A Marketing Approach to Corporate Social Engagement

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Abstract

This paper draws on a conceptual framework that attributes to consumers the primacy in justifying corporate social engagement. After a brief literature review and discussion on consumers being the ultimate accountable for the costs of corporate social behavior, we look at a marketing model that operationalizes socially responsible actions as marketing tools. The idea presented here is that it is strategically sound to regard a company getting socially involved as a way of creating value for consumers. In the proposed approach, corporate social responsible actions are regarded as a source of competitive advantage in the fight for consumers, subject to the observation of certain marketing driven parameters. The major consequence of this view is that environmentalists and any stakeholders with specific social interests should not try to impose socially responsible behavior on firms, but rather try to educate consumers about the environmental needs of society.

Key words: corporate social responsibility, marketing's 4 As.

1. Introduction

Corporate social Responsibility (CSR) is a theme that pervades the daily life of decision makers in a number of organizations. For instance, managers are constantly faced with having to decide whether and up to what extent they should invest in environmentally responsible attributes for their products (such as a biodegradable packaging) or other socially responsible actions of their organizations (such as sponsoring socially relevant themes, such as education, arts, historic patrimony preservation, etc.). A lack of investment may represent hard to overcome threats to the image, hard to recover losses of markets, reduction of support by stakeholders, and consequently the eventual death of the organization (Wood, 1991). In the other extreme, an overinvestment in socially responsible actions may cause reduced competitiveness, given higher incurred costs. In fact, this is a reason for explicit and growing concern (Levin, 1993). As executives who face the decision point out, there is "a fundamental decision, to be ahead or behind the competition; it is a hard decision: to be ahead may mean higher costs of production, leaving the firm vulnerable to the competitors" (Walley & Whitehead, 1994).

"Corporate Social Responsibility" has been a research theme mainly in the managerial literature. Menck and Oliveira (2014*a*) undertake an extensive literature review showing that most models rely on general responses to societal claims—and to altruism in particular—as explanation for corporate social engagement. Menck and Oliveira (2014*b*) propose a framework in which for-profit strategic reasons are pointed out as explanations for corporate social engagement. They do so by placing consumers as the ultimate stakeholders interested in socially concerned actions. After all, consumers are the ones who end up paying for such actions, unless such actions hurt corporate profitability and competitiveness.

Under a strategic perspective, there are two different situations for which the decision problem of corporate social engagement has a natural solution.

The most obvious occurs when environmentally protective investment results in a direct or indirect reduction of costs. Turning off the lights of a store at night for energy conservation saves money from the utility bill, and can additionally be used as an argument for good image. Moreover, attempts to control pollution sources or to save energy induce actions of re-engineering of the technology and re-studies of processes that may well contribute to lower costs and to improve quality (Porter, 1991). Such cases direct the problem to the area of production management.

The other kind of situation refers to the case in which a specific group of consumers highly sensitive to social themes is targeted by some product program. These consumers may be willing to pay more for products of "socially concerned" companies. For instance, "eco-tourists" reported they would pay up to 8.5% more for environment friendly "eco-hotels", or ecotels (Rushmore, 1993), and companies like Radisson are already offering premium priced "green suites" (Wolff, 1994). As well, beauty products companies, such as The Body Shop in the US and Europe, and Natura in Brazil, sell their products with a strong "socially responsible" appeal. Market segmentation is the framework to study these cases and to point out how far these markets are worth exploring. The Body Shop is a classic example of a cosmetics retailer adopting a market concentration strategy: they target consumers who are socially concerned and experienced a period of high growth. However, after the initial period of fast expansion, when they became leaders in their target market in the US and UK, the company is reported to be facing increased competition in a market that is nearly saturated (Conlin, 1994).

However, there are many cases in which the decisions on if and how much to spend on green marketing do not fall into these two situations. For instance, the retailing discounter Walmart invested an additional $6 per square-foot in a new store, and has expectations of recovering only part of this investment by cost reductions (Wieffering, 1993). Furthermore, environmental consciousness does not necessarily translate into higher likelihood of consumers putting more effort in selecting a green product or a green service provider (e.g., Watkins, 1994). Even though a profile of the American consumer in 1991 indicated that only 28% of the population were environmentally indifferent and would buy green products only if they were perceived as the best price or quality option, the majority of the population has explicit concerns for the environment (Schwartz and Miller, 1991). Therefore, in between the adoption of measures that reduce costs and the exploration of a specific market segment of consumers willing to pay at least for cost increases, there is an apparently large number of decisions that involve a cost-benefit consideration and that are backed by a relevant portion of the total market.

Menck and Oliveira (2014*b*; Oliveira &Menck, 2002) provided a framework for considering for-profit strategic reasons for CSR engagement. This paper's objective is to build on their framework to propose a marketing approach to engage in corporate socially responsible behaviors. As the marketing unit of analysis is the consumer and consumers are posed as the ultimate reason for a company to engage in socially actions, this paper advances the model to a more practical level. This paper first reviews Menck and Oliveira's (2014 *b*) framework. Next the MARM Model (Murray & Montanari, 1986) is presented, as it intends provide a marketing approach to CSR engagement. Then, we present and alternative, hands on model for a marketing approach to CSR, which is intended to respond more directly to Menck and Oliveira's framework. A conclusion section finalizes the paper.

2. Literature Review

We briefly present Menck and Oliveira's (2014*b*) framework. The authors start by confronting profit with altruistic explanations for CSR. They argue that organizational behavior such as patronizing corporate socially responsible actions in general, often falls in a range in which no explanation can be directly found in reducing cost or profitably exploring a socially-sensitive segment (such as an eco-friendly segment).

Altruistic explanations for CSR engagement are shown to have difficulties in explaining most CSR behavior, given the need corporations have to be profitable and competitive.

Robin and Reidenbach (1987) suggested a way to blend the two moral philosophy streams on ethics by combining the individual good (deontological view) with the common good (utilitarian view). This process of combining the marketing strategy with social responsibility and ethics is helpful to the extent that it intrinsically includes a market evaluation of the socially responsible action. Robin and Reidenbach's approach also closes the gap between the concept and the practice of social responsibility and ethics in marketing. In this move they included a marketing concern, incorporating social responsibility and the business ethics perspectives into the strategic marketing planning process, with the intention to promote a reformulation of the corporate culture.

The objective of doing was to balance the basic assumptions of the organizations culture – profit and efficiency – with ethical core values. The reason Robin and Reidenbach give for using the strategic marketing planning process lies in the fact that the marketing mission thus generated can be "tested against marketing's publics and monitored for its appropriateness as the organization and its environment change" (p.49).

However, Robin and Reidenbach's (1987) view assumes the good of the whole is what is to be looked at. The approach adopted in this paper, following Menck and Oliveira (2014*b*), centers the source of CSR on consumers. As consumers end up being responsible for the additional costs of a corporation going social, no such assumption is needed, solving for any potential conflict that may arise from the assumption made by Robin and Reidenbach.

Therefore, market mechanisms contemplated by the marketing concept of satisfying consumers' needs are enough to provide a utilitarian explanation for CSR behavior, even if only the utility of the firm itself is taken into account. That is, the maximization of the profits of the firm is sufficient to explain many corporate socially responsible behaviors that apparently hurt a firm's profits. The foundation for this view is the marketing perspective of satisfying consumer needs. The missing theoretical aspect would then be a way to account for the consumer reaction to the marketing actions, in relation to their social responsibility makeup. If this can be understood, there is no need to rely on justifications for socially responsible behaviors that rely only on ethical or philanthropically non-profit reasons.

Here, we posit that it is in the firm's best interest to adopt socially responsible behavior, as it will help maximizing its profits. The incorporation of demands for socially responsible behavior in the marketing strategy as a source of competitive advantage can be done in the way proposed in this paper. When evaluated under the theories of ethics above, such a view has the merit of providing a solution for the utilitarian dilemmas of whose good is to be considered (only the firm's), of measurement (profits) and of the distribution of the good generated (to the firm).

We illustrate the importance of the consumer as the drive for CSR behavior with the example of fast growing ice-cream makers Ben & Jerry's. This company relied in the flag of activism to become a major player in the premium ice-cream market. Under the banner of activism, they have been able to market their brand using many themes that can be seen as socially responsible, from environmental issues (such as "save the rain forest" and neighborhood clean-ups) to non-traditional managerial practices (such as selecting and hiring a CEO in an open national contest), with fair relations with suppliers in the middle (such as sustaining the price of milk to small Vermont producers in a time of excess production). What impresses the most in these actions is the extensive publicizing of them, targeting a market of ice-cream consumers which is far greater than the activist segment, making not the groups of stakeholders but the consumer the most salient objective of Ben & Jerry's' CSR actions. Their apparent success in doing so is a demonstration that behaving in a socially responsible manner with respect to a series of stakeholders can have different connotations for the consumer. A large proportion of Ben & Jerry's consumers may not be touched by activism, but possibly trust an ice-cream made by a company which seems to be so socially concerned (certainly, the use of harmful ingredients would not match such an image).

3. The Strategic View

The difficulties above described do not let legitimacy to adequately explain why green marketing actions are adopted by organizations. However, why there is so little empirical evidence that "it pays to go green" (Bansal, 1994c) remains to be answered. We offer an alternative explanation for green marketing actions (and for other CSR behaviors) in which the engagement in of such actions can be considered a source of competitive advantage—therefore a strategic tool for organizations—through their management in regard to building up relations with the consumer.

The key elements, which we understand to be missing in order to allow viewing green marketing actions as a source of competitive advantage, are the notions *of congruity* of values, and of *continuity* of a firm's behavior.

Congruity of values: Achieving congruity of value is a way to escape avoidance, i.e., to prevent loss of consumer support. This idea of support loss appears briefly in Bansal (1994*a*), and is probably the reason research may have failed to capture the motives why CSR behavior is practiced and believed to be important by the managers, but is not readily translated into profits. The argument is that if consumers perceive some incongruity between their beliefs and values and the organization's, he or she will avoid the store or the brand marketed by that organization.

The theoretical approach under the idea of congruity of values is the formation of consideration sets, which are constrained sets of stores or products among which consumers make their choice (Alba et al., 1991). Variables of non-compensatory nature act to reduce the possible set from which the consumer makes his or her choice among the marketed alternatives.

In this framework, the justification a firm has to spend money in green marketing (or in other CSR behavior) is the objective of being part of the consumer's consideration set, assuming that environmental protection concerns are shared by the consumers. As opposed to strategies built specifically to attract the consumers of a segment that is highly sensitive to environmental issues—consumers who would be willing to pay more for a product or store differentiated by ecological concerns (and for whom the ecological variable is compensatory)—the drive for congruity of values is to prevent being marginalized by consumers who have environmental concerns among their values, but are not predisposed to sacrifice other attributes to select a green product or store. The fact that there is a higher number of followers than leaders among food retailers in UK is evidence of a drive for congruity of values (Bansal, 1994*b*).

Continuity: By continuity, we mean that any action taken in isolation may not be enough to justify itself in a cost-benefit analysis, but the continuous monitoring of market needs, interpretations and relevance, together with the implementation of responses to such needs to create the conditions for congruity between the consumer's values of the firm's. The reason for acting on a continuous basis resides with the dynamic nature of the values that are more relevant to the consumer. Next, we provide some examples.

Not only were consumers not at all concerned with environmental issues as recently as four decades ago, but also the relevant focus in terms of environmental concerns changes with time and with culture (geographically speaking). Take the example of whale hunting. The problems of species depletion was matter of concerns of scientists as early as the 1930's and the greatest whale harvesting rates occurred in the nineteenth century, when the commercial value of some products were the highest, for no substitutes were available (Graves, 1976). However, only during the 1960's and 70's the environmental concerns of society and of the consumer arose substantially to become an important factor. Were it legal, any supermarket trying to sell whale meat would certainly be out of business, given the reaction of the majority of consumers concerned with preservation. Nowadays, the scenario would not have changed to any extent, even though no whale species seems to be in danger of extinction (Graves, 1976), but for the reason that the act of killing a whale is not regarded as proper behavior—the same is true with respect to dolphins and its negative consequences for the tuna canning industry are well reported (however, no strong restrictions to having other mammals as protein sources have arisen so far!). Another example, the concerns about using CFC's, constitutes an even more recent issue. Taking an example with other types of CSR behavior, there is the economic recession of recent years bringing new values to society, which evoked the CSR behavior of "buy American" from Walmart, an action which added to an ongoing history of community and employee "protective" actions by this organization, in such a way that the stream of well publicized CSR actions may have contributed to the formation of an image on which it builds up a competitive advantage in the battle for the consumer.

Besides being necessary to follow their changing pattern of relevancy of consumer values, the continuity is the basis for turning the non-avoidance of a store or a product into a competitive advantage that can be regarded as sustainable. To make it sustainable, the firm has to build a protective barrier against attacks by the competitor, and increasing customer loyalty can be an effective way to pursue it (Weitz & Wensley, 1993). Monitoring which values are important for the consumer and continuously providing responses that send him/her a message signaling that "I care for what you care" can be an important way to establishing a solid relationship with the customer. We advocate that the consumer will be less likely to look for alternatives sources *for* a good or a service when he/she perceives the source he/she presently has as sharing his/her beliefs and values.

With the adoption of CSR behavior, the relationship is construed by a mechanism that establishes <u>cultural ties</u> between firms and consumers. In a sense, this view approximates the one exposed by Ouchi (1980), in which the continuous provision of signals that the firm has interests that are congruent to the consumer provide the necessary condition for the consumer to include firm in a sort of a clan. Fair policies with the employees, if adequately publicized to the consumers, can be an illustration of the mechanism acting to draw and keep customers. If the firm is successful to be admitted in the "consumer's clan", it is likely that overprice will be likely charged, as the price-sensitivity of the consumer will be somewhat lowered, and this would represent a potential of profits for the firm.

Interplay of actions: Besides the fact that congruity of values represents a strategic motivation and that continuity of behavior represents a strategic process, some insight can be added by taking into account the possibility of interplay among the many different CSR actions, i.e., not only can green marketing be regarded as a profit making strategic tool, given its effect of preventing avoidance - even when it resembles an altruistic measure - but it has to be looked at as one among many types of possible CSR actions which can be played together to eventually obtain a synergistic effect. A firm concentrating its CSR actions in environmentally related issues would tend to fall in the situation of drawing only consumers from the highly concerned segment. The adoption of many types of CSR actions certainly would be more effective in passing a message of “I care about what you care” that would enhance the relationship with the consumer to form a competitive advantage that would constitute a barrier to the competitors.

The core of this just presented view corresponds to nothing more than the allegation that the marketing concept provides room for explaining green marketing actions and their companion CSR behaviors as a way to satisfy the needs of the consumer. These needs are not necessarily the primary drivers of consumer decisions, but our claim is that they at least play a role in restricting the choice set the consumer is willing to consider, and at best allow the establishment of loyalty links with consumers.

4. Marketing Concept and CSR Behavior

The view we introduce here is builds on the ideas of Murray and Montanari (1986) found in the management literature as it uses the marketing concept to provide a framework for understanding why firms practice CSR behavior. Murray and Montanari arrive to the conclusion that the marketing concept provides the adequate “heuristic to guide decisions and actions of the socially responsible firm”, in a setting in which CSR activities are “viewed as exchanges between the firm and its environment” (p.815). Like ours, their motivation to propose such a framework was also the lack of the insertion of CSR behavior into a strategic approach in the treatment given by the literature at the time. They perceive the strategic importance of CSR engagement, as “social responsibility actions of the firm hold the potential for promoting positive acceptance of the organization, thus increasing its competitive position in relationship to its industry rivals” (p.816).

Murray and Montanari’s (1986) view CSR behaviors as exchange processes between the firm and society lead them to specify such behaviors as “products” offered to the set of actual and potential markets that constitute society: “The range of products of the firm could be extended to include all positive or negative social goods (e.g., ecological-environmental byproducts) or services (e.g., hiring or occupational safety practices) typically associated with a corporation’s social responsibility activities” (p.817-8). They argue that the advantage of viewing CSR actions as products would be that this would allow CSR actions to be managed from a profit-loss perspective, thus overcoming the difficulties of being economically explained. Furthermore, the authors posit that the incorporation of CSR behavior into the strategic plan of the firm has the benefit of capturing both the firm’s interest for profits and society’s needs, as the marketing concept focus on the facilitation of exchanges between the producing and the consuming units of the social system.

The view that we propose adapts and extends the marketing approach of Murray and Montanari to the degree that we do not see CSR behaviors as separate products offered by the firm to diverse publics in society, but rather as a complement to the products that the firm trades with its consumers. In our view, the CSR action is not a profit center in itself, but rather an attribute that affects the performance of the product in the market place and, optimally, can be managed to become a sustainable competitive advantage. In our opinion, this view has the advantage of overcoming the assumption underlying Murray and Montanari’s paper that “the long-range strategic interests of the firm are irretrievably intertwined with the long range interests of the firm’s eco-social environment” (p.818). We are not saying that this assumption is wrong, only that it is not necessary in the scheme that we propose.

Anyway, both views have in common some of the ideas expressed by Sweeney back in 1972. He states that marketing has technology as a necessary dimension. The nature of marketing requires a sufficient statement by which cultural, economic, technological and social structure characteristics of the social system should be taken into perspective when a need is to be fulfilled, if it is to be done effectively and efficiently (Sweeney, 1972). We share with Murray and Montanari’s the view that in marketing there is an underlying process of exchange in which social demands arise. As a result, the strategic marketing approach makes it possible to optimize CSR costs by seeking an efficient allocation of resources when costs and benefits are both taken into account. Also, both schemes emphasize the dynamic character of such an exchange process (captured in the idea of continuity).

5. The MARM Model

Using the marketing approach, Murray and Montanari (1986) proposed a model that they call MARM (Marketing Approach to Responsive Management). Basically, it involves the three strategic management steps of planning, implementation and evaluation/control, as seen in Figure 1.

The first step includes the marketing functions of *1)* identification of product/markets, *2)* determination of the marketing mix, and *3)* determination and implementation of social activities.

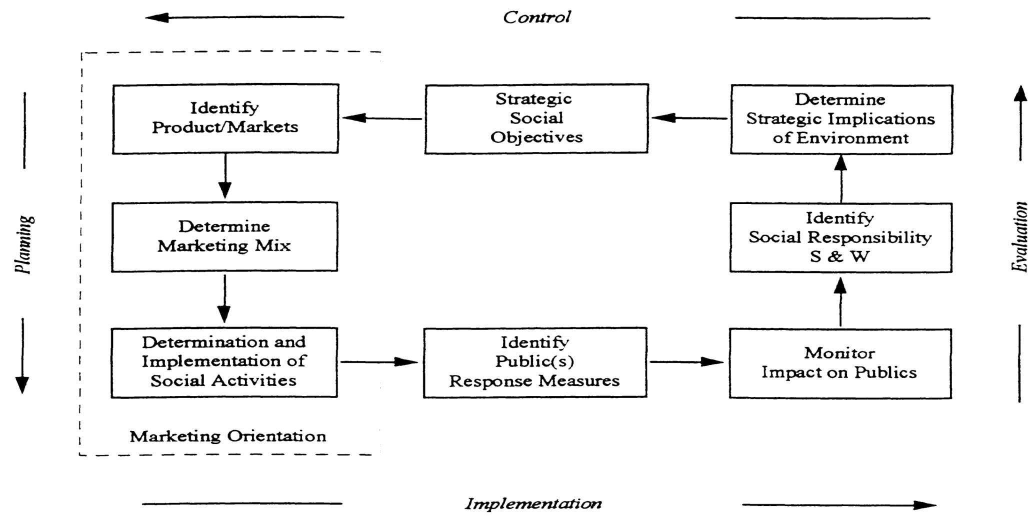

Figure 1 The MARM Model (Murray & Montanari, 1986)

In Figure 1, by "Identify Product/Markets" Murray and Montanari mean the identification of groups associated with specific "needs, problems, and potential strategic threats to the firm" (p.822). Such groups correspond to some extent to the stakeholders in Freeman's (1983) theory, but the idea here is that their needs are to be satisfied by the firm according to their strategic relevance—what represents an advance. The functional approach of the definition of the 4 P's—"Determine marketing Mix"—brings some valuable insights in managing CSR activities. However, it faces some difficulties with *price*. "Determination and Implementation of Social Activities" correspond to putting together the identified product/markets with the firm's abilities defined through the analysis of the 4 P's, under cost/ effectiveness and strategic relevance considerations.

The next strategic management steps of *implementation* and *evaluation/control* reinforce both the dynamic nature of CSR behavior and the achievement of efficiency and efficacy in regard of the firm's objectives. The identification of accurate measures of public response to the behavior, its continuous monitoring through market research methods, and the determination of the strategic implications to the social objectives of the firm, as well as its use as feedback to the planning stage, complete the MARM model (Murray and Montanari, 1986).

We interpret the difficulties noticed in the pricing function as a consequence of the fact that the model focuses on evaluating the firm's CSR actions only in the scope of the diverse publics that are directly benefited by them. Murray and Montanari recognize that the social responsibility action does not have a "price" *per se*, but that the firm has a cost that will correspond to higher prices billed to consumers when they purchase goods and services. We understand that the difficulty resides is that the beneficiaries are not necessarily the consumers in the MARM model. Consumers can avoid paying extra by jumping to a competitor's product. Therefore, the benefit to the consumers has to be assessed. In this respect we espouse Murray and Montanari's feeling that the perceived value of the social activity is related to changes in the attitude towards the firm. Nonetheless, essentially the attitude that is relevant is the attitude of who pays for it—the consumer (either influenced directly by the CSR action or via mechanisms such as peer pressure).

6. An alternative model to operationalize the marketing approach to CSR

To implement CSR behavior as an ongoing practice, affiliated with the strategic marketing plan, we suggest an adaptation of Raimar Richers' 4 A's model (Richers, 1972). According to the 4 A's model, marketing management responsibilities involve four basic functions to fulfill the firm's market and profitability objectives: *analysis*, *adaptation*, *activation and auditing*.

Analysis deals with understanding the forces driving the markets and the needs of the consumer (present and potential). The next two functions essentially encompass the marketing mix (4 P's), divided in two phases. Adaptation means the adjustment of the firm's offer to the needs detected in the previous function (development of the product and definition of the price). Activation represents the set of activities destined to make the market aware of the product and to make it available to consumers. Finally, auditing is responsible for the controls to check whether the needs of the market and the objectives of the firm are being satisfied. Thinking of marketing as a system, the functions of analysis and auditing get information from the market, while the adaptation and activation provide the marketing mix, which transforms resources (technological, financial, structural and behavioral) into products for the market. In summary, in this model marketing activities consist of a continuous process of detection of unsatisfied demands and their fulfillment with the minimum use of resources (Richers, 1974).

In the context of CSR as a strategic component, an adaptation of the 4 A's model presented in Figure 2 is helpful to operationalize the CSR behavior, similarly to the MARM model.

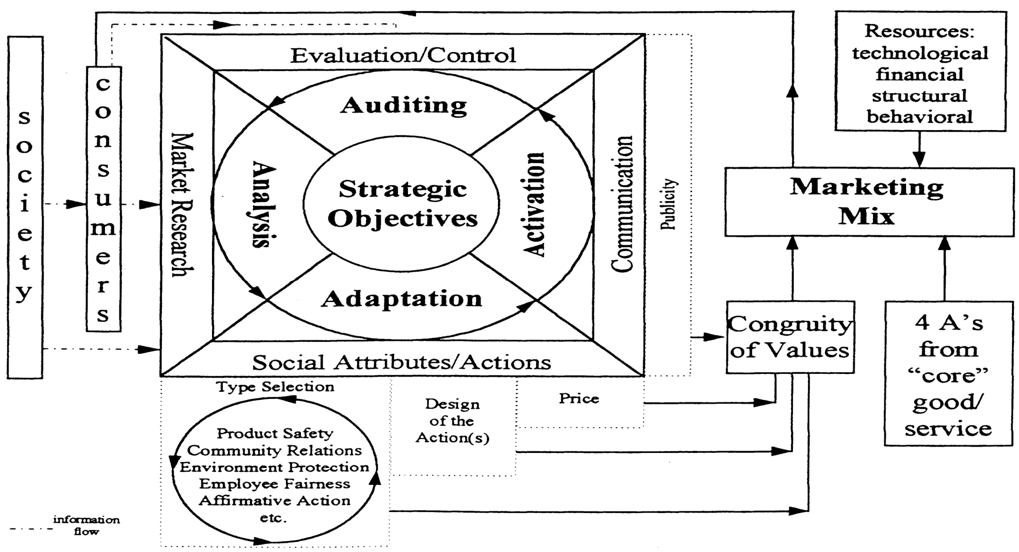

Figure 2 The 4 A's Model for the CSR Marketing Approach

Analysis: The function analysis is performed as a continuous process of investigating the environment in which the present and potential consumers are inserted, with particular attention to the macro environment, i.e., the social, economical, legal, political, and technological environments. Not only social and ethical values of the consumer him/herself have to be pursued, but also those of groups in society which peer pressure on the consumer. Therefore, a flow of information both from consumers and society supply the analysis function.

Conjuncture aspects can play an important role with respect to the analysis in the identification of opportunities and threats. To make an example, a growing concern with gun use by teenagers can lead to product line restrictions in a toy retailer, even when selling toy guns is a profitable business. Formal market research is the typical instrument to be used in this function, but also an informal assessment of tendencies and new ethical social values can be of help, given that sometimes what to look for is not obvious (e.g., concerns about an aging baby boomer population and the social need to take care of it can represent new challenges and opportunities for retail distribution, even though this segment has not yet become old "enough"). The idea of *continuity* needs strong support from the function analysis, given the dynamic nature of the social needs prevailing in society.

Adaptation: The adaptation function is supposed to perform any activities necessary to adjust the offer of goods and services to the forces driving the market—which were identified by the analysis function. This definition is quite adequate to encompass the ethical values of the consumer reflecting cultural, economic, technological and social structure characteristics that Sweeney (1972) proposed to be essential to assure the efficacy of marketing. In essence, given that a strategic role is expected, the adaptation function prepares socially responsible actions in order to fulfill consumer demands, whilst observing the firm's market and profitability objectives.

For a product setting, Richers (1994) proposed five instruments to perform the adaptation function, reflecting two components of the marketing mix: product (design, branding, packaging, and customer services) and price (pricing). In considering CSR, two of these instruments (design and pricing) are of interest. We would add a third one: selecting the type of CSR behavior. Thus, while the development of the good or service is the aim of the adaptation function in the marketing system, in the context of CSR the objective is to design "socially oriented" attributes into the products sold by the firm. Such attributes should be drawn with consideration to market impact, doability, and cost of the various types of CSR behavior, including green marketing, community involvement, employee protection, etc., assessing the tradeoffs and the synergistic characteristic among the types. In Figure 2, the circular pattern of all the types of CSR concerns reflects the characteristic of interplay among these types in their selection.

A set of strategic CSR behaviors would then result to be designed in accordance to the social demands plus the firm's resources and objectives.

Pricing comes next, and assumes a connotation broader than simply attributing an amount of dollars to the product. In principle, the reduction of the consideration set for ethical concerns by the consumer represents a reduction in the number of competitors for his/her money, which gives room to some price increase (in the same way a feature or good reputation for reliability would do). However, not necessarily an increased sticker price would "pay" for the costs of the CSR behavior because other strategic objectives such as augmenting customer loyalty or increasing market share can be sought by the firm, given the adequacy of the CSR actions for such purposes.

Activation: This function involves the remaining two components of the marketing mix, place and promotion. It uses distribution, logistics, personal selling and publicity as instruments. Although some consideration on the three first instruments is needed to activate CSR actions (e.g., in a retailing chain, the definition and implementation of which community programs should go to which stores, such as which hospitals should receive contributions), the core of the activation function in a CSR context refers to publicity. Some studies (e.g., Roberts, 1992; Ullman, 1985) refer to publicity as CSR disclosure, but they seem to fail to recognize its aims. Essentially, what publicity does is to increase demand (through drawing new customers or increasing the rate of product consumption among present customers) and decrease demand price elasticity. Therefore, publicizing the firm's CSR efforts becomes a crucial tool in order to obtain the desired strategic objectives with consumers to improve profitability. It is not a dependent variable of profitability, as part of the literature suggests (e.g., Roberts, 1992). Examples such as the high value of "socially oriented" Ben & Jerry's Ice cream and the case of Walmart's "Buy American," mentioned in Menck and Oliveira (2014*b*) attest the importance of communicating the actions as an integral part of the CSR behavior.

Auditing: The continuous evaluation of marketing performance and the use of the information generated in the process to improve future performance constitute the fourth function of the marketing system. It is not a simple task when it comes to CSR, mainly for two reasons: CSR behavior is intended to prevent avoidance, not necessarily to induce consumer active behavior, and it works like an image builder. It adds to all of the other remaining characteristics of the good or service, makings it hard to be isolated for proper measurement. However, marketing auditing is essential because of the multiplicity of aspects the dynamic nature of the ethical social needs present in society. Moreover, CSR opportunities that are not readily recognized by the organization can be used by the competition, and changing technology can introduce rapidly changing modifications in the relevancy of specific themes. Therefore, marketing audit is a necessity not only for its role in a cost/benefit view, but also to provide feedback for obtaining continuity in CSR behavior.

This function uses both internal and external information to close the circle of the 4 A's. This circular feedback-based pattern of this model emphasizes and is adequate to the *continuity* of CSR actions.

The system is completed with the "output" of the 4 A's, which is the *congruity of values* that will "enhance" the marketing mix offered to consumers, adding up to what we label the "core" good or service.

As a final note, for presentation purposes, Figure 2 shows the good or service, as if coming from a different 4 A's subsystem, but in fact the system can and shall be designed as a single, integrated marketing system.

7. Conclusion

We build on the framework proposed by Menck and Oliveira (2014 *b*) that CSR behavior can be regarded as a strategic competitive tool.

This can be done if one recognizes that: *a)* consumers, who are the ultimate objective of the action (given that they are the ones who are paying for it), not only have their own social needs, but also suffer peer pressure; *b)* consumers will exclude from the consideration set a firm or product that does not match their values, including the social ones (congruity of values), *c)* to assess the constantly changing set of values of the consumer, any CSR practice has to be done in an ongoing basis (continuity), with respect to what is then relevant to consumers, and *d)* the interplay of different types of CSR actions is used by the firm.

An adaptation of the 4 A's model operationalizes the marketing view of CSR, with the advantage of emphasizing the continuity in the ongoing process of retrieving the social needs from the market. The process that follows is one of exchange, in which the firm fulfills social needs to obtain an improved consumer attitude that allows the firm to elevate the price inelasticity of its products or to draw a larger customer base, through establishing some ties of a cultural nature with the consumer.

The major consequence of this view is that environmentalists and any stakeholders having specific interests should not be trying to impose socially responsible behavior on firms, but rather try to educate consumers about the environmental needs of society. As Bowie (1991, p.62) proposes, "If environmentalists want to produce products that are more friendly to the environment, they must convince (Americans) to purchase them. Business will respond to the market."

As far as future research is concerned, probably the most important empirical test of the model here proposed is related to the establishment of cultural ties—or a clan image—of the store (or product) and its inclusion in the consideration set as a result of the practice of green marketing and other CSR behaviors. On the conceptual side, furthering the understanding of the establishment of firm-consumer relationships via clan theory can be of great value, not only for the scope of the present paper, but for the whole relationship marketing area.

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