A MEASURING INSTRUMENT FOR THE ACTIVE CONSUMER STAKEHOLDER CONCEPT AMONG SOUTH AFRICAN BRAND LEADERS

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ABSTRACT

This study argues that consumers no longer take the actions of brand leaders for granted. Instead, they challenge and are inherently active. Although consumers have long been recognised as stakeholders by brand leaders, the question remains as to what extent their voices are heard and to what extent brand leaders recognise them as active stakeholders. The research problem was addressed by linking aspects of corporate social responsibility, corporate social responsiveness, stakeholder theory, stakeholder communication and accountability to develop a reliable measuring instrument for brand leaders to evaluate to what extent they are attuned to the active consumer stakeholder concept and, through further rankings and qualitative analyses, obtain some indication as to what extent awareness of the active consumer stakeholder concept has taken root among a sample of 51 brand leaders. Through reliability and cluster analyses, the research succeeded in developing a reliable measuring instrument which reflected most of the theoretical tenets of the active consumer stakeholder concept. Further findings, albeit of a limited scope, suggest an interesting dichotomy between recognition of the active consumer stakeholder concept on the one hand, and a strong profit maximisation view on the other, which could become a platform for further research.

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INTRODUCTION

Due to the widespread acceptance of neoliberal policies by democratic countries, consumers shifted their confidence from politicians to big business, a trend that became particularly noticeable since the 1980s (Grunig 1992; Deetz 1995; Carroll & Buchholtz 2008; Kim & Sriramesh 2009). This put pressure on business organisations and brand owners to consider not only the well-being of shareholders, but also the well-being of society, culminating in the introduction of the Triple Bottom Line at the 1992 United Nations Earth Summit. Apart from the bottom line and the needs of shareholders, the needs of the planet and the people living on it were positioned as equally important.

Business organisations operate in a turbulent environment where stakeholders have become more "activist", speaking out against perceived inequitable practices threatening their well-being and that of others (King & Lessidrenska 2009; Pratt 2009). The notion of active and "activist" stakeholders is also of significance in developing countries where business organisations as "harbingers of development" (Pratt 2009: 230) are operating in a landscape "densely plotted with protest movements" (*ibid.*), and where stakeholder activism has become a fact of life (Grunig 1992; Kim & Sriramesh 2009). This movement has been enhanced by the implications of the Internet and social networking.

Consumers as stakeholders have also evolved to a point where they need more from a brand than only products or services. Many consumers, it is contended, are actually seeking an opportunity to make a difference, as borne out by research indicating that consumers regard cause-related marketing as the most beneficial type of corporate social responsibility (CSR) (Werder 2008) as it allows them to participate in socially responsible behaviour.

RESEARCH PROBLEM AND OBJECTIVES

Although consumers have long been recognised as stakeholders by brand owners (Duncan & Moriarty 1997), the question remains as to what extent their voices are heard and to what extent brand owners recognise them as active stakeholders and collaborators in the development of brands.

This study aims to address the research problem by linking certain aspects of corporate social responsibility, stakeholder theory, normative stakeholder theory, corporate social responsiveness, stakeholder activism and accountability in an attempt to (1) develop a reliable measuring instrument for brands to evaluate to what extent they are attuned to the active consumer stakeholder concept, and (2) to ascertain to what extent awareness of the active consumer stakeholder concept has taken root in strategic communication activities of 51 South African brand leaders.

THEORETICAL FRAMEWORK AND KEY CONSTRUCTS

Corporate social responsibility

Although corporate social responsibility has long been in existence, by the late twentieth century people became far more sensitive to both social and environmental issues (Arens, Weigold & Arens 2009). Anti-corporate campaigns began emerging in response to the perceived negative impact industrialised business had on the planet and its people.

The anti-corporate backlash climaxed in 1995 as the protestor spotlight turned on the oil giant Shell (Fauset 2006). During that year, the multi-national oil company was accused of both environmental and social atrocities. Shell temporarily lost the confidence of both investors and the public, providing the business world with a much needed wake-up call.

The importance of reputation, and the ability of activists to damage corporate reputation, thus was highlighted. Whereas an image is a "façade" constructed by planned mass communication, reputation is constructed by stakeholders, often via social networks, and refers to the esteem that the brand holds in stakeholders' eyes (Satterthwaite 2010).

According to Graham and Woods (2006), the most frequently cited definitions of CSR all refer to the integration of social and environmental concerns in business operations and in voluntary interactions with stakeholders. The business case for CSR (Fauset 2006) emphasises its benefits for reputation, staff and consumer loyalty, and maintaining public goodwill (Werder 2008). Fauset (2006) rigorously scrutinises the sincerity of CSR and is in agreement with Bakan (2004), who believes that, in the shareholder arena, the duty to make money above all else can only mean that all CSR is insincere – a public relations strategy. However, others such as Melewar (2008) support the business case in that business leaders sincerely want their CSR to work – acts of CSR will increase market share.

Hannington (2010) suggests it would be in companies' best interests to stop seeing CSR as a financial burden and to start seeing it as a business approach directed at establishing long-term shareholder value by embracing opportunities for competitive advantage inherent in environmental and social challenges.

This is the case to some extent with cause-related marketing (CRM). Varadarajan (1988: 58) defines CRM as "a co-alignment of corporate philanthropy and marketing strategy". Effective CRM is about finding a link between the product offering, the consumer and a specific cause. However, Baylin *et al*. (1994) assert that CRM programmes exploit the cause involved, turning suffering into a marketable commodity.

The art of "greenwash" is said to have been perfected by Shell in 1995. Greenwashing is a company's ability to project a caring image without actually changing any of its socially and environmentally questionable practices in any significant way (Hamann & Kapelus 2004).

Nowadays, however, "an increasing number of organisations view corporate social responsibility as integral to their systems of governance" (De Beer & Rensburg 2011: 208). The Triple Bottom Line (3BL) has taken the emphasis off the single "P" for profit and includes two more "Ps", i.e. people and planet (Brenkert 2004). According to De Beer and Rensburg (2011), the focus on profit alone is short-sighted and unsustainable as a mono-contextual practice by corporates, whereas the 3BL evolves this practice into a poly-contextual one, where looking after the interests of the people and the planet are in fact essential, and even preconditions for making a profit.

Corporate social responsiveness

Corporate social responsiveness (CSR2) represents a move away from corporate social responsibility per se. The focus moves to the more practical aspects of making organisations more socially responsive to tangible forces in the surrounding environment including stakeholder demands.

According to Carroll and Buchholtz (2008), it is seen as a more action-orientated development in CSR. As the word suggests, corporations are more involved in responding and actively providing something, rather than simply fulfilling an obligation. The 3BL takes precedence over the traditional bottom line, and room is created to respond to expectations of both shareholders and stakeholders. The King III Report, for instance, devotes a whole chapter on stakeholder engagement.

Stakeholder Theory

At the core of corporate social responsiveness lies Stakeholder Theory, as originally described by Freeman (1984), who has expanded the stakeholder scope to include stakeholders beyond shareholders.

Both Freeman (n.d.) and Campbell (2008) reflect on the bi-directionality of stakeholders in that they can both affect, and are affected by an organisation. Du Plessis (2006: 198) describes stakeholders as active interdependent entities that stand in a "two-way, interdependent and reciprocal" relationship with the organisation which can be contrasted with the concept "public", which implies passive recipients and a linear, one-way flow of communication.

Ayuso, Rodriguez and Riccart (2006) classify stakeholders into primary and secondary groups. The primary stakeholders are those stakeholders that the business could not function without, such as shareholders, employees, owners,

suppliers and consumers. Secondary stakeholders include social and political stakeholders that play a crucial role in obtaining business credibility and acceptance of business activities such as the media, NGOs, activists, communities, governments and competitors. Whether stakeholders are primary or secondary may vary with circumstances. Stakeholders may also play more than one role at the same time (Greenwood 2007). Furthermore, consumers are becoming more socially and environmentally aware and are adopting many activist-like qualities.

The stakeholder perspective is diagonally opposed to the shareholder view of Milton Friedman. He believes that the one and only responsibility that a company has to society is to maximise its shareholders' profit (Friedman 1970). Friedman's perspective essentially says that there is no room for philanthropy and that all funds must be directed to maximising profit (Foohey 2004).

While it is true that companies are legally obligated to maximise their shareholder profits and act in the best interest of the company owner (Fauset 2006), Friedman is contradicted by the new wave of developments which no longer see business interests as separate from sustainability (Benioff & Southwick 2004; Grimaldi De Puget 2005; De Beer & Rensburg 2011). Consumers are where the money comes from to sustain a brand or company, making them a vital stakeholder in any business endeavour. As opposed to the traditional product-related benefits and factors that have influenced consumers' opinions of companies in the past, consumers are now looking increasingly at sustainability and other CSR related factors in their purchasing decisions, to the point that many major brands today such as Johnson & Johnson, Unilever, Philips, Ford, Starbucks and Haägen-Dazs have sustainability scorecards (Sustainable Brands n.d.: online).

Normative Stakeholder Theory

According to Normative Stakeholder Theory, stakeholders of an organisation are identified according to moral and philosophical guidelines which go beyond compliance with business and legal expectations (Donaldson & Preston 1995). This would also entail society's expectations that organisations are good citizens who are held accountable for greater support of, and corporate social responsiveness to the society of which they are part (Carroll & Buchholtz 2008).

In essence, Normative Stakeholder Theory asserts that organisations exist to pursue stakeholder interests, and stakeholders are seen as ends in themselves (Pratt 2009: 931). According to Donaldson and Preston (1995), one of the most important approaches to Stakeholder Theory and a belief that is at the core of Normative Stakeholder Theory is that stakeholder interests have intrinsic worth.

Stakeholder communication

The shift towards a multi-stakeholder approach has led to a variety of shifts in the way that corporations communicate with their stakeholders. It is a much more inclusive approach and includes, amongst others, the shift from top-down to bottom-up communication, from consensus to dissent, from monologue to dialogue, and from control to self-organisation (Overton-de Klerk & Verwey 2012).

The traditional linear approach that sees communication as a top-down diffusion of organisational messages to its publics, is now replaced by seeing communication as an interaction allowing for bottom-up grassroots participation, networks of interaction, and action research processes (Ströh 2007). This would include participation of stakeholders in consumer-generated media. Stakeholders (including activist consumers) have become the co-creators of organisational and brand reputation (Satterthwaite 2010; Overton-de Klerk & Verwey 2012).

Accountability

A concept that is strongly associated with the active consumer stakeholder concept is accountability. Accountability refers to the two-way, reciprocal relationship that exists between an organisation and its stakeholders as active participants (Du Plessis 2006).

According to Nothhaft and Wehmeier (2007), accountability is not owned by a company or a brand, but is granted by stakeholders, and must meet at least two conditions, namely, transparency (which entails impartial assurance and public disclosure) and congruency (the extent to which the brand's communication is borne out by socially responsive behaviour towards various stakeholder groups).

Activism

Many people are too busy to take time out to be activists, which does not mean that the desire is not there but simply that they are too preoccupied to go and picket a corrupt company or tie themselves to a tree. The Internet is changing all of that. It provides the new "super-consumers" who have few other ways to take a stand together to take action and control of their brands (Bosman 2010: 4).

Activists can be seen as dangerous stakeholders (Mitchell, Agle & Wood 1997), and we are slowly starting to see a merger between the consumer and activist stakeholder groups. As consumers become savvier and more critical, this merge is inevitable. The active consumer stakeholder and consumer activism are not synonymous, but they are not mutually exclusive either.

The Internet and social media

The Internet provides a low-cost, direct, controllable communication channel which is faster than daily newspapers and more interactive than broadcast media (McCaughey & Ayers 2003). In addition to this, it provides pressure groups or activists with a low-cost tool that facilitates direct contact with other stakeholders, and eliminates the media as gatekeepers (Holtz 2002). Communication technologies, such as the Internet and social network sites, have begun to shift the power balance from large corporations to activists (Jacques 2006).

The Internet is fast changing the activism sphere and the "democratised media" is making corporations more accessible and accountable (Bennett 2008: 1). Companies are "operating in a fishbowl – and consumers are not… shy about tapping on the glass" (Bennett 2008: 2).

Moreover, blogs, message boards and product reviews mean that consumers "talk back" (Bennett 2008). They are engaging in dialogue with brands, whether or not the brand chooses to respond. The virtual space of the Internet allows for a fusion of various conversations across websites, social networks and even time. Consumers are turning to the Internet for advice on goods, products and services more than ever before, thus putting the power in the hands of people who channel their experiences through the Internet.

Operational definition of the 'active consumer stakeholder' concept

Based on the literature review of key constructs as discussed in the previous section, the following operational definition of the active consumer stakeholder concept was developed for the purpose of the empirical research: *The active consumer stakeholder concept refers to the pressure exerted by informed consumers to hold brands and organisations responsible and accountable for the well-being of society and the environment beyond the maximisation of profit, and to expect such entities to be responsive to and in dialogue with consumers as stakeholders of brands and organisations.*

RESEARCH METHODOLOGY

The primary objective of the research was to develop a reliable measuring instrument which could be used to establish to what extent South African brand leaders are attuned to the active consumer stakeholder concept, as operationally defined for the purpose of the research.

In addition to this, quantitative and qualitative analyses of further rankings and open-ended questions were aimed at achieving a secondary objective, which was to obtain some indication as to what extent awareness of the active consumer stakeholder concept has taken root among the sample.

The research design could therefore be described as a mixed-method design, each establishing insight into the other and into the research problem.

Questionnaire

In order to establish a reliable measuring instrument or scale for brand leaders to evaluate to what extent they are attuned to the active consumer stakeholder concept, items needed to be established based on key constructs extracted from relevant literature, i.e. corporate social responsibility, stakeholder activism, accountability and stakeholder dialogue. These constructs were incorporated into a Likert-type questionnaire consisting of sufficient items, and involving a sufficient number of respondents, to develop a quantitative measuring instrument. Additional items were also generated via an initial pilot study conducted among consumers through three focus group discussions.

Question 2 in the questionnaire required that respondents rank, in order of importance, the top five factors that are most important in how companies should behave in the context of South Africa's economic, social and political challenges.

Qualitative, open-ended questions were added to the end of the questionnaire. The first open-ended question was linked to ranking stakeholders in order of importance, the second to the respondents' experiences of activism, and the third to the type of safeguards and investments made to interact and if necessary counteract the active consumer stakeholder.

Due to the anticipated lack of time available to the group of desired respondents, the Likert-type questionnaire was kept as short as possible (32 items). The potential problems that may have resulted from fewer items in the questionnaire were weighed up against the potential of a low reliability if there were too few respondents.

Data collection

The questionnaire was completed via email by top South African brand leaders. In order to obtain responses from at least 50 subjects (the minimum number for reliability analysis), the first step was to extract 50 brand leaders from *The Sunday Times* 2010 Top Brand Survey. There was a point where, due to lack of response and in some cases refusal to answer at all, the subject pool was expanded to include other top brands that were not necessarily part of *The Sunday Times* Top Brand Survey, but that are all acclaimed and established South African brands (names cannot be mentioned for confidentiality reasons). This eventually resulted in the 51 responses obtained.

The respondents ranged in age from about 25 to about 50. They varied from brand account managers to account directors, brand managers and marketing

managers. They all had a sufficient impact and knowledge of the brand to influence the direction and decisions of the brand, although their level and type of responsibilities may have differed. The majority of the respondents were middle-ranking, but there was also representation of respondents in both junior and senior positions. There was a weighting towards female respondents. The respondents represent a range of industries i.e. FMCG, including alcohol; food and service; retail, including clothing; motor and petrol; and financial.

The components of the different biographical categories were all separate at first. They were subsequently combined in order to provide larger comparison groups (more than 20) so as to make the results more relevant and more representative in order to analyse them appropriately and with more statistical accuracy.

Data analysis

For reasons of statistical analysis, the key dimensions and sub-dimensions of the active consumer stakeholder concept were summarised as: Stakeholder scope (which includes stakeholders beyond, and including, the shareholder, but specifically the consumers), Dialogue, Corporate social responsibility (encompassing Corporate social responsiveness), Accountability and Social media.

Data analysis firstly consisted of a series of reliability tests and a cluster analysis so as to determine the theoretical reliability and consistency of the underlying conceptual dimensions of the active consumer stakeholder concept.

Secondly, respondents' ranking of the top five factors which were most important in guiding how companies should behave, were analysed.

Thirdly, qualitative analysis was done of key themes (if any) emerging from responses to the open-ended questions to see whether they added more depth to the findings.

RESULTS

The data were firstly subjected to reliability analyses. Cronbach Alpha scores were calculated for each set of items per theme. Following initial runs of the five groups of items, and based on the requirements of the Cronbach Alpha to be above 0.6 or at least 0.55, only three of the themes actually proved to be reliable, based on the way in which the items had been grouped.

As the outcome of the reliability statistics was not entirely optimal and as factor analysis could not be considered because of the small sample size used for this research, a cluster analysis was used to achieve a different perspective on the ideal themes.

Groupings were based on the commonalities between the patterns in each participant's responses – there was no linguistic or thematically logical reason for the groupings. However, by analysing each item that was grouped together by the cluster analysis and by using the knowledge obtained from the literature, themes began to emerge that accurately represented the active consumer stakeholder concept.

Assuming the clustered items had been sufficiently analysed, the anomalies eliminated and the restructured themes scrutinised, the resultant cluster of items should have been reliable, but were retested by new reliability statistics.

In this instance, the desired themes began to emerge, as will be discussed shortly, and there were even several overlaps between the initial more "humanistic" and subjective reliability items and the new, more "scientific" and objective cluster analysis.

Based on the cluster analysis, these themes were restructured as Dialogue, Stakeholder scope, Corporate social responsibility, Accountability, and a newly emerged theme: Brand image.

The five newly comprised themes or scales were subjected to further reliabilities testing based on their new composition of items put together on the basis of the cluster analysis. All of these yielded significantly high Cronbach Alpha's, with the exception of the Image items, which were eliminated (see Table 1).

The reliability of the tool

By using the remaining 25 items, a reliable tool emerged. These items reinforced the statistical reliability and theoretical accuracy of this tool in measuring the active consumer stakeholder concept.

This notion was further reinforced when an overall reliabilities test of all included items yielded a high Cronbach Alpha of 0.854, meaning there is no statistical uncertainty as to the reliability of the tool.

TABLE 1: RESULT OF NEW RELIABILITY TESTS BASED ON CLUSTER ANALYSIS

Theme/Scale	Dialogue	Stakeholder scope	Accountability	Corporate social responsibility
Items	13: Companies should regularly conduct market research to determine the attitudes and perceptions of their consumers. 14: Companies should regularly conduct market or other types of research to determine the kind of influences the public has on the success of their operations. 15: Companies should regularly conduct market or other types of research to determine the extent of influence the public has on the success of their operations.	1: Companies should be concerned about the needs of the larger society beyond their shareholders. 3: Companies should engage with the community before they embark on endeavours that affect that community. 8: Companies should be concerned about the needs of the larger society beyond their shareholders. 11: Companies should be held accountable to the public for their actions. 21: Companies can be genuinely socially responsible and simultaneously look after the interests of their shareholders. 26: All companies should manage consumer perceptions vigorously via ongoing public engagement. 32: Consumers are an essential stakeholder in any company.	4: It should be a legal requirement for companies to invest in social issues e.g. the environment, education, healthcare, etc. 9: Consumers should be encouraged to actively collaborate in a company's decision-making activities. 12: All companies should make information about that company's business practices accessible to consumers. 18: Companies have the responsibility to do things for the well-being of society that governments can no longer do. 31: Companies should make all information regarding their business practices available online.	2: In my opinion, a company's long term success is increasingly linked to the amount of "good" it does for society e.g. the environment, education, healthcare, etc. 6: A company's endeavours in corporate social responsibility positively influence the purchasing decisions of that company's products or services. 10: A company's responsibility to society should go above and beyond legal requirements. 16: Companies often claim to "do good" that is unsubstantiated by their actions. 19: Companies should do "good" acts, even if they do not obtain publicity for them. 23: Companies should concentrate on what they can accomplish in their immediate sphere of influence rather than try and right the wrongs in society at large. 25: Because of social media, companies should be increasingly wary of hiding anything from the public. 27: Companies should be held accountable for the well-being of people and the planet, as well as their bottom line. 28: Social media helps in a company's attempts to maintain a good image. 30: Companies should set money aside, over and above their bottom line, for corporate social responsibility.
Cronbach Alpha	0.882	0.752	0.839	0.663

Question 2

In the context of South Africa's considerable economic, social and political challenges, please rank in order of importance only the top five factors that, in your opinion, are the most important in guiding how companies in South Africa should behave:

TABLE 2:   DISPERSION OF RESPONDENTS' RESPONSES TO QUESTION 2

	1st choice	2nd choice	3rd choice	4th choice	5th choice
Caring for the environment	3	3	2	11	7
Improving education	4	6	6	2	3
Creating advertising and marketing	3	3	3	4	4
Bettering healthcare	3	2	2	3	3
Maximising profit	19	6	5	3	4
Improving the quality of products and services	17	14	10	1	2
Image management	2	3	2	6	2
Community development	3	3	6	9	13
Employee satisfaction	8	17	8	2	4
Customer relationship management in the social media	1	2	1	2	0

Nineteen respondents chose *maximising profit* as their first choice and 37 chose it within their top five, i.e. they felt this was the most important element to focus on in a company. This was the highest first choice out of all ten. Overall, 44 respondents selected *improving the quality of products and services* within their top five choices for what they felt a company's priorities should be. This was the highest overall choice. In terms of first choices, *improving health care, community development* and *caring for the environment* all had a very low selection rate. *Marketing and advertising* featured very low with only 17 choosing it overall. *Image management* scored lower than advertising, with only 15 respondents selecting it overall.

Open-ended questions

These questions were included in order to add depth and understanding to the discussion and interpretation.

It was generally agreed that "no company can succeed if it consistently ignores the needs of core stakeholder groups". This was agreed on irrespective of the stakeholder group that was given most credence by the individual respondent.

However, the majority of respondents cited consumers as the most important stakeholder. Within this choice, there appeared to be three main trends among the respondents.

The first distinct direction was that without consumers "there would be no brand", "brands exist for consumers", and "without consumers, a company would not exist".

The second direction is illustrated by the act that several respondents asserted that "consumers should have an active role in steering business decisions – they know what they want and we can give it to them". This speaks to the fact that consumers make the brand profitable. This links to the shareholder, which was often coupled with the consumer as an important stakeholder. "Customers are the lifeblood of any company, as we exist to supply the products or services which they ultimately pay for – we derive turnover from their support." This trend is summarised by the following remark made by one of the respondents: "The more satisfied the consumer is with your products or services, the greater the likelihood that they will support your business on a regular basis, which means increased turnover and happy shareholders".

The third trend around consumers as important stakeholders is linked to the interpretation of the open-ended question. Several respondents linked the consumer to CSR. This indicates that consumers have been identified as wanting CSR from their brands.

The money spent on CSR may not translate directly into sales, but it will raise brand awareness and brand image.

One respondent acknowledged: "As a brand, encountering some sort of consumer activism is inevitable". Many of the respondents had experienced consumer activism to varying degrees – from functional, offering-based scrutiny to race-based criticism and accusations of murder and environmental damage. This activism was experienced through BlackBerry Messenger, Facebook, Twitter, and even websites dedicated to an attack on the brand.

In most cases, respondents claimed that they had mechanisms in place to deal with any kind of activism from consumers or dissatisfaction. From dedicated PR teams and call centres to online content managers, the majority have some way of dealing with the active consumer stakeholder. Some respondents claimed that their brand was "open to discussion with consumers in both public and private forums". "Dialogue is essential, particularly in constantly changing technological environment."

DISCUSSION

The research succeeded in achieving its primary objective, which was to develop a measuring instrument with internal reliability and academic integrity which can be used to evaluate to what extent brand leaders are taking cognisance of the active consumer stakeholder concept. The key dimensions of this measuring instrument reflect most of the theoretical tenets of the active consumer stakeholder concept as discussed in the literature, and include the following:

Dialogue is essential to the active consumer stakeholder concept, as not only is it one of the key tenets of Stakeholder Theory, but it also provides an indication of the nature and direction of communication and research, networks of interaction and level of participation and collaboration or opposition of stakeholders (Ströh 2007).

Critical to the measurement of the active consumer stakeholder concept is also an indication of the width and inclusivity of stakeholders beyond shareholders (*stakeholder scope*). It also tests, to some extent, the understanding and recognition among respondents of the idea of stakeholder.

Corporate social responsibility and a brand's attention to improving its environment, on both a social and environmental level, are core areas to be observed by the active consumer stakeholder concept. This also includes the idea of responsiveness to stakeholder needs beyond responsibility and philanthropy.

Accountability also forms an important dimension of the measuring instrument. As cited by Kapelus and Hamann (2004), accountability is a key criterion for assessing any kind of CSR policy. The active consumer stakeholder holds companies accountable for their actions, and expects transparency and congruency.

With regards to Question 2, the strong inclination towards *maximising profit* as respondents' first choice demonstrates a tendency to look at the bottom line as the most important factor in managing a business. This appears to support Friedman's (1970) belief that the only important stakeholder is still regarded as the shareholder and his or her investment is what actually keeps the company afloat; the other stakeholders would not exist without the shareholders and therefore are not prioritised.

However, the fact that the majority of respondents identified the consumer as the most important stakeholder in the open-ended questions could signify a gradual mental shift from the conditioning created by Friedman's (1970) school of thought. This shift appears to be towards Freeman's (1984) advocacy of Stakeholder Theory. However, the desire to create profit for the shareholders, above all else, has been linked to the consumer by the respondents, with many asserting in the open-ended questions that without consumers buying their product or service, there would be no shareholder.

The lower rankings of the corporate social responsibility-based options in Question 2 suggest that South African brand leaders fail to see the link between looking after people's social problems, the environmental problems of the planet, and the profit that could be derived by a 3BL "poly-contextual" approach (De Beer & Rensburg 2011: 212).

This incongruity is also evident in the data obtained from the analysis of Question 2. The shareholders were seen as the most important stakeholders; however, this response may have also been influenced by the fact that companies are legally obliged to look after the financial interests of the shareholders, while CSR is voluntary in nature (Fauset 2006). The incongruity was further evident when the data were compared to the open-ended responses, which, as discussed, lauded consumers as the most important stakeholders. This may suggest a subconscious pull towards consumers and their wants and needs by South African brand leaders; however, the needs of the bottom line seem to be innately incongruent with the social and environmental needs of the consumer.

Improving the quality of products and services was also given emphasis in Question 2. This again links back to the bottom line and the preference given to the stakeholder and Friedman's (1970) loyalty to the shareholder. However, by holding this quality in such high regard, stakeholders such as employees and suppliers also become important. In addition, products and services are directly linked to the active consumer. Without maintaining strict standards with regard to the above, brands are at risk of attack from websites such as hellopeter.com as well as other online and offline activism. (Environmental-friendly packaging is seen, for instance, as a result of such activism.)

In terms of first choices, *improving health care, community development* and *caring for the environment* all had a very low selection rate. This simultaneously links to Friedman's (1970) theories and negates the concept of the 3BL. The people are not a priority, the planet is not a priority, but profit is (Holliday, Schmidheiny & Watts 2002). These options are also tightly linked with CSR. While these options are low on first choices, they do feature (far lower than the profit-driven ones) in the overall choices. Friedman (1970) in fact suggests that without profit, a company cannot take other responsibilities that are external to its day-to-day functioning into consideration. This is yet another example of the incongruous nature of the subject matter.

The fact that the CSR-related options feature at all may however suggest that respondents see the potential for these factors to help influence the more popular profit-driven choices. It may also be indicative of the desire, by respondents, to provide a politically correct array of choices. As Arens *et al.* (2009) suggest, on both a brand and consumer level people are becoming more sensitive to social

and environmental issues. However, advertisers and people in general have been conditioned to separate doing good from making a profit and, as the data suggest a shift towards a compromise between these two concepts, brand leaders may slowly be starting to see the relationship between simultaneously engaging with stakeholder needs and the potential rise in the bottom line.

The option of *marketing and advertising* features very low overall in Question 2. This could indicate a shift in emphasis from traditional communication-based interaction to a more active online content and an activist consumer management role of companies. As demonstrated by the responses to the open-ended questions, the majority of brands have ways of monitoring the active and disgruntled consumers through both online and offline monitoring systems.

Image management scored even lower than advertising. If this result is paired with the lowest-scoring *customer relationship management in the social media* at an overall 6, in isolation these two results might indicate that South African brand leaders do not hold image in high regard.

Perhaps this could be explained by the notion of brand reputation and the possibility that it has replaced the idea of brand image entirely. As suggested by Satterthwaite (2010), brand reputation is built on the narratives written by organisational stakeholders in, amongst other, consumer-generated media. Stakeholders have thus become the co-creators of brand reputation. These findings may suggest that brand leaders no longer feel in control of image-making, and are uncertain of how to manage reputation, which may be perceived as being in the hands of their customers and other stakeholders. In addition, during the reliabilities testing, results for both social media and image management were repeatedly incongruent. This shows that there was perhaps some misinterpretation of the options in Question 2 in the questionnaire. This is most likely because the idea of the active consumer stakeholder has not entirely penetrated the South African market yet, and the idea of fending off this invisible enemy has not been fully digested.

Ultimately, new ways of maintaining public interest in and respect for a brand have to be devised. Marketing needs to evolve continually, as it has since it began (Arens *et al*. 2009). The empowerment of stakeholders is redefining the role of the communication professional and will require them to come to grips with the paradigm shift from top-down image management towards bottom-up digital reputation management, which includes collaboration and co-creation by consumers as stakeholders (Overton-de Klerk & Verwey 2012).

The high prevalence given to profit indicates that the ethically based motivation for any CSR under Normative Stakeholder Theory has not taken root among the sample of South African brand managers. However, altruism is not the debate: based on the data, what needs to be recognised in order for Stakeholder Theory

and any type or form of CSR to succeed is to equate "doing good" with making money. The motivation is of no consequence. It could be argued that Normative Stakeholder Theory, which focuses on ethics (Donaldson & Preston 1995), is at one end of the continuum, while Shareholder Theory (Friedman 1970) is at the opposite end. The research indicates that this continuum is slowly curving to create a full circle, where the two notions reach a compromise and in doing so achieve congruence.

To practice corporate social responsibility, or "sustainability" as it is also popularly known today, is no longer a fleeting trend. According to Grimaldi De Puget (2005), sustainability, rather than profitability, may become the measure of organisational success. Many of the brands represented by the brand leaders have and do conduct visible CSR and subscribe to the King III report. However, the incongruities in the findings as discussed would suggest that South African brand leaders, at least as far as the sample of respondents was concerned, have not entirely made the link between sustainability and profitability.

CONCLUSION

This study does not pretend to be more than it is: a first exploration of the active consumer stakeholder concept within the South African context. In order to provide more conclusive findings, more research is required. Resistance to responding and time delays made it difficult to research a larger number of respondents. The sample size was too small to test the validity of the measuring instrument; neither does it provide for external validity with respect to the rest of the findings. However, given the limitations of the research, some interesting trends in the findings as discussed above warrant further research (also among consumers themselves), and lead to the following preliminary conclusions:

There appears to be a lack of congruence, within the sphere of some South African brand leaders, with regards to the notion of the active consumer stakeholder. The apparent desire to cater to the active consumer stakeholder seems to be at odds with the emphasis on securing the bottom line for shareholders. This focus on profit indicates that corporate practice among the respondents still appears to be mono-contextual to a large extent (De Beer & Rensburg 2011). The research also, however, indicates a slow move towards more congruence between some nuances that exist at both ends of the stakeholder continuum, i.e. Shareholder Theory and Stakeholder Theory.

Overall, the results indicate that South African brand leaders, while aware of the active consumer stakeholder at some level, are not fully geared for this phenomenon and are not utilising it in their strategic communication practices, perhaps because an active (or activist) consumer stakeholder is seen as beyond the brand's control,

and perhaps because it is perceived not to have a direct bearing on a company's profitability. This inclination, from the stakeholder and CSR-serving perspective, supports Benioff and Southwick's (2004) belief that any philanthropic or CSR-based endeavour needs to take a more revenue or profit-driven form.

Perhaps, in time, the realisation may dawn that "doing good" can in fact help secure the bottom line.

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