

Using Corporate Social Responsibility (CSR) as a strategic mechanism for consumer-oriented outcomes: Some preliminary findings

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Aim of paper and research questions

From a consumer psychology perspective it is purported that companies who support CSR are honest, more reliable, and produce high-quality products (McWilliams & Siegel, 2001), and social attributes such as “environmentally friendly” or “caring company” can serve as signals to consumers of organizational quality. Moreover, CSR can serve as a cue of organizational transparency to consumers, irrespective of any strategic motivations underpinning the practice. There are many ways for organizations to express and implement their commitment to CSR however, not all invest in CSR, and those who do differ in the types they prioritize. The discussion of this research agenda will highlight some current sport consumer research conducted in the U.S. to assist in understanding consumer responses to CSR, some of which display conformity to both organizational and stakeholder norms. We focus on the variables and models used to clarify the relationships between the sport firm and the consumer as well as the theories driving this agenda.

Literature review

The areas of CSR, philanthropy, and citizenship among sport organizations have generally remained unexplored topics. However, the existing business research suggests that “... corporations possess the power to influence the quality of life of employees, customers, shareholders, and residents of communities in which they operate” (Pava & Krausz, 1997: 337). Concerns however, about the nature and scope of CSR have remained ambiguous, proliferating in the popular press (Alsop, 2004), among business and political leaders (O’Rourke, 2003), in the general academic literature (cf. Crampton & Patten, 2008; Edward & Willmott, 2008), and among sport management scholars (cf. Breitbarth & Harris, 2008; Smith & Westerbeek, 2007; Walker & Kent, 2009a; 2009b) spurring a lively debate over the role of CSR in the business environment. Not surprisingly, this debate has reflected the business pragmatism (i.e., instrumental) discussions on the relationship between a firm’s reputation, stakeholder associations, and corporate success in the marketplace (Sen et al., 2006).

The altruistic vs. instrumental debate about the focus of CSR has inculcated the sport management discourse as well; altering manager’s thinking about the way organizations might embrace their CSR agenda. As a result, most teams and leagues have accepted the idea that they have the opportunity and the responsibility to make a difference in their communities. While a number of sport organizations currently embrace CSR, from a research perspective, two primary issues remain largely uninvestigated – the motives behind such activities and the strategic benefits that might accrue for the organization. The reason perhaps most often cited is that CSR can lead to increased profits (see Margolis & Walsh, 2001) or greater public support which may, in turn, bolster profits (Williams & Barrett, 2000). However, it could be argued that in the

sport industry, where cultivation of an affective connection to the organization is critical, CSR may provide benefits for the organization over and above those which have been seen in other industries.

Research design and data analysis

The frameworks (e.g., attribution theory, stakeholder theory, social identity, cognitive dissonance) and models (e.g., profit maximization, organizational identity dynamics, reactive recovery) used to guide this agenda are based on a review of the existing literature on CSR and its related concepts. The authors used qualitative and quantitative techniques as well as both quasi-experimental and survey research to derive some preliminary conclusions about the perceptions and reactions of sport consumers to CSR. These studies were carried out in the “real” marketplace to paint a more externally valid picture of the outcomes associated with the seemingly complex integration of sport CSR.

Results

Overall, the examinations of consumer-level frameworks linking CSR to organizational evaluations and behaviours revealed general positivity in consumers’ responses. However, our findings were consistent with prior research (e.g., Mohr et al., 2001; Sen et al., 2006) which suggested that consumer awareness of CSR was generally low.

Discussion and conclusion

Our qualitative work revealed that while fans value the philanthropic efforts of sport organizations, there is a group who feel strategy underpins the intent of the giving. Our quantitative work revealed (in the aggregate) that CSR can be an important predictor of consumer willingness to make financial sacrifices, patronage intentions, and can enhance the perceived reputation of the firm. And contingent on CSR awareness, we found that consumers responded positively to social efforts judged to be values-driven and stakeholder-driven while negative responses were seen for strategic efforts. The moderating roles of corporate image, consumer attributions, and identification have also revealed some interesting findings which will be discussed in detail.

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