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Building corporate image through societal marketing programs

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## Abstract

**Purpose** – The purpose of this research is to develop and test a Thai model for societal marketing's impact on consumer's attitudes toward a corporate image.

**Design/methodology/approach** – A preliminary model was developed from the existing literature, followed by exploratory research consisting of three in-depth interviews and four focus groups to refine the model. The model was then tested with data collected from a mail survey completed by 1,153 respondents, using structural equation modeling.

**Findings** – The findings indicate that a societal marketing program and corporate communications can create positive consumer attitudes toward corporate image. In addition both educational level and marital status of respondents significantly influence consumer attitudes towards corporate image. Moreover, societal marketing program identity, when compared with other variables, illustrates the most powerful impact on customers' attitudes toward corporate image.

**Research limitations/implications** – The data were gathered from one program only, hence future research could extend these findings to other programs to test their generalisability.

**Practical implications** – The key implications of these findings for marketing managers include support for the use of societal marketing programs at a strategic level as well as suggestions for successful implementation of these programs.

**Originality/value** – This study contributes to societal marketing research because a scarcity of empirical research still exists in this field, particularly in Asian countries such as Thailand.

Keywords Social marketing, Consumer behaviour, Corporate image, Thailand

Paper type Research paper

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## Introduction

The importance of societal marketing programs continues to increase (Marsden, 2000; McAlister and Ferrell, 2002; Hoeffler and Keller, 2002; Roy and Graeff, 2003; Vidaver-Cohen and Altman, 2000), with total spending approximately of \$828 million

in 2002 in the USA alone (Porter and Kramer, 2002). Societal marketing has been shown to create competitive advantages for a company by building brand awareness (Barone *et al.*, 2000; Brønn and Vrioni, 2001; Creyer and Ross, 1997), establishing brand credibility (Brown and Dacin, 1997; Madrigal, 2000), enhancing corporate image (Morton, 1999; Madrigal, 2000; Ross and Patterson, 1992; Sen and Bhattacharya, 2001) and stimulating consumer's purchase intention (Barone *et al.*, 2000; Bennett and Gabriel, 2000; Roy and Graeff, 2003; Sen and Bhattacharya, 2001).

Societal marketing can allow corporations to differentiate themselves from competitors by creating an emotional bond with consumers (Meyer, 1999). In turn, corporate image can exert a powerful influence on customer attitudes and behaviour (Barone *et al.*, 2000; Bennett and Gabriel, 2000; Brown and Dacin, 1997; Ellen *et al.*, 2000) with several companies achieving notable improvements in corporate image through implementing societal marketing programs (Balabanis *et al.*, 1998; Embley, 1993; Kotler, 2003; Varadarajan and Menon, 1988).

Many industry surveys support the positive impact of societal marketing on consumer attitudes and behavior in various countries such as the USA, the UK, Australia and New Zealand (Business in the Community, 1997, 1998; Cone Inc., 2000; Cone/Roper communications, 1994, 1999; Cavill + Co., 1997a, b; Jayne, 2001; Kaplan, 2002). These surveys all yielded similar results, that is, consumers expressed a more positive attitude towards a company practicing societal marketing, and additionally prefer to purchase products associated with a societal marketing program. Moreover, they also believe that societal marketing should be a standard business practice.

However, a scarcity of empirical research still exists in this field (Berger *et al.*, 1999; Maignan and Ferrell, 2001; Ross and Patterson, 1992), particularly in Asian countries. In this research, we explore the influence of a societal marketing program on the attitudes of Thai consumers toward corporate image. Research objectives were to:

- develop a Thai model for societal marketing's impact on consumer's attitudes toward a corporate image;
- gain better understanding of demographic factors, such as gender, age, educational level, income level and marital status, that also influence consumer attitudes toward corporate image; and
- test the Thai model of societal marketing's impact on corporate image.

To achieve these objectives, we review prior research on societal marketing and corporate image to develop a conceptual framework for this study. We then outline the methods used to collect data to test the model before presenting and discussing the results. All previous research reviewed was from western countries, therefore, in order to explore any cultural differences between Thai and western consumers, exploratory research comprising three in-depth interviews and four focus groups, was initially used to refine the research model. After that, mail surveys were used to gather data to test the model. We end with a discussion of managerial implications, limitations and directions for future research.

#### Literature review

Both areas central to this research, societal marketing and corporate image, have been extensively investigated individually in the past in western economies.

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The societal marketing concept calls on marketers to fulfill the needs of the target audience in ways that enhance the well-being of consumers and society as a whole, while fulfilling the objectives of the organization (Kotler, 2000; Bednall and Kanuk, 1997). A societal marketing program can approach a wide range of social problems in health, crime, the environment and social welfare (Andreasen, 1995) and emphasizes the benefits to three parties: the consumer, the company and society.

One example of a societal marketing program is cause-related marketing, whereby a firm contributes to a designated cause thus linking a company's product or service to a relevant social cause for the mutual benefit of the organization and its customers (Andreasen, 1996; Varadarajan and Menon, 1988; Pringle and Thompson, 1999). Basic objectives of societal marketing programs can include increasing sales, enhancing corporate stature, thwarting negative publicity, pacifying customers and easing market entry (Varadarajan and Menon, 1988). A number of companies have employed societal marketing programs successfully (Balabanis *et al.*, 1998; Embley, 1993; Kotler, 2000; Varadarajan and Menon, 1988). Research has suggested that there is a positive relationship between a company's societal marketing actions and consumers' attitudes toward that company and its products (Brown and Dacin, 1997; Creyer and Ross, 1997; Ellen *et al.*, 2000; Sen and Bhattacharya, 2001).

Many definitions of corporate image exist. Consistently, corporate image has two principal components: function and emotion (Kennedy, 1977). The functional component relates to tangible characteristics that can be easily measured, while the emotional component is associated with psychological dimensions that are manifested by evaluation, feeling and attitude towards a company (Barich and Kotler, 1991; Cohen, 1963; Dowling, 1986; LeBlanc and Nguyen, 1996; Pharoah, 1982). Corporate image is the net result of the interaction of a person's beliefs, ideas, feelings and impressions about a company (Van Rekom, 1997). Although no universally accepted definition of corporate image exists, this research will focus on the popularly held definition that corporate image is the totality of a stakeholder's perceptions of the way an organization presents itself through its corporate identity mix either deliberately by controllable sources or accidentally by uncontrollable sources.

Many different models of corporate image management have been proposed (Abratt, 1989; Balmer and Gray, 2000; Dowling, 1986; Kennedy, 1977; Markwick and Fill, 1997; Stuart, 1998, 1999). These models identify the various factors effecting favorable corporate image formation such as objective company criteria, marketing communications strategy and employees view of corporate identity. However, many of these models are conceptual (Abratt, 1989; Balmer and Gray, 2000; Dowling, 1986; Stuart, 1998, 1999) and require empirical validation.

A number of recent empirical studies also identify factors that enhance corporate image including dynamism of the company, credibility/stability, customer service, visual identity, reputation of directors, service offering, history, advertising and promotion (Balmer and Stotvig, 1997; Caruana, 1997; LeBlanc and Nguyen, 1996; Gotsi and Wilson, 2001; Markwick and Fill, 1997; Melewar *et al.*, 2001; Teng *et al.*, 2000; Van Heerden and Puth, 1995).

Furthermore, these factors can be grouped into three categories of corporate identity mix as suggested by Van Riel and Balmer (1997) and Stuart (1999): behavior, symbolism, and communication. The behavioral factors refer to management and employees' behavior, reputation of directors and employee's role. Symbolic factors

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include visual identity and other tangibles such as products, service quality and history. The communication factors refer to advertising and promotion. Having established the background to the research question, the following section will describe the preliminary model based on the literature and the associated hypotheses.

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## The preliminary model

The preliminary model incorporated aspects of societal marketing theory and corporate image management theory to predict the impact of societal marketing on consumer's attitudes toward corporate image in the Thai context. A preliminary model of the impact of societal marketing on attitudes toward corporate image is shown in Figure 1, based on models from Cornelissen (2000), Balmer and Grav (2000), Stuart (1999) as well as Van Riel and Balmer (1997).

Briefly, three factors influencing attitudes toward corporate image were identified for this study, societal marketing program identity, corporate communications and demographic characteristics. Virtually all frameworks proposed for corporate image (Balmer and Gray, 2000; Barich and Kotler, 1991; Fombrun, 1996; Stuart, 1999) posit

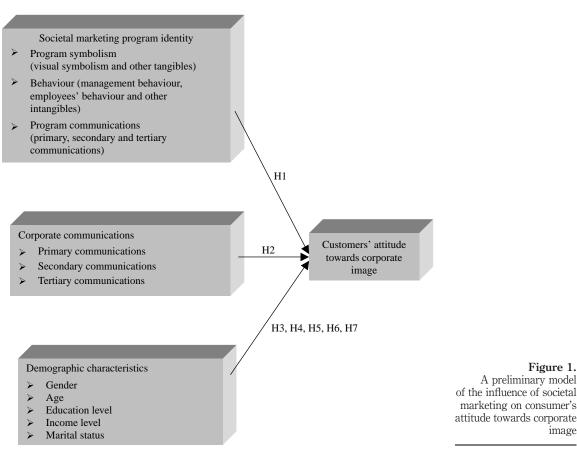


Figure 1. A preliminary model

image

that a company has multiple audiences or constituencies such as customers, employees, shareholders, the business community and government. This study will focus only one of these stakeholder groups, customers.

Societal marketing program identity has three major components: symbolism, behavior of management and employees and program communications (Van Riel and Balmer, 1997). Symbolism includes visual identity and other tangibles such as products (Balmer and Stotvig, 1997; LeBlanc and Nguyen, 1996). Apart from management and employees' behavior, corporate behavior includes other intangibles such as service offering, service quality and history (Balmer and Stotvig, 1997; LeBlanc and Nguyen, 1996; Van Heerden and Puth, 1995).

Program communications are those communications specifically related to the societal marketing program and include primary, secondary and tertiary communications (Balmer and Gray, 2000). Primary program communication refers to one on one communication about the societal marketing program. Secondary program communication is identified as visual identification and formal corporate communications (advertising, public relations, graphic design, sales promotion, etc.) specifically related to the program. Tertiary program communication refers to word-of-mouth, media interpretation and competitions about the program.

Both industry survey results (Business in the Community, 1997, 1998; Cavill + Co., 1997a, b; Cone Inc., 2000, 2001, 2002; Cone/Roper communications, 1994, 1999) and past empirical studies (Davis, 1994; Jayne, 2001; Madrigal, 2000; Morton, 1999; Ross and Patterson, 1992; Webb, 1999; Webb and Mohr, 1998; Sen and Bhattacharya, 2001) have found that consumers have a positive image of a corporation implementing a societal marketing program for a cause that they care about. Based on the results of these studies, the hypothesis relative to Thai customers' attitudes is:

*H1.* Consumers will have a positive attitude toward a corporation that implements a societal marketing program.

The second factor proposed to influence consumers attitudes toward corporate image is corporate communication, that is, general communication from the company other than that specifically related to the societal marketing program. The dominant role of corporate communications in corporate image formation is widely supported (Balmer and Gray, 2000; Cornelissen, 2000; Dowling, 1986; Markwick and Fill, 1997; Stuart, 1998). A variety of corporate communications have been found to influence corporate image including, but not limited to, customer service, visual identity, access to service, reputation of directors, service offering, history, key incidents (for example client satisfaction and customer loyalty), service quality, products, employees' role, advertising and promotion (Balmer and Stotvig, 1997; Markwick and Fill, 1997; LeBlanc and Nguyen, 1996; Van Heerden and Puth, 1995). Based on Balmer and Gray's (2000) model and Stuart's (1999) model, there are three types of corporate marketing communications: primary, secondary and tertiary. Based upon these studies, the second hypothesis is:

*H2.* Corporate communications will influence consumers' attitude toward corporate image.

Finally, in relation to demographic factors, some studies indicate that the relationship between individual consumer characteristics and features of corporate social responsibility communications affect a consumer's evaluation of corporate societal image (Berger *et al.*, 1999; Maignan and Ferrell, 2001; McWilliams, 2001; Ozanne *et al.*, 1999; Peppas and Peppas, 2000; Straughan and Roberts, 1999). Additionally, findings from recent consumer surveys illustrate that consumer's demographic characteristics, such as gender, age and income level, influence their attitudes toward corporate societal image (Cone Inc., 2000; Kaplan, 2002). The demographics to be included in this research are gender, age, education level, income and marital status as justified next.

Several studies indicate that females show more positive attitudes toward companies using societal marketing than males (Berger *et al.*, 1999; Hegarty and Burton, 1999; Kaplan, 2002; Ozanne *et al.*, 1999; Ross and Patterson, 1992; Webb and Mohr, 1998; Straughan and Roberts, 1999). This leads to the following hypothesis.

*H3.* Female consumers will have a more positive attitude toward a firm implementing a societal marketing program than will males.

The impact of age on attitudes toward corporations implementing societal marketing is still controversial. Some studies indicate teenagers value companies implementing societal marketing programs more than adults (Cone Inc., 2000) whereas older consumers responded more favorably to societal marketing in other studies (Goldberg, 1999; Straughan and Roberts, 1999). Yet other studies have identified no relationship between age and attitude toward corporate image (Peppas and Peppas, 2000). This study will test the following hypothesis regarding age:

*H4.* Younger consumers will have a more positive attitude towards a firm implementing a societal marketing program than will older consumers.

The educational level of consumers appears to influence consumer attitudes toward corporate image. Respondents with higher educational levels tend to show a more positive response to societal marketing (Webb and Mohr, 1998; Goldberg, 1999). Based on these findings, the fifth hypothesis is:

*H5.* Consumers with a higher educational level will tend to have a more positive attitude toward a firm that implements a societal marketing program than will those of a lower educational level.

Consumer income appears to be related to corporate image, with higher income groups responding better to societal marketing (Webb and Mohr, 1998; Straughan and Roberts, 1999). Based on these findings the sixth hypothesis is:

*H6.* Consumers with a higher income will tend to have a more positive attitude toward a firm that implements a societal marketing program than will those of lower income.

Marital status appears to have a weak relationship with attitude to corporate image, with married consumers showing a more positive attitude towards corporations implementing societal marketing (Ross and Patterson, 1992). However, other studies have found no relationship between marital status and attitude toward corporate image. Based on these findings the final hypothesis to be tested in this study is:

*H7.* Married consumers will have a more positive attitude toward a firm implementing a societal marketing program than will single ones.

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Having developed a preliminary model, primary data to further refine and test the model was gathered in two stages, an exploratory stage consisting of in-depth interviews and focus groups, followed by a descriptive stage involving the collection of quantitative data via a mail survey.

Given the extent of prior research in western economies and the need to test these theories in a developing economy, a single case approach was used where one societal marketing program and its impact on corporate image was investigated in detail (Yin, 2003). The context for both studies was the Brand's Educational Summer Camp program, a successful societal marketing program in Thailand. This program provides free tutoring for the national university entrance examination for senior high-school students and has attracted about 280,000 students since 1989. The project has been very successful in that it has received many awards. It is supported by Cerebos (Thailand) Limited.

### Stage 1 (exploratory research)

In the first exploratory study, in-depth interviews were conducted with three Cerebos's managers (the CEO, the marketing director and the marketing manager specifically responsible for the program) to gain an understanding of such things as goals, strategies, communications, behaviours, activities and symbolism of a company implementing a societal marketing program, namely Brand's Educational Summer Camp program. In addition these respondents also had extensive first-hand knowledge of the attitudes of participants and their families toward the program.

The findings of the in-depth interviews supported the preliminary model. Respondents believed that societal marketing could create positive attitudes towards company image and make customers feel good about the company, the product, the management and the staff. Age was the only customer demographic factor which the managers thought would have a clear impact on corporate image. Younger respondents were thought to show a more positive attitude. However, respondents believed that a relationship between other demographic factors, the program and company image might exist. Briefly, the in-depth interview results supported the preliminary research model as shown in Figure 1.

Having explored the model with key managers involved in the planning and implementing of a societal marketing program, four focus groups of consumers were conducted to further refine the model. Participants in the focus groups were selected from a list of the Cerebos's customers in Bangkok. Each group consisted of about eight persons, grouped on the basis of age and gender.

Similarly to the in-depth interview results, the findings of the focus groups supported that a societal marketing program, namely Brand's Educational Summer Camp could make the company's customers feel good about the company and build a positive image for both the company and its products. Company communication factors, excluding the program communications, were also identified by respondents as impacting on company image. The primary company communications mentioned were product packaging, promotional girls, salesmen, company magazines, company direct mailing and company seminars. However, most respondents also mentioned secondary company communications, such as advertising and promotional materials. Some respondents identified tertiary company communications, such as word-of-mouth advertising from storeowners, family, friends and alumni. Respondents thought staff behaviors were manifested through good service, smiling faces, cheerfulness, kindness and competency. However, one of the societal marketing program identity variables listed in the preliminary model, that of management behavior, was not supported by respondents. Other intangibles or perceived benefits identified by respondents were free participation, ease of participation and benefit to society.

Unlike the in-depth interview results, focus group respondents were not significantly different in attitudes toward the company image of Cerebos and their products regarding the societal marketing program based on age. Moreover, there appeared to be no differences based on gender in attitudes neither toward the company nor for the product. Based on focus group results, no new variables were identified. Respondent groups, however, did not support three proposed variables of management behavior, age and gender.

In summary, the two exploratory studies in the Thai context identified no new variables. However, the findings did suggest that variables, such as societal marketing program identity and corporate marketing communications, might be of greater influence than demographic characteristics. Additionally, some factors identified in the literature, such as management behavior and gender, were not supported in the exploratory studies. However, these factors remained in the model for further testing in the main study.

### Stage 2 (descriptive research)

The major study used a mail survey approach as a mailing list was available, the population was geographically dispersed and budget constraints applied. Participants were drawn from the Cerebos customer database containing approximately 92,000 persons aged over 15 years. About 3,000 questionnaires were mailed to Cerebos's customers selected using stratified sampling based on age.

The questionnaire was developed based on the literature review and the exploratory studies. Responses were gathered on five-point Likert scales that ranged from "strongly disagree" (= 1) to "strongly agree" (= 5). The three key constructs of Societal Marketing Program Identity, Corporate Communications and Customers Attitude toward Corporate Image were all operationalized using multiple measures – based initially on the literature review and then refined during the exploratory research. For example, Societal Marketing Program Identity was measured with 24 statements reflecting seven subdimensions as indicated in Appendix 1. Demographic variables were measured with single items.

The questionnaire was pre-tested on three groups of people: five research experts, five marketing colleagues, and 15 consumers (Czaja, 1998; Dillman, 1978). Following this initial pre-test, the revised questionnaire was further pre-tested with a convenience sample of 211 Cerebos's customers. The Cronbach's  $\alpha$  value of societal marketing program identity, corporate communications and attitude toward corporate image were 0.8953, 0.9079 and 0.8986, respectively. This indicated satisfactory internal consistency reliability as values of  $\alpha$  of 0.70 or greater are acceptable (Nunnally, 1978). The questionnaire was administered using a four step administrative procedure. The first mail out of a pre-notification postcard was followed by three follow-up mailings resulting in the return of 1,153 questionnaires.

#### Results

Analysis began by profiling respondents and exploring how well respondents represented the sampling frame. Of the 3,000 questionnaires dispatched, 1,153 valid

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questionnaires were returned. This 38.4 percent response rate proved better than expected with 82.8 percent of 1,153 or 955 respondents, having heard of Brand's Educational Summer Camp program. After data cleaning and screening, the qualified number of respondents was 946.

The demographic profile of the respondents is summarized in Table I. Most respondents were female (70.7 percent), 30-45 years old (51.3 percent) and held bachelor's degrees (52.7 percent). In addition, they had personal incomes of under 10,000 Baht (31 percent) or 10,000-20,000 Baht (32.8 percent) per month. Respondents were spread relatively equally between single and married.

A comparison of the gender and age of respondents to those of the mail-out sample and the database groups showed no significant differences on these criteria. A trend analysis also showed no significant differences between early and late respondents in terms of age, gender, marital status, children, educational level nor income. Next, structural equation modeling (LISREL 8.3) using a two-step approach (Anderson and Gerbing, 1988; Hair et al., 1998) was used to test the model.

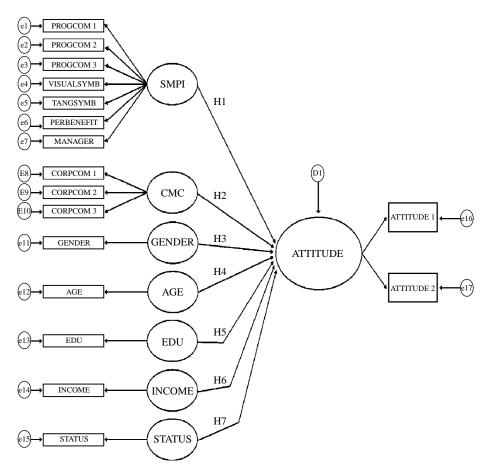
The model was broken down into three multiple-factor congeneric models, representing the three constructs: societal marketing program identity (SMPI). corporate communications (CM) and consumers' attitude toward corporate image (ATTITUDE). These three measurement models were each tested in confirmatory factor analysis prior to structural equation modeling. The results of the confirmatory factor analysis for each construct are summarized in Appendix 1. Next, latent variable path analysis was used to test the structural model.

	Characteristic	Number	Percentage
	Age (n = 934)		
	15-21	81	8.7
	22-29	264	28.3
	30-45	479	51.3
	46 and over	110	11.8
	Gender (n = $945$ )		
	Male	277	29.3
	Female	668	70.7
	Marital status (n = $945$ )		
	Single	493	52.2
	Married	440	46.6
	Other	12	1.3
	Educational level (n = $940$ )		
	Primary school	53	5.6
	Secondary school	54	5.7
	High school	133	14.1
	Vocational school or equivalent	132	14.0
	Bachelor's degree	495	52.7
	Master's degree or higher	73	7.8
	Personal income (Baht/month) (n = $943$ )		
	No income	102	10.8
	Under 10,000	292	31.0
	10,000-19,999	309	32.8
Table I.	20,000-34,999	157	16.6
Profile of respondents	35,000 and over	83	8.8

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The hypothesized structural model, based on theory and the exploratory studies, is shown in Figure 2. The latent variables in the confirmatory factory analysis were used as composite variables in this model.

After model modification, the revised structural model, as presented in Table II, has acceptable fit overall (RMSEA = 0.071, GFI = 0.95, CFI = 0.96 and IFI = 0.96). Four relationships between constructs are significant (p < 0.05): societal marketing identity (SMPI) and consumers attitude to corporate image (ATTITUDE), corporate communication (CM) and consumers attitude to corporate image (ATTITUDE), education level (EDU) and consumers attitude to corporate image (ATTITUDE), and marital status (STATUS) and consumers attitude to corporate image (ATTITUDE). Discriminant validity was also tested by comparing the square root of the average



**Note:** PROGCOM 1 = primary program communications, PROGCOM 2 = secondary program communications, PROGCOM 3 = tertiary program communications, VISUALSYMB = visual symbolism, TANGSYMG = tangible symbolism, PERBENEFIT = perceived benefit, MANAGER = management behaviour, EDU = educational level, INCOME + income level and STATUS + marital status

Figure 2. The hypothesized structural model of this study

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/	H1. Societal marketing program identity	0.37*	Supported
	H2. Corporate marketing communication	0.30*	Supported
	H3. Gender	0.01	Not supported
	H4. Age	-0.02	Not supported
<b>240</b>	H5. Education	-0.10*	Supported
	H6. Income	0.02	Not supported
Table II.	H7. Marital status	0.10*	Supported
Antecedents structure	<b>Notes:</b> * $p < 0.05$ . Model fit: $\chi^2_{68} = 332.79$	(p = 0.00), RMSEA = 0.071, GFI = 0	.95, $AGFI = 0.89$ ,
model: attitude towards	CFI = 0.96, $IFI = 0.96$ . $RMSEA = root$ mean		
company	index, AGFI = adjusted goodness of fit index	, $CFI = comparative fit index$ , $IFI = inc$	cremental fit index

variance extracteds (AVE) of both SMPI and CMC with the correlation between these two constructs. As shown in Appendix 2, the square root of the AVEs were higher than the correlation showing the discriminant validity of the constructs (Fornell and Larcker, 1981).

## **Discussion and conclusions**

The results above give insight in two major areas, firstly in terms of how each of the major constructs was measured and the contribution of the individual variables to the overall construct as shown in Table III, and secondly in relation to the specific hypotheses developed for the structural component of the model. Each of these areas is addressed in turn.

	Constructs	Latent variables	Model Previous	l Final
	Societal marketing program	Visual symbolism	Y	Y
	identity (SMPI)	Other tangibles	Y	Y
		Management behaviors	Y	Y
		Employee behaviors	Y	Х
		Perceived benefits	Y	Y
		Primary program communications	Y	Υ
		Secondary program communications	Y	Y
		Tertiary program communications	Y	Υ
	Corporate communications (CM)	Primary marketing communications	Y	Y
	1	Secondary marketing communications	Y	Y
		Tertiary marketing communications	Y	Y
	Consumer attitude towards	Belief (ATTITUDE 1)	Y	Y
	corporate image (ATTITUDE)	Feeling (ATTITUDE 2)	Y	Υ
	Demographic characteristics	Gender	Y	Х
		Age	Y	Х
		Educational level	Y	Υ
Table III.		Income level	Y	Х
A comparison of previous to the final model based		Marital status	Y	Y
on research findings	<b>Notes:</b> Remarks: $Y = Yes$ , $X = No$			

# *Hypothesis 1: Consumers will have a positive attitude toward a corporations image (ATTITUDE) when that corporation implements a societal marketing program (SMPI)* A positive relationship between SMPI and ATTITUDE was hypothesized. The findings indicate that a societal marketing program has a positive influence on respondents' attitudes toward company image in the Thai context. These findings support earlier empirical studies (Davis, 1994; Morton, 1999; Madrigal, 2000; Ross and Patterson, 1992; Sen and Bhattacharya, 2001; Webb, 1999; Webb and Mohr, 1998) and previous consumer surveys (Business in the Community, 1997, 1998; Cavill + Co., 1997a, b; Cone Inc., 2001, 2002; Cone/Roper communications, 1994, 1999; Jayne, 2001).

# *Hypothesis 2: Corporate communications (CM) will influence consumers' attitudes toward the corporations image (ATTITUDE)*

A positive relationship between CM and ATTITUDE was assumed. A variety of corporate communications have been found to influence corporate image (Balmer and Stotvig, 1997; LeBlanc and Nguyen, 1996; Markwick and Fill, 1997; Van Heerden and Puth, 1995). The findings of this research support this hypothesis. Hence, this research finds that corporate communications is salient in Thai consumers' attitudes toward company image. However, it has slightly less influence than societal marketing program identity, which was unexpected from the exploratory studies.

# Hypothesis 3: Female consumers will have a more positive attitude towards a firm implementating a societal marketing program than will males

Women were expected to have a more positive attitude toward corporate image than men. Many prior empirical studies and surveys indicate that females show a more favorable attitude toward firms supporting a social cause than males do (Berger *et al.*, 1999; Cone Inc., 2000; Kaplan, 2002; Ozanne *et al.*, 1999; Ross and Patterson, 1992; Webb, 1999; Webb and Mohr, 1998; Roy and Graeff, 2003; Straughan and Roberts, 1999). Unlike previous studies however, the findings from Peppas and Peppas (2000) identify no such influence regarding gender on attitudes. The findings of this research however, do not support this hypothesis. Consequently, this research finds that consumers' gender shows no effect concerning Thai respondents' attitudes toward company image.

# Hypothesis 4: Younger consumers will have a more positive attitude towards a firm implementing a societal marketing program than will older consumers

A positive impact of age on attitudes toward corporate image was hypothesized. Consumer's age was shown to have an impact on consumer attitude towards corporate image (Cone Inc., 2000; Cone/Roper communications, 1997; Goldberg, 1999; Kaplan, 2002; Straughan and Roberts, 1999). However, the impact of age on corporate image remains controversial. The findings from the US survey showed that teens value companies implementing societal marketing more than adults (Cone Inc., 2000; Cone/Roper communications, 1997; Kaplan, 2002), whereas older consumers responded more favorably to societal marketing in other studies (Goldberg, 1999; Straughan and Roberts, 1999). The findings of this research do not support this hypothesis. Thus, it finds that age, like gender, has no impact on Thai respondents' attitudes toward corporate image. These findings support the empirical studies from Peppas and Peppas (2000) as well as Roy and Graeff (2003).

Building corporate image Hypothesis 5: Consumers with a higher educational level will tend to have a more positive attitude toward a firm that implements a societal marketing program than will those of a lower educational level

A positive influence regarding the educational level of respondents on attitudes toward corporate image was assumed. Earlier empirical studies indicated that more highly educated groups responded better to societal marketing (Webb and Mohr, 1998; Goldberg, 1999). Contradicting those findings, this research confirms this hypothesis with a significant but inverse relationship. What this indicates is that customers with a lower educational level have more positive attitudes toward corporate image than do those of higher educational level. The lower educational group in this research might well identify the Brand's Educational Summer Camp program as a cause which they care about, more relevant to them than those of a more highly educated level. The tuition fees in Thailand are relatively high, hence they indicate a more significant response to the program. Therefore, this research concludes that the educational level of consumers will indeed influence their attitude toward company image but not as predicted.

## Hypothesis 6: Consumers with a higher income will tend to have a more positive attitude toward a firm that implements a societal marketing program than will those of a lower income

A positive impact of the income level of respondents on attitudes toward corporate image was assumed. Prior studies identified that higher income groups responded better to societal marketing (Kaplan, 2002; McWilliams, 2001; Webb and Mohr, 1998; Straughan and Roberts, 1999). This research's findings fail to support this hypothesis.

# Hypothesis 7: Married consumers will have a more positive attitude toward a firm implementing a societal marketing program than will single consumers

Married consumers were expected to have a more positive attitude toward corporate image than single ones do. The study from Ross and Patterson (1992) shows an impact, whereas Goldberg (1999) found no correlation. The findings of this research support this particular hypothesis, that is the marital status of consumers will affect their attitudes toward company image.

In summary, this research confirms previous findings that societal marketing programs have a positive influence on consumers' attitudes toward corporate image (Davis, 1994; Madrigal, 2000; Morton, 1999; Ross and Patterson, 1992; Sen and Bhattacharya, 2001; Webb, 1999; Webb and Mohr, 1998) and extends the applicability of societal marketing to Thai consumers. Moreover, societal marketing program identity, when compared with other variables, illustrates the most powerful impact on customers' attitudes toward corporate image. Findings of this research support that corporate communications also have a positive impact on Thai consumers' attitudes toward corporate image.

#### Managerial implications

The managerial implications of this research are for corporate marketers at two levels, strategic and operational. Strategically, marketers in Thailand have favored approaches other than societal marketing when wanting to create a positive corporate image. The key finding of this research that a positive relationship exists

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between the implementation of societal marketing programs and attitude toward corporate image, will encourage support for the implementation of societal marketing programs as a strategy to improve corporate image. Once a company has decided to adopt a societal marketing program, the findings of this research then have several implications for how this strategy should be operationalised.

Firstly, in operational terms this research highlights the importance of the selection of a "cause" that will appeal to target consumers. Prior studies suggested that the personal relevance of a cause has the most influence in determining consumer's response to societal marketing offers (Ross and Patterson, 1992; Webb, 1999). The results of this research support these findings as two groups of respondents, ("lower education" and "married") show a significantly more positive attitude toward Cerebos as a result of the Brand's Educational Summer Camp program. These two segments expressed the greatest level of concern for improving existing education and their children's future education. Therefore, when implementing a societal marketing program, marketers must ensure the selection of a cause that their target consumers will really care about.

Finally, the findings of this research indicate that primary program communications such as company seminars and magazines are the most effective type of communication for a societal marketing program. Hence, marketers who handle either corporate communications or societal program communications should focus on primary communications over other types such as advertising and word-of-month.

## Limitations and future research

While this research has extended previous studies and used a rigorous methodology, some minor limitations exist. Firstly, the scales used in the measurement of societal marketing program identity, corporate communications and attitudes toward corporate image in this research were largely adapted from corporate image/identity theory and societal marketing theory and require further validation. Secondly, the sampling frame used in this study was Cerebos' customer database representing approximately 2 percent of total customers. Therefore, results can be generalized only for customers within that database, but not for all Cerebos customers. This study also only addressed one societal marketing program and did not compare across other societal marketing programs. Additionally, results cannot be generalized across other industries and other developing country contexts.

Thirdly, it is noted that the survey instrument measured attitudes toward corporate image at a particular point in time. It is a risk to suggest that this model will predict the actual stage of consumers' attitude toward corporate image since corporate image is both dynamic and complex (LeBlanc and Nguyen, 1996) and is the net result of the interaction of a person's beliefs, ideas, feelings and impressions about an object, existing in the mind of that person (Van Rekom, 1997). The possibility of respondents' bias of the results might occur because it is possible that respondents with experiences of the Brands' Educational Summer Camp program may be more likely to respond to the survey than respondents with little or no exposure to the program. Fourthly, it should be noted that the factor of familiarity or contact with the Brands' Educational Summer Camp program was not considered in this study. Therefore, it might have had an impact on customers' attitudes toward the company and response rate. Building corporate image

Fifthly, it should be noted that the original questionnaire was administered in Thai. The questions used have been translated from the original and back again to ensure that they approach the intended meaning as closely as possible. However, some subtleties will always remain difficult to translate. Sixthly, the effects of using a customer-based sampling frame may have had some impact on results.

Finally, favorable results in any modeling are relative and not absolute (Hair *et al.*, 1998). The modified model chosen by using overall goodness-of-fit measures does not imply that it represents a valid reflection of reality. Model adequacy in this research is based upon multiple criteria that take account of theoretical, statistical and practical considerations (Diamantopoulos and Siguaw, 2000). Therefore, the results of this research are relative but not absolute.

The above-outlined limitations do not however minimize the significance of the results and the findings of this research. Instead, they are addressed for the improvement of and to further research in this area.

This research has provided opportunities for future research. Future research could consider conducting investigations among other stakeholders such as employees, shareholders and government. Do those groups respond differently to the consumers of this research? Further, studies of different societal marketing programs could show another interesting aspect for future investigation.

In addition to the factor of familiarity with the societal marketing program, further study between respondent groups of high and low familiarity could be conducted to identify whether familiarity impacts on customers' attitudes toward the company. In relation to employee's role in corporate image formation, future research could investigate the influence of employee's behavior on consumers' attitudes toward corporate image.

Finally, in relation to the model proposed in this research, future research could be extended to different societal marketing programs and strategies across different industries. Do customers feel the same way as these research findings indicate? Future investigation could examine whether or not resultant patterns in other countries particularly in Asia correspond with those of Thailand. Do Asian and western customers feel the same way as these research findings indicate?

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## Appendix 1. Results of confirmatory factor analysis for model constructs

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	PROGCOM 1	PROGCOM 2	PROGCOM 3	VISUAL SYM		PER BENEFIT	MANAGER
A. Correlations of	societal mark	eting program	n identity's d	imensions			
PROGCOM 1	(0.69)						
PROGCOM 2	0.72*	(0.76)					
PROCOM 3	0.51 *	0.65*	(0.89)				
VISUALSYM	$0.27^{*}$	0.33*	0.23*	(0.78)			
TANGSYM	0.22*	0.39*	0.29*	0.46*	(0.81)		
PERBENEFIT	0.20*	$0.47^{*}$	0.31 *	0.44*	0.71*	(0.77)	
MANAGER	0.14*	0.32*	0.20*	$0.40^{*}$	$0.42^{*}$	0.68*	(0.82)
B. Factor loadings	of societal m	arketing prog	gram identity				
Company staff	0.71 *						
Company magazin	ne 0.47*						
Company seminar	s 0.77*	-14					
Radio		0.68*					
Newspaper		0.62*					
Banner		0.74*					
Internet		0.61*	*				
Friends			0.81*				
Teachers			0.86*				
Alumni			0.88*	0.40*			
Program's name				0.46*			
Program's logo				0.87*			
Colour of logo				0.85*	0.79*		
Tuition books Lecturers					0.79 0.86*		
University					0.63*		
Satellite system					$0.03 \\ 0.58^{*}$		
Free participation					0.00	0.69*	
Long-term establis	hmont					0.65 *	
Benefit to students						0.05*	
Benefit to society	5					0.61*	
Management prior	ity					0.01	0.82*
Management realiz							0.78*
Management supp							0.72*
<b>Notes:</b> ${}^{*}P < 0.05$	. Construct r	eliabilities ar	e reported ale	ong the di	agonal ii	n section A.	PROGCOM

**Notes:**  ${}^{*}P < 0.05$ . Construct reliabilities are reported along the diagonal in section A. PROGCOM 1 = primary program communications, PROGCOM 2 = secondary program communications, PROGCOM 3 = tertiary program communications, VISUALSYMB = visual symbolism, TANGSYMG = tangible symbolism, PERBENEFIT = perceived benefit and MANAGER = management behavior

Table AI. Societal marketing program identity measurement (SMPI)

SBR 2,3		Primary communications	Secondary communications	Tertiary communications
	A. Correlations of corporate ma Primary communications Secondary communications	(0.73) 0.54*	a dimensions (0.86) 0.51*	
252	Tertiary communications	0.57 *		(0.86)
	B0. Factor loadings of corporat Company staff	e marketing communicat 0.70*	tion	
	Company web site	0.70		
	Promotional girls	0.80*		
	Television	0.00	0.64*	
	Radio		0.80*	
	Newspaper		0.87 * 0.77 *	
	Magazines		0.77*	-le
	Friends			0.78*
Table AII.	Elders			0.92 * 0.75 *
Corporate communication	Family			0.75*
(CM)	Notes: $*P < 0.05$ . Construct re	liabilities are reported a	long the diagonal in sect	tion A

	Believe	Feeling
A. Correlations of attitude towards company's dimensions		
Believe	(0.83)	
Feeling	0.82*	(0.90)
B. Factor loadings of attitude towards company		
Long establishment	$0.65^{*}$	
Quality products	$0.73^{*}$	
Product advertising	0.51 *	
Customer care	$0.74^{*}$	
Sponsorship	0.70*	
Company's name	0.71 *	
Product satisfaction		0.73
Product familiarity		0.62
Recommendation		0.66
Company likeness		0.78
Better product quality		0.70
Positive feeling towards company		0.40*

Table AIII.Attitude towardscompany (attitude)

## Appendix 2. AVEs and correlations of the constructs

AVE = 
$$\frac{\left(\sum \lambda^2\right)}{\left[\sum \lambda^2 + \sum(\theta)\right]}$$

$$SMPI = \frac{(0.59^2 + 0.77^2 + 0.74^2 + 0.49^2 + 0.58^2 + 0.68^2 + 0.88^2)}{(0.59^2 + 0.77^2 + 0.74^2 + 0.49^2 + 0.58^2 + 0.68^2 + 0.88^2) + (0.65^2 + 0.41^2 + 0.45^2 + 0.76^2 + 0.66^2 + 0.23^2)}$$

 $\mathrm{SMPI} = 0.61$ 

$$CMC = \frac{(0.66^2 + 0.80^2 + 0.72^2)}{(0.66^2 + 0.80^2 + 0.72^2) + (0.56^2 + 0.36^2 + 0.48^2)}$$

CMC = 0.70

$$\text{ATTITUDE} = \frac{(0.97^2 + 0.82^2)}{(0.97^2 + 0.82^2) + (0.06^2 + 0.33^2)}$$

$$ATTITUDE = 0.94$$

	Attitude	SMPI	CMC	GENDER	AGE	EDU	INCOME	STATUS
Attitude	1.00							
SMPI	0.54	1.00						
CMC	0.51	0.57	1.00					
GENDER	0.05	0.05	0.12	1.00				
AGE	0.04	-0.04	-0.04	-0.07	1.00			
EDU	-0.11	0.01	-0.02	0.01	-0.15	1.00		
INCOME	0.00	-0.05	-0.02	-0.14	0.52	0.25	1.00	
STATUS	0.10	-0.03	-0.02	-0.09	0.62	-0.18	0.39	1.00

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