

# The Role of Corporate Social Responsibility in Strengthening Multiple Stakeholder Relationships: A Field Experiment

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*This research relied on a field experiment involving a real-world instance of corporate philanthropy to shed light on both the scope and limitations of the strategic returns to corporate social responsibility (CSR). In particular, the authors demonstrate that the impact of CSR in the real world is not only less pervasive than has been previously acknowledged but also more multifaceted than has been previously conceptualized. The findings indicated that contingent on CSR awareness, which was rather low, stakeholders did react positively to the focal company not only in the consumption domain but in the employment and investment domains as well. Stakeholder attributions regarding the genuineness of the company's motives moderated these effects.*

**Keywords:** *corporate social responsibility; corporate philanthropy; consumers; stakeholders*

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Corporate associations constitute the new battleground for stakeholder mind share; more companies than ever before are attempting to leverage the associations stakeholders have of them to gain sustained strategic advan-

tages over their competitors. Not surprisingly, this is reflected in a burgeoning interest among academics and practitioners in understanding the relationship between a firm's reputation, or associations in the minds of its stakeholders, and its success in the marketplace (see Brown et al. 2006 in this issue for an overview). Corporate associations can be of two basic kinds (Brown and Dacin 1997): corporate ability (CA) and corporate social responsibility (CSR). CA refers to a firm's capability to produce quality products, while CSR associations are related to the firm's commitment to its societal obligations. This article contributes to our growing understanding of the potential benefits of CSR-based corporate associations by examining stakeholder reactions to a real-world CSR initiative.

Academic research on the reactions of consumers to CSR reveals its company-favoring effects on an array of cognitive and affective (e.g., beliefs, attitudes, attributions, identification) as well as behavioral (e.g., loyalty, even during product-harm crises) outcomes (Barone, Miyakazi, and Taylor 2000; Bhattacharya and Sen 2003; Brown and Dacin 1997; Gourville and Rangan 2004; Klein and Dawar 2004; Lichtenstein, Drumwright, and Braig 2004). Interestingly, these unequivocally positive effects of CSR on consumer behavior evidenced in academic research are somewhat at odds with the dearth of evidence in the real-world marketplace. Of the several possible reasons for this discrepancy, this research focuses

on two. First, much of the academic research to date, in its pursuit of insights into the mechanisms and outcomes of CSR-driven consumption, has largely presumed or mandated (e.g., in laboratory studies) CSR awareness on the part of the relevant test populations. However, recent research with real consumers (e.g., Bhattacharya and Sen 2004) suggests that awareness of a company's CSR activities among its consumers is a key stumbling block in its quest to reap strategic rewards from its CSR activities: consumers' ability to accurately identify the CSR activities of the firms they consume from is, in general, quite low. Thus, a meaningful appraisal of stakeholder responses to CSR necessitates more externally valid, real-world tests of the relationships evidenced by academic research. This research conducted such a test.

Second, there is a growing sense among marketing researchers and practitioners that the real-world impact of CSR is more multifaceted than is acknowledged by current research in this domain. In particular, people's reactions to CSR in the marketplace may not be restricted to, or even be primarily manifested in, greater likelihood of product choice, as it is under laboratory conditions. In fact, a more comprehensive, stakeholder-driven perspective on the returns to CSR, as advanced by recent theorists (Donaldson and Preston 1995; Maignan and Ferrell 2004; Smith 2003), suggests that individuals, who are likely to maintain multiple, simultaneous stakeholder relationships with companies (e.g., prospective employee, prospective investor), may react to CSR initiatives by not (just) buying more products, but by enacting other stakeholder behaviors, such as seeking employment (Greening and Turban 2000; Turban and Greening 1997) or investing in the company. This is particularly likely when a company's CSR is enacted, as is often the case, at the corporate level rather than a brand-specific one, and its branding strategy is such that most people do not or are not able to connect the company to its brands. This research draws on the stakeholder view of CSR to examine multiple stakeholder domains in which people may express their reactions to a company's CSR actions.

In sum, this article contributes to our extant understanding of CSR-type corporate associations by providing real-world evidence of both their limitations and scope. Specifically, we took advantage of an actual donation made by a well-known consumer packaged-goods company to a childhood development center on the premises of a large public university to demonstrate that the impact of CSR in the real world is not only more limited by low awareness levels than has been previously acknowledged but also more multifaceted, affecting company-specific likelihoods of consuming, seeking employment, and investing, than has been previously conceptualized. By doing so, we highlight key boundary parameters of the beneficial returns to CSR.

## CONCEPTUAL BACKGROUND

To derive our predictions regarding stakeholder reactions to CSR, we drew on the framework articulated by Bhattacharya and Sen (2004) that conceptualizes the outcomes of CSR as contingent, multistage, and multidimensional (see Figure 2 in Bhattacharya and Sen 2004:12). A key assumption underlying our view is that the enactment of a CSR initiative (e.g., a donation and its accompanying announcement) is not the same as consumer awareness of the CSR activity; unlike in prior laboratory studies, we anticipated both a low level of awareness in the population and the effects of CSR to be manifest only in the aware minority. Furthermore, as depicted in Bhattacharya and Sen's framework, we expected awareness of the CSR initiative to be associated with a set of four company-specific outcomes—beliefs, attributions, attitude, and identification—that are internal (i.e., pertaining to thoughts and feelings) to consumers. Also, according to Bhattacharya and Sen's framework, the internal outcomes are in turn likely to engender certain company-specific behavioral outcomes. Finally, while we expected these internal and behavioral outcomes to be directly related to awareness, we expected people's attributions to moderate the relationship of awareness to these outcomes. The basic predictions of our model are discussed next.

### Internal Outcomes

On the basis of prior research (Bhattacharya and Sen 2003; Brown and Dacin 1997; Klein and Dawar 2004; Lichtenstein et al. 2004), we expected individuals who are aware of a CSR initiative to view the company as socially responsible. These, and possibly other, CSR-based positive associations about the company are likely to contribute in turn to a more positive attitude toward the company. Thus, we expected CSR awareness to be positively related to the stakeholders' attitudes toward the company. Perhaps more interestingly, a growing body of evidence (Lichtenstein et al. 2004; Maignan and Ferrell 2004; Sen and Bhattacharya 2001), on the basis of the organizational identification literature, points to the pivotal role of a company's CSR actions, as opposed to those in a product domain, in revealing its "character" or identity, thereby allowing stakeholders to identify with the company on the basis of an assessment of the overlap between their own identities and that of the company. Thus, we expected individuals who were aware of the company's CSR effort to display higher levels of identification than those who were not aware of the CSR initiatives.

*Hypothesis 1:* Awareness of a company's CSR will be positively related to stakeholder associations that the company is socially responsible.

*Hypothesis 2:* Awareness of a company's CSR will be positively related to stakeholder attitude toward the company.

*Hypothesis 3:* Awareness of a company's CSR will be positively related to stakeholder identification with the company.

### Behavioral Outcomes

On the basis of prior research that established a link between a company's CSR activities and consumer patronage of its products, we expected the internal outcomes, such as more positive attitudes and stronger identification, to result in greater consumption likelihood for the company's products. In other words, awareness of the CSR initiative will be associated with an increased desire on the part of a consumer to buy the company's products. In cases in which the corporate and product-level brands are distinct, this relationship will hinge, clearly, on the consumers' ability to correctly identify the company's brands. Thus, an increase in consumption likelihood should be evident only among those who can correctly identify the company's brands.

The stakeholder view of CSR suggests, however, that people's reactions to CSR are unlikely to be restricted to the domain of consumption. University undergraduates, the target population in our field experiment, are not only consumers but also prospective employees and investors. Research by Turban and Greening (1997) and Greening and Turban (2000) drew on both social identity theory and signaling theory to implicate CSR as a significant driver of a company's attractiveness to potential employees. Thus, to the extent that the students targeted with the company's CSR classified themselves as its stakeholders in not just the consumption domain but also the employment one, we expected awareness of the company's CSR to be associated with a greater likelihood of seeking employment with the company. Similarly, as people anticipating incomes and associated financial planning, students may also view themselves as stakeholders of the company in the investment domain, increasing their likelihood of investing in the company on the basis of its CSR activities. Such CSR-based investment is particularly likely among undergraduates, whose sensitivity to CSR issues is probably higher than that in older segments of the population.

*Hypothesis 4a:* Awareness of a company's CSR will be associated with a greater intention to consume the company's products.

*Hypothesis 4b:* Awareness of a company's CSR will be associated with a greater intention to seek employment with the company.

*Hypothesis 4c:* Awareness of a company's CSR will be associated with a greater intention to invest in the company.

### Moderating Role of Attributions

Research on the role of attributions in company and product judgments (Forehand and Grier 2003; Klein and Dawar 2004; Lichtenstein et al. 2004) suggests that the effects of CSR awareness on stakeholders' company-specific internal and behavioral outcomes are likely to be moderated by the attributions they make regarding the company's motives. Specifically, attribution research (e.g., Fein 1996) suggests that stakeholders are likely to appraise the motives underlying a company's CSR involvement in terms of the company's genuine concern for a cause or issue (i.e., genuine concern motives). Stronger attributions to genuine concern are likely, naturally, to be associated with more positive reactions toward the company, both internally and behaviorally.

Additional support for these moderating effects stems from the mechanisms thought to underlie the multiple, simultaneous stakeholder responses to CSR. Recent research (Bhattacharya and Sen 2003; Lichtenstein et al. 2004; Maignan and Ferrell 2004) suggests that the procompany behaviors of stakeholders follow at least in part from their CSR-based identification with a company. Such identification or perceptions of oneness with an organization is selective and volitional, fulfilling stakeholders' higher level needs for self-definition and self-enhancement. Thus, attributions of disingenuousness on the part of the company are likely to reduce the likelihood of identification, limiting, in turn, procompany stakeholder behaviors.

*Hypothesis 5:* The relationship between CSR awareness and (a) internal outcomes (i.e., associations, attitudes, and identification) and (b) behavioral outcomes (i.e., intent to purchase products, seek employment, and invest in the company) will be moderated by stakeholders' genuine concern attributions. Both types of outcomes will be stronger and/or more positive for individuals who make attributions of genuine concern than those who do not.

Next, we describe the field experiment through which we tested our predictions.

### METHOD

In the fall of 2004, a *Fortune* 500 consumer packaged-goods company gave a substantial gift to a large public university in support of an education and development center for underprivileged children living in communities near the university campus. The gift was announced to students, faculty members, and the community at large through a number of channels, including e-mails, press releases, an announcement at a high-profile sports event, and university newspapers and magazines. To test our

hypotheses, we conducted a two-phase, Web-based survey of undergraduate students at this university approximately 2 weeks prior to (i.e., pre-CSR) and 2 weeks after (i.e., post-CSR) the announcement of the gift. The survey was administered using Zoomerang software (<http://www.zoomerang.com>), a leading program for Web-based surveys.

The sample population consisted of 3,538 undergraduates attending the business and engineering schools of the university; each school is an important recruiting ground for the donating company. The entire population was invited to participate in the survey via an e-mail from the administration of the university, which read,

Dear student: I am writing to request your participation in an important survey about the reactions of [university name] students such as yourself to a variety of different organizations (e.g., companies, universities, on- and off-campus organizations). Your honest, thoughtful and complete responses to this survey will enable the university to better serve your needs as students and to better prepare you for your professional life after [university name].

Students were provided a link to the Web survey and, as an incentive to participate, respondents were entered into a drawing for several gift certificates of varying dollar amounts redeemable at the university's bookstore.

## Design

The design of this study was constrained by two basic considerations. First, given the nature of the gift and its announcement, all members of our test population were, in theory, exposed to the CSR information. In other words, we were not able to designate a control group of students who were not exposed to the CSR information. Second, given the well-documented problems with the use of difference scores (e.g., Paul, Churchill, and Brown 1993), we chose not to adopt a before-after design with the same respondents providing pre- and postannouncement responses. Instead, we adopted a randomized before-after design (Kerlinger 1986, Design 19.4), whereby respondents were randomly assigned to one of two groups: a post-CSR-announcement experimental group (i.e., the post-CSR group) and a pre-CSR-announcement control group (i.e., the pre-CSR group). The post-CSR group was later subdivided into two groups on the basis of the respondents' awareness of the CSR initiative. Hypothesis tests were conducted by contrasting the experimental group (post-CSR aware) with each of the two control groups (pre-CSR and post-CSR unaware).

Anticipating a low response rate, we assigned 2,334 students, chosen at random, to the pre-CSR group. This group yielded 383 responses (a 16.4% response rate). To

ensure a reasonably sized experimental group (i.e., post-CSR aware), we decided to send the post-CSR invitation to not only the 1,204 students who had not yet received invitations but also to those 1,951 students who had been invited to participate in the pre-CSR survey but did not respond to this invitation, particularly since the e-mail invitation to participate in the survey did not provide any potentially biasing information about the specific nature or objectives of the survey. Of the 3,155 students invited to the post-CSR survey, 692 responded (21.9%).

## Instrument

Respondents completed the questionnaire over a number of sections, separated as Web pages. The instrument was programmed so that after finishing a page, respondents could not return to the previous pages. At the same time, respondents could not progress to a new page until they had responded to every question on a given page. Respondents first provided their familiarity with the focal company and then responded to several items corresponding to their associations, attitudes, and identification with the company (all variables and corresponding response scales are presented in the Appendix). Then, participants were asked a set of questions about their intentions to seek employment with the company, invest in the company, and buy the company's products.

To reduce task transparency, all questions pertaining to the focal company were also posed for two of its key competitors. In other words, respondents provided three responses to each company-related question, one for each company. The consumption intent question asked subjects their intent to buy, within the next 2 months, a set of brands (identified to be popular with this population) manufactured by each of the three companies. This was preceded by a question regarding respondents' past consumption of these brands. The purchase intent question was followed by a question asking respondents to identify which of the three companies manufactured each of the brands for which they had provided a purchase intent score. This was followed by questions about their awareness and perceived importance of the education and development center.

At the end of the post-CSR survey, after gauging respondents' awareness of the gift's donor using an open-ended recall measure, we informed them about the nature and the donor of the gift and asked them to provide their attribution regarding the donor's motives. This question was, naturally, restricted to only the focal company. Both the pre- and post-CSR survey ended with basic demographic questions, such as gender, age, school (engineering or business), grade point average, year to degree, and the last four digits of the participant's social security number (for the lottery).

**TABLE 1**  
**Comparison Groups: Demographics and Results**

Variable	Pre-CSR Total (n = 358)	Post-CSR Total (n = 590)	Post-CSR Unaware (n = 492)	Post-CSR Aware (n = 98)
Demographics				
Gender				
Male	57.9% <sup>a</sup>	62.7%	63.6%	58.2%
Female	40.8%	37.2%	36.2%	41.8%
Age				
18-21 years	7.2%	6.9%	6.5%	9.2%
22-25 years	82.6%	79.6%	78.3%	85.7%
≥25 years	9.1%	12.8%	14.4%	5.1%
Education				
Business school	52.9%	43.1%	46.4%	26.5%
Engineering school	47.1%	56.8%	53.4%	73.5%
Outcomes ( <i>M</i> )				
Internal				
CSR associations	3.48		3.42	3.84 <sup>b,c</sup>
Attitude	3.75		3.70	4.09 <sup>b,c</sup>
Identification	3.14		3.13	3.34 <sup>b,c</sup>
Behavioral				
Consumption	1.51		1.63	2.45 <sup>b,c</sup>
Employment	3.39		3.28	3.76 <sup>b,c</sup>
Investment	3.59		3.57	4.08 <sup>b,c</sup>

NOTE: CSR = corporate social responsibility.

a. Percentages may not add up to 100%, because some respondents indicated "Prefer not to answer" for demographic questions.

b. Significant difference between post-CSR aware and pre-CSR at  $p < .05$ .

c. Significant difference between post-CSR aware and post-CSR unaware at  $p < .05$ .

## RESULTS

One hundred fifteen students were dropped because of incomplete responses (i.e., they did not complete the survey), and 12 additional respondents were dropped to maintain the integrity of the data. This resulted in 358 students in the pre-CSR sample and 590 in the post-CSR sample. The pre- and post-CSR respondents' demographic information is presented in Table 1 and is consistent with the demographics of the overall population, as reported by the university in its recruitment literature in 2004, allaying concerns of nonresponse bias.

To test our predictions, we divided the post-CSR respondents into two groups, aware (98 respondents) and unaware (492 respondents), on the basis of their accurate recall of the company that sponsored the gift to the university. As anticipated, the awareness level of the company's CSR initiative was low (17%) despite the significant publicity surrounding it. All the predictions were tested by contrasting the post-CSR aware group's scores with those of the two comparison groups: the pre-CSR group and the post-CSR unaware group. We expected the mean scores for the aware group to be greater than each of the two comparison groups. In addition, to rule out potential history and maturation effects in the sample population, we expected the mean scores of the two comparison groups to not be significantly different from each other. Finally,

communications with the university and company raised the possibility of interschool (i.e., business and engineering) differences (e.g., the focal company has a larger recruiting presence in the business school than in the engineering school). Therefore, the school of the respondent was included in the analyses as a control factor, resulting in a 3 (group: pre-CSR, post-CSR unaware, post-CSR aware)  $\times$  2 (school: engineering, business) analysis of variance (ANOVA). Table 1 contains the means for each of the three groups (the complete analysis may be obtained from the authors).

### CSR Associations

As predicted in Hypothesis 1, post-CSR aware respondents had stronger CSR associations than both the pre-CSR,  $F(1, 454) = 28.1, p < .05$ , and post-CSR unaware,  $F(1, 588) = 40.6, p < .05$ , groups. In addition, the two comparison groups did not differ significantly from each other in their means for these associations.

### Attitude

As predicted in Hypothesis 2, post-CSR aware respondents' CSR associations were reflected in more positive attitudes toward the company than both the pre-CSR,  $F(1, 454) = 12.9, p < .05$ , and post-CSR unaware,  $F(1, 588) =$

18.0,  $p < .05$ , groups. Moreover, as in the case of the CSR associations, the two comparison groups did not differ significantly in their means for company attitude.

### Identification

As predicted in Hypothesis 3, post-CSR aware respondents displayed stronger identification with the company than both the pre-CSR,  $F(1, 454) = 5.0, p < .05$ , and post-CSR unaware,  $F(1, 588) = 5.8, p < .05$ , groups. Once again, the two comparison groups did not differ significantly from each other in their means for identification. Notably, the mean identification ratings were lower than the attitude ratings, pointing to the more involved, complex nature of the former construct.

### Stakeholder Behaviors

Hypotheses 4a to 4c focused on the procompany stakeholder behaviors associated with CSR awareness. To test Hypothesis 4a, which dealt with consumption, we weighted respondents' consumption intent for each of the four brands manufactured by the focal company with their brand-company identification (0 = wrong identification, 1 = correct identification). For example, if a respondent indicated a high intention to consume the company's brand (e.g., 4 on a scale ranging from 1 to 5) but did not correctly identify the brand as belonging to the focal company, the respondent was given a score of 0 (4 multiplied by 0); likewise, a purchase-intent response of 2 that was correctly identified as the focal company's brand was scored as a 2. The weighted ratings for the four brands were then averaged to obtain a composite score of respondents' intention to consume the company's products given that they were aware that the products were made by the focal company. Moreover, to control for differences due to extant consumption behavior, we summed respondents' purchases of each of the four brands (0 = did not purchase in the past 2 months, 1 = purchased in the past 2 months) to create a past consumption index that ranged from 0 (did not purchase any of the focal company's brands) to 4 (purchased all four of the focal company's brands). This index was included as a covariate in the ANOVA for consumption intent.

As predicted in Hypothesis 4a, post-CSR aware respondents indicated a higher purchase intent for the focal company's brands than both the pre-CSR,  $F(1, 454) = 51, p < .05$ , and post-CSR unaware,  $F(1, 588) = 42.3, p < .05$ , groups. Also as expected, the two comparison groups did not differ significantly from each other in their means for purchase intent. Notably, similar support was obtained for Hypotheses 4b and 4c. The post-CSR aware respondents displayed a greater intent to seek employment with and invest in the focal company than both the pre-CSR, employment  $F(1, 454) = 9.84, p < .05$ ; investment  $F(1, 454) = 18.5, p < .05$ , and post-CSR unaware, employment

$F(1, 588) = 17.6, p < .05$ ; investment  $F(1, 588) = 21.2, p < .05$ , groups. As with all the dependent variables thus far, the two comparison groups did not differ significantly from each other in either their employment or investment intent.

### Attributions

Hypothesis 5 was tested only within the post-CSR aware group because the outcomes of the comparison groups were, by definition, unaffected by the company's CSR initiative. The post-CSR aware group was divided into two subgroups, low and high, around its median score for genuine concern attributions. The internal and behavioral outcomes for these two subgroups were then compared using a simple two-way ANOVA. As predicted in Hypothesis 5, the CSR associations ( $M = 4.01$ ), attitude ( $M = 4.23$ ), and identification ( $M = 3.51$ ) scores for the high genuine concern attribution group were significantly higher than that of the low genuine concern attribution group, CSR associations  $M = 3.51, F(1, 97) = 10.4, p < .05$ ; attitude  $M = 3.79, F(1, 97) = 5.42, p < .05$ ; identification  $M = 3.02, F(1, 97) = 6.79, p < .05$ . Similarly, the consumption ( $M = 2.70$ ), employment ( $M = 3.93$ ), and investment ( $M = 4.21$ ) intent scores for the high genuine concern attribution group were significantly higher than that of the low genuine concern attribution one, consumption  $M = 1.96, F(1, 97) = 5.09, p < .05$ ; employment  $M = 3.42, F(1, 97) = 4.85, p < .05$ ; and investment  $M = 3.83, F(1, 97) = 2.62, p < .11$ .

### Validity Checks

Certain additional analyses were run to establish the validity of our findings. First, we ran parallel analyses with the internal and behavioral outcomes pertaining to the two competitors of the focal company. This was done to ensure that the awareness-based differences obtained in this study were specific to the focal company, not part of a general positive trend in the responses of the post-CSR aware subjects due to other, unobservable factors. In the case of one of the competitors of the focal company, there were no CSR awareness-based differences in any of the variables of interest except for employment intent. In the case of the other competitor, the post-CSR aware group provided higher ratings on several of the key variables compared with the post-CSR unaware group. However, the ratings of the post-CSR aware group were not significantly different from those of the pre-CSR group for this competitor.

Second, if the obtained differences in stakeholder responses were indeed attributable to the focal company's CSR initiative, then we would expect respondents' CSR associations to mediate the relationship between CSR awareness and both company attitude as well as the procompany behavioral intentions. A mediation analysis

(Baron and Kenny 1986) revealed that addition of respondents' CSR associations as a covariate to the ANOVAs for company attitude and stakeholder behavioral intents rendered the significant differences between the experimental (i.e., post-CSR aware) and comparison (i.e., post-CSR unaware and pre-CSR) groups nonsignificant for each of the dependent variables. Viewed in conjunction with the basic finding of awareness-based differences in CSR associations as well as company attitude and stakeholder behavioral intents, this suggests that respondents' CSR-based procompany reactions were completely mediated by their CSR associations.

## DISCUSSION

In this era of global competition, declining brand differentiation, and increasing media clutter, companies are going beyond the conventional marketing mix to incorporate corporate-level intangible assets such as their identities and reputations and the goodwill associated with being a good corporate citizen into their marketing initiatives in efforts to garner sustainable competitive advantages. A key advantage of these corporate initiatives is that unlike in the traditional brand-marketing domain, a firm's intangible assets, when strategically deployed, can be marketed not just to its customers but to other stakeholders (e.g., employees, investors) as well. This efficiency becomes even more important given that often, individual stakeholders may develop multidimensional relationships with a corporation.

To our knowledge, this is the first study that examined the impact of a CSR initiative on stakeholders who have the potential to be affiliated with a firm in multiple ways: as employees, customers, and investors. Specifically, we investigated whether and how awareness of a firm's CSR initiative affected both stakeholders' overall beliefs and attitudes toward the firm as well as their intentions to seek employment with the firm, consume its products, and buy its stock. Individuals who were aware of the CSR initiative in this study had more positive company-related associations; displayed greater organizational identification with the company; and indicated a greater intent to purchase products, seek employment, and invest in the company than respondents who were unaware of the initiative. Therefore, CSR activity has the potential to increase not only CSR associations, attitudes, and identification but also the intent of stakeholders to commit personal resources (e.g., money, labor, etc.) to the benefit of the company. Moreover, using a common instrument across stakeholder groups can result in a shared and coherent mind-set that, as industry experts (e.g., Ulrich and Smallwood 2004) have pointed out, enables firms to

deliver superior value. CSR clearly has the potential to benefit the firm in myriad ways; future research should investigate the contingent conditions under which these internal outcomes and behavioral intentions may be differentially affected by CSR initiatives.

A key problem that plagues many CSR studies both in the popular press (e.g., Cone 2004) as well as in academic research (e.g., Sen and Bhattacharya 2001) is that awareness is either assumed or artificially induced. In reality, however, awareness of CSR initiatives is fairly low (Bhattacharya and Sen 2004), casting doubt on the seemingly strong impact of CSR on beliefs, attitudes, and behaviors found in prior studies. Our field study, in which respondents came to know of the CSR initiative through standard outlets such as newspaper reports and word of mouth, corroborates prior research in that awareness of the CSR initiative was fairly low (17%); however, those who were aware had significantly more positive views of the focal company in terms of their associations, attitudes, identification, and behavioral intentions. A key implication, therefore, is that to reap the positive benefits of CSR, companies need to work harder at raising awareness levels. Of course, doing so can be a double-edged sword (Alsop 2002), and companies need to devise strategies for the optimal communication of their CSR actions.

Overall, this research demonstrates that given sufficient awareness, even a single real-world CSR initiative is capable of affecting both internal outcomes and behavioral intentions related to multiple stakeholder roles. However, although field studies have the potential to shed much insight into the boundary conditions of social phenomena, they have limitations as well. Primary among these is the inability to unequivocally establish causality because of insufficient controls. For instance, because of real-world constraints, the internal validity of our findings was to a certain extent compromised; our design could not entirely rule out the possibility that some respondents may have been predisposed to greater awareness of CSR initiatives.

In addition, the generalizability of this study's findings is considerably limited by its examination of the CSR announcement of a single company. For instance, the effects of a CSR announcement might differ substantially in circumstances in which stakeholders hold negative corporate associations a priori. Second, our operationalization of attributions was somewhat limited, not capturing the full range of attributions stakeholders may make about the motives of a company engaging in CSR (see Ellen, Webb, and Mohr 2006 [this issue] for a richer treatment of attributions). These limitations notwithstanding, we hope that our research will spur future investigations of stakeholder reactions to CSR announcements by multiple companies under more controlled but nevertheless real-world contexts.

## APPENDIX

## Variables and Corresponding Response Scales

CSR associations (1 = *disagree strongly*, 5 = *agree strongly*):  $M = 3.5$ ,  $SD = 0.6$ ,  $\alpha = .70$

This company treats its employees well.

This is a socially responsible company.

This company supports children in need.

Company attitude (1 = *disagree strongly*, 5 = *agree strongly*):  $M = 3.7$ ,  $SD = 0.9$

I like this company very much.

Identification (1 = *disagree strongly*, 5 = *agree strongly*):  $M = 3.1$ ,  $SD = 0.8$

My sense of who I am (i.e. my personal identity) overlaps with my sense of what this company represents.

Purchase intent (1 = *very unlikely*, 5 = *very likely*):  $M = 3.09$ ,  $SD = 1.4$

How likely are you to buy the following brands in the next two months?

Employment intent (1 = *very unlikely*, 5 = *very likely*):  $M = 3.4$ ,  $SD = 1.1$ ,  $\alpha = .89$

How likely are you to seek employment with this company within the next two years?

How likely are you to seek information about jobs at this company in the future?

In the future, how likely are you to talk-up the company to your friends as a good organization to work for?

I would very much like to work for this company. (1 = *disagree strongly*, 5 = *agree strongly*)

Investment intent (1 = *very unlikely*, 5 = *very likely*):  $M = 3.6$ ,  $SD = 1.0$

If you had money to invest, how likely would you be to invest in this company?

Causal attribution (1 = *not at all*, 5 = *completely*):  $M = 3.5$ ,  $SD = 1.0$

To what extent do you believe [the company's] genuine desire to help children in need guided [the company's] decision to support the [cause]?

Company familiarity (1 = *not at all familiar*, 5 = *very familiar*):  $M = 4.2$ ,  $SD = 1.0$

How familiar are you with each the following companies? If you haven't heard of a company, check "Never heard of."

Brand identification (Focal company, Competitor 1, Competitor 2, don't know/other)

To the best of your knowledge, which company makes the following brands?

Past Purchase (yes, no)

Which of the following brands have you bought in the past two months?

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