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Differentiating the brand differently: A theoretical response to the recent call for engaging employees in corporate philanthropy

Overview of Context

Corporate philanthropy (CP) is the taken-for-granted activity in virtually all large and multinational firms (Gautier and Pache, 2015). Meanwhile, there remains an inherent contradiction regarding whether corporate philanthropy can help improve the business brand and make a genuine commitment to social benefits. Due to this ambiguity and the profit-oriented nature of business, some organizations still feel compelled to engage in philanthropic activities (Porter and Kramer, 2002).

Although customer-based lens and outcomes are undoubtedly important, it is argued that an exclusive focus on these may offer an incomplete account (Tavassoli et al., 2014). Recent developments in the field of brand equity have led to a renewed interest in employees' perspectives (e.g., King and Grace, 2009, King and Grace, 2010, King et al., 2012, and Boukis and Christodoulides, 2020). Specifically, employee-based brand equity (EBBE) can supply a useful account of how employees can generate, reinforce, and strengthen the source of brand equity and create differential effects. What is more, getting employee involved is an increasingly prevalent subject in numerous corporate philanthropic projects.

Taken together, there is a need to see differently how a robust and frequently used concept of corporate philanthropy embeds into internal branding. By applying employee-involved corporate philanthropic activities as a springboard for improving and differentiating brands, this study offers a promising perspective and novel solutions to the interface between firms and society.

Research Objectives

The purpose of this study, therefore, set out to explore how brands can enhance competitiveness by involving their employees when doing corporate philanthropy. Based on this, the objectives of the systematic literature review of this study have two components: 1) to solve the unclarity of the conceptualization of CP from the marketing perspective; 2) to deal with the conceptual ambiguity that exists in current EBBE research.

Main Findings and Conclusions

A systematic literature search with inclusion and exclusion criteria was conducted for peer-reviewed articles published in English. By focusing on the above two key concepts, it has made substantial contributions from the following aspects.

On the one hand, ongoing debates around CP emphasise the need for distinguishing corporate philanthropy in the marketing context from philanthropy in the general context and other similar concepts like CSR (Sulek, 2010, Gautier and Pache, 2015). Therefore, the author critique and enhance the concept of corporate philanthropy, by highlighting its unique reciprocal core (based on Mauss, 2002, Porter and Kramer, 2002, Varadarajan and Menon, 1988) as well as the voluntary core (such as Harvey et al., 2020, Sulek, 2010) in an inclusive working definition. The author argues that CP plays a salient role in many economies in the form of private resources contributing to the public good and social causes, which tends to bring indirect or unintentional reciprocal outcomes. This research is also informed by some real-life cases and operates with three main types of CP: Corporate-level philanthropic contribution, employee-related CP, and Customer-related CP. Therefore, this research enhances the CP concept by revealing the rationale for CP in bringing synchronized economic and social benefits.

On the other hand, depict increasing research has provided an abstract or general definition of EBBE with a particular focus, such as the effects of employees' brand knowledge on EBBE (King and Grace, 2009, Wilden et al., 2010, Xiong et al., 2013),

these definitions only have limited explanation power on employees' agency. What is more, although those researchers have recognized the multidimensional nature of EBBE, they use a limited number of dimensions. For example, Baumgarth and Schmidt (2010) only focus on behavioural ones. Thus, this research also sheds light on EBBE, by setting it as a dynamic process involving the cognitive, affective, and behavioural dimensions and enhancing its explanation power about employees' active roles in living and breathing their brands.

Moreover, the author develops a theoretical model to bridge the two key concepts. Specifically, the first stage of this framework portrays that corporate philanthropic efforts can elicit employee cognitive responses in multiple ways, such as management support, internal communication, the 'Human' factor in corporate culture (King and Grace, 2010), and supervisor brand leadership (Boukis and Christodoulides, 2020). The cognitive developments may involve brand knowledge clarity (King and Grace, 2010, Xiong et al., 2013), value congruence (Helm et al., 2016), and perceived benefits (Boukis and Christodoulides, 2020). The above cognitive interdependence could then lead to the next level, which is employees' affective brand pride (Helm et al., 2016), brand trust (Rampal and Kenning, 2014), and brand commitment (King and Grace, 2010, Xiong et al., 2013). Finally, behavioural outcomes might accommodate employees' brand citizenship, brand endorsement, and brand allegiance – the desire to stay with the brand (King et al., 2012).

There are different routes and propositions in the overall CP-EBBE process. Social exchange theory (SET) (Cropanzano and Mitchell, 2005) and social identity theory (SIT) (Farooq et al., 2014) work as the mechanisms and basic premise that help explain the interrelationship of how employees perceive, feel, and behave according to the corporate philanthropic practices of their brands. Those proposed interrelationships will work as a starting point for the next stage of this research: the empirical study with a mixed-method design.

To summarize, this research suggests that involving and engaging employees when

doing corporate philanthropy may have a far-reaching differential effect on building an effective and competitive brand. The theoretical finding of this research at this stage plays a complementary role in inspiring future researchers and practitioners to make discoveries by adapting a reciprocal and dynamic perspective in terms of engaging employees when examining and designing corporate social and community-related issues. It also posits that there is a possibility to empower better marketing for a better world.

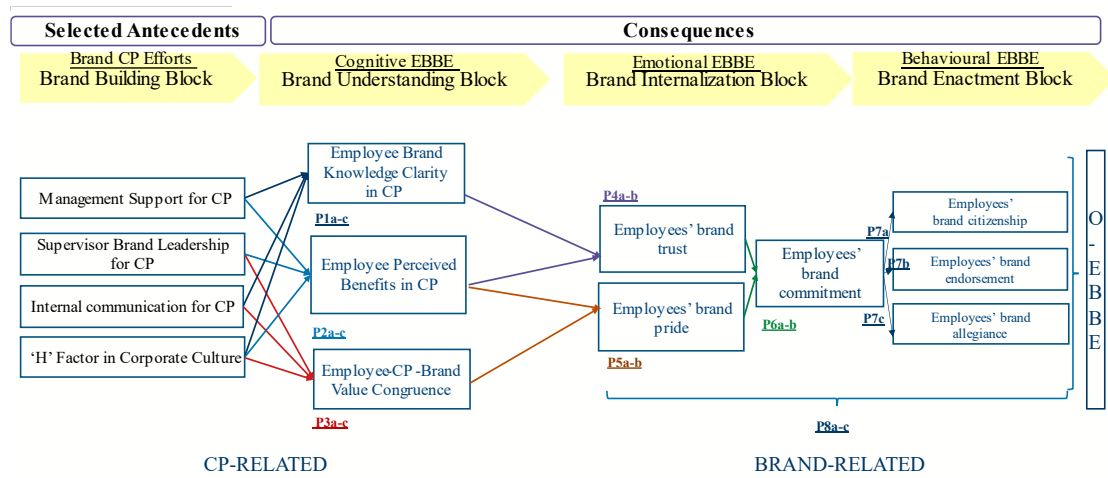


Figure 1. Theoretical framework for the CP-EBBE process

Next Steps

The next stage of this research will follow the sequential exploratory mixed method design. The empirical research will start by in-depth semi-structured interviews to obtain a deep understanding from experts and employees who participate in corporate philanthropic activities. It helps explore the actual meaning of constructs and uncovered themes in the theoretical framework. Afterward, a quantitative study by the online survey can generalize and test the rationale and interrelationships of hypotheses.

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