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This research investigates how the affiliation between a socially responsible firm (corporate societal marketing-CSM) and corporate parent affects consumer perceptions and attitudes. It examines the effects of affiliation when the association is perceived as hidden and subsequently in violation of social norms of openness. The study explores whether any effects impact the parent company and its brands; findings suggest CSM-based firm and corporate parent affiliation does not automatically lead to negative evaluations. However, the openness of the affiliation impacts the positivity or negativity of effect flowing back to the parent company and its affiliated brands.

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This research investigates how the affiliation between a socially responsible marketer firm (corporate societal marketing-CSM) and corporate parent affects consumer perceptions and attitudes. It examines the effects of affiliation when the association is perceived as hidden and subsequently in violation of social norms of openness. The study explores whether any effects impact the parent company and its brands; findings suggest corporate parent affiliation does not automatically lead to negative evaluation of niche marketer brands. However, the openness of the affiliation impacts the positivity or negativity of effect flowing back to the parent company and its affiliated brands.

Corporate societal marketing (CSM) is an increasingly popular brand building technique (Drumwright and Murphy 2001; Hoeffler and Keller 2002). One factor seemingly driving this is an upward trend in consumer expectations of firm social responsibility. A 2004 report found 86% of Americans are likely to switch brands, assuming equivalent price and quality, to one supporting a cause (Cone 2004).

Acquisitions of successful CSM-based firms, serving socially concerned consumers, by conglomerate parent firms is another apparent trend. There are many such examples, recent notable acquisitions include: Green & Black’s, a small organic chocolate maker, acquired by Cadbury Schweppes; Coca-Cola acquired premium juice maker Odwalla; Colgate-Palmolive purchased Tom’s of Maine, producer of socially-responsible items, and Burt’s Bees, an all-natural cosmetic firm, was purchased by chemical giant Clorox Company.

In each case, the parent firm acquired a CSM-based firm built largely on the basis of its corporate societal marketing activities and continued operation of the CSM-based brand(s) more or less unchanged. The apparent strategy of leaving the small organization in place and continuing to market a CSM-oriented brand, assumes consumers will continue to value both brands despite affiliation. This study examines consumer perceptions of the parent firm’s brands following acquisition of a CSM-based firm and seeks to appraise consumer evaluations of the parent firm brand(s) when the affiliation between it and the CSM-based firm is known.

Perhaps the acquisition of a CSM-based firm and subsequent operation as independent subsidiaries can be viewed as a persuasion tactic (Friedstad and Wright 1994). This work extends investigations of the effectiveness of CSM as a brand building strategy as firm affiliation effects appear unstudied. The study of these effects is important given the trend toward increased consumer expectations of social commitment from marketers and actual acquisitions of CSM-based brands (Harrison 2006).

Additionally, this work considers consumers may infer motives for the CSM-based firm acquisition; such inferences may lead to generalized distrust for the parent firm’s products given the circumstances surrounding the acquisition (Campbell 1999; Darke and Ritchie 2007). This work examines the factors that determine whether consumers infer sincere or ulterior motives. Finally, acquisition activity may have effects which spill over to related and unrelated brands within the brand portfolio (Roehm and Tybout 2006); this is examined by varying the degree of similarity between brands based upon the consumer’s brand schema.

Method & Results

For Study 1, participants reviewed a website of a CSM-based personal products company containing details about its environmental and community activities. Participants were asked about the extent to which the firm was environmentally concerned and engaged in the community. This scale was meant to facilitate brand/firm involvement and evoke attitude commitment towards the brand. Participants read a news article containing an earnings announcement on the parent firm and brief story about an incident resulting in environmental damage. 167 adults were randomly assigned to a between-participants experimental design with disclosure as the experimental factor. Disclosure was manipulated by varying the text of the CSM firm’s website. In the disclosure condition, the website mentioned the relationship to the parent firm; the no-disclosure condition did not. Beliefs about the effectiveness of the parent firm’s flagship brand were measured. An ANOVA on the effectiveness of the parent firm’s product revealed those exposed to the disclosure condition believed the brand was less effective (M=5.11) than did controls (M=5.41; F (1, 165)=3.516, p=.063). It seems when participants learned of the affiliation between the firms, they became suspicious of the parent firm’s motives. Such suspicion may generalize to evaluations of the firm’s brands.

Study 2 sought to clarify the conditions under which the effects demonstrated in study 1 would be observed and whether the previous study’s effects would generalize to other brands in the parent firm’s portfolio. The past environment record of the parent firm (track-record) and the level of friendliness/hostility of the transaction in which the CSM-based brand becomes affiliated with the parent are two factors of interest.

Measures of attitude towards the parent brands overlapping CSM-based firm brands (toothpaste) included a functionally related (oral rinse), semantically related (dishwashing liquid), and dissimilar brand (cat food).

270 participants were randomly assigned to a 3 (disclosure: none, open, hidden) X 2 (track record: bad, good) X 2 (hostility of acquisition: hostile, friendly) factorial design. The procedure was identical to study 1, except the news story allowed for manipulation of additional variables. Disclosure, track record and acquisition were manipulated by varying the text of the story. An ANOVA of brand beliefs related to the effectiveness of the parent firm’s flagship brand (toothpaste) revealed a significant 3-way interaction (F (1, 253)=5.828, p<.05). Follow up contrasts revealed under a friendly acquisition, with a bad track record, hidden disclosure led to increased evaluations (M=5.83) as compared with controls (M=5.15; p<.05). No such effects were observed when the parent had a good track record (all p’s>.2). This is consistent with our theorizing when the parent has a bad track record (and thus is motivated to take action to improve) consumers would infer a sincere motive when the acquisition is friendly, as it is reasonable to assume the CSM-based firm has verified the sincerity of corporate parent through their cooperation with the acquisition.
In the hostile acquisition conditions, a different pattern emerged. Hidden disclosure led to decreased evaluations (M=5.26) compared with controls (M=5.89; p<.05). There are no differences under the good track record condition, it seems consumers infer an impression management (or other insincere) motive for the affiliation with the CSM-firm.

To test our hypothesis on the effects generalizing to related brands, a series of ANOVAs with attitude toward each brand as the dependent variable was conducted, revealing a similar 3-way interaction for the overlapping (toothpaste; F (1, 253)=4.249, p<.05) and semantically related brand (dishwashing liquid; F (1, 253)=2.537, p=.081), but not for the functionally related (F<1) or dissimilar brand (F<1).

Naturally Occuring Brands: A New Perspective on Place Marketing
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This work investigates the intersection of two powerful concepts in marketing research, which have rarely been thought to intersect: brand and community.

Theoretical antecedents:

- **Place Marketing**: Kotler, Heider and Rein (1992) take a primarily macro view of places and their reasons for and tactics used to market themselves. Their focus might be said to take place from the vantage point of the “self-interested place” for it emphasizes economic causes and consequences in which marketing is called on to attract tourists, corporations and industries, or workers on the basis of functional place attributes like tropical climate, low taxes and good schools. Although imagery is acknowledged to be a factor useful in place marketing, they approach it tactically such that accidental benefits of historic or cultural heritage and amenities are communicated to enhance imagery or overcome negative perceptions. Intended audiences include corporations who will be employers and investors in local infrastructure, tourists and conventioneers who will add to local revenue streams, government bodies who can provide aid or residents who constitute a workforce that can be used as an asset.

- **Brand Communities**: O’Guinn and Muniz (1997) focus on communities in marketing but not on the place dimension. They borrowed the sociological concept of community to unpack the underlying symbolic phenomena affecting consumer loyalty to brands. Their work describes episodic community with a very limited number of commitment dimensions. Schouten studied Harley Davidson riders and the community that emerged offers the outlaw spirit of this brand as a benefit. More recently, Holt (2003) applied the idea of belonging to a brand’s value set to understanding socio-cultural significance of brand meanings. All of these used the term community to refer to communion of hearts and minds and not geographically. However, O’Guinn and Belk did unite that idea with physical place in their study of Heritage Village (1989).

- **Sociology of Communities**: Sociologists and other consumer researchers have viewed place phenomena as patterned social interactions of individuals that give rise to consistent sets of expectations about how daily life in a given place will occur—culminating in particular characterizations of such places. At one end of a continuum of community studies we find ethnographies of American place like *The Social Order of the Slum* in Chicago (Suttles, 1968) or *Small Town in Mass Society* (Vidich and Bensman 1958). In-between the city and the town have been studies of suburbia like the *Levittowners* (Gans 1967). More episodic but nevertheless place centered is the emergence of norms and periodic social structure centered on consumption in a swap meet studied by Russell Belk, John Sherry and Melanie Wallendorf, (1988) or a flea market (Sherry 1990). At the other end we find Perin (1977) specifically examining the intersection of macro level geographic community and micro level behaviors among neighbors in *Everything in its Place: Social Order and Land Use in America*.

Theoretical Synthesis

The intellectual convergence of these perspectives depends on acknowledging that the idea of a symbol that is so central to the concept of brand is a phenomenon of meaning creation. Scholars often view symbols as existing manifestations of the outcomes of a process of social investment of meaning in a tangible figure or item. Marketers conceive of brands as intentionally created clusters of meaning signified with a mark that can be used to signal consumers about that cluster of meanings. Both perspectives tend to under-acknowledge...