

Linking CSR strategy and brand image: Different approaches in local and global markets

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Abstract

What is the link between Corporate Social Responsibility (CSR) strategy and brand equity in local and global markets? Starting from the idea that brand image is the synthesis of a firm's relationship competences, this thesis asserts that the way in which CSR transfers to brand image differs in local and global brands. In particular, while a local brand can take a selective and partial approach in the formulation of CSR strategy, a global brand strategy should be defined from a multidimensional and multi-stakeholder perspective. In summary, this paper will demonstrate that the formulation of CSR strategy for a global brand cannot be accomplished by a 'glocal' or differentiated approach, but must give equal weight to all possible dimensions of CSR, defining an integrated CSR strategy that does not change in the various countries where the company operates.

Keywords

brand equity, brand image, competitive advantage, CSR, globalization, relational view, stakeholder theory

Introduction

In a recent article published in *Marketing Theory*, Christodoulides (2009) pointed out that the Internet has been a disruptive phenomenon in building a brand. In his work, *Brand in the post-internet era*, he underlined how the internet has changed the asymmetry of information between firms and consumers, who once viewed firms as the leaders and builders of brand image. The new phenomenon is seen in the birth and development of a community of consumers who interact not only with the firms, but within the community itself, between consumer and consumer, regardless of the physical location of those consumers.

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Furthermore, as Veloutsou (2009) shows in the same journal, consumers have a ‘natural impulse to join others’, and the links that consumers develop with other consumers around the brand are the result of the individual’s need to perceive themselves as members of a group.

This paper discusses these aspects with specific reference to the communication between inter-consumers worldwide, and more generally global stakeholders, who evaluate the degree of social responsibility demonstrated by the global firm reflected in the global brand image. In reference to the global market, it is necessary to look deeper into the positive or negative impact on brand image produced as a result of the degree of CSR and, above all, the way this impact is produced. In fact, while the effects of CSR strategy on brand image and competitive advantage in local contexts have been much studied, less attention has been given in relation to global markets. What is lacking in the literature is an analysis of the various implications arising from branding theory for formulating CSR strategy for global firms.

Furthermore, as stated by Huber et al. (2009) in the same journal, ‘socially debatable actions’ are one of four main types of brand misconduct (the other three are: the quality of the product differs from expectations, lack of service orientation, and symbolic-psychological misconduct) which, in the future, will be a theme of increasing importance in branding theory. This is because customers are now using new media for worldwide information exchange and coordinated action. And it is this rapid and intense flow of communication existing among consumers around the world which I believe undermines the validity of a differentiated approach to the development of CSR strategy in countries where global brands are present, and requires deeper reflection on the impact that CSR has on brand image.

Based on these considerations, the topic to be discussed in this paper can be expressed in the following question: Does constructing a brand image by adopting socially responsible behaviour observe the same principles in the local sphere as in the global sphere? Or, in passing from the local to the global context, do new and different elements of analysis emerge?

It can be said that the relationship between CSR strategy and brand image and equity does not present the same dynamics in the global context as in the local context; in particular:

- For a *local brand*, CSR strategy can be based on processes of selection and prioritization of the different dimensions of socially responsible behaviour, according to the dominant values, culture and specific expectations of local stakeholders.
- For a *global brand*, differing dominant values in different countries present the problem of choosing either a standardized approach or differentiated approach in formulating a CSR strategy. In my opinion, this problem cannot be resolved through adopting a *glocal* approach, due to the same phenomenon that have permitted and encouraged the creation of a global market.

Relative to this analysis goal, this paper first presents an analysis of the theoretical framework that helps to link CSR and brand equity, reaching the qualification of the brand as a ‘synthesis’ of a firm’s relational competences. The paper then examines the link between CSR and brand image, showing in detail the mechanism by which CSR transfers to brand image. Finally, the paper discusses arguments in support of the view that there is a need for a different approach to the development of CSR in the global market and local markets.

Theoretical frameworks

Brand image can identify a product, give it personality, and influence consumer perceptions (Keegan et al., 1994). This makes it one of the most important immaterial resources on

which a company can base a search for elements that distinguish its product from the competition.

One objective of creating a brand in this 'dematerialized' economy is the disassociation of brand from product. That is accomplished through the consumer's process of abstraction (Fournier, 1998). The aim of this disassociation is to create new associations to the brand of a cognitive and emotive nature: affective associations of psychological and social well-being, of consumer self-identification, which accompany the material components of the product.¹ The brand, therefore, must be able to meet consumer expectations that have to do not only with the visible components of the marketing mix (product/service, price, place, promotion), but also with the value system, including both economical and social values, with which the consumer identifies.

In addition, according to consolidated developments in marketing management, firm-market relations are not limited to relationships with consumers, real or potential, but also include all stakeholders with whom the firm comes into contact (Lambin, 2008). Tischler (2004: 47) argues that a successful brand strategy today includes 'the need for companies to recognize a brand's stakeholders (beyond its customers)'.

This enlarged market vision is based on the stakeholder theory, and encompasses a general vision of a company as a system that interacts with other external systems. In this regard, the conceptual assumptions of *systemic approach* (von Bertalanffy, 1968; Emery, 1974; Maturana and Varela, 1980; Cafferata, 1995; Capra, 1996; Golinelli, 2000) and *stakeholders' theory* (Mitroff, 1983; Freeman, 1984; Frederick et al., 1988; Carroll, 1989; Freeman and Reed, 1993; Donaldson and Dunfee, 1994; Clarkson, 1995; Jawahar and McLaughlin, 2001) converge, rendering the relationships that companies have with stakeholders, institutions and external systems potential resources for gaining competitive advantage; resources that companies must know how to take full advantage of in order to develop and survive.

In particular, a company is situated at the center of a network of external relationships, expressing its ability to obtain both social and economic legitimacy through satisfying the expectations and pressures that are directed at it from the environmental supersystems (Golinelli, 2000). In exchange, the company receives various resources, one of which is trust. These trust resources translate concretely into stakeholders' acceptance not only of proposed products, but also of the company's behaviours and values (Itami, 1987).

Therefore, it is arguable that brand image should be considered as a 'container' of a company's relationship competences, not only in regard to real or potential consumers, but in regard to all the company's stakeholders. Relationship competences interact and influence one another reciprocally; the value of this 'container' is a function of the company's ability to coordinate the goal of maximizing profit with satisfying the expectations of all stakeholders (Fig 1).

Figure 1 illustrates brand management from the competitive strategy perspective and highlights the importance of the market/product disassociation phenomenon which was mentioned above. This phenomenon is the axis upon which the competitive differentiation strategy turns, based on the firm's fundamental characteristics; or rather on the distinctive image that the firm would like consumers to perceive.

From the *strategic brand management* perspective, the brand is the result of the firm's values, strategies, and competences, which translates concretely into market offerings and production and managerial processes that the firm adopts and consolidates throughout its life. Figure 1 emphasizes that the legitimacy and credibility of a brand extends from the company's capability to define the optimal combination of productive factors according to strictly economic logic, to the capability of relationships in the external context, and therefore, with all the stakeholders that express various expectations regarding the firm's activity.

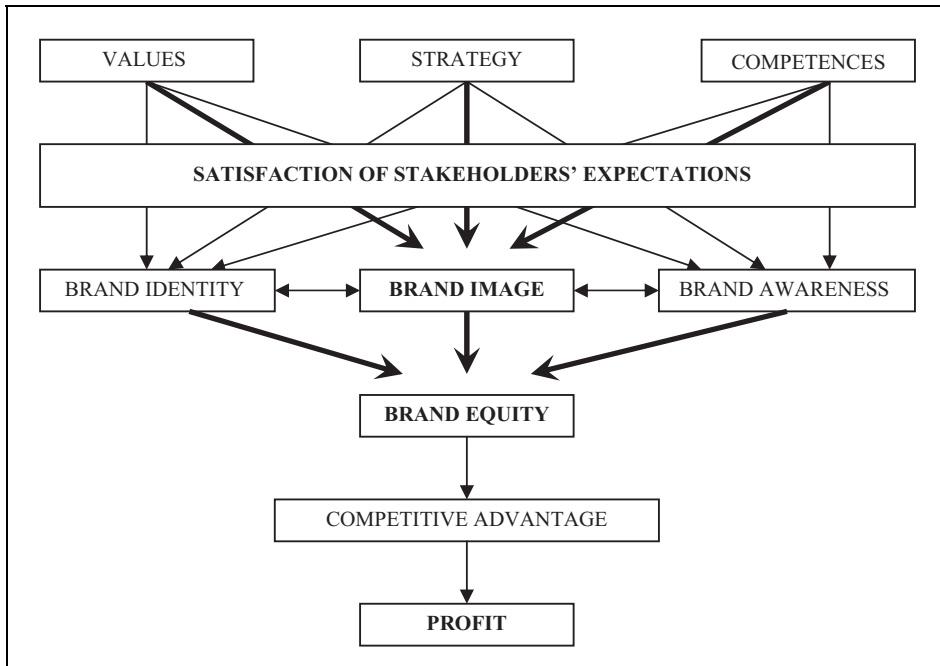


Figure 1. The brand image as 'container' of a firm's relationship competences

Therefore, values, strategies, and competences transfer positively to brand image (and from there, along with brand identity and brand awareness, to brand equity) only if they are able to satisfy stakeholder expectations. In other words, brand image is reinforced only if the firm knows how to gain trust, credibility and reputation from its internal and external interlocutors (Erdem and Swait, 2004). Consequently, the growth of this immaterial resource base allows a company to gain an advantage over its competition, and from there, gain profit (Porter, 1985).

The chart in Figure 1 highlights the three following brand related issues:

- The consideration of stakeholder expectations is essential in every firm's logic, independent of whether satisfying these expectations is an end goal of the firm or simply instrumental to profit.
- Brand equity, fed by brand identity, brand image and brand awareness, reflects the company's position in the economic and social system. It is a measure of the degree of acceptance by the stakeholders (clients, suppliers, employees, public administrators, NGOs, unions, etc.) not only of the company's offering, but also of the company's behaviour in light of multidimensional (both economic and social) criteria. In fact, as Keller (2002) argues, brand image plays out many roles in the consumer decision-making process through multiple mechanisms, such as psychological, sociological and economic processes.
- The competitive advantage that a company is able to acquire over its competition is greatly conditioned, in today's competitive context, by brand policies. The more a company's strategy is brand-driven, the stronger the connection between satisfying stakeholder expectations and profit.

In conclusion, the vision of brand image as a synthesis of a firm's relationship competences affirms that:

Proposition 1: Brand image gives added value to the consumer (Aaker, 1993) if it reflects the firm's efforts to incorporate the stakeholders' approach into its business strategy.

CSR expectations among stakeholders

CSR can assume numerous and diverse meanings and relate to all aspects of a firm's activity that produce social and environmental effects (Whitehouse, 2006): employee work conditions and employment policies; the quality of the products and services and the characteristics of the production process; balance sheets and other information destined to third parties; relationships with political, social and administrative institutions in the firm's community, location of the production activities, fiscal behaviour and employment of resources that investors give to the firm in the form of stocks and bonds; and the relationship of products, services and production technology to the external ecological environment.

The varied expectations of stakeholders about a company's social responsibility paint a complex picture of multidimensional social responsibility factors, which are linked to economic, environmental and social issues.

The main thread in the CSR theme is the firm's need of legitimacy in the market, the state and society, in both economic and social terms.² Stakeholders have extended their expectations of a company from simple business results to include the way in which the firms will reach these results.

For this work, the aim is to highlight the following to clarify the link between CSR and brand image, and to investigate the differences between local and global context:

Proposition 2: CSR expectations among stakeholders are everywhere and they are increasing.

Social responsibility expectations are present in all of a company's stakeholders. In other words, CSR expectations are not found in specific groups (for example stockholders or financiers, suppliers or clients, public administration or non profit organizations, etc.) but are found in all stakeholders (see Figure 2).

Not only are CSR expectations everywhere, they are also increasing (Whitehouse, 2006; Balmer and Greysner, 2006); that is, increasingly more connected to the idea that a firm assumes a proactive approach towards environmental and social issues, and not limit itself to a defensive approach or to mere respect of laws and regulations. The *CSR Monitor* annually polls institutions that are part of GlobalScan in 20 countries. Their study of Eurisko in Italy in 2004 shows the 'new' social and environmental responsibilities required of businesses (see Table 1).

Friedman's (1962, 1970) old vision of CSR, and Sternberg's (1994) more recent concept – a firm's only responsibility is to make a profit – appear totally inadequate today in light of the new corporate–State–market–society relationship of the post-industrial era. Also inadequate is the idea of CSR in a mere instrumental position in the pursuit of profit. In fact, there is a very strong link between CSR and competitive advantage as Porter and Kramer (2006) have clearly shown in their work *Strategy and Society: the Link between Competitive Advantage and Corporate Social Responsibility*. In this article, the authors contend that 'CSR can be much more than a cost, a constraint or a charitable deed – it can be a source of opportunity, innovation, and competitive advantage' (Porter and Kramer, 2006: 80). They also affirm that 'the success of the company and

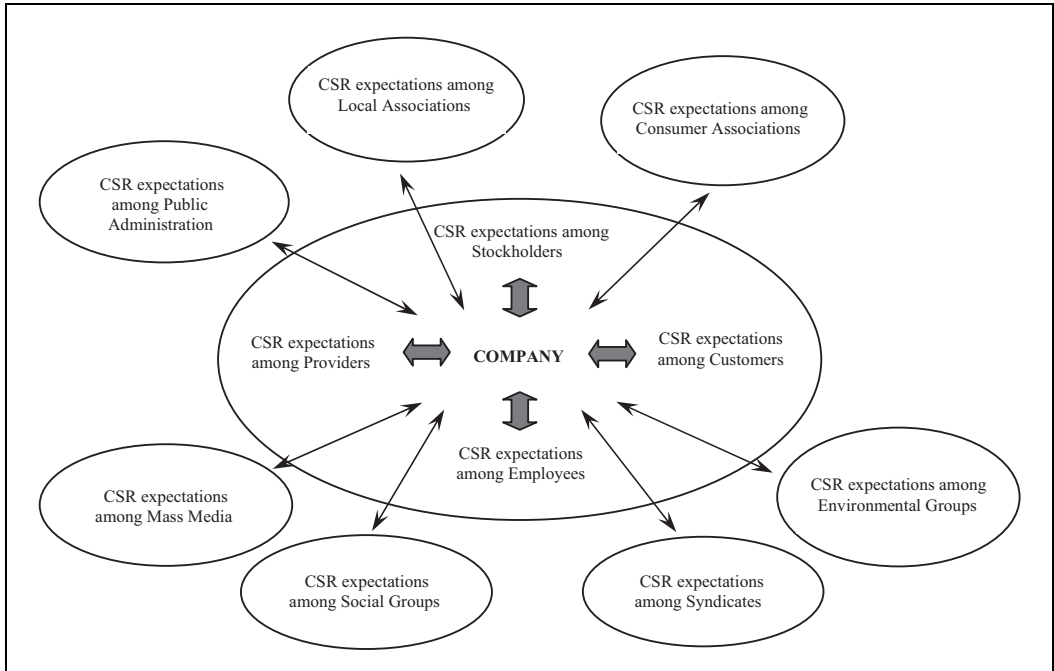


Figure 2. The ‘everywhere’ presence of CSR expectations

Table 1. Old and new CSR expectations

| ‘Old’ CSR Expectations | ‘New’ CSR Expectations |
|---|--|
| <ul style="list-style-type: none"> - Don’t damage the environment - Communicate financial information honestly - Treat employees equally - Make profit, pay taxes - Communicate social and environmental commitments with honesty - Use raw materials responsibly - Good quality/low price | <ul style="list-style-type: none"> - Improve the conditions of the environment - Apply elevated universal standards - Reduce human rights abuses - Improve community instruction - Reduce poverty - Orient economic stability - Sustain non-profit associations - Help resolve social problems |

the success of the community become mutually reinforcing. Typically, the more closely tied a social issue is to the company’s business, the greater the opportunity to leverage the firm’s resources and capabilities, and benefit society’ (Porter and Kramer, 2006: 89).

Also, regarding corporate philanthropy, Porter and Kramer (2002) affirm in their paper, *The Competitive Advantage of Corporate Philanthropy*, that social and economic objectives are not conflicting but integrally connected. Porter and Kramer maintain that to become strategic, the expense in philanthropy must be destined to projects that improve the social conditions of the social context in which the firm operates. The improvement of the competitive context creates more favourable conditions for a firm to obtain a competitive advantage. It is the way in which

actions taken to create social benefits intersect with economic benefits that the two authors refer to as 'strategic philanthropy'.

Commenting on Friedman's thoughts, Porter and Kramer (2002: 59) maintain that to consider the social and economic objective as a dichotomy is an increasingly obsolete perspective in a world of open, knowledge-based competition.

The relationship between CSR and brand image

As Deigendesch (2009) argues, 'brands and corporate social responsibility are two sides of the same coin of entrepreneurial success'. On one hand, strategically integrated CSR has a strong impact on brand image and brand equity. On the other hand, brand is a result of all that the firm does, in terms of product offering as well as operating practices and behaviour assumed in the competitive environment, especially for value generated for the company and for society.

Numerous studies have demonstrated the existence of a strong link between social behaviour and profitable performance (Murray and Vogel, 1997; Ellen et al., 2000; Sen and Bhattacharya, 2001; Baker, 2009), particularly between a firm's social behaviour and the reward or punishment system (Aaker, 1990; Keller and Aaker, 1992; Speed and Thompson, 2000; Elliott and Freeman, 2001; Trudel and Cotte, 2008).

In a recent article aimed at evaluating *The Impact of Perceived Corporate Social Responsibility in Consumer Behaviour*, Becker-Olsen et al. (2006) demonstrated that 52% of the sample population they interviewed failed products and services of firms perceived as being irresponsible. Werther and Chandler (2005) show that the purpose of branding is to create a link between stakeholders and brands. They have defined a 'branding law of corporate social responsibility' as follows: 'The importance of CSR to any organization is directly related, and rises in proportion, to the value of the firm's global brand' (Werther and Chandler, 2005: 321).

In the *Global CSR Study* done by APCO Worldwide in 2004 on an elite research panel in ten countries in North America, Europe and Asia-Pacific, researchers found that elites act in response to news they receive about a company's social responsibility through their purchase decisions and influence others (APCO, 2004). Three-quarters say they have purchased a company's products or services in response to positive news about a company's social responsibility; 60% have boycotted a company's product or services in response to negative news about a company's social responsibility.

A less emphatic vision of the link between CSR and consumer behaviour was proposed by Devinney et al. (2006). On the topic of consumer social responsibility (referred to by Devinney et al. as '*The other CSR*'), the authors highlight that consumers are apt to buy products with positive social attributes 'only when the functional attributes of these products meet their needs; they will not sacrifice functional features for socially responsible ones' (Devinney et al., 2006: 35). Nonetheless, the authors do not deny that there is a large segment of consumers who will change their purchase behaviour according to social attributes of products, and are even open to paying a higher price. However, this should not mean renouncing functional attributes of the product. For this reason, Devinney et al. (2006) contend that the firm should be 'more proactive with regard to consumer social responsibility if they want their corporate social responsibility initiatives to have a greater impact'.

Finally, regarding global brand, Dimofte et al. (2008a), in their work *Spanning the Globe*, found environmental and social responsibility to be one of five factors that describe the dimensionality of global brand construct.³ Similarly, Holt et al. (2004) contend that quality signals, global myth and

social responsibility are the three principles dimensions of global brands (together they account for roughly 64% of the variation in brand preferences worldwide) that form the basis of the relationship between the perceived globality of a brand and its perceptions of quality by consumers.

This discussion allows us to highlight that brand image is influenced by positive or negative opinions of stakeholders on the degree of social responsibility demonstrated by the company.

The way in which CSR is transferred to brand image can be articulated in the following logical steps: A firm, pressured by stakeholders who express a certain CSR demand based on the culture and values of a defined culture and the dominant values of a defined historical period and in a defined territorial context (Srnlka, 2004); the firm supplies definite answers according to the power that different stakeholders hold in the company; these responses, which together constitute the CSR strategy (itself a component of the firm's business strategy) will be evaluated by all the categories of stakeholders. Such an evaluation will reflect on brand image.

This allows us to affirm that:

Proposition 3: The link between CSR strategy and brand image is articulated in the following sequence: CSR demand–CSR response–Brand image.

The CSR practices of a company could be judged as greenwashing operations or as expressions of a firm's authentic and true assumption of social responsibility. Therefore, it is necessary that there is perfect alignment between a firm's communication of intention in CSR matters and its real behaviour. As Mark Herbert and von Shantz (2007: 9) suggest, communication alone will not do the trick. 'Talk' and no 'walk' will quickly be labelled as a greenwash of the corporate image, strategic stunts, or guerrilla marketing'. Also Holt et al. (2004) affirm the biggest problem is that consumers regard CSR initiative as opportunistic, and perceive those actions 'motivated primarily by self-interest and not by an interest in the welfare of people and the planet'.

This means that reinforcing brand image through CSR practices is a delicate operation because the market, through media actions (Mark Herbert and von Shantz, 2007) are capable of observing the difference between real behaviour and mere image promoting operations based on declarations. Many researchers confirm that consumers will punish firms that are perceived as insincere in their social involvement⁴ (Bhattacharya and Sen, 2004).

From this point of view, there is full agreement with Werther and Chandler (2005: 324) that 'strategic corporate responsibility is a global brand insurance', on the condition, however, that CSR is a component of a global business, not a fad or a new form of public relations (Holt et al., 2004) nor a contingent response given to avoid social sanctions or laws.

What are the implications for CSR strategy in local and global markets?

The question to ask now is whether the strengthening of brand image through the assumption of socially responsible behaviour comes about in the same way from both local and global perspectives, or if, instead, new factors to consider emerge in the transition from a local to global context.

My thesis is that the relationship between CSR strategy and brand image and equity does not present the same dynamics in the global context as in the local context; in particular, the *CSR demand–CSR response–Brand image* sequence does not pose particular problems when it refers to a company that operates in a single, specific local context (a specific country, with specific

stakeholder expectations, with specific value-ethic systems), while notable problems arise in a business that operates in a global sphere, and therefore in diverse countries with diverse value-ethic systems that translate into diverse CSR expectations.

I contend that the substantial difference between the local CSR approach and the global CSR approach has to do with the 'sectorial' or 'systemic' set-up of the respective strategies. In particular, operating in a local context offers the opportunity to 'select and rate' CSR expectations as an effect of the selection and rating of the stakeholders. Operating in a global context, however, imposes a coordinated and complex consideration of CSR expectations, in light of the interdependence that is created between stakeholders spread out through diverse contexts, but who are increasingly in direct communication with each other.

In a local sphere, a firm's actions interact with the external environment providing the possibility to 'filter' or 'select' expectations and pressures that come from external entities and systems, according to their relevance to business strategies.

What's more, as indicated by Schroeder (2009), local stakeholders' expectations about brands are also conditioned by cultural, ideological and social climates in that particular context ('the cultural codes of branding'). Therefore, it is inevitable that even the meanings of CSR may differ from country to country.

Regarding social responsibility, what translates into discretionary evaluation and selection are the answers that meet the demand for social responsibility, as expressed by local stakeholders, and placed and prioritized according to importance. For example in a specific local context, the necessity to safeguard workers' rights might be prioritized among a firm's many obligations of social responsibility. On the other hand, another local context might prioritize the necessity of safeguarding the environment, giving only slight attention to workers' problems, because it is felt that the judicial regime in force is sufficient and adequate in regulating the matter. In consideration of the priorities manifested in a specific local context, a firm can define the local CSR strategy in a way that responds to the needs of the external environment through its spokespeople (the stakeholders).

Support for this thesis is found in the results of research undertaken by ISTUD⁵ (2002–04) aimed at revealing the state of CSR application in major European countries (ISTUD, 2003). This research shows that stakeholder management in a specific local context is generally carried out for single projects, addressed to single reference groups, from a one-to-one point of view (Caramazza et al., 2006). The result is a CSR approach that has a 'sectorial' nature and that chooses and prioritizes diverse CSR expectations that come from the external environment. The firm formulates a CSR response calibrated to the specific needs of the local context that takes into account the survival of the company, but that is also defined by a selective approach without an integrated vision of all the CSR projects. Subsequently, the CSR strategy pursued in the specific local context is evaluated by local stakeholders, and the positive or negative opinions reflect on the local brand image.

Therefore, the link between local CSR strategy and local brand image is articulated in the sequence of *CSR local demand*–*CSR local response*–*local Brand image*. The contents of the CSR demand and the CSR response also depend on the power and ability of local stakeholders to communicate to the company.

In my opinion, this approach is not applicable when the firm's activities extend to a global level. A global CSR strategy cannot present the characteristics of 'sectoriality', the selection and prioritizing of CSR expectations. In other words, the thesis can be expressed through the following proposition:

Proposition 4: In the global context, it is not possible to 'select' and 'prioritize' diverse CSR expectations.

Operating in a global context means having to take a varied whole of expectations into consideration. While local context expectations remain specific and ordinal, in a global context they combine into a multidimensional picture that comprises them all. So, diverse possible declinations of the concept of social responsibility level off on a plane of equal importance, forming a whole where there is no possibility to define a hierarchical order, either from the perspective of demand, or consequently from the perspective of response from the company. Therefore, the company's actions in terms of social responsibility are deprived of the possibility to 'select' and 'prioritize' cases of CSR from the external environment. By regulating the degree of openness of its environment, the company can decide the intensity of the degree of satisfaction of CSR expectations, but cannot favour certain CSR dimensions more than others.

The basic reason for companies to demonstrate the ability to satisfy CSR expectations in a multidimensional sphere is that the impact of a company's social behaviour on brand image is amplified by the very rapid communication flow existing in the inter-stakeholder global context. One of the principal characteristics of globalization is that a large part of popular culture has become a global culture (Holt et al., 2004). This is due to the fact that the entire world is in communication in many forms, newspaper and magazine articles, television and radio broadcasts, internet content, books, films, music, art, and also advertising and marketing communications.

Furthermore, the incredible development of the internet has greatly accelerated the development of global communication. The speed at which information circulates in the global context today ensures that the actions of a company in a specific territorial context will soon be known in the rest of the world, amplified by the role the media plays in constructing brand image and corporate reputation (van Gelder, 2002; Mark Herbert and von Shantz, 2007). For these reasons, it can be asserted that the impossibility to select and prioritize CSR expectations expressed by global stakeholders is the consequence of the fact that:

Proposition 5: Expectations of global stakeholders are formed through a process that has a double nature, both additive and compensative.

Global stakeholders' expectations have an *additive* nature in the sense that a global firm must take into account the sum of the expectations from the different local contexts where the firm is present. Global stakeholders' expectations are also *compensative* because expectations, stakeholder power, incidence and conditioning compensate reciprocally, and this calls for all dimensions of CSR to be considered on a plane of equal importance.

Returning to the example made earlier, the diversity of local stakeholder expectations regarding the contents of social responsibility (work conditions, the environment, transparency and truth in information, and so on) tend to be cancelled out by their intersection in the global context, and consequently a company's response cannot be based on the selecting and prioritizing that is used locally, but must connect to their addition and compensation in a systemic and no longer sectorial order. Independently of diverse laws that regulate aspects of social responsibility in different countries, the firm must provide a comprehensive answer to the global market on the nature of its social conduct, and therefore must set a CSR strategy that includes all of its possible meanings.

Furthermore, relative positions of stakeholder power relating to the company cancel each other out in a global perspective, combining in a systemic order through a process that also has an

additive and compensative nature. Therefore, the link between global CSR strategy and global brand image, which also in this case is articulated in the sequence of *global CSR demand–global CSR response–global Brand image* reflects a firm's capability to be perceived as socially responsible from a multidimensional and non sectorial point of view.

What is needed, therefore, in a global environment is a strategic, comprehensive design defined in a multi-stakeholder and multidimensional logic. To do this, it is necessary to define an integrated CSR strategy that takes into consideration:

- the whole of the CSR needs manifested by all categories of stakeholders, indivisible at this point on the global level;
- the relationships that the different categories of stakeholders entertain among themselves, referring specifically to the reciprocal conditions in the positive or negative judgment of the firm's behaviour;
- the spread and diffusion of inter-stakeholder communication that, on a global level, determines a contamination and a reciprocal conditioning of diverse local brand images, acting as an amplifier of stakeholders' opinions, both positive and negative, of the company's social behaviour.

Through the systemic approach of CSR strategy that surpasses the logic of single projects in favour of a plan for the whole aimed at comprehensive equilibrium of relations with stakeholders,⁶ a firm could make CSR a strategic asset to spend on the global market. In such a way, global brand image could be reinforced through the social responsibility of a firm which, in a global business strategy, is not the simple sum of local answers provided by the firm to satisfy the demands of social responsibility.

A concrete example of this vision that considers stakeholders at the world level, and not the local level, is provided by the Sony Group, which eliminated chemical substances from its products throughout the world, even though the specific substances are prohibited only in Europe. In the 2006 *CSR Report*, Ryoji Chubachi, President and Electronics CEO, synthesized Sony's global CSR approach like this:

Although the RoHS (Restriction of Hazardous Substances) Directive restricts the use of certain specified chemical substances in electrical and electronic equipment brought to market in the European Union beginning in July 2006, Sony has eliminated these specified chemical substances from nearly all of our products shipped worldwide, not just in Europe, by March 31, 2006. I believe that special consideration for the conservation of the environment is not only a corporation's social responsibility but also a key to its competitiveness. As a global organization, we are actively endorsing the importance of compliance with the laws and standards of each country and region in which we operate, and of conducting our operations in a manner that is in harmony with accepted corporate ethics and social norms, throughout the Sony Group. (Sony, 2006)

For a company that operates at the global level, integrating CSR in its business strategies means creating distinct competences recognizable by stakeholders worldwide. Through this recognition, global brand image is enhanced.

Furthermore, global consumers are induced to buy global brands to feel like citizens of the world – that is, to reach a global identity based on a global culture (Holt et al., 2004); among the cultural ideals on which this global culture is based, the principal element is the ideal of social responsibility.

Conclusions

As has been seen, even though local contexts manifest different priorities from the numerous aspects of CSR, for a global brand comprehensive stakeholder opinions are formed by observing the social behaviour assumed in general by the firm, analysed all over the world.

The theory proposed in this paper is that in a global context, the strengthening of brand image through CSR is not simply the sum of local CSR strategies that the firm adopts in the different local contexts in which it operates. In the global context, CSR strategy must include all dimensions of CSR placed on an equal level of importance, without the possibility of selection and order.

As Werther and Chandler (2005) affirm, the legitimacy that companies seek through CSR practices is obtained across multiple cultures and countries: 'Legitimacy is not just a home country phenomenon, it must be viewed globally' (2005: 324). As a consequence, brand strategy must enhance both home and host country perspectives.

In the era of internet and global communication, what a company does in one country becomes an element of competitive evaluation, and does not remain inside the confines of local context. From this consideration comes the opinion that:

Proposition 6: It isn't possible to adopt a 'glocal' approach when defining global CSR strategy.

Indeed, whereas for global brand management there is the possibility of differentiating the marketing mix following a 'glocal' approach, uniting centralized elements and differentialized elements according to local specifics (van Gelder, 2002), the theme of CSR does not allow different local CSR strategies. It is not possible to select and prioritize diverse CSR expectations because consumers, and more generally stakeholders, judge the company on everything it does in every part of the world.

In this regard, Dimofte et al. (2008b) affirm that, above all in developed countries: 'A brand's globality could imply worldwide success and, thus, the seal of approval of a wide marketplace audience' (2008b: 115). For a global firm, adopting many different local CSR strategies that differ from country to country can bring about a fragmented and incoherent comprehensive strategy that tends to be limited to the minimum CSR standards required by a single local context (Muller, 2006); Vice versa, the adoption of a global CSR strategy, integrated and valid for all the countries in which the company is present, could bring about the 'harmonizing towards the top' phenomenon of CSR standards.

In addition, an integrated CSR strategy can not only allow multinational firms to avoid being exposed to different pressures from country to country (Muller, 2006) but also represents the presuppositions for obtaining a strong brand image at a global level, in which global consumers can see themselves reflected in the search for a global identity (Özsomer and Altaras, 2008).

Adopting an integrated and unique CSR strategy that surpasses, in certain cases, expectations expressed in local contexts, reinforces world stakeholders' perceptions that the company has 'used its resources to benefit society', considered as a whole and in its unity throughout the world.

Notes

1. The new 'meaning of life' brands serve three important functions: personalization, communication and warranty (Kapferer, 1997). These functions are carried out by brands independently of the product with which they are associated, in that they pertain to the whole of symbolic and expressive elements and values that a company transmits to the market through its product and its social and economic behaviour.

2. According to Carrol (1989) the four categories of CSR are: *Philanthropical*: 'being a good citizen'; *Ethical*: 'being aligned with society's values'; *Legal*: 'obeying the law'; *Economical*: 'being profitable'.
3. In fact, the authors show that the debate between pro- versus anti-global is centered around five factors related to global brand: availability and visibility; symbol of achievement; safer choices and timesavers; environmental and social responsibility; standardized to versus adapted to local customs (Dimofte et al., 2008a: 43).
4. In general, as Erdem et al. (2006) contend, 'brand credibility is defined as the believability of the product position information contained in a brand, which depends on the willingness and ability of firms to *deliver what they promise*'. This is true also with regard to CSR promises.
5. ISTUD (Istituto di Studi Aziendali) is an Italian Business School operating in Europe in the sphere of advanced professional training and research into management.
6. Finding a comprehensive equilibrium in relationships with stakeholders requires managing possible conflicts of interest between stakeholders that can manifest at a local level or in the global sphere, in order to pinpoint behaviours and crucial obligations to be responsible judges (Boatright, 1993).

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