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Consumer Perceptions of the Antecedents and Consequences of Corporate Social Responsibility

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Abstract Perceptions of a firm's stance on corporate social responsibility (CSR) are influenced by its corporate marketing efforts including branding, reputation building, and communications. The current research examines CSR from the consumer's perspective, focusing on antecedents and consequences of perceived CSR. The findings strongly support the fact that particular cues, namely perceived financial performance and perceived quality of ethics statements, influence perceived CSR which in turn impacts perceptions of corporate reputation, consumer trust, and loyalty. Both consumer trust and loyalty were also found to reduce the perceived risk that consumers experience in buying and using products. From these significant findings, we draw several conclusions and implications, including the importance of enhancing firm focus toward its ethical commitment and long-term reputation.

Keywords Corporate marketing · Corporate social responsibility · Ethics statements · Stakeholders

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Firms have both practical and moral obligations to further stakeholder norms and interests via performance of desired behavior (Maignan and Ferrell 2004). While previous researchers have proposed that the long-term survival of a firm is improved when it responds to stakeholder interests, less attention has been given to the effects of corporate social responsibility (CSR) actions on consumers and their perceptions of the firm. Fukukawa et al. (2007) emphasize the importance of stakeholder perceptions to a firm's pursuit of both ethical standards and CSR. Corporate marketing, the integrated process of organization-level marketing which encompasses such concepts as corporate image, branding, identity, reputation, and communications (Balmer and Powell 2006), would suggest the need for a stakeholder-focused approach to establishing a firm's perceived commitment to social responsibility. The current research examines CSR from the consumers' perspective, focusing on antecedents and effects of CSR on consumer perceptions of the firm. Specifically, we evaluate the effect of corporate marketing communication in the form of ethics statements on consumers' perceptions of the firm's level of social responsibility and the resulting impact on perceptions of reputation, purchase risk, trust, and consumer loyalty.

Corporate identity theory serves as a foundation for this research. Identity theory includes four discrete faces of identity: actual (current attributes), communicated (both controllable promotion and uncontrollable word of mouth), desired (aspired image), and ideal (objective optimal identity) (Balmer and Soenen (1999). To these four, a fifth, "conceived identity" (perception of the company by its stakeholders) was added by Balmer and Greyser (2002). As noted above, this research examines several of these types of identity by focusing on customer stakeholders and the actual identity that they perceive based on what is communicated to them. Balmer (2008) further elaborates on the importance of stakeholders and corporate identity with his discussion of stakeholders' identification with the corporation and to its corporate culture. Our view is that a corporate identity that is based on a strong positioning on ethics and CSR is one that consumers will find appealing. We first review the literature related to antecedents and consequences of perceived CSR to build our hypotheses, then describe our proposed model and the study designed to test the model, and finally conclude with implications drawn from our findings.

Literature Review

We draw from Carroll's (1979) classic work on CSR that highlights four types of social responsibilities, including economic, legal, ethical, and philanthropic/discretionary. Aupperle et al. (1985, p. 458) emphasized primarily the legal, ethical, and philanthropic responsibilities as representing a firm's concern for society, and contended that "the social orientation of an organization can be appropriately assessed through the importance it places on the three non-economic components compared to the economic." Thus, it appears that part of the process of CSR includes how the firm's commitment is assessed by relevant parties, and that assessment would rely partially on integrated communication (i.e., corporate marketing) on behalf of the firm. In fact, Balmer et al. (2007) define a firm's "ethical identity" as being formed via "a relationship between parties within a community of business and social exchange" (p. 8), and state that an important aspect of ethical identity is determining how to communicate to relevant parties. Thus, perceptions of both CSR and ethical identity depend to some degree on effective firm communication with external audiences.

Corporate marketing encompasses a variety of elements including *character* (what the organization stands for), *culture* (the extent to which individuals share common values with the firm), and *communication* (e.g., with customers) (Balmer and Greyser 2006; Balmer 2009). Consistent with this, marketers can contribute to the successful implementation of CSR principles in a firm by focusing on all stakeholders in an integrated manner (Maignan and Ferrell 2004; Worcester 2009). In general, a commitment to CSR leads to positive outcomes for a firm. Podnar and Golob (2007) found that expectations of ethical-philanthropic CSR positively influence CSR support by customers (including purchase intentions). Furthermore, socially responsible actions have also been shown to enhance corporate reputation and image (Turban and Greening 1997), and CSR leads to higher levels of trust and loyalty among consumers (Maignan et al. 1999).

Stakeholder theory suggests that management decisions should not be tailored just to the interest of "shareholders" (i.e., those who have invested in the company), but also to "stakeholders" who are similarly affected by the company's actions, such as consumers and suppliers (e.g., Clarkson 1995). The theory posits that since negative actions, such as polluting the environment or abuse of employees, will eventually lead to a backlash from stakeholders, part of a company's management strategy should be to engage in CSR (Freeman 1984).

Beyond stakeholder and identity theory, a third conceptual foundation of this article rests on legitimacy theory. Legitimacy was defined 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" (Suchman 1995, p. 574). By engaging in CSR reporting, companies are attempting to gain a greater level of legitimacy in the eyes of their stakeholders. Legitimacy theory is essential as is systems-oriented theory, i.e., organizations are viewed as components of the larger social environment within which it exists (Woodward et al. 1996). This means that firms continually seek to operate within the bounds and norms of their respective societies, that is, they attempt to ensure that their activities are perceived by outside parties as being legitimate (Deegan 2000).

Legitimacy theory is thought to be a pragmatic approach to dealing with organizational issues as opposed to more normative ethical theories like stakeholder analysis (Mathews 1993). However, it is recognized that managers may act on both pragmatic and moral grounds which is seen in the CSR disclosure area especially: "there could be several motivations simultaneously driving organizations to report social and environmental information and expecting that one motivation might dominate all other would be unrealistic" (Deegan 2002, p. 291). Further research has found that corporate disclosure policies are better described as ongoing means of reinforcing corporate legitimacy, rather than a crisis management tool (Clarke and Gibson-Sweet 1999) and the lower the perceived legitimacy of the organization, the less likely it is to bother providing social and environmental disclosure (O'Donovan 2002). Therefore, firms that are serious in their commitment to CSR and ethics tend to signal this stance through corporate communications and regular disclosure to stakeholders.

Potential Antecedents of CSR

Initially, a firm must communicate its responsible behaviors to appropriate stakeholders. Maignan and Ferrell (2004, p. 15) report that "corporate communications not only create awareness for CSR initiatives but also present

CSR as a bond between the firm and its stakeholders." One method of communicating a firm's commitment to responsible behavior is via an ethics statement (i.e., values statement, corporate credo, or code of ethics). Murphy (2005) found that the vast majority of companies not only have an ethics statement, but promote these in some fashion. With regard to potential antecedents of consumer perceptions of a firm's level of CSR, we thus focus on corporate ethics in the form of ethics statements. Ethics statements are one of the formal structures that companies use to institutionalize ethics (Lantos 1999; Murphy 1998; Valentine and Barnett 2002), and have been shown to indeed have a positive impact on an organization's ethical context (Cassell et al. 1997; Valentine and Barnett 2002; Stevens 2008). Thus, it seems plausible that consumer perceptions of the quality of a firm's ethics statements would in turn influence their perceptions of the firm's level of CSR commitment.

In addition to ethical statements, a firm's financial success may impact consumer perceptions of its behavior in society. Slack resources theory advocates that the availability of slack (financial or other) resources allows for the performance of discretionary social actions that may have more long-term strategic impacts on the firm, and research has found corporate social performance to be positively related to prior financial performance (Waddock and Graves 1997). Essentially, firms with better financial performance are more equipped to act in a socially responsible manner. It is plausible that consumers would expect a financially viable company to improve the welfare of society by engaging in more socially responsible activities. It is unclear, however, whether consumers are able to assess performance and make that association.

Potential Consequences of CSR

The effects of CSR activities on corporate reputation, reduced risk perceptions, and customer trust and loyalty are of strategic importance to a company, and have been shown to influence the level of corporate commitment to social responsibility (Pava and Krausz 1996; Stanwick and Stanwick 1998). An organization's image is shaped by the actions of the organization, such as the way that firms deal with employees, customers, and society (Belt and Paolillo 1982), and the information that is disseminated regarding its character (Fombrun and Shanley 1990). Past research has demonstrated that socially responsible actions enhance corporate reputation and image (Turban and Greening 1997), which positively affects the perceptions of quality placed on the firm's products (Brown and Dacin 1997; Purohit and Srivastava 2001). As mentioned above, CSR activities also lead to higher levels of trust and loyalty among consumers (Maignan et al. 1999), which results in positive word-of-mouth and repeat purchasing (Zeithaml et al. 1996).

Hypothesis Development

We expect both financial performance as well as published ethics statements to serve as antecedents of CSR, and hypothesize that consumer evaluation of a firm's CSR activities will be positively related to both perceived financial performance (H1) and to the perceived quality of ethics statements (H2). Possible consequences of perceived CSR include variables such as reputation, trust, loyalty, and perceptions of risk. By acting in a socially responsible manner, a firm can induce a belief among consumers that the organization is honest and concerned about its customers (Doney and Cannon 1997). We also hypothesize that consumer evaluation of a firm's CSR activities is positively related to perceived corporate reputation (H3). Lantos (1999) contended that moral behavior establishes trust, and Orlitzky and Benjamin (2001) proposed that a socially responsible firm may be able to increase interpersonal trust between and among internal and external stakeholders. Thus, we hypothesize that consumer evaluation of a firm's CSR activities is positively related to consumer trust (H4).

Social identity theory (Tajfel and Turner 1985) has been used to suggest a relationship between CSR activities and consumer loyalty (Maignan and Ferrell 2004), such that consumers identify themselves with a particular commercial organization or brand. Bhattacharya et al. (1995) argued that consumers are likely to identify with organizations involved in discretionary citizenship. To the extent that such bonds of identification lead to greater consumer loyalty, we hypothesize that consumer evaluation of a firm's CSR activities is positively related to consumer loyalty (H5). Finally, perceived performance risk (the possibility that the product will not function as expected) and financial risk (monetary loss that could be incurred by product failure) are also potentially impacted by CSR activities. Consumers may form inferences about missing product attributes by drawing a connection between another available piece of information and the missing attribute (Simmons and Lynch 1991). Furthermore, Brown and Dacin (1997) found that product influence is mediated by corporate evaluation. Hence, we hypothesize that consumer evaluation of a firm's CSR activities is negatively related to level of perceived financial and performance risk (H6).

We also expect to see relationships among the variables affected by perceived CSR. Reputation is a valuable asset that requires a long-term investment of resources, effort, and attention to customer relationships (Jarvenpaa et al.

2000). Firms with a good reputation are perceived to be reluctant to jeopardize their reputation by acting opportunistically (Chiles and McMackin 1996). Thus, perceived corporate reputation should be positively related to consumer trust (H7). Trust is interwoven with risk (McAllister 1995), and both are based on consumers' perceptions (Hawes et al. 1989). Although some level of risk is inevitable in a trusting relationship, trust has also been defined as the expectation that an exchange partner will not engage in opportunistic behavior (Bradach and Eccles 1989). Therefore, trust is likely to reduce the consumer's perception of risk associated with opportunistic behavior by the seller (Ganesan 1994). Consequently, we expect that consumer trust toward a firm is negatively related to perceived risk (H8). Finally, Urban et al. (2000) advocated that customer trust is essential to building strong customer relationships and sustainable market share. Creating such enduring relationships with customers depends on a "solid moral foundation" (p. 38), and trust is "an essential element" for nurturing customer relationships (Murphy et al. 2007, p. 45). Accordingly, we expect that consumer loyalty to a firm is positively related to consumer trust (H9). All proposed relationships are depicted in Fig. 1.

Method

A self-administered pen and paper survey was utilized for a pilot test, and an online questionnaire was used for the final study. Questionnaire items were either adapted from existing scales (Doney and Cannon 1997; Maignan 2001; Pelham and Wilson 1996; Zeithaml et al. 1996) or developed for this research. A pilot test of 60 business school student participants helped to refine scale items and identify ambiguous statement and terminologies in the questionnaire. For the online survey, Amazon.com vouchers were used to motivate participation. Participants were recruited through companies associated with university internship and alumni networks. Survey participants were shown a fictitious ethics statement (see sample statement in Exhibit 1) that was put together using Murphy's (1998) exemplars of good ethics statements, as well as an example of a financial statement summary for an undisclosed organization. Following this, they were asked to think of any publicly listed company that they are familiar with (and/or have dealings with before), and to assess the CSR level of this company. Keeping this individual company in mind, the participants were instructed to answer a number of questions.

Four initial statements were developed to test relative perceived strength of statement according to Murphy's (1998) categories of sound ethics statements. Four initial scale items were subjected to pre-test, and three items were eventually retained due to the high reliability score (0.93). Respondents' scores were averaged, and the higher the score, the better the perceived quality of the company's ethics statements relative to other firms.

The perceived financial performance construct was adapted from Pelham and Wilson's (1996) five-item performance profitability measure. Four scale items were utilized, with a high reliability of 0.91. Respondents' scores were averaged, with a higher score indicating better perceived financial performance of the firm relative to other companies.

The dependent variables consisted of perceived CSR, perceived corporate reputation (PCR), perceived risk (PR), consumer trust, and consumer loyalty. The constructs were measured using multi-item seven-point Likert scales (see Table 1). Perceived CSR, which measures a consumer's evaluation of CSR, was adapted from the scale developed by Maignan (2001). PCR was operationalized using two sources of existing scales—Brown's (1995) and Ganesan's

Fig. 1 Proposed antecedents and consequences of corporate social responsibility

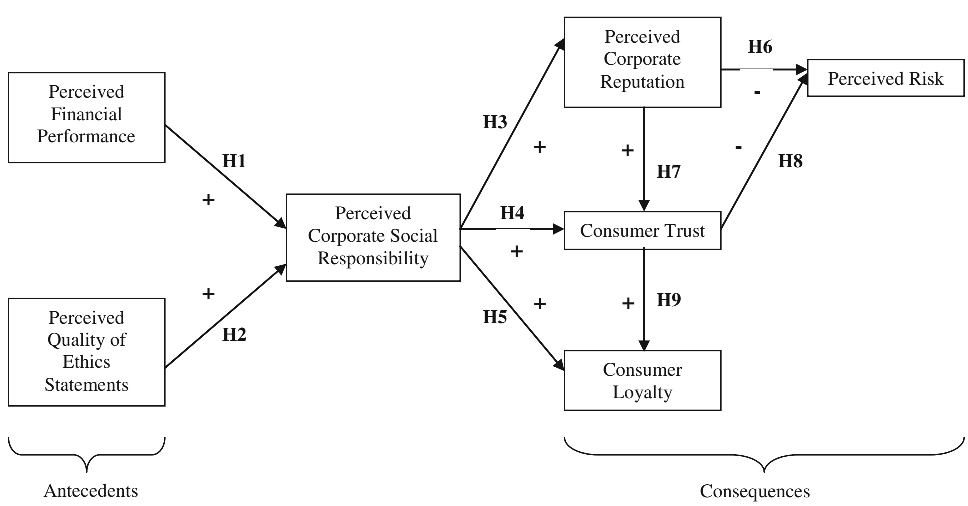

Exhibit 1 Corporate ethics statement

We believe our first responsibility is to the consumers who use our products and services. In meeting their needs everything we do must be of high quality
We are responsible to our employees, the men and women who work with us throughout the world. Everyone must be considered as an individual
We are responsible to the communities in which we live and work and to the world community as well. We must be good citizens—support good works and charities and bear our fair share of taxes
Our final responsibility is to our stockholders. Business must make a sound profit

Source: Adapted and abridged from the Johnson & Johnson Credo (Attribution was not shown to the respondents)

Table 1 Final construct indicators used in SEM

Perceived financial performance (PFP)
PFP1. With respect to the company's industry average, the company's level of profit is high
PFP2. With respect to the company's industry average, the company's level of return on investment is high
PFP3. With respect to the company's industry average, the company's level of return on assets is high
Perceived quality of ethics statements (PES)
PES1. Relative to other companies in the industry, the company's corporate credo is good
PES2. Relative to other companies in the industry, the company's code of ethics is good
PES3. Relative to other companies in the industry, the company's ethics statement is good
Perceived corporate social responsibility (PCSR)
PCSR1. The company is committed to well-defined ethics principles
PCSR2. The company ensures that their employees act in a legal manner
PCSR3. The company plans for their long-term success as well as society's
PCSR4. The company plays a role in our society that goes beyond the mere generation of profits
Perceived corporate reputation (PCR)
PCR1. The company has a reputation for being honest
PCR2. The company has a reputation for being reliable
PCR3. The company has a reputation for being trustworthy
Risk perception (PR)
PR1. I think that purchasing products from the company would not lead to financial risk for me
PR2. I am very sure that products purchased from the company are able to perform satisfactorily
PR3. There is very little risk involved in purchasing products from the company
Trust (T)
T1. I believe the information that the organization provides its customers
T2. The firm does not make false claims
T3. I trust the company to be frank in dealing with its customers
Loyalty (L)
L1. I would recommend the company to someone who seeks my advice
L2. I would encourage friends and relatives to do business with the company
L3. I would do more business with the firm in the next few years

(1994) scales which measured the reputation of a company and a retailer, respectively. The resulting scale was composed of five items, out of which four were adapted from Brown (1995), and the remaining scale item from Ganesan (1994). The measure of PR is composed of two dimensions, financial and performance risk (Shimp and Bearden 1982). This scale is purported to measure the perceived degree of financial and performance risk associated with a specific product.

Trust reflects one's confidence in an exchange partner's confidence and integrity (Morgan and Hunt 1994). Doney and Cannon's (1997) scales for measuring trust in salesperson and supplier firm were adapted to fit the context of the consumer's trust in an organization. For measuring loyalty, five-scale items that measure a customer's repeat purchase intention and the likelihood to engage in positive word-of-mouth communication were adapted from Zeithaml et al. (1996). Respondents' scores were averaged, and the greater the loyalty score, the more loyal the customer is to the company. All resulting measures had Cronbach's coefficient α's that exceeded the acceptable level of 0.7 (Nunnally 1978).

A total of 443 participants took part in the survey, of which 44% were male and 56% female. A majority of the respondents (67%) fall within the age range of 20–30 years, and about 70% possess a university degree. In line with Turban and Greening's (1997) proposition of using structural equation modeling (SEM) to validate the positive relationship between CSR and corporate reputation, confirmatory factor analysis (CFA) and SEM were used to test the proposed model. CFA was performed to validate the scales used for the measurement of the latent constructs by inspecting for any presence of offending estimates (Hair et al. 1998; Kline 1998). Inspections were undertaken by testing the CFA model for their measurement properties, and correcting any offending estimates, indicators or constructs (Maruyama 1998). Following these preliminary tests, SEM was performed. First, the measurements of all multiple-indicator constructs (see Table 2) were assessed for their unidimensionality by examining the fit of the indicators to each construct (Klein et al. 1998). Next, reliability tests using composite reliability and variance extraction were utilized to ensure high internal consistency among the construct indicators (Hair et al. 1998). Finally, construct validity was determined by assessing discriminant validity and convergent validity.

The full measurement model was then assessed, with a significant overall chi-square ($\chi^2_{188\text{df}} = 400.438$, $p < 0.01$). All other fit indices (GFI = 0.93, AGFI = 0.90, NFI = 0.96, CFI = 0.98, TLI = 0.97, and RMR = 0.61) were also within a satisfactory range, showing a good fit of the confirmatory measurement model. After the CFA indicated a good fit of the confirmatory model, the structural model was analyzed. Similar to the measurement model, the overall chi-square was significant ($\chi^2_{200\text{df}} = 549.74$, $p < 0.01$). All other fit indices (GFI = 0.90, AGFI = 0.87, NFI = 0.95, CFI = 0.97, TLI = 0.96, and RMR = 0.20) were also within a satisfactory range, hence the original model fits the data well.

Results

The hypotheses of this study were tested using the structural model results. The standardized path coefficients for the antecedents of CSR are all positively and significantly related to perceived CSR. Table 3 depicts the findings of all hypotheses. The path linking the two variables had a significant standardized coefficient of 0.30 ($p < 0.05$). Therefore, H1, which stated that better perceived financial performance will lead to better evaluation of CSR activities, was supported. H2, which posited that the better the consumer perceived quality of the ethics statements, the better the evaluation of the firm's CSR activities, was also supported ($p < 0.05$). Similarly, the hypotheses proposed for the consequences of CSR efforts (H3–H6) were all supported ($p < 0.05$), indicating positive relationships between CSR and PCR, consumer trust, and consumer loyalty, and a significant negative relationship between CSR and PR. Hypotheses 7–9 were also supported, indicating a positive relationship between PCR and consumer trust, a negative relationship between trust and PR, and finally a positive relationship between consumer loyalty and trust.

Conclusions, Implications, and Future Research

Several conclusions can be drawn from the findings of this study. First, the results provide consistent support for the notion that both financial performance and a commitment to ethical statements positively influence perceptions of a firm's CSR. This finding ties in with an influential article by Porter and Kramer (2006) on "Strategy and Society" where they contend that CSR must be a part of the overall

Table 2 Results of single construct measurement models

Construct	N^a	χ^2	Df	p value	RMSEA	GFI	AGFI	NFI	CFI	TLI	CR[b]	VE[c]	RMR
PFP	3	0	0	–	–	1.00	–	1.00	1.00	–	0.93	0.82	0
PES	3	0	0	–	–	1.00	–	1.00	1.00	–	0.93	0.81	0
PCSR	4	23.54	2	0.00	0.16	0.98	0.88	0.97	0.97	0.90	0.80	0.50	0.07
PCR	3	0	0	–	–	1.00	–	1.00	1.00	–	0.96	0.89	0
PR	3	0	0	–	–	1.00	–	1.00	1.00	–	0.94	0.84	0
T	3	0	0	–	–	1.00	–	1.00	1.00	–	0.93	0.81	0
L	3	0	0	–	–	1.00	–	1.00	1.00	–	0.94	0.85	0
Recommended level[b]	–	–	–	≤0.05	≤0.05	≥0.9	≥0.9	≥0.9	≥0.9	≥0.8	≥0.5	≥0.5	≤0.08

[a] Number of items in each construct

[b] The recommended levels for each index were obtained from Hair et al. (1998)

Table 3 Assessment of research hypotheses

Hypothesis	Standardized path coefficients	Critical ratio	p value (<0.05)	Result
H1: Consumer evaluation of a firm's CSR is positively related to perceived financial performance	0.23	7.59	0.00	Supported
H2: Consumer evaluation of a firm's CSR is positively related to the perceived quality of ethics statements	0.65	15.00	0.00	Supported
H3: Consumer evaluation of a firm's CSR is positively related to perceived corporate reputation	0.88	15.62	0.00	Supported
H4: Consumer evaluation of a firm's CSR is positively related to consumer trust	0.85	11.04	0.00	Supported
H5: Consumer evaluation of a firm's CSR is positively related to consumer loyalty	0.43	4.33	0.00	Supported
H6: Consumer evaluation of a firm's CSR is negatively related to levels of perceived financial and performance risk	0.16	3.01	0.00	Supported
H7: Perceived corporate reputation of a firm is positively related to consumer trust	0.22	3.79	0.00	Supported
H8: Consumer trust toward a firm is negatively related to perceived risk	0.58	11.38	0.00	Supported
H9: Consumer loyalty to a firm is positively related to consumer trust	0.56	7.10	0.00	Supported

strategic thrust of a firm, irrespective of its industry. In addition, the importance of ethics statements in a firm's overall positioning was also found in earlier research on this topic (Murphy 2005). This conclusion relates to the identity and legitimacy theories. Companies that are strongly committed to CSR activities want to be identified in this manner and, as the literature indicates, this positioning does tend to enhance a corporation's legitimacy in the eyes of society and its stakeholders.

A second conclusion is that CSR is a multi-faceted concept. The findings of this study show that CSR influences corporate reputation, consumer trust, and consumer loyalty. In one respect, this result is not surprising. However, the strongly positive linkages provide evidence that a company that devotes substantial efforts to CSR activities can expect several beneficial outcomes. This is consistent with earlier work by Maignan and Ferrell (2004). The fact that firms exhibit multiple motives was one of the conclusions from legitimacy theory (Deegan 2002). The multi-faceted nature of CSR indicates that reputation and loyalty tend to be more pragmatic reasons for engaging in this practice while consumer trust might be viewed as being morally based.

Third, the impact of corporate reputation and trust should not be underestimated. These two factors positively influence consumer loyalty which is an important hallmark of a successful company. Furthermore, reputation and trust can mitigate the PR that a customer may experience in buying and using a firm's products. Much of the earlier work on reputation and trust make this claim, but prior studies tended to examine these constructs in isolation. The results here show that they both play a strong role in developing the process of loyalty generation. This conclusion ties in closely with the literature on corporate marketing (Balmer and Greyser 2006; Balmer et al. 2007) since the objective of this activity is to strengthen corporate reputation and do it in an ethical manner. The end result of such efforts should be heightened levels of trust and loyalty.

The implications for managers from this study are twofold. The first is that managers must pay attention to both financial performance and ethical commitment as essential antecedents of their firm's CSR. Historically, managers have paid the most attention to the financial impact of the firm. As noted in the introduction, the growth of the stakeholder perspective means that a broader set of constituencies must be served. This research also adds credence to the claim that companies must do more than pay lip service to their ethics statements. The quality and effectiveness of such statements has been strongly advocated by recent observers (Schwartz 2005; Stevens 2008).

Managers should also closely monitor the firm's reputation because it plays such a critical role in the overall assessment of any enterprise. Positive reputations are hard to build and easy to lose. Although it has been over 25 years since the Tylenol poisonings and over 20 years since the Exxon Valdez incidents, the enduring positive reputation for Johnson & Johnson and negative one for Exxon show that reputation has a long-term impact on companies. Thus, it is essential that managers view reputation as more substantive and long-standing than a short-term public relations issue. Related to this are the implications of not only company-specific factors that influence consumer perceptions, but also industry-level differences. Although we sought to neutralize the effects of a particular industry in this study, that could serve as a potential limitation as to the applicability of our model to some contexts. It is plausible that industry norms regarding levels of CSR (either real or perceived) would establish benchmarks to which consumers would compare the efforts of a particular firm. This could be manifested in a lower threshold of activity in order to gain public appreciation, or could alternately require a higher level of socially responsible activity to make up for perceived sins of an industry.

Future research into these topics might investigate several areas that were not covered here:

- A broader range of stakeholders should be examined using a similar methodology undertaken in this study. Only consumers were surveyed during the current project and other important stakeholders such as employees and suppliers would enrich the understanding of both CSR and other variables.
- Related to the expanded stakeholder analysis, a more complete list of corporate characteristics such as the fairness, honesty/integrity, and transparency may be additional antecedents of ethical and CSR behavior and may convey a more complete picture of how the company operationalizes its ethics statement.
- An investigation into industry-level norms and expectations by consumers would shed light on how those variables would adapt our model to a particular context. Determining how industry characteristics affect consumer perceptions of firm activities would provide valuable insight into tailoring corporate marketing communication to stakeholders.
- Since financial performance is one of the antecedents of CSR, the notion of the "power-responsibility equilibrium" (Murphy et al. 2005) that states that economically strong companies must assume CSR or they will lose some of their power needs more explicit study. The current activities of Walmart regarding the environment seem to suggest that the notion is an operable one, but further study is warranted.
- Although several of the scales used in this paper (see Table 1) are taken from the literature, the one that appears in need of refinement is the perceived quality of ethics statements. The reactions to these statements are rather impressionistic, and objective measures of quality of ethics statements should be developed. Benson (1989), Murphy (1998), and Schwartz (2005) provide suggestions about such objective criteria. To date, however, no scale has been developed to make more refined judgments about the quality and potential impact of ethics statements.

Finally, we are encouraged by the results of this study. Consumers, one of the most important stakeholder groups, responded as hypothesized in their reactions to both the antecedents and consequences of CSR. Consistent with the tenets of corporate marketing, a stakeholder-centric approach to communicating a company's socially responsible efforts is necessary. Firms should thus be encouraged to not only create and embrace a strong ethical foundation as supporting a commitment to CSR, but to promote those efforts to their stakeholders as well.

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