responsibility and Financial Performance. *Academy of Management Journal* 27 (1): 42-56.

Cole, M. S., and H. Bruch. 2006. Organizational Identity Strength, Identification, and Commitment and their Relationships to Turnover Intention: Does Organizational Hierarchy Matter? *Journal of Organisational Behavior* 27 (5): 585-605.

Cooper, D. R., and P. S. Schindler. 1998. *Business Research Method*. 6th ed. Boston: Irwin/McGraw-Hill.

Corley, K. G., and D. A. Gioia. 2004. Identity Ambiguity and Change in the Wake of a Corporate Spin-off. *Administrative Science Quarterly* 49 (2): 173-208.

Cornelissen, J. P., S. A. Haslam, and J. M. T. Balmer. 2007. Social Identity, Organizational Identity and Corporate Identity: Towards an Integrated Understanding of Processes, Patternings and Products. *British Journal of Management* 18 (1): S1-S16.

Couper, M. P. 2000. Web Surveys: A Review of Issues and Approaches. *Public Opinion Quarterly* 64 (4): 464-494.

Cragg, W. 2002. Business Ethics and Stakeholder Theory. *Business Ethics Quarterly* 12 (2): 113-142.

Cunningham, M. T., and C. J. Clarke. 1975. The Product Management Function in Marketing. *European Journal of Marketing* 9 (2): 129-149.

Cutlip, S. M. 1994. *The Unseen Power: Public Relations. A History*. Hillsdale N.J.: Lawrence Erlbaum Associates.

Cycyota, C. S., and D. A. Harrison. 2002. Enhancing Survey Response Rates at the Executive Level: Are Employee- or Consumer-level Techniques Effective? *Journal of Management* 28 (2): 151-176.

Davies, G., R. Chun, R. Vinhas da Silva, and S. Roper. 2004. A Corporate Character Scale to Assess Employee and Customer Views of Organization Reputation. *Corporate Reputation Review* 7 (2): 125-146.

Davis, K. 1960. Can Business Afford to Ignore Social Responsibility. *California Management Review* 2 (3): 70-76.

--------. 1967. Understanding the Social Responsibility Puzzle: What Does the Businessman Owe to Society? *Business Horizons* 10 (4): 45-50.

--------. 1973. The Case for and against Business Assumption of Social Responsibilities. *Academy of Management Journal* 16 (2): 312-322.

Davis, K., and R. L. Blomstrom. 1975. *Business and Society: Environment and Responsibility*. 3rd ed. New York: McGraw-Hill.

de Bakker, F. G. A., P. Groenewegen, and F. den Hond. 2005. A Bibliometric Analysis of 30 Years of Research and Theory on Corporate Social Responsibility and Corporate Social Performance. *Business & Society* 44 (3): 283-317.

de Bussy, N. M. 2005. STAKOR: The Development of a Scale to Measure Stakeholder Orientation and its Impact on Performance. PhD diss., Curtin University of Technology

de Bussy, N. M., M. T. Ewing, and L. F. Pitt. 2003. Stakeholder Theory and Internal Marketing Communications: A Framework for Analysing the Influence of New Media. *Journal of Marketing Communications* 9 (3): 147-161.

de Chernatony, L. 1993. Categorizing Brands: Evolutionary Processes Underpinned by Two Key Dimensions. *Journal of Marketing Management* 9 (2): 173-188.

--------. 1999. Brand Management through Narrowing the Gap between Brand Identity and Brand Reputation. *Journal of Marketing Management* 15 (1): 157-179.

--------. 2002. Would a Brand Smell any Sweeter by a Corporate Name? *Corporate Reputation Review* 5 (2/3): 114-132.

de Chernatony, L., and F. Dall' Olmo Riley. 1998. Defining a "Brand": Beyond the Literature with Experts' Interpretations. *Journal of Marketing Management* 14 (5): 417-443.

Deephouse, D. L. 1999. To Be Different, or to Be the Same? It's a Question (And Theory) of Strategic Balance. *Strategic Management Journal* 20 (2): 147-166.

Deshpande, R., and F. E. Webster Jr. 1989. Organisational Culture and Marketing: Defining the Research Agenda. *The Journal of Marketing* 53 (1): 3-15.

Dess, G. G., and R. B. Robinson, Jr. 1984. Measuring Organizational Performance in the Absence of Objective Measures: The Case of Privately-held Firm and Conglomerate Business Unit. *Strategic Management Journal* 5 (3): 265-273.

DeVellis, R. F. 1991. *Scale Development: Theory and Applications*. Newbury Park: Sage Publications.

--------. 2003. *Scale Development: Theory and Applications*. 2nd ed. Thousand Oaks: Sage.

Devinney, T. M. 2009. Is the Socially Responsible Corporation a Myth? The Good, the Bad, and the Ugly of Corporate Social Responsibility. *Academy of Management Perspectives* 23 (2): 44-56.

Dillman, D. A. 1991. The Design and Administration of Mail Surveys. *Annual Review of Sociology* 17 (1): 225-249.

Donaldson, T., and L. E. Preston. 1995. The Stakeholder Theory of the Corporation: Concepts, Evidence and Implications. *Academy of Management Review* 20 (1): 65-91.

Dow Jones Sustainability Indexes in Collaboration with Sustainable Asset Management. 2011. *Dow Jones Sustainability World Index Guide Book.* http://www.sustainability-indexes.com/djsi_pdf/publications/Guidebooks/DJSI_World_Guidebook_11_5.pdf (accessed February 25, 2011).

Du, S., C. B. Bhattacharya, and S. Sen. 2007. Reaping Relational Rewards from Corporate Social Responsibility: The Role of Competitive Positioning. *International Journal of Research in Marketing* 24 (3): 224-241.

--------. 2010. Maximizing Business Returns to Corporate Social Responsibility (CSR): The Role of CSR Communication. *International Journal of Management Reviews* 12 (1): 8-19.

Dukerich, J. M., R. Kramer, and J. McLean Parks. 1998. The Dark Side of Organizational Identification. In *Identity in Organizations: Building Theory through Conversations*, ed. D. A. Whetten and P. C. Godfrey, 245-256. Thousand Oaks: Sage Publications.

Dunn, S. C., R. F. Seaker, and M. A. Waller. 1994. Latent Variables in Business Logistics Research: Scale Development and Validation. *Journal of Business Logistics* 15 (2): 145-172.

Durgee, J. F. 1988. Understanding Brand Personality. *Journal of Consumer Marketing* 5 (3): 21-25.

Durgee, J. F., and R. W. Stuart. 1987. Advertising Symbols and Brand Names that Best Represent Key Product Meanings. *Journal of Consumer Marketing* 4 (3): 15-24.

Dutton, J. E., and J. M. Dukerich. 1991. Keeping an Eye on the Mirror: Image and Identity in Organizational Adaptation. *Academy of Management Journal* 34 (3): 517-554.

Dutton, J. E., J. M. Dukerich, and C. V. Harquail. 1994. Organizational Images and Member Identification. *Administrative Science Quarterly* 39 (2): 239-263.

Dutton, J. E., and W. J. Penner. 1993. The Importance of Organizational Identity for Strategic Agenda Building. In *Strategic Thinking: Leadership and the Management of Change,* ed. J. Hendry, G. Johnson and J. Newton, 89-113. New York: John Wiley & Sons.

Edwards, M. R. 2005. Organizational Identification: A Conceptual and Operational View. *International Journal of Management Reviews* 7 (4): 207-230.

Eilbirt, H., and I. R. Parket. 1973. The Current Status of Corporate Social Responsibility. *Business Horizons* 16 (4): 5-14.

Elliott, R., and K. Wattanasuwan. 1998. Brands as Symbolic Resources for the Construction of Identity. *International Journal of Advertising* 17 (2): 131-144.

Erdogan, B. Z., and S. Tagg. 2003. The Advertising Agency Manager's Response Patterns to a Mail Survey and Follow-ups. *Marketing Intelligence & Planning* 21 (6): 392-399.

Ferguson, T. 1984. From Normalcy to New Deal: Industrial Structure, Party Competition, and American Public Policy in the Great Depression. *International Organization* 38 (1): 41-94.

Fiol, M. C. 1991. Managing Culture as a Competitive Resource: An Identity-Based View of Sustainable Competitive Advantage. *Journal of Management* 17 (1): 191-211.

Firat, F., and A. Venkatesh. 1995. Liberatory Postmodernism and the Reenchantment of Consumption. *Journal of Consumer Research* 22 (3): 239-267.

Flynn, L. R., and D. Pearcy. 2001. Four Subtle Sins in Scale Development: Some Suggestions for Strengthening the Current Paradigm *International Journal of Marketing Research* 43 (4): 409-423.

Fombrun, C. J., N. A. Gardberg, and J. M. Sever. 2000. The Reputation Quotient: A Milti-Stakeholder Measure of Corporate Reputation. *Journal of Brand Management* 7 (4): 241-255.

Foreman, P., and D. A. Whetten. 2002. Members' Identification with Multiple-Identity Organizations. *Organization Science* 13 (6): 618-635.

Frederick, W. C. 1960. The Growing Concern over Business Responsibility. *California Management Review* 2 (4): 54-61.

--------. 1994. From CSR_1 to CSR_2: The Maturing of Business-and-Society Thought. *Business & Society* 33 (2): 150-164.

Freeman, R. E. 1984. *Strategic Management: A Stakeholder Approach*. Boston: Pitman.

--------. 1999. Response: Divergent Stakeholder Theory. *Academy of Management Review* 24 (2): 233-236.

Friedman, M. 1962. *Capitalism and Freedom*. Chicago: University of Chicago Press.

--------. 1970. The Social Responsibility of Business is to Increase its Profits. *The New York Times*, September 13.

Gallagher, D., L. Ting, and A. Palmer. 2008. A Journey into the Unknown; Taking the Fear out of Structural Equation Modeling with AMOS for the First-Time User. *The Marketing Review* 8 (3): 255-275.

Gardner, B. B., and S. J. Levy. 1955. The Product and the Brand. *Harvard Business Review* 33 (2): 33-39.

Gardner, M. P. 1985. Does Attitude toward the Ad Affect Brand Attitude under a Brand Evaluation Set? *Journal of Marketing Research* 22 (2): 192-198.

Gerbing, D. W., and J. C. Anderson. 1988. An Updated Paradigm for Scale Development Incorporating Unidimensionality and Its Assessment. *Journal of Marketing Research* 25 (2): 186-192.

Gioia, D. A. 1999. Response: Practicability, Paradigms, and Problems in Stakeholder Theorizing. *Academy of Management Review* 24 (2): 228-232.

Gioia, D. A., M. Schultz, and K. G. Corley. 2000. Organizational Identity, Image, and Adaptive Instability. *Academy of Management Review* 25 (1): 63-81.

Gioia, D. A., and J. B. Thomas. 1996. Identity, Image, and Issue Interpretation: Sensemaking During Strategic Change in Academia. *Administrative Science Quarterly* 41 (3): 370-403.

Global Reporting Initiative. 2000-2006. *Sustainability Reporting Guidelines Version 3.0*. http://www.globalreporting.org/NR/rdonlyres/D2BC0DF8-FF2C-4BAB-B2B4-27DA868C2A5F/5683/G3_Guidelines_English.pdf (accessed March 3, 2011).

Glynn, M. A. 1998. Individuals' Need for Organizational Identification (nOID) Speculations on Individual Differences in the Propensity to Identify. In *Identity in Organizations: Building Theory through Conversations*, ed. D. A. Whetten and P. C. Godfrey, 238-244. Thousand Oaks: Sage Publications.

Godfrey, P. C., and N. W. Hatch. 2007. Researching Corporate Social Responsibility: An Agenda for the 21st Century. *Journal of Business Ethics* 70 (1): 87-98.

Gorden, R. L. 1977. *Unidimensional Scaling of Social Variables: Concepts and Procedures*. New York: Macmillan Publishing Co., Inc.

Graves, S. B., and S. A. Waddock. 1994. Institutional Owners and Corporate Social Performance. *Academy of Management Journal* 37 (4): 1034-1046.

Greening, D. W., and D. B. Turban. 2000. Corporate Social Performance as a Competitive Advantage in Attracting a Quality Workforce. *Business & Society* 39 (3): 254-280.

Greyser, S. A. 2009. Corporate Brand Reputation and Brand Crisis Management. *Management Decision* 47 (4): 590-602.

Greyser, S. A., J. M. T. Balmer, and M. Urde. 2006. The Monarchy as a Corporate Brand. *European Journal of Marketing* 40 (7/8): 902-908.

Griffin, J. J. 2002. To Brand or Not To Brand? Trade-offs in Corporate Branding Decisions. *Corporate Reputation Review* 5 (2/3): 228-240.

Griffin, J. J., and J. F. Mahon. 1997. The Corporate Social Performance and Corporate Financial Performance Debate: Twenty-Five Years of Incomparable Research. *Business & Society* 36 (5): 5-31.

Grønhaug, K., and P. S. Trapp. 1988. Perceived Social Class Appeals of Branded Goods. *Journal of Consumer Marketing* 5 (4): 25-30.

Grubb, E. L., and B. L. Stern. 1971. Self-Concept and Significant Others. *Journal of Marketing Research* 8 (3): 382-385.

Grunig, J., and T. Hunt. 1984. *Managing Public Relations*. New York: Rinehart & Winston.

Guilford, J. P. 1954. *Psychometric Methods*. 2nd ed. New York: McGraw-Hill Book Company.

Hair, J. F., Jr., W. C. Black, B. J. Babin, and R. E. Anderson. 2010. *Multivariate Data Analysis: A Global Perspective*. 7th ed. Upper Saddle River: Pearson Education, Inc.

Hair, J. F., Jr., R. P. Bush, and D. J. Ortinau. 2006. *Marketing Research: Within a Changing Information Environment*. 3rd ed. New York: McGraw-Hill/Irwin.

Hankinson, P., and G. Hankinson. 1999. Managing Successful Brands: An Empirical Study which Compares the Corporate Cultures of Companies Managing the World's Top 100 Brands with Those Managing Outsider Brands. *Journal of Marketing Management* 15 (1): 135-155.

Harquail, C. V. 1998. Organizational Identification and the "Whole Person": Integrating Affect, Behavior, and Cognition. In *Identity in Organizations: Building Theory through Conversations*, ed. D. A. Whetten and P. C. Godfrey, 223-231. Thousand Oaks: Sage Publications.

Harris, F., and L. de Chernatony. 2001. Corporate Branding and Corporate Brand Performance. *European Journal of Marketing* 35 (3/4): 441-456.

Harrison, J., and R. E. Freeman. 1999. Stakeholders, Social Responsibility, and Performance: Empirical Evidence and Theoretical Perspectives. *The Academy of Management Journal* 42 (5): 479-485.

Hart, S. L., and G. Ahuja. 1996. Does It Pay to be Green? An Empirical Examination of the Relationship between Emission Reduction and Firm Performance. *Business Strategy and the Environment* 5 (1): 30-37.

Haslam, S. A., and N. Ellemers. 2005. Social Identity in Industrial and Organizational Psychology: Concepts, Controversies and Contributions. *International Review of Industrial and Organizational Psychology* 20: 39-118.

Hatch, M. J. 1993. The Dynamics of Organizational Culture. *The Academy of Management Review* 18 (4): 657-693.

Hatch, M. J., and M. Schultz. 1997. Relations between Organizational Culture, Identity and Image. *European Journal of Marketing* 31 (5/6): 356-365.

--------. 2001. Are the Strategic Stars Aligned for Your Corporate Brand? *Harvard Business Review* 79 (2): 128-134.

--------. 2002. The Dynamics of Organizational Identity. *Human Relations* 55 (8): 989-1018.

--------. 2003. Bringing the Corporation into Corporate Branding. *European Journal of Marketing* 37 (7/8): 1041-1064.

Hawabhay, B. B., R. Abratt, and M. Peters. 2009. The Role of Corporate Communications in Developing a Corporate Brand Image and Reputation in Mauritius. *Corporate Reputation Review* 12 (1): 3-20.

Heald, M. 1957. Management's Responsibility to Society: The Growth of an Idea. *Business History Review* 31 (4): 375-384.

--------. 1961. Business Thought in the Twenties: Social Responsibility. *American Quarterly* 13 (2): 126-139.

Heath, R. L., and R. A. Nelson. 1986. *Issues Management: Corporate Public Policymaking in an Information Society*. Newbury Park: Sage Publications.

Heath, R. L., and M. J. Palenchar. 2009. *Strategic Issues Management: How Organizations Influence and Respond to Public Interests and Policies*. San Francisco & London: Jossy-Bass Publishers.

Hillman, A. J., and G. D. Keim. 2001. Shareholder Value, Stakeholder Management, and Social Issues: What's the Bottom Line? *Strategic Management Journal* 22 (2): 125-139.

Hinkin, T. R. 1995. A Review of Scale Development Practices in the Study of Organizations. *Journal of Management* 21 (5): 967-988.

Hogg, M. A., D. J. Terry, and K. M. White. 1995. A Tale of Two Theories: A Critical Comparison of Identity Theory with Social Identity Theory. *Social Psychology Quarterly* 58 (4): 255-269.

Holt, D. B. 2002. Why Do Brands Cause Trouble? A Dialectical Theory of Consumer Culture and Branding. *Journal of Consumer Research* 29 (1): 70-90.

Hu, L.-t., and P. M. Bentler. 1999. Cutoff Criteria for Fit Indexes in Covariance Structure Analysis: Conventional Criteria Versus New Alternatives. *Structural Equation Modeling* 6 (1): 1-55.

Hull, C. E., and S. Rothenberg. 2008. Firm Performance: The Interactions of Corporate Social Performance with Innovation and Industry Differentiation. *Strategic Management Journal* 29 (7): 781-789.

Husted, B. W., and D. B. Allen. 2007. Strategic Corporate Social Responsibility and Value Creation among Large Firms: Lessons from the Spanish Experience. *Long Range Planning* 40 (6): 594-610.

Hutton, J. G. 1996. Integrated Marketing Communications and the Evolution of Marketing Thought. *Journal of Business Research* 37 (3): 155-162.

International Organization for Standardization. 2010. *ISO 26000*. http://www.iso.org/iso/social_responsibility (accessed March 3, 2011).

Jacoby, J., and D. B. Kyner. 1973. Brand Loyalty vs. Repeat Purchasing Behavior. *Journal of Marketing Research* 10 (1): 1-9.

Jacoby, J., J. C. Olson, and R. A. Haddock. 1971. Price, Brand Name, and Product Composition Characteristics as Determinants of Perceived Quality. *Journal of Applied Psychology* 55 (6): 570-579.

Jenkins, H. 2006. Small Business Champions for Corporate Social Responsibility. *Journal of Business Ethics* 67 (3): 241-256.

Jenks, L. H. 1944. Railroads as an Economic Force in American Development. *Journal of Economic History* 4 (1): 1-20.

Jensen, M. C. 1994. Self-Interest, Altruism, Incentives, and Agency Theory. *Journal of Applied Corporate Finance* 7 (2): 40-45.

--------. 2002. Value Maximization, Stakeholder Theory, and the Corporate Objective Function. *Business Ethics Quarterly* 12 (2): 235-256.

Johnson, G., and K. Scholes. 2002. *Exploring Corporate Strategy: Text and Cases*. 6th ed. Essex: Pearson Education.

Johnson, H. L. 1971. *Business in Contemporary Society: Framework and Issues*. Belmont: Wadsworth. Quoted in Carroll, 1999, 273-274.

Jones, J. M. 1970. A Comparison of Three Models of Brand Choice. *Journal of Marketing Research* 7 (4): 466-473.

Jones, R., and A. J. Murrell. 2001. Signaling Positive Corporate Social Performance: An Event Study of Family-Friendly Firms. *Business Society* 40 (1): 59-78.

Jones, T. M. 1980. Corporate Social Responsibility Revisited, Redefined. *California Management Review* 22 (2): 59-67.

--------. 1995. Instrumental Stakeholder Theory: A Synthesis of Ethics and Economics. *The Academy of Management Review* 20 (2): 404-437.

Jones, T. M., W. Felps, and G. A. Bigley. 2007. Ethical Theory and Stakeholder Related Decision: The Role of Stakeholder Culture. *Academy of Management Review* 32 (1): 137-155.

Jones, T. M., and A. C. Wicks. 1999. Convergent Stakeholder Theory. *The Academy of Management Review* 24 (2): 206-221.

Kaler, J. 2002. Morality and Strategy in Stakeholder Identification. *Journal of Business Ethics* 39 (1/2): 91-99.

Kanungo, R. N., and J. A. Conger. 1993. Promoting Altruism as a Corporate Goal. *Academy of Management Executive* 7 (3): 37-48.

Kay, M. J. 2006. Strong Brands and Corporate Brands. *European Journal of Marketing* 40 (7/8): 742-760.

Keim, G. D. 1978. Corporate Social Responsibility: An Assessment of the Enlightened Self-Interest Model. *The Academy of Management Review* 3 (1): 32-39.

Keller, K. L. 1993. Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. *Journal of Marketing* 57 (1): 1-22.

--------. 1999. Brand Mantras: Rationale, Criteria and Examples. *Journal of Marketing Management* 15 (1): 43-51.

--------. 2000. The Brand Report Card. *Harvard Business Review* 78 (1): 3-10.

Kerin, R. A., and R. Sethuramen. 1999. Exploring the Brand Value-Shareholder Value Nexus for Consumer Goods Companies. *Journal of the Academy of Marketing Science* 26 (4): 260-273.

King, S. 1991. Brand-building in the 1990s. *Journal of Marketing Management* 7 (1): 3-13.

Klein, J. G., C. N. Smith, and A. John. 2004. Why We BoyCott: Consumers Motivations for Boycott Participation. *Journal of Marketing* 68 (3): 92-109.

Knox, S. 1997. The Death of Brand Deference: Can Brand Management Stop the Rot? *Journal of Product & Brand Management* 6 (1): 49-55.

Knox, S., and D. Bickerton. 2003. The Six Conventions of Corporate Branding. *European Journal of Marketing* 37 (7/8): 998-1016.

Knox, S., and S. Maklan. 2004. Corporate Social Responsibility: Moving Beyond Investment Towards Measuring Outcomes. *European Management Journal* 22 (5): 508-516.

Kotler, P., and N. Lee. 2005. *Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause*. New York: John Wiley & Sons, Inc.

Kreiner, G. E., and B. E. Ashforth. 2004. Evidence toward an Expanded Model of Organizational Identification. *Journal of Organisational Behavior* 25 (1): 1-27.

Lai, C.-S., C.-J. Chiu, C.-F. Yang, and D.-C. Pai. 2010. The Effects of Corporate Social Responsibility on Brand Performance: The Mediating Effect of Industrial Brand Equity and Corporate Reputation. *Journal of Business Ethics* 95 (3): 457-469.

Lambert, D. M., and T. C. Harrington. 1990. Measuring Nonresponse Bias in Customer Service Mail Surveys. *Journal of Business Logistics* 11 (2): 5-25.

Landon, E. L., Jr. 1974. Self Concept, Ideal Self Concept, and Consumer Purchase Intentions. *Journal of Consumer Research* 1 (2): 44-51.

Lantos, G. P. 2001. The Boundaries of Strategic Corporate Social Responsibility. *Journal of Consumer Marketing* 18 (7): 595-630.

Laplume, A. O., K. Sonpar, and R. A. Litz. 2008. Stakeholder Theory: Reviewing a Theory That Moves Us. *Journal of Management* 34 (6): 1152-1189.

Laufer, W. S. 2003. Social Accountability and Corporate Greenwashing. *Journal of Business Ethics* 43 (3): 253-261.

Lee, M.-D. P. 2008. A Review of the Theories of Corporate Social Responsibility: Its Evolutionary Path and the Road Ahead. *International Journal of Management Reviews* 10 (1): 53-73.

Lichtenstein, D. R., R. G. Netemeyer, and J. G. I. Maxham. 2010. The Relationship among Manager-, Employee-, and Customer-Company Identification: Implications for Retail Store Financial Performance. *Journal of Retailing* 86 (1): 85-93.

Lievens, F., G. van Hoye, and F. Anseel. 2007. Organizational Identity and Employer Image: Towards a Unifying Framework. *British Journal of Management* 18 (1): S45-S59.

Low, G. S., and R. A. Fullerton. 1994. Brands, Brand Management, and the Brand Manager System: A Critical-Historical Evaluation. *Journal of Marketing Research* 31 (2): 173-190.

Luo, X., and C. B. Bhattacharya. 2006. Corporate Social Responsibility, Customer Satisfaction, and Market Value. *Journal of Marketing* 70 (4): 1-18.

--------. 2009. The Debate over Doing Good: Corporate Social Performance, Strategic Marketing Levers, and Firm-Idiosyncratic Risk. *Journal of Marketing* 73 (6): 198-213.

Lutz, R. J. 1975. Changing Brand Attitudes through Modification of Cognitive Structure. *Journal of Consumer Research* 1 (4): 49-59.

Machleit, K. A., and R. D. Wilson. 1988. Emotional Feelings and Attitude toward the Advertisement: The Roles of Brand Familarity and Reputation. *Journal of Advertising* 17 (3): 27-35.

Mackey, S. 2006. Misuse of the Term 'Stakeholder' in Public Relations. *PRism*, http://www.prismjournal.org/fileadmin/Praxis/Files/Journal_Files/2006_general/Mackey.pdf (accessed July 16, 2011).

Mael, F. 1988. Organizational Identification: Construct Re-definition and a Field Application with Organizational Alumni. PhD diss., Wayne State University. Quoted in Ashforth and Mael, 1989.

Mael, F., and B. E. Ashforth. 1992. Alumni and Their Alma Mater: A Partial Test of the Reformulated Model of Organizational Identification. *Journal of Organizational Behavior* 13 (2): 103-123.

Maignan, I., O. C. Ferrell, and G. T. M. Hult. 1999. Corporate Citizenship: Cultural Antecedents and Business Benefits. *Journal of the Academy of Marketing Science* 27 (4): 455-469.

Margolis, J. D., and J. P. Walsh. 2003. Misery Loves Companies: Rethinking Social Initiatives by Business. *Administrative Science Quarterly* 48 (2): 268-305.

Markwick, N., and C. Fill. 1997. Towards a Framework for Managing Corporate Identity. *European Journal of Marketing* 31 (5/6): 396-409.

Matten, D., and A. Crane. 2005. Corporate Citizenship: Toward and Extended Theoretical Conceptualization. *Academy of Management Review* 30 (1): 166-179.

Matten, D., A. Crane, and W. Chapple. 2003. Behind the Mask: Revealing the True Face of Corporate Citizenship. *Journal of Business Ethics* 45 (1/2): 109-120.

McCracken, G. 1986. Culture and Consumption: A Theoretical Account of the Structure and Movement of the Cultural Meaning of Consumer Goods. *Journal of Consumer Research* 13 (1): 71-84.

McDonald, M. H. B., L. de Chernatony, and F. Harris. 2001. Corporate Marketing and Service Brand: Moving beyond the Fast-moving Consumer Goods Model. *European Journal of Marketing* 35 (3/4): 335-352.

McWilliams, A., and D. Siegel. 2000. Corporate Social Responsibility and Financial Performance: Correlation or Misspecification? *Strategic Management Journal* 21 (5): 603-609.

--------. 2001. Corporate Social Responsibility: A Theory of the Firm Perspective. *Academy of Management Review* 26 (1): 117-127.

McWilliams, A., D. S. Siegel, and P. M. Wright. 2006. Corporate Social Responsibility: International Perspectives. *Journal of Business Strategy* 23 (1): 1-12.

Meenaghan, T., and D. Shipley. 1999. Media Effect in Commercial Sponsorship. *European Journal of Marketing* 33 (3/4): 328-347.

Melewar, T. C., and J. Saunders. 1999. International Corporate Visual Identity: Standardization or Localization? *Journal of International Business Studies* 30 (3): 583-598.

Meredith, J. R., A. Raturi, K. Amoako-Gyampah, and B. Kaplan. 1989. Alternative Research Paradigm in Operations. *Journal of Operations Management* 8 (4): 297-326.

Miaoulis, G., and N. D'Amato. 1978. Consumer Confusion & Trademark Infringement. *Journal of Marketing* 42 (2): 48-55.

Michon, R., and J.-C. Chebat. 2008. Breaking Open the Consumer Behavior Black Box: SEM and Retail Atmospheric Manipulations. *Journal of Marketing Theory and Practice* 16 (4): 299-307.

Mitchell, R. K., B. R. Agle, and D. J. Wood. 1997. Toward a Theory of Stakeholder Identification and Salience: Defining the Principles of Who and What Really Counts. *The Academy of Management Review* 22 (4): 853-886.

Mizik, N., and R. Jacobson. 2003. Trading off between Value Creation and Value Appropriation: The Financial Implications of Shifts in Strategic Emphasis. *Journal of Marketing* 67 (1): 63-76.

Montabon, F., R. Sroufe, and R. Narasimhan. 2007. An Examination of Corporate Reporting, Environmental Management Practices and Firm Performance. *Journal of Operations Management* 25 (5): 998-1014.

Montgomery, C. A., and B. Wernerfelt. 1992. Risk Reduction and Umbrella Branding. *Journal of Business* 65 (1): 31-50.

Motameni, R., and M. Shahrokhi. 1998. Brand Equity Valuation: A Global Perspective. *Journal of Product & Brand Management* 7 (4): 275-290.

Mowday, R. T., R. M. Steers, and L. W. Porter. 1979. The Measurement of Organizational Commitment. *Journal of Vocational Behavior* 14 (2): 224-247.

Narayana, C. L., and R. J. Markin. 1975. Consumer Behavior and Product Performance: An Alternative Conceptualization. *Journal of Marketing* 39 (4): 1-6.

Nelson, R. A. 2003. Ethics and Social Issues in Business: An Updated Communication Perspective. *Competitiveness Review: An International Business Journal Incorporating Journal of Global Competitiveness* 13 (1): 66-74.

Nelson, R. A., A. K. Kanso, and S. R. Levitt. 2007. Integrating Public Service and Marketing Differentiation: An Analysis of the American Express Corporation's "Charge Against Hunger" Promotion Program. *Service Business. An International Journal* 1 (4): 275-293.

Newman, J. W., and R. A. Werbel. 1973. Multivariate Analysis of Brand Loyalty for Major Household Appliances. *Journal of Marketing Management* 10 (4): 404-409.

Norman, W., and C. MacDonald. 2004. Getting to the Bottom of "Triple Bottom Line". *Business Ethics Quarterly* 14 (2): 243-262.

Norris, D. G. 1992. Ingredient Branding: A Strategy Option with Multiple Beneficiaries. *Journal of Consumer Marketing* 9 (3): 19-31.

Nunnally, J. C., and I. H. Bernstein. 1994. *Psychometric Theory*. 3rd ed. New York: McGraw-Hill.

O'Reilly III, C. A., J. Chatman, and D. F. Caldwell. 1991. People and Organizational Culture: A Profile Comparison Approach to Assessing Person-Organization Fit. *The Academy of Management Journal* 34 (3): 487-516.

Oakes, P. J., and J. C. Turner. 1980. Social Categorization and Intergroup Behaviour: Does Minimal Intergroup Discrimination Make Social Identity More Positive? *European Journal of Social Psychology* 10 (3): 295-301.

Okoye, A. 2009. Theorising Corporate Social Responsibility as an Essentially Contested Concept: Is a Definition Necessary? *Journal of Business Ethics* 89 (4): 613-627.

Olins, W. 1989. *Corporate Identity: Making Business Strategy Visible through Design*. Boston: Harvard Business School Press.

--------. 2000. How Brands are Taking over the Corporation. In *The Expressive Organization: Linking Identity, Reputation, and the Corporate Brand*, ed. M. Schultz, M. J. Hatch and M. H. Larsen, 52-65. New York: Oxford University Press.

Orlitzky, M., F. L. Schmidt, and S. L. Rynes. 2003. Corporate Social and Financial Performance: A Meta-Analysis. *Organization Studies* 24 (3): 403-441.

Park, C. S., and V. Srinivasan. 1994. A Survey-Based Method for Measuring and Understanding Brand Equity and Its Extendibility. *Journal of Marketing Research* 31 (2): 271-288.

Parket, I. R., and H. Eilbirt. 1975. The Practice of Social Responsibility: The Underlying Factors. *Business Horizons* 18 (4): 5-10.

Peter, J. P. 1979. Reliability: A Review of Psychometric Basics and Recent Marketing Practices. *Journal of Marketing Research* 16 (1): 6-17.

--------. 1981. Construct Validity: A Review of Basic Issues and Marketing Practices. *Journal of Marketing Research* 18 (2): 133-145.

Peterson, D. K. 2004. The Relationship between Perceptions of Corporate Citizenship and Organisational Commitment. *Business Society* 43 (3): 296-319.

Peterson, R. A. 1970. The Price-Perceived Quality Relationship: Experimental Evidence. *Journal of Marketing Research* 7 (4): 525-528.

Phillips, R., R. E. Freeman, and A. C. Wicks. 2003. What Stakeholder Theory is not. *Business Ethics Quarterly* 13 (4): 479-502.

Phillips, R. A. 1997. Stakeholder Theory and a Principle of Fairness. *Business Ethics Quarterly* 7 (1): 51-66.

--------. 2003. Stakeholder Legitimacy. *Business Ethics Quarterly* 13 (1): 25-41.

Piliavin, J. A., and H.-W. Charng. 1990. Altruism: A Review of Recent Theory and Research. *Annual Review of Sociology* 16 (1): 27-65.

Plummer, J. T. 1985. How Personality Makes a Difference. *Journal of Advertising Research* 24 (6): 27-31.

Polonsky, M. J., and C. Jevons. 2006. Understanding Issue Complexity when Building a Socially Responsible Brand. *European Business Review* 18 (5): 340-349.

Powell, T. C. 1996. How much does Industry Matter? An Alternative Empirical Test. *Strategic Management Journal* 17 (4): 323-334.

Pracejus, J. W., and G. D. Olsen. 2004. The Role of Brand/Cause Fit in the Effectiveness of Cause-related Marketing Campaigns. *Journal of Business Research* 57 (6): 635-640.

Pratt, M. G. 1998. To Be or Not to Be? Central Questions in Organizational Identification. In *Identity in Organizations: Building Theory Through Conversations*, ed. D. A. Whetten and P. C. Godfrey, 171-207. Thousand Oaks: Sage Publications.

Pratt, M. G., and P. O. Foreman. 2000. Classifying Managerial Responses to Multiple Organizational Identities. *Academy of Management Review* 25 (1): 18-42.

Preston, L. E., and J. E. Post. 1975. *Private Management and Public Policy: The Principle of Public Responsibility*. Englewood Cliffs, N.J.: Prentice-Hall.

Rand, A. 1964. *The Virtue of Selfishness: A New Concept of Egoism*. New York: New American Library.

--------. 1966. *Capitalism: The Unknown Ideal*. New York: New American Library.

Rao, V. R., M. K. Agarwal, and D. Dahlhoff. 2004. How is Manifest Branding Strategy related to the Intangible Value of a Corporation? *Journal of Marketing* 68 (4): 126-141.

Ravasi, D., and M. Schultz. 2006. Responding to Organizational Identity Threats: Exploring the Role of Organizational Culture. *Academy of Management Journal* 49 (3): 433-458.

Ravasi, D., and J. van Rekom. 2003. Key Issues in Organizational Identity and Identification Theory. *Corporate Reputation Review* 6 (2): 118-132.

Render, B., and T. S. O'Connor. 1976. The Influence of Price, Store Name, and Brand Name on Perception of Product Quality. *Journal of the Academy of Marketing Science* 4 (4): 722-730.

Riketta, M. 2005. Organizational Identification: A Meta-Analysis. *Journal of Vocational Behavior* 66 (2): 358-384.

Rooney, J. A. 1995. Branding: A Trend for Today and Tomorrow. *Journal of Product & Brand Management* 4 (4): 48-55.

Ross, I. 1971. Self-Concept and Brand Preference. *Journal of Business* 44 (1): 38-50.

Roth, M. S. 1992. Depth versus Breadth Strategies for Global Brand Image Management. *Journal of Advertising* 21 (2): 25-36.

Rousseau, D. M. 1998. Why Workers still Identify with Organizations. *Journal of Organizational Behavior* 19 (3): 217-233.

Rubinstein, H. 1996. "Brand First" Management. *Journal of Marketing Management* 12 (4): 269-280.

Samiee, S., and K. Roth. 1992. The Influence of Global Marketing Standardization on Performance. *Journal of Marketing* 56 (2): 1-17.

Sargeant, A., and K. Crissman. 2006. Corporate Giving in Australia: An Analysis of Motives and Barriers. *Australian Journal of Social Issues* 41 (4): 477-494.

Sax, L. J., S. K. Gilmartin, and A. N. Bryant. 2003. Assessing Response Rates and Nonresponse Bias in Web and Paper Surveys. *Research in Higher Education* 44 (4): 409-432.

Schaefer, D. R., and D. A. Dillman. 1998. Development of a Standard E-Mail Methodology: Results of an Experiment. *Public Opinion Quarterly* 62 (3): 378-397.

Schafer, J. L., and J. W. Graham. 2002. Missing Data: Our View of the State of the Art. *Psychological Methods* 7 (2): 147-177.

Schermelleh-Engel, K., H. Moosbrugger, and H. Muller. 2003. Evaluating the Fit of Structural Equation Models: Tests of Significance and Descriptive Goodness-of-Fit Measures. *Methods of Psychological Research Online* 8 (2): 23-74.

Schreiber, J. B., A. Nora, F. K. Stage, E. A. Barlow, and J. King. 2006. Reporting Structural Equation Modeling and Confirmatory Factor Analysis: A Review. *The Journal of Educational Research* 99 (6): 323-337.

Schultz, D. E., and P. J. Kitchen. 2004. Managing the Changes in Corporate Branding and Communication: Closing and Re-opening the Corporate Umbrella. *Corporate Reputation Review* 6 (4): 347-366.

Schutte, T. F. 1969. The Semantics of Branding. *Journal of Marketing* 33 (2): 5-11.

Scott, S. G., and V. R. Lane. 2000. A Stakeholder Approach to Organizational Identity. *Academy of Management Review* 25 (1): 43-62.

Sen, S., and C. B. Bhattacharya. 2001. Does Doing Good Always Lead to Doing Better? Consumer Reactions to Corporate Social Responsibility. *Journal of Marketing Research* 38 (2): 225-243.

Sen, S., C. B. Bhattacharya, and D. Korschun. 2006. The Role of Corporate Social Responsibility in Strengthening Multiple Stakeholder Relationship: A Field Experiment. *Journal of Academy of Marketing* 34 (2): 158-166.

Sethi, S. P. 1975. Dimensions of Corporate Social Performance: An Analytical Framework. *California Management Review* 17 (3): 58-64.

Shocker, A. D., R. K. Srivastava, and R. W. Ruekert. 1994. Challenges and Opportunities Facing Brand Management: An Introduction to the Special Issue. *Journal of Marketing Research* 31 (2): 149-158.

Shook, C. L., D. J. Ketchen, Jr., and G. T. M. Hult. 2004. An Assessment of the Use of Structural Equation Modeling in Strategic Management Research. *Strategic Management Journal* 25 (4): 397-404.

Simões, C., S. Dibb, and R. P. Fisk. 2005. Managing Corporate Identity: An Internal Perspective. *Journal of the Academy of Marketing Science* 33 (2): 153-168.

Simon, C. J., and M. W. Sullivan. 1993. The Measurement and Determinants of Brand Equity: A Financial Approach. *Marketing Science* 12 (1): 28-52.

Singh, R. 2009. Does my Structural Model Represent the Real Phenomenon?: A Review of the Appropriate Use of Structural Equation Modelling (SEM) Model Fit Indices. *The Marketing Review* 9 (3): 199-212.

Singhapakdi, A., M. J. Sirgy, and D.-J. Lee. 2010. Is Small Business better than Big Business for Marketing Managers? *Journal of Business Research* 63 (4): 418-423.

Singhapakdi, A., and S. J. Vitell. 2007. Institutionalization of Ethics and Its Consequences: A Survey of Marketing Professionals. *Journal of the Academy of Marketing Science* 35 (2): 284-294.

Sirgy, M. J. 1982. Self-Concept in Consumer Behaviour: A Critical Review. *Journal of Consumer Research* 9 (3): 287-300.

Smidts, A., A. T. H. Pruyn, and C. B. M. van Riel. 2001. The Impact of Employee Communication and Perceived External Prestige on Organizational Identification. *Academy of Management Journal* 49 (5): 1051-1062.

Smith, C. N. 1994. The New Corporate Philanthropy. *Harvard Business Review* 72 (3): 105-116.

Smith, S. M., and D. S. Alcorn. 1991. Cause Marketing: A New Direction in the Marketing of Corporate Responsibility. *Journal of Consumer Marketing* 8 (3): 19-35.

Snider, J., R. P. Hill, and D. Martin. 2003. Corporate Social Responsibility in the 21st Century: A View from the World's Most Successful Firms. *Journal of Business Ethics* 48 (2): 175-187.

Solomon, M. R. 1983. The Role of Products as Social Stimuli: A Symbolic Interactionism Perspective. *Journal of Consumer Research* 10 (3): 319-329.

Souiden, N., N. M. Kassim, and H.-J. Hong. 2006. The Effect of Corporate Branding Dimensions on Consumers' Product Evaluation: A Cross-cultural Analysis. *European Journal of Marketing* 40 (7/8): 825-845.

Srivastava, R. K., T. A. Shervani, and L. Fahey. 1998. Market-Based Assets and Shareholder Value: A Framework for Analysis. *Journal of Marketing* 62 (1): 2-18.

Stafford, J. E., and B. M. Enis. 1969. The Price-Quality Relationship: An Extension. *Journal of Marketing Research* 6 (4): 456-458.

Starik, M. 1995. Should Trees have Managerial Standing? Toward Stakeholder Status for Non-Human Nature. *Journal of Business Ethics* 14 (3): 207-217.

Steenkamp, J.-B. E. M., and H. C. M. van Trijp. 1991. The Use of LISREL in Validating Marketing Constructs. *International Journal of Research in Marketing* 8 (4): 283-299.

Stuart, H. 1999. Towards a Definitive Model of the Corporate Identity Management Process. *Corporate Communication: An International Journal* 4 (4): 200-207.

Sturdivant, F. D., and J. L. Ginter. 1977. Corporate Social Responsiveness: Management Attitudes and Economic Performance. *California Management Review* 19 (3): 30-39.

Suchman, M. C. 1995. Managing Legitimacy: Strategic and Institutional Approaches. *Academy of Management Review* 20 (3): 571-610.

Surroca, J., J. A. Tribó, and S. Waddock. 2010. Corporate Responsibility and Financial Performance: The Role of Intangible Resources. *Strategic Management Journal* 31 (5): 463-490.

Swanson, D. L. 1995. Addressing a Theoretical Problem by Reorienting the Corporate Social Performance Model. *The Academy of Management Review* 20 (1): 43-64.

Tajfel, H. 1974. Social Identity and Intergroup Behaviour. *Social Science Information* 13 (2): 65-93.

--------. 1982. Social Psychology of Intergroup Relations. *Annual Review of Psychology* 33 (1): 1-39.

Tajfel, H., M. G. Billig, R. P. Bundy, and C. Flament. 1971. Social Categorization and Intergroup Behaviour. *European Journal of Social Psychology* 1 (2): 149-178.

Terry, D. J., and M. A. Hogg. 1996. Group Norms and the Attitude-Behavior Relationship: A Role for Group Identification. *Personality and Social Psychology Bulletin* 22 (8): 776-793.

Tourangeau, R. 2004. Survey Research and Societal Change. *Annual Review of Psychology* 55 (1): 775-801.

Tucker, W. T. 1964. The Development of Brand Loyalty. *Journal of Marketing Research* 1 (3): 32-35.

Turban, D. B., and D. W. Greening. 1997. Corporate Social Performance and Organizational Attractiveness to Prospective Employees. *Academy of Management Journal* 40 (3): 658-672.

Turker, D. 2009. Measuring Corporate Social Responsibility: A Scale Development Study. *Journal of Business Ethics* 85 (4): 411-427.

Turner, J. C. 1975. Social Comparison and Social Identity: Some Prospects for Intergroup Behaviour. *European Journal of Social Psychology* 5 (1): 5-34.

--------. 1982. Towards a Cognitive Redefinition of the Social Group. In *Social Identity and Intergroup Relations*, ed. H. Tajfel, 15-40. Cambridge: Cambridge University.

Turner, J. C., R. J. Brown, and H. Tajfel. 1979. Social Comparison and Group Interest in Ingroup Favouritism. *European Journal of Social Psychology* 9 (2): 187-204.

Turner, J. C., M. A. Hogg, P. J. Oakes, S. D. Reicher, and M. S. Wetherell. 1987. *Rediscovering the Social Group: A Self-Categorization Theory*. Oxford: Basil Blackwell.

Turner, J. C., P. J. Oakes, S. A. Haslam, and C. McGarty. 1994. Self and Collective: Cognition and Social Context. *Personality and Social Psychology Bulletin* 20 (5): 454-463.

Urde, M. 1994. Brand Orientation - A Strategy for Survival. *Journal of Consumer Marketing* 11 (3): 18-32.

--------. 1999. Brand Orientation: A Mindset for Building Brands into Strategic Resources. *Journal of Marketing Management* 15 (1): 117-133.

--------. 2003. Core Value-based Corporate Brand Building. *European Journal of Marketing* 37 (7/8): 1017-1040.

--------. 2009. Uncovering the Corporate Brand's Core Values. *Management Decision* 47 (4): 616-638.

Vaaland, T., M. Heide, and K. Grønhaug. 2008. Corporate Social Responsibility: Investing Theory and Research in the Marketing Context. *European Journal of Marketing* 42 (9/10): 927-953.

van Dick, R. 2001. Identification in Organizational Contexts: Linking Theory and Research from Social and Organizational Psychology. *International Journal of Management Reviews* 3 (4): 265-283.

van Riel, C. B. M., and J. M. T. Balmer. 1997. Corporate Identity: The Concept, Its Measurements and Management. *European Journal of Marketing* 31 (5/6): 340-355.

Vargo, S. L., and R. F. Lusch. 2004. Evolving to a New Dominant Logic for Marketing. *Journal of Marketing* 68 (1): 1-17.

Vidaver-Cohen, D. 1998. Public-Private Partnership as a Strategy for Crime Control: Corporate Citizenship Makes the Difference. *Business and Society Review* 100 (1): 21-31.

Votaw, D. 1973. *Genius becomes Rare*. Edited by D. Votaw and S. P. Sethi, *The Corporate Dilemma*. Englewood Cliffs: Prentice Hall. Quoted in Preston and Post, 1975, 9.

Waddock, S. A., and S. B. Graves. 1997. The Corporate Social Performance-Financial Performance Link. *Strategic Management Journal* 18 (4): 303-319.

Walle, M. 2003. Commentary: What Happened to Public Responsibility? The Lack of Society in Public Relations Codes of Ethics. *Prism (1)*, http://www.prismjournal.org/fileadmin/Praxis/Files/Journal_Files/issue1/commentary_paper1.pdf (accessed July 16, 2011).

Walton, C. C. 1967. *Corporate Social Responsibilities*. Belmont: Wadsworth. Quoted in Carroll, 1999, 272.

Wartick, S. L., and P. L. Cochran. 1985. The Evolution of the Corporate Social Performance Model. *Academy of Management Review* 10 (4): 758-769.

Weyzig, F. 2009. Political and Economic Arguments for Corporate Social Responsibility: Analysis and a Proposition Regarding the CSR Agenda. *Journal of Business Ethics* 86 (4): 417-428.

Wheeler, D., B. Colbert, and R. E. Freeman. 2003. Focusing on Value: Reconciling Corporate Social Responsibility, Sustainability, and a Stakeholder Approach in a Network World. *Journal of General Management* 28 (3): 1-28.

Whetten, D. A. 2006. Albert and Whetten Revisited: Strengthening the Concept of Organizational Identity. *Journal of Management Inquiry* 15 (3): 219-234.

Whetten, D. A., and A. Mackey. 2002. A Social Actor Conception of Organizational Identity and Its Implications for the Study of Organizational Reputation. *Business & Society* 41 (4): 393-414.

Williamson, O. E. 1981. The Modern Corporation: Origins, Evolution, Attributes. *Journal of Economic Literature* 19 (4): 1537-1568.

Willmott, M. 2003. Citizen Brands: Corporate Citizenships, Trust and Branding. *Brand Management* 10 (4-5): 362-369.

Windsor, D. 2001. The Future of Corporate Social Responsibility. *The International Journal of Organizational Analysis* 9 (3): 225-256.

Wood, D. J. 1991. Corporate Social Performance Revisited. *Academy of Management Review* 16 (4): 691-718.

Wood, D. J., and R. Jones. 1995. Stakeholder Mismatching: A Theoretical Problem in Empirical Research on Corporate Social Performance. *The International Journal of Organisational Analysis* 3 (3): 229-267.

Wood, L. 2000. Brands and Brand Equity: Definition and Management. *Management Decision* 38 (9): 622-669.

Wulfson, M. 2001. The Ethics of Corporate Social Responsibility and Philanthropic Ventures. *Journal of Business Ethics* 29 (1/2): 135-145.

Yoon, Y., Z. Gurhan-Canli, and N. Schwarz. 2006. The Effect of Corporate Social Responsibility (CSR) Activities on Companies with Bad Reputations. *Journal of Consumer Marketing* 16 (4): 377-390.

Young, D. J. 1998. *Analysis of Attitude Items: Introduction to Confirmatory Factor Analysis and Structural Equation Modelling.* Curtin University of Technology, Perth, WA. Quoted in de Bussy, 2005, 195.

Zagotta, R., and D. Robinson. 2002. Keys to Successful Strategy Execution. *Journal of Business Strategy* 23 (1): 30-34.

Zahavi, G. 1983. Negotiated Loyalty: Welfare Capitalism and the Shoeworkers of Endicott Johnson, 1920-1940. *Journal of American History* 70 (3): 602-620.

Zenisek, T. J. 1979. Corporate Social Responsibility: A Conceptualization Based on Organizational Literature. *The Academy of Management Review* 4 (3): 359-368.

Appendix I

Cover Letters (Round One)

March 9th, 2010

Address:

Dear Mr CEO

Corporate social responsibility (CSR) branding: a major study

Your organisation has been selected by researchers at Curtin University of Technology to participate in a major study on corporate social responsibility branding in Australian business. We are seeking the opinion of your marketing manager to improve our understanding of this rapidly growing field. **Therefore, I am asking you to forward the attached questionnaire to your marketing manager or a person with similar responsibilities.** The results should produce valuable, practical guidelines for managers.

Attached is a questionnaire that should **only take about 10 to 15 minutes to complete**. It is important to the aims of this research for respondents to answer ALL the questions which apply to their organisation. This is stage one of a two-part project and it is critical for us to evaluate the responses to as many of the questions as possible – even if the wording is apparently similar in some cases. The co-operation of respondents in this regard is sincerely appreciated.

Completed questionnaires should be returned **using the reply-paid envelope provided by March 31st, 2010.** Participation in this study is entirely voluntary and **the answers will be treated in the strictest confidence. Only aggregated data will be published. The data will be secured and stored in School of Marketing for 5 years with restricted access. No individual response will be made available to any person outside the immediate research team.** This research project has been approved by Curtin University of Technology Human Research Ethics Committee (Approval number SOM2010001).

If you have any queries, please email me at l.suprawan@postgrad.curtin.edu.au. Alternatively, you can contact the project supervisor, Associate Professor Nigel de Bussy, at the School of Marketing on (08) 9266 2855 or n.debussy@curtin.edu.au. If you would like to receive a summary report of the research, please provide your details on the back page of the questionnaire booklet.

Please accept our sincere thanks for your assistance. We understand that your time is extremely valuable and we really appreciate your input.

Yours sincerely,

Lokweetpun Suprawan (Pun)
PhD Research Student
School of Marketing
Curtin University of Technology

March 9th, 2010

Address:

Dear Mr Marketing Manager

Corporate social responsibility (CSR) branding: a major study

You have been selected by researchers at Curtin University of Technology to participate in a major study on corporate social responsibility branding in Australian business. We are seeking your opinion as a marketing manager to improve our understanding of this rapidly growing field. The results should produce valuable, practical guidelines for managers. If you fee it would be more appropriate for someone else in your organisation with marketing responsibilities to provide a response, please pass this questionnaire to that person.

Attached is a questionnaire that should **only take about 10 to 15 minutes to complete**. It is important to the aims of this research for you to answer ALL the questions which apply to your organisation. This is stage one of a two-part project and it is critical for us to evaluate your responses to as many of the questions as possible – even if the wording is apparently similar in some cases. Your co-operation in this regard is sincerely appreciated.

Please return your completed questionnaire **using the reply-paid envelope provided by March 31st, 2010.** Participation in this study is entirely voluntary and **your answers will be treated in the strictest confidence. Only aggregated data will be published. The data will be secured and stored in School of Marketing for 5 years with restricted access. No individual response will be made available to any person outside the immediate research team.** This research project has been approved by Curtin University of Technology Human Research Ethics Committee (Approval number SOM2010001).

If you have any queries, please email me at l.suprawan@postgrad.curtin.edu.au. Alternatively, you can contact the project supervisor, Associate Professor Nigel de Bussy, at the School of Marketing on (08) 9266 2855 or n.debussy@curtin.edu.au. If you would like to receive a summary report of the research, please provide your details on the back page of the questionnaire booklet.

Please accept our sincere thanks for your assistance. We understand that your time is extremely valuable and we really appreciate your input.

Yours sincerely,

Lokweetpun Suprawan (Pun)
PhD Research Student
School of Marketing
Curtin University of Technology

Appendix II

Reminder Letters (Round One)

To: Mr CEO	**From**: Lokweetpun Suprawan
Telephone: xxx	**Pages**: 1
Facsimile: xxx	**Date**: April 12th, 2010
Subject: Corporate Social Responsibility Branding Study	

We recently sent you a questionnaire booklet and requested your kind assistance in forwarding this to your Marketing Manager or a person with similar responsibilities for a response. We are gathering data on the Corporate Social Responsibility branding practices of Australian business – the results should provide valuable practical guidelines for managers. If your organisation has already responded, please accept our sincere thanks for your input. The information you provided will make a significant contribution to the study.

IF YOUR ORGANISATION HAS NOT YET HAD THE OPPORTUNITY TO RESPOND, I AM WRITING TO TELL YOU THAT THE DEADLINE FOR COMPLETING THE QUESTIONNAIRE HAS BEEN EXTENDED. We have taken this step to maximise the response rate - an extremely important factor in ensuring the success of the research.

Please ask your Marketing Manager to complete the survey booklet and return it in the reply paid envelope originally supplied. If you would like another copy of the questionnaire, please email me at l.suprawan@postgrad.curtin.edu.au. ALTERNATIVELY, THE SURVEY CAN BE COMPLETED ONLINE BY SIMPLY VISIT **www.csrbranding.blogspot.com** THEN FOLLOW THE LINK PROVIDED**.** COMPLETING THE SURVEY SHOULD TAKE NO MORE THAN 10 – 15 MINUTES. The survey will remain open until April 30, 2010.

Once again, we understand that your time is extremely valuable and sincerely appreciate every response we receive.

Yours sincerely,

Lokweetpun Suprawan (Pun)
PhD Research Student
School of Marketing
Curtin University of Technology

To: Mr Marketing Manager	**From**: Lokweetpun Suprawan
Telephone: xxx	**Pages**: 1
Facsimile: xxx	**Date**: April 12th, 2010
Subject: Corporate Social Responsibility Branding Study	

We recently sent you a questionnaire booklet requesting your kind assistance as someone with responsibilities in the Marketing or Corporate Communication area of your organisation. We are gathering data on the Corporate Social Responsibility branding practices of Australian business – the results should provide valuable practical guidelines for managers. If you have already responded, please accept our sincere thanks for your input. The information you provided will make a significant contribution to the study.

IF YOU HAVE NOT YET HAD THE OPPORTUNITY TO RESPOND, I AM WRITING TO TELL YOU THAT THE DEADLINE FOR COMPLETING THE QUESTIONNAIRE HAS BEEN EXTENDED. We have taken this step to maximise the response rate - an extremely important factor in ensuring the success of the research.

Please complete the survey booklet and return it in the reply paid envelope originally supplied. If you would like another copy of the questionnaire, please email me at l.suprawan@postgrad.curtin.edu.au. ALTERNATIVELY, THE SURVEY CAN BE COMPLETED ONLINE BY SIMPLY VISIT **www.csrbranding.blogspot.com** THEN FOLLOW THE LINK PROVIDED**.** COMPLETING THE SURVEY SHOULD TAKE NO MORE THAN 10 – 15 MINUTES. The survey will remain open until April 30, 2010.

Once again, we understand that your time is extremely valuable and sincerely appreciate every response we receive.

Yours sincerely,

Lokweetpun Suprawan (Pun)
PhD Research Student
School of Marketing
Curtin University of Technology

Appendix III

Questionnaire (Round One)

School of Marketing

Curtin University of Technology

Corporate Social Responsibility (CSR) Branding

Curtin University of Technology

Curtin University of Technology

School of Marketing

Corporate Social Responsibility (CSR) Branding

INSTRUCTIONS

Section A:* *For questions 1-66, please indicate the extent of your agreement with each statement ranging from strongly disagree (1) to strongly agree (7) by ticking the appropriate number. It is important to the aims of this research for you to answer ALL the questions which apply to your organisation - even if the wording is apparently similar in some cases. Please leave blank any questions that do not apply to your organisation.

1. Programs to promote employee health and well-being are of central importance to our organisation.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

2. Our organisation has always made sure that customers do not engage in unnecessary use of our products.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

3. Supporting local suppliers sets our organisation apart from our competitors.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

4. Making cash donations to the local community is of central importance to our organisation.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

5. Our organisation has adopted environmental best practice for a long time.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

6. Our organisation has made a clear promise to be fair to suppliers.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

7. Achieving work/life balance for employees makes our organisation distinctive.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

8. A central focus of our organisation is to ensure our prices reflect fair value for customers - even if we could get away with charging more.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

9. For a long time, our organisation has provided opportunities for small businesses to become suppliers.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

10. Making donations in kind to the local community (e.g., free products) sets our organisation apart from its competitors.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

11. Our organisation has made a clear promise to be environmentally responsible.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

12. Reducing our carbon footprint is of central importance in our organisation.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

13. Our organisation presents itself as a caring employer.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

14. For a long time, our organisation has provided employees with opportunities for personal development - even if it does not directly benefit the business.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

15. Our organisation is distinctive because it educates our customers to consume what is good for them in the long run - even if it reduces sales in the short term.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

16. A central focus of our organisation is to ensure we pay our suppliers a fair price - even if we could get away with paying less.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

17. Our organisation has always encouraged staff to volunteer in the local community.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

18. We present ourselves as an organisation that has the long-term interests of customers at heart.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

19. Our organisation is distinctive because we are reducing our energy consumption.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

20. Achieving work/life balance for employees is of central importance to our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

21. Our organisation has always ensured that our prices reflect fair value for customers - even if we could get away with charging more.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

22. Our organisation is distinctive because we provide opportunities for small businesses to become suppliers.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

23. Making donations in kind to the local community (e.g., free products) is of central importance to our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

24. Our organisation presents itself as fair to suppliers.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

25. Our organisation has been reducing its carbon footprint for a long time.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

26. Programs to promote employee health and well-being set our organisation apart from our competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

27. Making sure customers do not engage in unnecessary use of our products is considered of central importance in our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

28. Our organisation has supported local suppliers for a long time.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

29. Making cash donations to the local community sets our organisation apart from its competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

30. Our organisation has made a clear promise to be a caring employer.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

31. Recycling programs are of central importance in our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

32. Our organisation has had programs to promote employee health and well-being for a long time.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

33. Making sure customers do not engage in unnecessary use of our products sets us apart from our competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

34. We present ourselves as an organisation which is committed to the community.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

35. Paying supplier invoices in a timely manner is of central importance in our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

36. Our organisation has made cash donations to the local community for a long time.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

37. Adopting environmental best practice is a central focus in our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

38. Achieving work/life balance for employees has always been valued in our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

39. Our organisation is distinctive because it ensures that our prices reflect fair value for customers - even if we could get away with charging more.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

40. Our organisation emphasises environmental responsibility in its communication with stakeholders.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

41. Providing opportunities for small businesses to become suppliers is a central focus of our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

42. Our organisation has made donations in kind to the local community (e.g., free products) for a long time.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

43. The use of recycling programs in our organisation sets us apart from our competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

44. We have made a clear promise as an organisation to be committed to the community.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

45. Providing employees with opportunities for personal development is considered of central importance to our organisation - even if it does not directly benefit the business.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

46. Our organisation has always educated customers to consume what is good for them in the long run - even if it reduces sales in the short term.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

47. Paying supplier invoices in a timely manner sets our organisation apart from our competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

48. Our organisation emphasises its credentials as a caring employer when communicating with stakeholders.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

49. Encouraging our staff to volunteer in the local community is of central importance in our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

50. Our organisation has been reducing its energy consumption for a long time.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

51. Our organisation is distinctive because we pay our suppliers a fair price - even if we could get away with paying less.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

52. Our organisation presents itself as environmentally responsible.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

53. Our organisation has run recycling programs for a long time.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

54. Our organisation is distinctive because it provides employees with opportunities for personal development - even if it does not directly benefit the business.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

55. Educating our customers to consume what is good for them in the long run is a central focus of our organisation - even if it reduces sales in the short term.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

56. Our organisation has always paid supplier invoices in a timely manner.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

57. Adopting environmental best practice sets our organisation apart from its competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

58. Our organisation emphasises its commitment to the community when communicating with stakeholders.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

59. Supporting local suppliers is of central importance in our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

60. Our organisation is distinctive because we encourage staff to volunteer in the local community.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

61. Our organisation emphasises fair treatment of suppliers when communicating with stakeholders.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

62. Reducing energy consumption is a central focus in our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

63. Our organisation has always ensured that we pay our suppliers a fair price - even if we could get away with paying less.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

64. Our organisation is distinctive because we are reducing our carbon footprint.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

65. We have made a clear promise as an organisation to keep the long-term interests of customers at heart.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

66. Our organisation emphasises our concern for the long-term interests of customers when communicating with stakeholders.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

INSTRUCTIONS

Section B: The following section contains some demographic questions to help us classify your responses. ***Please write your answer in the space provided or tick the box as applicable.***

1. Gender
   - ☐ Male
   - ☐ Female

2. Age
   - ☐ 18 - 24 years
   - ☐ 25 - 34 years
   - ☐ 35 - 44 years
   - ☐ 45 - 54 years
   - ☐ 55 years or over

3. Highest Education Level
   - ☐ Postgraduate Diploma/Degree
   - ☐ Bachelor Degree
   - ☐ Trade/technical
   - ☐ Year 12
   - ☐ Other____________________

4. What is your job title? ☐

5. Number of years working with this organisation ☐

6. Number of employees in this organisation (Approx.) ☐

7. What is the main industry your organisation operates in?
   - ☐ Agriculture, Forestry, and Fishing
   - ☐ Mining
   - ☐ Manufacturing
   - ☐ Electricity, Gas, and Water Supply
   - ☐ Construction
   - ☐ Wholesale Trade
   - ☐ Retail Trade
   - ☐ Accommodation, Cafes, and Restaurants
   - ☐ Transport and Storage
   - ☐ Communication Services
   - ☐ Finance and Insurance
   - ☐ Property and Business Services
   - ☐ Government Administration and Defence
   - ☐ Education
   - ☐ Health and Community Services
   - ☐ Cultural and Recreational Services
   - ☐ Personal and Other Services
   - ☐ Other ____________________

INSTRUCTIONS

Section C: ***Please use this space for any comments you would like to make about corporate social responsibility branding in your organisation.***

Thank you for participating in this questionnaire. If you would like a summary report either in hard or soft copy, please provide contact information in the space below.

☐ **Email**

Name

Email Address

☐ **Post**

Name

Address

State

Post Code

This questionnaire is printed on fully recyclable paper produced from Elemental Chlorine Free (ECF) pulp, derived from Forest Stewardship Council accredited and other controlled sources.
Please help the environment by recycling the cover letter and outer envelope used in this mailing.

Appendix IV

Cover Letters (Round Two)

September 20th, 2010

Address:

Dear Mr CEO

Corporate social responsibility (CSR) branding: a major study (PART TWO)

Your organisation has been selected by researchers at Curtin University to participate in a major study on corporate social responsibility branding in Australian business. This is the final stage of a two-part project. If your organisation has participated in the first stage of this project earlier this year, please accept our sincere thanks and disregard this mailing. If not, we are seeking the opinion of your marketing manager to improve our understanding of this rapidly growing field. **Therefore, I am asking you to forward the attached questionnaire to your marketing manager or closest equivalent.** The results should produce valuable, practical guidelines for managers.

Attached is a questionnaire that should **only take about 10 to 15 minutes to complete**. It is important to the aims of this research for respondents to answer ALL the questions which apply to your organisation. The co-operation of respondents in this regard is sincerely appreciated.

Please return the completed questionnaire **using the reply-paid envelope provided by October 8th, 2010.** Participation in this study is entirely voluntary and **your answers will be treated in the strictest confidence. Only aggregated data will be published. The data will be secured and stored in the School of Marketing for 5 years with restricted access. No individual response will be made available to any person outside the immediate research team.** This research project has been approved by Curtin University Human Research Ethics Committee (Approval number SOM2010022).

If you have any queries, please email me at l.suprawan@postgrad.curtin.edu.au. Alternatively, you can contact the project supervisor, Associate Professor Nigel de Bussy, at the School of Marketing on (08) 9266 2855 or n.debussy@curtin.edu.au. If you would like to receive a summary report of the research, please provide your details on the back page of the questionnaire booklet.

Please accept our sincere thanks for your assistance. We understand that your time is extremely valuable and we really appreciate your input.

Yours sincerely,

Lokweetpun Suprawan (Pun)
PhD Research Student
School of Marketing
Curtin University

September 17th, 2010

Address:

Dear Mr Marketing Manager

Corporate social responsibility (CSR) branding: a major study (PART TWO)

You have been selected by researchers at Curtin University to participate in a major study on corporate social responsibility branding in Australian business. This is the final stage of a two-part project. If you participated in the first stage of this project earlier this year, please accept our sincere thanks and disregard this mailing. If not, we are seeking your opinion as a marketing manager to improve our understanding of this rapidly growing field. The results should produce valuable, practical guidelines for managers. If marketing is not your primary responsibility, please pass this questionnaire to the right person.

Attached is a questionnaire that should **only take about 10 to 15 minutes to complete**. It is important to the aims of this research for respondents to answer ALL the questions which apply to your organisation. The co-operation of respondents in this regard is sincerely appreciated.

Please return the completed questionnaire **using the reply-paid envelope provided by October 8th, 2010.** Participation in this study is entirely voluntary and **your answers will be treated in the strictest confidence. Only aggregated data will be published. The data will be secured and stored in the School of Marketing for 5 years with restricted access. No individual response will be made available to any person outside the immediate research team.** This research project has been approved by Curtin University Human Research Ethics Committee (Approval number SOM2010022).

If you have any queries, please email me at l.suprawan@postgrad.curtin.edu.au. Alternatively, you can contact the project supervisor, Associate Professor Nigel de Bussy, at the School of Marketing on (08) 9266 2855 or n.debussy@curtin.edu.au. If you would like to receive a summary report of the research, please provide your details on the back page of the questionnaire booklet.

Please accept our sincere thanks for your assistance. We understand that your time is extremely valuable and we really appreciate your input.

Yours sincerely,

Lokweetpun Suprawan (Pun)
PhD Research Student
School of Marketing
Curtin University

Appendix V

Questionnaire (Round Two)

STAGE TWO
SEPTEMBER 2010

School of Marketing

Curtin University

Corporate Social Responsibility (CSR)
Branding

Curtin University

School of Marketing

Corporate Social Responsibility (CSR) Branding

INSTRUCTIONS

Sections A to D ask about the extent of your agreement with each statement ranging from strongly disagree (1) to strongly agree (7), please tick the appropriate number. Additional comments relating to corporate social responsibility branding can be provided in section E. Finally, section F contains some demographic questions to help us classify your responses.

Section A: Questions 1-18 relate to the understanding of CSR branding in your organisation.

1. Our organisation presents itself as environmentally responsible.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

2. We have made a clear promise as an organisation to be committed to the community.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

3. Achieving work/life balance for employees is of central importance to our organisation.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

4. Our organisation presents itself as financially fair in all its dealings.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

5. The use of recycling programs in our organisation sets us apart from our competitors.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

6. Providing employees with opportunities for personal development is considered of central importance to our organisation - even if it does not directly benefit the business.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

7. We have made a clear promise as an organisation to be fair in all our financial dealings.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

8. Reducing energy consumption is a central focus in our organisation.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

9. Our organisation emphasises its commitment to the community when communicating with stakeholders.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

10. Our organisation presents itself as a caring employer.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

11. Our organisation is distinctive because we are reducing our carbon footprint.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

12. A central focus of our organisation is to ensure our prices reflect fair value for customers - even if we could get away with charging more.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

13. Our organisation has made a clear promise to be a caring employer.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

14. Making donations in kind to the local community is of central importance to our organisation.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

15. Making cash donations to the local community sets our organisation apart from its competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

16. Our organisation has made a clear promise to be environmentally responsible.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

17. Our organisation is distinctive because we pay our suppliers a fair price - even if we could get away with paying less.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

18. Paying supplier invoices in a timely manner sets our organisation apart from our competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

Section B: Questions 19-27 relate to YOUR OWN PERSONAL BELIEFS about corporate social responsibility.

19. Socially responsible behaviour detracts from companies' ability to provide the best possible products.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

20. Socially responsible behaviour is a drain on a company's resources.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

21. Socially responsible behaviour by firms is often a cover-up for inferior product offerings.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

22. Socially responsible firms produce worse products than firms that do not worry about social responsibility.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

23. All else equal, a socially responsible firm is likely to have lower technological expertise than a firm that is not socially responsible.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

24. Firms that devote resources towards socially responsible actions have fewer resources available for increasing employee effectiveness.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

25. A company can be both socially responsible and manufacture products of high value.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

26. Firms engage in socially responsible behaviours to compensate for inferior product offerings.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

27. Resources devoted to social responsibility come at the expense of improved product offerings.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

Section C: Questions 28-33 relate to YOUR OWN PERSONAL FEELINGS towards your organisation.

28. When someone criticises my organisation, it feels like a personal insult.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

29. I am very interested in what others think about my organisation.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

30. When I talk about my organisation, I usually say `we' rather than `they'.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

31. My organisation's successes are my successes.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

32. When someone praises my organisation, it feels like a personal compliment.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

33. If a story in the media criticised my organisation, I would feel embarrassed.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

Section D: Questions 34-45 relate to your organisation's financial performance and investment in research and development (R&D) and advertising.

34. Relative to our competitors, our return on investment over the past three years has been excellent.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

35. Relative to our competitors, our return on assets over the past three years has been excellent.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

36. Relative to our competitors, our sales growth over the past three years has been excellent.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

37. Our market share has been growing relative to our competitors over the past three years.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

38. Our company is generally considered more innovative than its competitors.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

39. Our company invests more in research and development (R&D) than our competitors.

Strongly Disagree 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ Strongly Agree

40. Our company's investment in innovation is high compared with its competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

41. The ratio of R&D spending relative to sales in our company is high compared with our competitors.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

42. Firms in our industry advertise heavily compared with other industries.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

43. Compared with other industries, firms in our industry are highly differentiated from one another.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

44. The ratio of advertising spending relative to sales in our industry is high compared with other industries.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

45. A high level of expenditure on promotion is considered normal in our industry.

Strongly Disagree 1 2 3 4 5 6 7 Strongly Agree

Section E: Please use this space for any comments you would like to make about corporate social responsibility branding in your organisation.

Section F: The following section contains some demographic questions to help us classify your responses. Please write your answer in the space provided or tick the box as applicable.

1. Gender
   - ☐ Male
   - ☐ Female

2. Age
   - ☐ 18 - 24 years
   - ☐ 25 - 34 years
   - ☐ 35 - 44 years
   - ☐ 45 - 54 years
   - ☐ 55 years or over

3. Highest Education Level
   - ☐ Postgraduate Diploma/Degree
   - ☐ Bachelor Degree
   - ☐ Trade/technical
   - ☐ Year 12
   - ☐ Other_______________

4. What is your job title? ☐

5. Number of years working with this organisation ☐

6. Number of employees in this organisation (Approx.) ☐

7. What is the main industry your organisation operates in?

- ☐ Agriculture, Forestry, and Fishing
- ☐ Mining
- ☐ Manufacturing
- ☐ Electricity, Gas, and Water Supply
- ☐ Construction
- ☐ Wholesale Trade
- ☐ Retail Trade
- ☐ Accommodation, Cafes, and Restaurants
- ☐ Transport and Storage
- ☐ Communication Services
- ☐ Finance and Insurance
- ☐ Property and Business Services
- ☐ Government Administration and Defence
- ☐ Education
- ☐ Health and Community Services
- ☐ Cultural and Recreational Services
- ☐ Personal and Other Services
- ☐ Other _______________

Thank you for participating in this questionnaire. If you would like a summary report either in hard or soft copy, please provide contact information in the space below.

☐ **Email**

Name: ____________________

Email Address: ____________________

☐ **Post**

Name: ____________________

Address: ____________________

____

State: ________ Post Code: ________

This questionnaire is printed on fully recyclable paper produced from Elemental Chlorine Free (ECF) pulp, derived from Forest Stewardship Council accredited and other controlled sources.
Please help the environment by recycling the cover letter and outer envelope used in this mailing.