Strategic CSR Communication in Social Media:
The Effectiveness of Stakeholder Information, Response, and Involvement Communication Strategies Factoring Corporate Reputation

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Abstract

Although communicating CSR efforts is as important as CSR implementation, many companies face difficulty with how to intelligently communicate their CSR efforts to stakeholders, especially through social media. This study examined the effectiveness of three social media communication strategies (stakeholder information, response, and involvement strategies) at enhancing company identification, attitudes toward a company, supportive communication intent, and purchase intent, while factoring in corporate reputation. A randomized 3 x 2 online experiment with real stakeholder samples was conducted. The findings showed that a company’s reputation is a crucial factor in determining how stakeholders react to CSR communications on social media, indicating that the choice of communication strategies should be based on corporate reputation. While a reputable company might enjoy the benefits of collaborative CSR strategies (i.e., involvement strategy) by enhancing consumer-company identification among stakeholders, participants generally expressed significantly positive responses across all three communication strategies in other ways (i.e., attitudes, supportive communication intent, and purchase intent). Conversely, for companies with a bad reputation, respondents responded significantly more positively to the stakeholder response strategy compared to other communication strategies across all tested dependent variables. The strategic choice of CSR communication approach is much more important for a company with a bad reputation.

Introduction

Companies increasingly seek to obtain stakeholder support to improve or maintain sustainable business operations by demonstrating how they contribute to society and showing that they are responsible corporate citizens (Du & Vieira, 2012). Just as CSR implementation is important, so too is communicating CSR efforts (Kim, 2016). However, many companies face difficulty with how to intelligently communicate their CSR efforts to stakeholders, especially through social media (Morsing, Schultz, & Nielsen, 2008). One of the major challenges of CSR communication in social media is that companies lose control over the direction or intensity of content that can be shared through their social media. With traditional corporate communication, the flow of information tends to flow from the company to stakeholders. The information is carefully and strategically selected, shaped, and framed to maximize the mutual benefits of circulating the information for the company and stakeholders. However, on social media platforms such as Facebook, companies cannot possibly control all of the content that stakeholders may share. Fearing negative comments and reactions from stakeholders, companies tend to use social media as merely a communication channel, through which CSR messages are simply disseminated, rather than using it as a tool to facilitate dialogic conversations and interactions with stakeholders (e.g., Burton & Soboleva, 2011; Etter, 2014).

Although public relations practitioners and scholars seek insight on the strategic usage of social media for effective CSR communication, previous research has struggled to answer how to maximize the benefits of social media as a dialogic, interactive medium. Prior research examines how companies currently use social media platforms to communicate their CSR efforts – mostly using a content analysis technique (e.g., Etter, 2014; Tao & Wilson, 2015; Kim, Kim & Sung, 2014). These studies provide relatively limited practical implications for public relations practitioners on how to use social media.

This study argues that CSR communication through social media needs to evolve from merely providing information on CSR commitments, policies, impacts, motives, and actions, etc.
(stakeholder information communication strategy) to engaging stakeholders in dialogue and joint decision-making about CSR issues (stakeholder involvement communication strategy). Pearce and Doh (2005) suggest that CSR practices work best when managed strategically and in collaboration with different groups and partners. Boehm (2002) highlights the benefits of collaborative CSR strategies to both companies and the community. Social media such as Facebook has strong potential to serve as an effective means of two-way symmetrical communication, which can facilitate and promote the collaborative building of CSR.

However, this study also argues that the selection of CSR communication strategy should be made carefully, and after first considering the corporate reputation. A highly dialogic and interactive CSR communication strategy may not be always positive for some companies. When a company has a bad reputation, a stakeholder involvement strategy may backfire, as seen by McDonald’s #McDStories Twitter campaign. The company hoped that the hashtag would inspire heart-warming stories about McDonald’s, but instead the campaign attracted critical tweets in which people began to share the horror stories about McDonald’s (Forbes, 2012). Furthermore, the failed CSR communication attempt received unwanted media attention and was shared among stakeholders on the Internet, further amplifying the backlash. The nature of CSR is meeting the responsibilities that are demanded by society and by stakeholders, a company with a negative reputation that attempts to engage stakeholders through social media is fraught with risks.

As such, “corporate CSR involvement today requires more sophisticated and ongoing stakeholder awareness and calls for more sophisticated CSR communication strategies than previously” (Morsing & Schultz, 2006, p.323). Adapting the three CSR communication strategies by Morsing and Schultz (2006), this study aims to examine the effectiveness of three social media communication strategies (stakeholder information, response, and involvement strategies) at enhancing corporate identification, attitudes toward the company, supportive communication intent, and purchase intent, while factoring corporate reputation. The communication strategies will be explained in greater detail in the sections below.

Corporate managers and public relations practitioners will find the study findings useful when carefully planning their CSR communication strategies on a social media platform. If the current study demonstrates the value of stakeholder involvement strategies, which maximize the characteristics of the platform, the findings can encourage companies to adopt two-way symmetrical CSR communication practices with greater confidence. If the findings show that the choice of communication strategies should be different according to corporate reputation, the results provide very useful information for practitioners to determine which strategic communication of CSR is more suitable based upon their company’s corporate reputation. Academically, the study extends our understanding of the effectiveness of the three CSR communication strategies by providing much-needed empirical evidence of such strategies.

**Literature Review**

**Stakeholder theory**

Stakeholder management has become one of the most encompassing topics in the fields of corporate management and strategic communication since Freeman (1984) first introduced the stakeholder theory. The stakeholder theory emphasizes the interconnected relationships between a business and its stakeholders (Freeman, 1984). Stakeholders, defined as “any group or individual who can affect or is affected by the achievement of the firm’s objectives”, may include customers, suppliers, employees, local communities, competitors, stockholders and more.
In his theory, Freeman (1984) proposed a view that a firm may function as a common hub in which business and various stakeholder groups interact and share interests. The major task of managers and strategic communicators, therefore, has become managing expectations of different stakeholder groups, integrating relationships and promoting shared interests among them to ensure a business’ long-term success (Freeman 1984).

In recent years, strategic management studies began to look at ways of involving stakeholders in long-term corporate value creation as important actors (Andriof et al., 2002). The idea behind was that co-creating corporate values can be an effective means of developing a long-term and mutually beneficial relationship with stakeholders. Johnson-Cramer et al. (2003) argued that “the essence of stakeholder dialogue is the co-creation of shared understanding by company and stakeholder” (p.149). As such, because the focus of stakeholder management has moved more toward stakeholder relationship management, scholars propose that stakeholder participation and dialogue to create a shared understanding should be an important element of corporate actions (Morsing & Schultz, 2006). The discipline of public relations focuses on “a strategic communication process that builds mutually beneficial relationships between organization and publics/stakeholders” (PRSA, 2012), provides a very relevant and useful theoretical framework when it comes to communication models for establishing and maintaining stakeholder relationships.

**CSR communication strategies**

Morsing and Schultz (2006) proposed, based on Grunig & Hunt’s (1984) characterization of the models of public relations, three CSR communication strategies regarding how companies can strategically interact with stakeholder groups. In their 1984 textbook, Managing Public Relations, J. Grunig and Hunt(1984) proposed the four models of public relations both to describe the historical development of public relations and to describe the typical ways in which contemporary public relations has been practiced. These models include press agent/publicity, public information, two-way asymmetrical, and two-way symmetrical communication models. The models often serve as frameworks for crafting public relations programs, strategies, and messages. The press agent/publicity model proposes that an organization seek attention for itself in almost any way possible. The public information model refers to journalists-in-residence who disseminate accurate, but usually only favorable information about their business. With the two-way asymmetrical model, practitioners conduct scientific research and theories to determine how to persuade publics to behave in the way the client organization desires. With the two-way asymmetrical model, public relations practitioners use scientific research, persuasion theories, and dialogue to bring about reciprocal changes in the perceptions, attitudes, and behaviors of both the company and its publics.

Morsing and Schultz (2006) adapted three of the public relations models and proposed the CSR communication strategies, including the stakeholder information strategy, the stakeholder response strategy, and the stakeholder involvement strategy. In the stakeholder information strategy, similar to the public information model, communication is almost always one-directional from a corporate entity to stakeholders to communicate information about CSR accurately and objectively. This model assumes that stakeholders carry a significant impact on businesses/organizations in that they can either support the firm by showing loyalty, engaging in positive communication (e.g., word-of-mouth recommendation) and purchasing products, or expressing opposition in ways such as boycotting (Smith, 2003). Therefore, informing stakeholders of CSR activities and the positive intentions behind CSR activities is regarded as a
critical starting point for CSR communication to ensure positive stakeholder responses. According to this model, upper management or strategic communicators may believe that simply informing the general public of favorable corporate actions is sufficient to effectively and positively influence stakeholders. Because the stakeholder information strategy is characterized as one-way communication to disseminate organizational information to stakeholders, in this model, practitioners may not use any sort of formal research to guide communication tactics nor interact with stakeholders in any form. No direct contact is initiated outside of the original information broadcast. The focus is simply about informing stakeholders about corporate goodwill activities and programs.

The stakeholder response strategy is based on a two-way asymmetrical model of public relations (Morsing & Schultz, 2006). Although the communication flows mostly from the corporate entity to the stakeholders, the model also allows information flow from the stakeholders to gauge their feedback on the corporate entity’s communication attempt. For example, consumers can ask questions or take a consumer feedback poll so that the company can improve their CSR programs and related communication tactics. However, “this is an evaluative model of measuring whether a particular communication initiative has improved stakeholder understanding of the company” (Morsing & Schultz, 2006, p.327). The true intention of interacting with stakeholders is for incorporating their feedback, and primarily making sure that stakeholders understand and accept the corporation/organization’s way of thinking rather allowing them to impact the company’s policies, CSR programs, communications, or points of view.

The stakeholder involvement strategy entails honest and open two-way communication for mutually beneficial relationships, based on a two-way symmetrical model (Grunig & Hunt, 1984). The involvement strategy attempts not only to provide information, answer questions, and integrate feedback, but also actively initiate contact with stakeholders and asks them to actively participate in the generation of ideas for corporate efforts. It focuses on mutual respect and efforts to achieve mutual understanding, and also emphasizes negotiation and a willingness to adapt and make compromises (Grunig & Hunt, 1984). It is a process of co-creating corporate values through negotiations and adaptations between a company and its stakeholders regarding CSR activities. For example, a company or organization would integrate stakeholders’ CSR concerns in a concurrent dialogue and if necessary, corporate policies can be changed to ensure successful relationships with the stakeholders. This approach is well-aligned with the idea of stakeholder management proposed by Freeman (1984) and the two-way symmetrical model of public relations proposed by Grunig and Hunt(1984).

The three CSR communications strategies framework has been adopted by public relations and management scholars as a means of exploring a company’s CSR information disclosure and sensemaking process (Wanderley, Lucian & Farache, 2008; Schultz, Wehmeier, 2010), the views of management teams on CSR communication (Arvidsson, 2010), CSR communication strategies in social media (e.g., Etter 2014; Colleoni, 2013; Lee, Oh, & Kim, 2013) and public expectations of CSR communications (Kim & Ferguson, 2014).

**CSR communication challenge**

Based on the above explanation, the stakeholder involvement strategy based on the two-way symmetrical communication model may appear to be a more ideal form of CSR communication in theory. The thought, however, needs to be more carefully considered because the findings of some prior studies show that not every stakeholder is willing to or wants to get
involved in the corporate attempt to engage with them concerning the CSR process (e.g., decision-making, CSR implementation, CSR communications). As an example, Reputation Quotient Surveys (2005) showed that a significant portion of respondents in three Scandinavian countries preferred more minimal communication in relation to social responsibility (e.g., subtle communication of CSR such through annual reports), while the other half responded that companies need to communicate broadly, openly and proactively about important CSR efforts through public relations or advertising. A small portion of respondents, about 10%, even answered that companies should not publicize their CSR activities. Based on this data, Morsing and Schultz (2006) suggest that Northern European stakeholders may want to be informed about CSR efforts more subtly, and may not want to be bothered by corporate attempts to involve them in the process of CSR efforts/communication (e.g., requesting more active involvement in CSR efforts) (Morsing & Schultz, 2006).

When the very basic assumption for positive stakeholder responses toward a socially responsible company is stakeholders’ awareness of such CSR efforts (Pomering & Dolnicar, 2009), but stakeholders do not want to be actively communicated to about CSR, managers and public relations practitioners inevitably face serious communication challenges. When assessing the prerequisite for successful CSR implementation (i.e., consumer awareness of CSR initiatives), Pomering and Dolnicar’s (2009) study findings indicate low consumer CSR awareness levels. From corporate perspectives, low consumer awareness of the various social issues which a company engages with their CSR efforts can be problematic. Pomering and Dolnicar (2009) propose that companies may need to educate consumers so that they can better contextualize the CSR initiatives that are communicated. Yet, from general publics’ point of view, they may prefer to search for such information when they want to. This potential conundrum indicates the importance and necessity of more sophisticated CSR communication strategies tailored toward each corporation’s unique situation (e.g., different reputation) and toward different stakeholder groups (Dawkins, 2004; Morsing & Schultz, 2006). As Dawkins (2004) concluded, “effective communication of corporate responsibility depends on a clear strategy which evaluates both the opportunities and the risks to the brand, and which tailor messages to different stakeholder groups” (p. 108).

A recent study with U.S. respondents revealed somewhat different findings from the above survey findings. Kim and Ferguson (2014) explored consumer expectations regarding what and how to communicate CSR with U.S. respondents. Their study showed that respondents in the U.S. preferred news media channels to receive CSR information, but many more preferred a more proactive method of communicating CSR efforts through a company’s local stores, websites, promotional events, CSR-focused corporate website, and annual reports. These inconsistent findings suggest that, without specifically examining the communication strategies with specific target stakeholder groups (e.g., employees, consumers, local community), it is hard to determine the extent of involvement that stakeholder groups want.

Would communication specialists and managers be better advised to simply inform stakeholders of their CSR efforts (stakeholder information strategy), inform them and allow their input and feedback (stakeholder response strategy) instead of trying to involve them in a two-way symmetrical communication process (stakeholder involvement strategy)? This study proposes that stakeholder responses to the three communication strategies may vary depending on corporate reputation.
CSR communication in social media

Social media presents great opportunities for companies and organizations to communicate with publics directly. The field of public relations has embraced social media as an important tool that facilitates building relationships with stakeholders. Research shows that an overwhelming number of businesses and organizations use various social media platforms to build relationships with stakeholders (Sweetser & Metzgar, 2007; Trammell, & Keshelashvili, 2005). That is because these new communication platforms are inexpensive and convenient communication channels to disseminate CSR-related content to various stakeholder groups, and further engage stakeholders in the communication or decision-making process and promote mutual understanding (Kent & Taylor, 1998). The various types of social media available these days (e.g., Facebook, Twitter, YouTube, Instagram) present valuable opportunities to practice the stakeholder involvement strategy (i.e., two-way symmetrical communication) if a company so chooses.

The development of Web 2.0 has substantial potential for engaging stakeholders in dialogue, in contrast to annual reports or a static corporate website with limited space for dialogue. The term Web 2.0 was first introduced by O’Reilly (2005) to explain the development of various technologies and social trends through the internet. Social networking sites, Wikipedia and blogs are examples. Web 2.0 is a technological development that highly impacted social trends. Hoegg et al. (2006) note Web 2.0 represents more than a technological development; instead, it is “the philosophy of mutually maximizing collective intelligence and added value for each participant by formalized and dynamic information sharing and creation” (p.13). When it comes to CSR communication through social media, one of the important features is the built-in function that enables commentaries from stakeholders on every entry. The commentary feature enables open discussion on every posted CSR-entry and therefore fosters dialogue between the page managers and stakeholders (Fieseler, Fleck, & Meckel, 2009). With the substantial potential, academics and practitioners argue that social media provides an ideal platform for collaboration, stakeholder engagement, dialogue, building relationships with stakeholders (Bortree & Seltzer, 2009; Grunig, 2009).

However, Web 2.0 can be a double-edged sword, presenting a major challenge for companies engaging in CSR communication through social media. Companies can lose control over the direction or intensity of content that can be shared through their social media. With traditional corporate communication, the flow of information tends to flow from the company to stakeholders. The information is carefully and strategically selected, shaped, and framed to maximize the mutual benefits of circulating the information for the company and stakeholders. However, on social media platforms such as Facebook, companies cannot possibly control all of the content that stakeholders may produce and share. Accordingly, the technological potential remains as a potential; it is a company’s decision of which CSR communication strategy it wants to predominantly use. Corporate social media pages can be a space to deliver CSR information (e.g., disseminating information about positive CSR decisions and actions), a more dialogue-based space (e.g., investigating feedback via opinion polls, engaging in dialogue), or a space actively inviting stakeholders to take part in the co-creation of values in relation to CSR programs (e.g., inviting and establishing frequent, systematic and proactive dialogues, co-selecting CSR programs, adapting stakeholder inputs for changes).

Studies indeed found a little evidence that companies use social media platforms in a manner conducive to two-way symmetrical model. Fearing negative comments and reactions from stakeholders, companies tend to use social media as merely a communication channel,
through which CSR messages are simply disseminated, rather than using it as a tool to facilitate dialogic conversations and interactions with stakeholders (e.g., Burton & Soboleva, 2011; Etter, 2014; Waters, Burnett, Lamm, & Lucas, 2009). Similar findings were suggested by studies on Twitter (Lovejoy, Waters & Saxton, 2012).

This study argues that CSR communication through social media needs to evolve from merely providing information on CSR commitments, policies, impacts, motives, and actions, etc. (stakeholder information communication strategy) to engaging stakeholders in dialogue and joint decision-making about CSR issues (stakeholder involvement communication strategy). Pearce and Doh (2005) suggest that CSR practices work best when managed strategically and in collaboration with different groups and partners. Boehm (2002) highlights the benefits of collaborative CSR strategies to both companies and the community. However, the selection of CSR communication strategy should be made carefully, and after first considering corporate reputation since a highly dialogic and interactive CSR communication strategy may not be always positive for companies with a negative reputation.

**Stakeholder responses factoring in corporate reputation**

A corporate reputation refers to cumulative assessments of a company that stakeholders make regarding how well a company is meeting stakeholders’ expectations and how successfully it is delivering the valued outcomes to its stakeholders (Fombrum, Gardberg & Sever, 2000; Rindova & Fombrum 1999). A reputation is built over time across different attributes or components of a company (Herbig & Milewicz, 1993), and functions as a reliable estimation of the consistency of a corporation’s economic and social performances (Herbig & Milewicz, 1993; Yoon et al, 1993). The importance of corporate reputation lies in its value as a top-level factor for organizations to achieve a sustained competitive advantage (Sanchez & Sotorrio, 2007). In a business context, stakeholders recognize reputational information as a reliable indicator of corporate performance or behaviors. Publics can also utilize corporate reputation as a critical reference to help them frame how they view CSR activities.

A good reputation benefits corporation in tangible and intangible ways (Fombrun & Shanley, 1990; Roberts & Dowling, 2002). A good corporate reputation produces positive attitudes, greater loyalty, and support from stakeholders, and attracts employees, mainly because people value associations with highly reputable companies (Roberts & Dowling, 2002). It not only increases investment intention and recommendation intention among stakeholders (Kim & Choi, 2012) but also enhances financial performance (Sabate & Puente, 2003; Lai et al., 2010). Conversely, if a company has an established negative reputation, the opposite scenarios can be applied; a bad reputation could hurt corporations in tangible and intangible ways.

This study suggests that companies with negative reputation should focus on demonstrating their commitment, policies, impact, and sincerity to persuade stakeholders that the company recognizes its weaknesses and is working to improve. In the process, of course, a company needs to integrate some elements of stakeholder feedback given the nature of social media platforms as an interactive medium. In other words, a stakeholder response strategy may serve as a better tool for managing consumer backlash in the case of non-reputable companies. The stakeholder response strategy is focusing on “giving sense” to its decisions while allowing stakeholder feedback in a slightly more controlled way, rather than fully engaging stakeholders in the communication/decision-making process. According to Kim and Ferguson’s (2016) study, stakeholders evaluate the informativeness of CSR messages as the most critical out of the six dimensions of CSR communication. By contrast, the stakeholder involvement strategy is
expected to be more beneficial for reputable companies because it actively embraces the two-way symmetric communication and relationship-building approach.

As for stakeholder responses, this study uses consumer-company identification (C-C identification), attitudes toward a company, supportive communication intent, and purchase intent. CSR researchers who focus on stakeholder behaviors (e.g., consumers) have adopted the concept of consumer–company identification (C–C identification) to explain the influence of CSR on stakeholder perceptions (e.g., Lichtenstein et al., 2004; Luo & Bhattacharya, 2006; Marin et al., 2009). Consumer-company identification is explained as “the primary psychological substrate for the kind of deep, committed, and meaningful relationships that marketers are increasingly seeking to build with their customers” (Bhattacharya & Sen, 2003, p.76).

Consumer-company identification results in numerous beneficial corporate outcomes, such as stakeholder satisfaction, emotional attachment, and loyalty (Luo & Bhattacharya, 2006). Supportive communication intent is especially important in gauging stakeholder responses to corporate communication attempts through social media. Enhancing favorable communication-related intentions among stakeholders is often one of the main purposes of CSR communication on social media.

The foregoing discussion provides a theoretical and logical rationale for the possible interaction effects of reputation and communication strategies on stakeholder reactions, as well as the main effects of corporate reputation. Thus, the following hypotheses are derived:

H1. Respondents show significantly more positive reactions toward a good reputation company than a bad reputation company across different communication conditions.

H2 a-d. For a good reputation company, the involvement communication strategy engenders significantly more positive (a) company identification, (b) attitudes, (c) supportive communication intent, and (d) purchase intent among respondents than reactive or information communication strategies.

H3 a-d. For a bad reputation company, the reactive communication strategy engenders significantly more positive (a) company identification, (b) attitudes, (c) supportive communication intent, and (d) purchase intent among respondents than involvement or information communication strategies.

Methods

This study employed a randomized 3 (corporate association communication strategies: Information, reactive and involvement) x 2 (reputation: good vs. bad) full factorial design.

Stimuli

For stimuli, two companies were selected through a pretest with college students (n=83): Target and Wal-Mart were used to represent a good reputation company and bad reputation company, respectively. For the pretest, ten companies were initially chosen (Panera, Subway, McDonald’s, Starbucks, Chick-Fil-A, Whole Foods, Costco, Target, Sam’s Club and Wal-Mart); a researcher reviewed the Reputation Institute’s RepTrak Pulse Ranking (Reputation Institute, 2017), various consumer reports and news articles regarding the least and most reputable companies from which to select the ten companies. Given that, at $437.8 billion (SelectUSA 2015), the US consumer goods and the retail market is the largest in the world, understanding stakeholder reaction in this market is important. The pretest then tested respondents’ evaluations of the ten companies’ reputation and their familiarity with those companies. The perceived reputation measures are explained in the measurements section. Based on the results of the first pretest, the two companies were selected (Target vs. Walmart) because the chosen pair is in the
same sector, consumers are fairly familiar with both companies, and they have distinctive reputations (good vs. bad). Some prior studies use fictitious companies or real companies with neutral reputations for their stimuli to manipulate corporate reputation so that other factors (e.g., pre-existing attitudes) do not interfere with the results of the experiment. However, employing this method has its critical limitations by neglecting the fact that a reputation is generally built over time, which is how it carries a strong value in consumers’ minds (Kim & Woo, 2018). Despite the importance of using real companies, doing so, of course, poses difficulties in controlling for possible interference. To address this issue, several techniques were utilized in this study, including matching familiarity and statistical controls to control for pre-existing attitudes. The matching technique is a method of making experimental groups more comparable (Babbie, 2004). By matching consumers’ familiarity with the chosen companies, researchers have attempted to control for the subjects’ familiarity by using real companies. Familiarity was measured by a seven-point polar adjective scale (1-not at all familiar vs. 7- extremely familiar) (Becker-Olsen et al., 2006). The results showed that two pairs of companies were evaluated as similarly familiar: Target and Wal-Mart (M_target =5.21, SD=1.8 vs. M_walmart=4.78, SD=1.85, t=.95, n.s.).

The communication strategies were operationalized as follows. The information communication strategy was operationalized as a one-way flow of information from the company to consumers, without actively engaging consumer replies or reactions to the post. The reactive communication strategy provides information and shows reactions to consumers’ replies or questions about the posts (e.g., answering consumers’ questions or replies to Facebook posts). With the reactive communication strategy, the flow of information is two-way but also asymmetrical; the communication flows mostly from the corporate entity to consumers and consumers’ replies/questions are considered as feedback, but they are not considered as co-creators of CSR programs. The involvement strategy attempts to not only provide information, answer questions and integrate consumer feedback, but to also actively initiate contact with stakeholder groups and ask consumers to participate in the generation of ideas for CSR efforts.

According to the operationalization, six corporate Facebook pages that simulated a real Facebook corporate page were created for the online experiment (three communication strategies for Target and three for Walmart). As a CSR program, an employee relations program (e.g., Team [company] program) was selected. In selecting this topic, CSR reports by Target and Walmart were reviewed, with employee relations CSR programs appearing to be one of the core CSR programs by both companies that facilitate the active involvement of stakeholders (See 2017 Target CSR report, 2017 Walmart Global Responsibility Report). For this reason, the employee relations CSR topic was thought to reflect one of the major CSR programs by the two companies.

For each Facebook page, two posts regarding the launch of Team Walmart (or Target) were made. The first introduced the launching of the program and had three replies from consumers asking a question about the program (e.g., “Does this mean your employees get more workshops? Will they be compensated for participating in the workshops?”) or showing a simple reaction to the post (e.g., “I appreciate what you are doing). The first post had an external link for more information about the program, and two hashtags (e.g., #TeamTarget, #SocialResponsibility). The second post expressed excitement about the program with additional information and was posted the following day by manipulating the posting date. The second post also contained the same two hashtags (e.g., #TeamTarget, #SocialResponsibility).
Utilizing this basic setup, the researcher manipulated communication strategies as follows. For the information communication strategy condition, as explained, two posts were announcing the program and expressing the excitement of the program. For this condition, however, consumer replies were not answered, and no interaction was initiated from Walmart (or Target) to engage consumers further. For the reactive strategy condition, the same information was delivered through two posts, but consumer replies were answered. For example, when a consumer asked whether the program will provide employees with skill development training workshops, Target answered “Yes! We provide advanced professional training through Team Target programs for our employees. This will help the entry-level employees build their careers. Thank you for your comment, Sarah!” However, most replies are reactions to consumer replies, instead of actively and systematically seeking stakeholder involvement in the process of co-creating CSR programs. For the involvement communication strategy, the post itself contains additional information on the decision-making process – i.e., how the company collaborated with stakeholder groups to identify and develop solutions to the most pressing issues the company faces today. Based on the assessment and validation, the company decided to launch the program. While responding to consumer replies, the company attempts to engage consumers proactively. For example, when a consumer asks whether employees will be compensated for participating in the workshops, the company follows up to the reply by saying “Thank you for your suggestion on how to encourage workshop participation, William. I will raise this idea to the operations team for further consideration. Also, we promise you that we continue to engage our employees in the conversation to develop a better Team Target program. We’d love your input if you have anything else! Please share your ideas or suggestions on how we can make this program better https://contactus.target.com/WeListen.”

To create a more realistic Facebook page, each company’s page was almost identical to its official Facebook page, including the cover page picture, profile picture, and basic setup, etc. For each post, stock images from the company’s corporate website were used. All other elements aside from manipulation components and the basic setup of the corporate Facebook page (e.g., profile picture, cover page) were the same across stimuli. As noted earlier, creating realistic experimental conditions (e.g., using real companies, company logo, and pictures) poses difficulties in controlling for possible interference. For example, the length of replies or posts may vary according to communication strategy, which is inevitable given that the information strategy is a simple, one-way information dissemination strategy compared to other more engaging communication strategies. However, the benefits of creating a more realistic experimental setting outweighed the limitations in this study, which sought more realistic and practical insight for public relations practitioners. To reduce possible interference, the study randomly distributed participants into different conditions; the random distribution of participants should have helped to reduce any systematic errors. Randomization as a method of experimental control has been extensively used in experiments because it prevents selection bias, insures against the accidental bias, produces comparable groups, and more (Suresh, 2011).

After creating six Facebook pages for six conditions, a screenshot of each page was captured and then used as stimuli.

A second pretest was conducted to check the manipulation of stimuli. One hundred fifty college students were recruited from several communication courses at large public universities. The students were emailed a link to the study experiment. After clicking on the invitation link, they were directed to the experiment site, which used a randomization function to assign students to one of the six conditions. The students were exposed to a screenshot of a Facebook page for
the assigned condition as stimulus and answered manipulation check questions, including the believability of the stimuli, perceived reputation, and perceived communication involvement level. Believability was checked using a three-item seven-point semantic differential scale (Cronbach’s α=.93): unconvincing/convincing, unbelievable/believable, and not credible/credible (MacKenzie & Lutz 1989). Perceived corporate reputation was checked using a four-item seven-point Likert scale (Cronbach’s α=.93); I believe the company has a good reputation, I believe the reputation of the company is better than other companies, I believe that the company always fulfills the promises that it makes to its customers, I believe people are likely to respect this company (Kim, 2016). Perceived communication involvement level was evaluated based on the study’s operationalization criteria. Four items on the 7-point Likert scale were used (Cronbach’s α=.88); based on the social media posts and replies, I believe that the company tries to “take people’s suggestions and feedback into consideration in a reactive way,” “proactively demonstrate how the company integrates peoples' concerns”, “proactively work with stakeholders such as NGOs, community partners, employees to co-construct the company’s social responsibility programs,” and “invite and establish systematic and proactive dialogue with stakeholders.” The pretest results revealed no significant differences in terms of stimuli believability across conditions, and participants perceived the stimuli as generally believable (M = 5.71, SD=1.5). Perceived reputation varied as intended (Mgood vs. Mbad = 4.53 vs. 2.85, t (148) =16.5, p <.001). Participants under the involvement communication strategies conditions perceived the level of stakeholder involvement as significantly high, followed by the reactive communication and information condition (M= 4.25 vs. 2.01 vs. 3.86,. F (1,147) =6.7, p <.005). Because the manipulation was successful, the study used the developed stimuli for the actual experiment.

Data collection

To obtain a broader sample of general stakeholders, this study recruited consumer panelists from various age brackets managed by Qualtrics. Qualtrics sent invitation emails to panelists in various age brackets. Once participants clicked the invitation link, the experiment site used a randomization function to assign participants to one of the six conditions (Target/Information strategy, Target/Reactive strategy, Target/Involvement strategy, Walmart/Information strategy, Walmart/Reactive strategy, Walmart/Involvement strategy). Participants were first asked to answer their social media usage. Participants who answered that they “Never” use Facebook were filtered out because the focal point of this study was to evaluate the effectiveness of social media strategies, especially on Facebook. The participants were then asked to evaluate four companies (Walmart, Target, Nike, Kellogg’s). Additional companies were intentionally included to divert the attention of participants from the assigned company, and participants were asked to answer a series of questions about the assigned condition’s company (Walmart or Target) following the stimuli. Participants were then exposed to a screenshot of the given company’s Facebook page, which was designed for the specific condition, and were asked to fill out a questionnaire containing dependent variable measures and demographic information questions. The online experiment took about 15 minutes to complete on average.

Measurement

Corporate identification was evaluated using items on a five-point Likert scale(Cronbach’s α=.94): “the company reflects who I am”, “I can identify with the company,” “I do not feel a personal connection to the company (re-code item),” “I use the company to
communicate who I am to other people,” “I think the company could help me become the type of person I want to be,” “I consider the company to be me (it reflects who I consider myself to be or the way I want to present myself to others),” “the company suits me well” (Escalas, 2004; Hollebeek, Glynn, & Brodie, 2014)

Attitude toward a company was evaluated using three items with a seven-point semantic differential scale (Cronbach’s α=.97): good/bad, pleasant/unpleasant, and favorable/unfavorable (MacKenzie & Lutz, 1989).

Supportive communication intent was evaluated with three items using a five-point Likert scale (Cronbach’s α=.94): “I would say nice things about this company to others,” “I would talk positively about this company to others,” “I would recommend this company to others,” and “I would be supportive when talking about this company” (Kim, 2015).

For measuring purchase intent, participants were asked to answer three items on a five-point Likert scale (Cronbach’s α=.96): “I would like to purchase products/services from the company,” “I would like to pay for products/services from the company,” “I would like to buy products/services from the company,” “I am interested in purchasing their products/services” (Sen, Bhattacharya, & Korschun, 2006).

Results
A total of 234 panelists participated in the online experimental study. Participants were distributed across the six experimental conditions fairly evenly with an average of 39 (16.6%) participants per condition. Out of 234, 180 (76.9%) were female and 54 (23.1%) were male. When asked their ethnicity, 12 (5.1%) reported themselves as being of Hispanic origin and 222 (94.9%) reported themselves as of non-Hispanic origin. When asked their race, 213 (91.0%) reported themselves as Caucasian, 6 (2.6%) reported as African American, and 4 (1.7%) reported as Asian. The average age of participants was approximately 34 years old with a range of 18-73 years old.

Manipulation checks
Manipulation checks were successful, as intended. The manipulation check results revealed no significant differences in terms of stimuli believability across conditions, and participants perceived the stimuli as generally believable (M=5.04, SD=1.16). Perceived reputation varied as intended (M_good vs. M_bad = 4.78 vs. 2.95, t (233) =19.5, p <.001). Participants under the involvement communication strategies condition perceived the level of stakeholder involvement significantly highly, followed by the reactive communication and information conditions (M= 4.21, 3.73, 2.22. F (1,232) =9.2, p <.001).

Test of Hypotheses
H1 predicted a main effect of reputation on stakeholder reactions across different communication strategies, while H2 and H3 posited a possible interaction effect. H2 predicted that for a good reputation company, an involvement communication strategy will engender more positive reactions among respondents. H3, on the other hand, predicted that under a bad reputation condition, a reactive communication strategy will lead to significantly more positive stakeholder reactions. When there is a statistically significant interaction, reporting the main effects without looking at the details of the interaction effects can be misleading. Therefore, H2 and H3 were tested first.
A series of two-way Analysis of Covariance (ANCOVA) tests were conducted to examine possible interaction effects of corporate reputation and communication strategies on consumer corporate identification, attitudes toward the company, supportive communication intent, and purchase intent, after controlling for manipulation check items.

There was a statistically significant two-way interaction between corporate reputation and communication strategies on consumer-company identification (F (1,233) =6.03, p <.005, \(\eta_p^2= .05\)), as shown in Figure 1. Therefore, an analysis of the simple main effects of corporate reputation and communication strategies was performed. The analysis showed that when a company with a positive reputation implements a stakeholder involvement strategy, respondents report stronger corporate identification with the company compared to reactive (p <.05) or information (p <.05) strategies. For a company with a bad reputation, respondents responded significantly more positively to the stakeholder response strategy in comparison to the information strategy (p <.05) and engagement strategy (p <.005). Therefore, H2a and H3a were supported.

A statistically significant two-way interaction of reputation and communication strategies on attitudes toward a company was found (F (1,233) =8.27, p <.001, \(\eta_p^2= .69\)), as shown in Figure 2. An analysis of simple main effects of corporate reputation and communication strategies was performed. The test revealed significant simple main effects of CSR communication strategies on attitudes toward a company only under a bad reputation condition. For companies with a positive reputation, respondents did not distinguish between communication strategies but generally displayed very positive attitudes, while in the case of companies having a negative reputation, respondents reported significantly more positive attitudes toward the reactive communication strategy compared to the involvement strategy (p <.001) and information strategy (p <.005). Therefore, H2b was not supported while H3b was supported.

There was a statistically significant two-way interaction between corporate reputation and communication strategies on supportive communication intent (F (1,233) =5.37, p <.005, \(\eta_p^2= .46\)), as shown in Figure 3. An analysis of simple main effects showed significant simple main effects of CSR communication strategies on supportive communication intent only under a bad reputation condition. For a company with a good reputation, respondents did not distinguish between communication strategies but displayed highly supportive communication intent across all conditions. For a company with a bad reputation, respondents reported significantly stronger supportive communication intent toward the reactive communication strategy compared to the involvement strategy (p <.005) and information strategy (p <.01). Thus, H2c was not supported while H3c was supported.

There was a statistically significant two-way interaction between corporate reputation and communication strategies on purchase intentions (F (1,233) =7.70, p <.001, \(\eta_p^2= .64\)), as Figure 4 shows. Similar to the previous findings, this study revealed significant simple main effects of CSR communication strategies on purchase intent only under a bad reputation condition. For companies with a positive reputation, respondents did not distinguish between communication strategies but displayed generally very positive purchase intent. By contrast, for companies with a negative reputation, respondents reported significantly stronger purchase intent toward the reactive communication strategy compared to the involvement strategy (p <.005) and information strategy (p <.005).

Due to interaction effects, the main effects of reputation across communication strategies are better explained as discussed above. However, the findings showed significant main impacts
of reputation on all dependent variables. Across three different communication strategies, stakeholders’ responses were significantly more positive toward a good reputation company than a bad reputation company; consumer-company identification\(F(1,233)=54.69, p <.001, \eta^2=.29\), attitudes\(F(1,233)=113.81, p <.001, \eta^2=.34\), supportive communication intent\(F(1,233)=94.56, p <.001, \eta^2=.30\) and purchase intent \(F(1,233)=733.24, p <.001, \eta^2=.13\). Therefore, H1 was supported.

**Discussion**

While the communication CSR efforts are just as important as CSR implementation, many companies face difficulty with how to intelligently communicate their CSR efforts to stakeholders, especially through social media. Corporate CSR involvement today requires more sophisticated and sustained stakeholder awareness and calls for more advanced CSR communication strategies than ever before. To broaden our understanding of the strategic communication of CSR efforts, this study examined the effectiveness of three social media communication strategies (stakeholder information, response, and involvement strategies) at enhancing identification, attitudes toward a company, supportive communication intent, and purchase intent, while factoring corporate reputation. An online experiment, utilizing a randomized 3 (communication strategies) x 2 (corporate reputation) full factorial design, was conducted using real stakeholder samples.

The findings showed that corporate reputation is a crucial factor in determining how stakeholders react to CSR communications on social media. Respondents generally showed significantly more positive responses toward a reputable company across all three communication strategies, compared to companies with a bad reputation. Respondents showed stronger consumer-company identification with, more positive attitudes toward, and stronger supportive communication intent and purchase intent toward reputable companies. This indicates that stakeholders see a reputation as a reliable estimation of the consistency of a company’s economic and social performance and react to CSR communication efforts heavily based on such a reputation. This confirmed prior findings that the importance of corporate reputation lies in its value as a top-level factor for organizations to achieve a sustained competitive advantage (Sanchez & Sotorrio, 2007).

While participants generally showed significantly more positive responses toward a reputable company across all three communication strategies, the finding suggests that a reputable company can enjoy the benefits of collaborative CSR strategies (i.e., stakeholder involvement strategy) concerning company identification. Consumer-company identification is “the primary psychological substrate for the kind of deep, committed, and meaningful relationships that marketers are increasingly seeking to build with their customers” (Bhattacharya & Sen, 2003, p.76). When a reputable company attempts to not only to provide information, answer questions, and integrate feedback but also actively initiate contact with stakeholders and ask them to actively participate in the generation of ideas for CSR efforts – all features of the stakeholder involvement communication strategy – such strategy can help the company build more meaningful relationship with stakeholders. The process of co-creating corporate values through negotiations and adaptions with stakeholders in the context of CSR activities is a positive option for a reputable company to consider. This approach is well-aligned with the idea of stakeholder management proposed by Freeman (1984) and the two-way symmetrical model of public relations proposed by Grunig and Hunt(1984) and maybe a plausible option for a reputable company. However, even if such a company chooses to utilize
other communication strategies, respondents would show generally positive reactions to their CSR efforts. This means that a reputable company can develop and select its CSR communication strategies with greater flexibility, and according to its long-term strategic plan to determine whether it can allocate more resources for the involvement strategy.

One of the most important findings of this study is that for companies with a bad reputation, the stakeholder response strategy can serve as a significantly better tool for engendering positive stakeholder responses. For companies such as these, respondents responded significantly better to the stakeholder response strategy across all tested variables (C-C identification, attitudes, supportive communication intent, and purchase intent) compared to other communication strategies. This finding gives rise to an intriguing theoretical discussion - whether the symmetrical focus on co-constructing corporate CSR efforts and engaging stakeholders through social media platforms is always the right path for companies. For the public relations discipline, two-way symmetrical communication has been emphasized as a better public relations practice (Gruinig & Hunt, 1984), which is aligned with the stakeholder involvement strategy in this study (Morsing & Schultz, 2006). However, this study shows that it may be risky for a company with a bad reputation to actively invite stakeholders to take part in the co-creation of values with CSR programs. When a company’s social media platform enables commentary from stakeholders, simply delivering CSR information in the form of one-way communication will not be received positively either. Rather, such companies may want to manage their social media pages as more of a dialogue-based space where some degree of interaction is allowed (e.g., answering questions promptly).

This study initially raised the question of whether communication specialists and managers would be better advised to simply inform stakeholders of their CSR efforts, and allow their input and feedback, or to go beyond basic dialogic interaction, and try to involve them in a two-way symmetrical communication process. It seems that the answer depends upon corporate reputation and that the strategic choice of communication approach is much more important for a company with a bad reputation to prevent potential backlash.

**Theoretical and practical implications**

Theoretically, the study advances our understanding of the effectiveness of the three CSR communication strategies by providing much-needed empirical evidence. The study shows the utility of the three CSR communication models developed by Morsing and Schultz (2006). The proposed models were not necessarily developed for the context of social media communication, but they appear suitable for exploring strategic CSR communications on social media. Given that the models are deeply rooted in the four models of public relations proposed by Grunig and Hunt (1984), especially in the discipline of public relations, the three CSR communication models can serve as a useful theoretical framework. The study also supports the notion that corporate CSR involvement today requires much more sophisticated, situation-based communication strategies that factor several variables such as corporate reputation.

Practically speaking, public relations practitioners will find this study quite useful when planning CSR communication strategies on a social media platform. Before selecting a CSR communication strategy, it would be good practice for practitioners to gauge the reputation of the given company or entity. For reputable companies, managers and public relations practitioners may want to adapt the stakeholder involvement strategy, which reflects two-way symmetrical CSR practices with more confidence. Such a strategy can further facilitate a meaningful and more committed relationship between a company and its stakeholders by cultivating their C-C
identification. If resources are rather limited, adapting the stakeholder-response strategy will not harm thanks to the reputational assets that the company has amassed. For a company with a bad reputation, maximizing the characteristics of the platform can backfire, as seen with the #McDStories Twitter campaign. Because the company cannot control the direction or nuances of stakeholder commentary, more carefully selected, shaped and framed messages will be necessary, while promptly reacting to stakeholder commentary. For such companies, the immediate task should be to educate stakeholders about the company’s CSR efforts so that stakeholders can better contextualize such initiatives. Without contextualizing information, the stakeholder involvement strategy may be viewed as insincere and subsequently backfire.

**Limitations and direction of future research**

Despite the theoretical and practical implications, this study has its limitations. Because it employed an experimental method, the study intentionally compared good reputation and bad reputation situations for a clearer comparison. However, in the real world, companies often do not have distinctive reputations of “good” or “bad.” Many fall under somewhere along this spectrum or do not have any established reputation. For such companies, it is difficult to suggest which communication strategies will be more beneficial solely based on this study. Future studies that explore not only good or bad reputation companies but also neutral companies, and with less artificial research methods such as surveys, will provide a richer understanding of the effects of CSR communication strategies.

The employee relations topic was carefully selected because it is one of the core CSR practices by the two companies that were selected. However, this study is limited in that it tested only one CSR topic and used only one industry (retail industry). Other CSR topics and industries should be studied in the future for additional empirical validation of the current study’s findings. Also, this study did not distinguish the roles of stakeholders, but the effectiveness of communication strategies can differ by specific target stakeholder groups (e.g., employees, consumers, local communities, activities). As such, future research exploring such strategies as they relate to specific target stakeholder groups will be useful.

Communication strategies on social media platforms not only include how to construct the actual post but also how to dialogically interact with commentary/replies by stakeholders. While the three strategies used in this study are more of a framework for guiding corporate messaging (e.g., main post and replies), the corporate-side interactions with stakeholders through commentary (i.e., replies) can make an impact as well. Future research that explores the best practices for replies to stakeholder commentary can provide more useful guidelines for practitioners.
References


Figure I. Interaction effects of communication strategies and reputation on company identification.
Figure 2. Interaction effects of communication strategies and reputation on attitudes
Figure 3. Interaction effects of communication strategies and reputation on supportive communication intent.

Figure 4 Interaction effects of communication strategies and reputation on purchase intent