Corporate Social Responsibility (CSR) is becoming an important part of corporations’ overall strategic considerations and actions. However, as Craig Smith (2003) asked, “how” do they do this? This paper shows that the integration of relationship marketing and stakeholder theory concepts makes a significant contribution to the domain of, and our understanding of CSR.

Introduction

In a recent article, Craig Smith (2003) stated, “…the debate about Corporate Social Responsibility (CSR) has shifted: it is no longer about whether to make substantial commitments to CSR, but how? There have been articles that have examined the results of CSR initiatives (e.g., Drumwright, 1996), the case for CSR (e.g., Mintzberg, 1983), and morality in the market (e.g., Smith, 1990); however, there has not been much research into the “how” question posed by Craig Smith. This particular paper will focus on how merging relationship marketing and stakeholder theory can impact our understanding of the domain of corporate social responsibility (CSR).

Although CSR is not a new idea, it has been rising in prominence since the end of the 20th century. CSR is strongly advocated by a variety of international organizations (e.g., World Economic Forum, the World Business Council for Sustainable Development (WBCSD)), and significant government organizations (e.g., the U.K. appointed a minister for CSR; the European Commission published a policy paper on CSR) (Smith, 2003). Activist movements that organize boycotts and protests (e.g., the anti-Nike movement and the sometimes violent protests at the World Trade Organization meetings) are growing, and also contributing to interest in CSR. These CSR-related activities are affecting firms and consumers around the world. Thus it is apparent that this research into CSR is both critical and timely.

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**What is CSR?**

“CSR refers to the obligations of the firm to society or, more specifically, the firm’s stakeholders” (Smith, 2003). Firms have interpreted, and implemented, these “obligations” in a broad variety of ways; e.g., philanthropy, environmentally sound business practices, ethically sound business practices, cause related marketing, and combinations of these. Everything from the Canadian Imperial Bank of Commerce sponsoring a “Run for the Cure” to raise money for breast cancer research, to Timberland’s concern for global labour standards, represents a sample of the diversity in CSR practice. This diversity also exists in research surrounding CSR.

**Research Gap**

Several different academic disciplines are actively involved in research in this area: e.g., public policy (e.g., Cohen, 1990; Greyser, 1997), ethics (e.g., Smith, 1990), organizational theory (e.g., Kraft, 1991), marketing (e.g., Drumwright, 1996; Sen & Bhattacharya, 2001), and stakeholder (e.g., Rowley & Moldoveanu, 2003; Clarkson, 1995). My paper will contribute to the field of CSR through an integration of disciplinary perspectives. That is, I will combine the stakeholder theory perspective with the marketing perspective of relationship marketing.

Given that CSR activities will impact stakeholders, it makes sense to look at the stakeholders in more detail. Much of the past literature (e.g., Ahlstedt & Jahnukainen, 1971; Frooman, 1999; Savage, Nix, Whitehead, & Blair, 1991) suggests that stakeholder groups’ actions are “interests” driven. However, a recent article in the stakeholder theory literature (Rowley and Moldoveanu, 2003) suggests that there are also “identity” driven stakeholder groups. This view tries to understand stakeholder groups from their perspective, rather than an external perspective. From this, the propensity of a stakeholder group to mobilize or act depends on both models: the degree to which a stakeholder group is interest-based or identity-based. The knowledge of the characteristics of stakeholders groups, and how those characteristics influence the groups’ actions, is invaluable to a firm in establishing a CSR strategy. To provide focus, and to limit the scope of this paper, I will primarily focus on non-economic activist stakeholder groups (NASG).

Morgan and Hunt (1994) say that “relationship marketing [is] establishing, developing, and maintaining successful relational exchanges.” Although much of the extant research in relationship marketing has focused on the seller-buyer relationship (e.g., Reinartz & Kumar, 2000; De Wulf, Schroeder and Iacabucci, 2001), it has been suggested (Webster, 1992; Morgan & Hunt, 1994; Achrol & Kotler, 1999) that relationship marketing should be expanded beyond this buyer-seller relationship. However, there have been few studies examining relationship marketing in a non-customer setting (exceptions being primarily in the realm of strategic alliances and joint ventures). In particular there is a dearth of research into firms’ relationships with stakeholders or activist stakeholders. The WBCSD advocates “stakeholder engagement” to assist a firm in developing a CSR strategy (www.wbcsd.ch 2000). Thus, following the advice of the WBCSD suggests that firms apply relationship marketing concepts to stakeholder groups.

Integrating the separate concepts of relationship marketing and stakeholder theory will give us potentially new insights into the domain of CSR. This research is driven by several research questions: Are firms which engage in relationships with NASG deemed more socially responsible? Do some of the widely accepted concepts of relationship marketing, such as Morgan & Hunt’s (1994) commitment and trust theory of relationship marketing, hold in relationships...
with NASG, and thus help explain CSR? Does the type of NASG (interest- or identity-based) moderate the relationship, and consequently impact the degree to which a firm is socially responsible?

**Contribution**

This paper will suggest an expansion of the conceptual domain of CSR such that it specifically includes the impact of firms’ relationships with NASG. This is significant in that it is the first specific combination of CSR concepts with both stakeholder and relationship marketing theories. The merging of the concepts of relationship marketing and stakeholder theory will increase our understanding of the nature and scope of CSR. This paper will also clearly identify propositions that should be tested in further empirical research. Another significant result of this research will be the identification of areas for further research, such as going beyond the firm-stakeholder group dyad, to the network of stakeholder groups, and an analysis of those relationships.

In the following sections I will provide an overview of each of the three areas of interest (CSR, Stakeholder and Relationship Marketing), along with some key findings. I will then integrate the concepts, and provide several propositions that arise out of that integration. Next, I will identify some of the limitations of this paper, along with areas for future research. Finally, I will provide overall conclusions.

**Conceptual Development**

**Corporate Social Responsibility**

Over the past several years there have been many different approaches to the study of CSR. As mentioned previously, marketing is not the only area that has looked at this field of study – others include organizational theory, public policy, ethics, and stakeholder theory. One commonly quoted definition of CSR is “the organization’s status and activities with respect to its perceived societal obligations.” (Dacin and Brown, 1997, p. 68). But what are the “societal obligations”? Robin and Reidenbach (1987) state that these are related to a social contract between business and the society in which it operates. Companies are entities created by and in society, thus they exist at the forbearance of the people in society. Steiner (1972, p. 18) says:

> At any one time in any society there is a set of generally accepted relationships, obligations and duties between the major institutions and the people. Philosophers and political theorists have called this set of common understandings “the social contract.”

Robin and Reidenbach (1987) say that a substantial part of this social contract is the social responsibility of corporations. Pride and Ferrell (1997) explain social responsibility further in saying the corporation’s moral obligation is to maximize its positive impact and minimize its negative impact on society. The definition that I will adhere to through the remainder of this paper is that of Smith (2003, p. 53): “CSR refers to the obligations of the firm to society or, more specifically, the firm’s stakeholders – those affected by corporate policies and practices.”
Motivations for CSR

Smith (2003) suggests that there are two reasons for a firm to become involved in CSR – normative (the desire to do good), and business case (an enlightened self-interest). Although either, or both, of these reasons may motivate a firm to engage in CSR, there are also, increasingly, legal and governmental regulations that force firms to be socially responsible. These can take the form of, inter alia, labour laws forbidding child labour, environmental protection regulations, or honest accounting practices. Thus a firm may be “forced” to be socially responsible in some cases. Or, in other cases, firms may engage in CSR activities to stay ahead of the regulations, or to make the regulations unnecessary.

One additional reason, for firms to become more socially responsible, is action from NASG. Increasingly, non-governmental organizations (NGO), environmentalists, human rights organizations, anti-globalization groups, and others are applying intense pressure on corporations which are not deemed to be acting in a socially responsible manner. The pressure can come in the form of adverse publicity, or in more extreme cases, consumer boycotts, and even direct action (e.g., activists chaining themselves to trees, equipment, oil rigs, etc.). Not only do these actions disrupt the regular flow of work, and often incur significant costs, but they can also affect the main business of a firm; e.g., as a result of negative publicity and a consumer boycott, Royal Dutch/Shell had up to a 50% decrease in sales in some markets (Paine and Moldoveanu, 1999). In research by Davidson, El-Jelly and Worrell (1995) it was found that product boycott announcements are associated with significant negative stock market reactions. In a business environment such as this, even Milton Friedman might advocate CSR activities; as to not implement them would be for a businessman to “act in some way that is not in the interests of his employers” and would “reduce returns to stockholders” [italics, mine] (Friedman 1970).

Over the past several years, empirical studies have looked at the results of firms engaging in CSR activities. To a large degree, these studies have focused on cause related marketing, which Varadarajan and Menon (1988, p. 60) define as “the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives”). Brown and Dacin (1997, p. 80) found that “negative CSR associations can have a detrimental effect on overall product evaluations, whereas positive CSR associations can enhance product evaluations.” Ellen, Mohr and Webb (2000) found that customer evaluations were more positive for disaster-related causes versus ongoing causes. In general, the studies have shown that consumers’ reactions to CSR initiatives are mixed, and that although there are conditions under which CSR can bring a benefit to a firm, “CSR initiatives can, under certain conditions, decrease consumers’ intentions to buy a company’s products” (Sen and Bhattacharya, 2001, p. 225).

Stakeholders

An area that is closely linked to, and could even be considered foundational for CSR, is that of the stakeholder theory of the organization. In order to understand the stakeholder theory of the organization, one must first understand what a stakeholder is, and then one can look at the theory as it applies to an organization. Hill and Jones (1992, p. 44) define stakeholders as “Individuals or groups, either within or outside the organization, that have some claim on it.” Clarkson (1995) extends this definition by saying that “stakeholders are persons or groups that have or claim, ownership, rights, or interest in a corporation and its activities, past, present or
future.” The most commonly listed discrete groups of stakeholders are: investors, political groups, customers, communities, employees, trade associations, suppliers, and governments (Donaldson and Preston, 1995). Of these groups, there are both primary and secondary stakeholders. A primary stakeholder group is one without whose continuing participation the corporation cannot survive as a going concern (e.g., customers). Secondary stakeholder groups are those who influence or affect, or are influenced or affected by, the corporation, but they are not engaged in transactions with the corporation and are not essential to its survival (Clarkson 1995). Donaldson and Preston (1995) also say “Stakeholders are identified by their interests in the corporation, whether the corporation has any corresponding functional interest in them.” The perspective of the stakeholder from a non-firm viewpoint is particularly relevant as we look at how to establish relationships with stakeholders. This paper is primarily interested in one type of a secondary stakeholder group – that is, non-economic, activist stakeholder groups (NASG). Focusing on one type of stakeholder group will restrict the scope of this research to a size that is manageable.

The stakeholder theory of the organization is in contrast to a more traditional input-output model. According to Donaldson and Preston (1995) in relatively simplistic terms, the input-output model says that investors, suppliers and employees provide inputs into the firm, which in turn produces outputs for the benefit of customers.

In contrast, say Donaldson and Preston (1995), “stakeholder analysts argue that all persons or groups with legitimate interests participating in an enterprise do so to obtain benefits and that there is no prima facie priority of one set of interests and benefits over another. Hence, the arrows between the firm and its stakeholder constituents run in both directions” (see Figure 1). That is, there is a reciprocal relationship (inputs and outputs) with all stakeholders.

**Figure 1 - The Stakeholder Model**

Under the stakeholder model, there is an explicit requirement for a firm to take into account or consider each stakeholder group. This ties into the concepts of CSR, where the corporation is responsible to a broader group than its shareholders. However, Clarkson (1995) asserts that “society” is too large a concept for a firm to focus on. “It is necessary to distinguish between stakeholder issues and social issues, because corporations and their managers manage relationships with their stakeholders and not society” (Clarkson, 1995, p. 100; italics original).
Figure 1 implies that the relationships between stakeholders and the firm are dyadic. However, Rowley (1997) argues that the relationships are actually a network. Every firm will have a different set of stakeholder groups, and thus will face a unique pattern of relationships and influences. The complexity of such patterns can make it difficult for a firm to know how it should respond to or deal with the different stakeholders.

Much of the stakeholder literature has examined how firms should deal with, or manage, different stakeholder groups (e.g., Donaldson and Preston, 1995; Jones, 1995). However, the perspective of the stakeholder groups is not often looked at. More recently, Rowley and Moldoveanu (2003) examined stakeholder groups from the perspective of when they would act, or mobilize. This refers to the increasingly common occurrence of stakeholder activism. Prior research has put forward an interest-based, or interest intensity based theory as the driving force behind stakeholder action (Savage et. al., 1991; Frooman, 1999). That is, stakeholders are typically defined in terms of their interests, and the assumption is that they will act to protect those interests. For example, if a community park was to be sold to a commercial developer, the people that used the park could be seen to have an interest in the park continuing to exist (versus getting a new strip mall). To safeguard their interest in the park, the people may come together as a coordinated group, and will take action to prevent the destruction of “their” park. In mobilizing to take this action, the group (stakeholder group) would most likely have a reasonably high expectation of the likelihood of success. It is from the social movement research that the relationship between interests and action has been studied. The findings, though, have been equivocal. Although the discontent of a group, and the desire to protect its interest, may motivate a group to mobilize, the costs (or lack of resources), and a low likelihood of success (or payoff) makes such mobilization impractical, or not viable (Jenkins and Perrow, 1977). Thus, from a rational standpoint, the interest-based theory of stakeholder group mobilization does not always, nor entirely, explain stakeholder group action.

Rowley and Moldoveanu (2003) suggest that there are situations when stakeholder group behaviours are not explicable by the interest-based explanation of stakeholder group action. Some groups do not mobilize, even though they have a high degree of discontent and access to resources; others mobilize even in lost causes where they expect no return or success; and others continue their action against a firm, even after the firm has satisfied their claims. To deal with these types of situations, Rowley and Moldoveanu (2003) propose an additional explanation – the identity-based theory of action. Klandermans (1984) says that group members develop a collective identity that articulates their shared interests and goals, or “consciousness mobilization.” A collective identity can serve as a different motivation for action (Ashforth and Kreiner, 1999). Social identity theory also contributes to this perspective, in that is says that identity is a powerful behavioural motive. Social identity “articulates the process by which an actor derives value and emotional significance from membership in groups” (Peteraf and Shanley 1997, p. 170). Other research (e.g. Felson, 1992; Weigert, Teitge and Teitge, 1986) shows that a person’s identity is verified or falsified by experiences provided by interactions with similar others and by the ways one is described by others. Therefore, as Rowley and Moldoveanu (2003), say, “the rational pursuit of interests in not necessary for inciting group action. Fireman and Gamson (1979) argue that the feeling of solidarity, which emerges among individuals through group affiliation, acts as a powerful catalyst for collective action.” Therefore, it is seen that both interest- and identity-based theories contribute to the explanation of stakeholder mobilization.

**Relationship Marketing**

From the above discussions about CSR and stakeholder theory, we can see that a key
element is the relationship between a firm and its stakeholders. Clarkson (1995, p. 100) said, “corporations...manage relations with their stakeholder.” Thus it would make sense to apply relationship marketing concepts to these relationships. Through this, we can expand our conception of CSR, and have a better grasp of how firms can plan and implement CSR strategies.

At the American Marketing Association’s Services Marketing Conference in 1983, Leonard Berry presented (and subsequently published in the conference proceedings) a paper entitled: “Relationship Marketing”. Although the idea of relationships in marketing had been around for many years (e.g., Levitt, 1960; Kotler & Levy, 1969), this was the introduction of the specific term, “relationship marketing” into the marketing field. Berry defined this new term as “attracting, maintaining, and enhancing customer relationships.” Dwyer, Schurr & Oh (1987) significantly increased the understanding of relationship marketing when they developed a framework that describes the development of a buyer-seller relationship, starting at awareness, and moving through exploration, expansion, commitment, and at some point, dissolution. Underlying the research on relationship marketing was the belief that relationship marketing would provide benefits to a firm that focused on it. For example, Day & Wensley (1983) said, “to the extent that relational exchange contributes to product differentiation and creates barriers to switching, it can provide a competitive advantage.”

Much of the early focus of relationship marketing was on the long-term exchanges between a seller and a buyer. Morgan and Hunt (1994) made a significant expansion of the focus of relationship marketing by including relationships with more stakeholders than just customers. They defined relationship marketing as “establishing, developing, and maintaining successful relational exchanges.” This definition fits well with the market orientation literature (Narver and Slater, 1990; Kohli and Jaworski, 1990; Jaworski and Kohli, 1993) that recommends including more than just customers in a market orientation. Morgan and Hunt (1994) also conducted an empirical study that showed how trust and relationship commitment are key mediating variables in relationship marketing. Achrol and Kotler (1999) further developed the idea that relationship marketing applied to more than just customers by describing how firms would be part of a “network economy” and that marketing would be central to network organizations. More recently, articles have focused on empirical studies of relationship marketing: (i) the impact of relationship marketing on profitability (e.g., Reinartz and Kumar, 2000, 2003; Niraj, Gupta and Narasimhan, 2001); and (ii) relationship marketing tactics (e.g., De Wulf, Schroeder and Iacabucci, 2001; Speier and Venkatesh, 2002; Homburg, Workman and Jensen, 2002).

Until the late 1990’s, most articles focused on explicating the general concept of relationship marketing. One of the largest assumptions made at that time, was that companies would be financially more successful if they worked on building long-term relationships with customers. Looking at more recent empirical research, some interesting observations come to light. First of all, the assumption that long-term relationships increase profitability was found to not hold in all cases (Reinartz and Kumar, 2000, 2003; Niraj, Gupta and Narasimhan, 2001). Second, the implementation of relationship marketing is a difficult process, and it is not always successful (De Wulf, Schroeder and Iacabucci, 2001; Speier and Venkatesh, 2002). Third, although relationship marketing is stated to apply beyond the buyer-seller relationship, there have been few studies examining relationship marketing in a non-customer or non-partner setting. Those few studies outside the buyer-seller realm have primarily focused on strategic alliances.

Morgan and Hunt (1994) outlined ten discrete forms of relationship marketing. That is, ten different types of relational exchanges that a “focal firm” could have: (i) supplier partnerships (goods and services suppliers); (ii) lateral partnerships (competitors, non-profit organizations and government); (iii) buyer partnerships (intermediate and ultimate customers); and (iv) internal
partnerships (business units, employees and functional departments). This list is very similar to the list of stakeholders identified by Donaldson and Preston (1995) in Figure 1. However, as mentioned earlier, from a relationship marketing perspective, very few of these relationship types have been studied. Overall, there is a lack of research into relationship marketing on non-customer and non-partner relationships. Firms are facing ever increasing pressures and competition from a variety of sources. Strategic alliances with competitors are becoming more common, activist stakeholder groups are mobilizing against firms, and government regulations are becoming more complex (e.g., the Kyoto Accord). In order to better understand the effect of relationship marketing on the firm as a whole, there needs to be empirical research into all of the relationships that a firm has.

Integrating Relationship Marketing into CSR and Stakeholder Theory

The purpose of this paper was to show how we could increase our understanding of CSR by merging relationship marketing with stakeholder theory. To that end, the integration of the literature from all three disciplines leads to several propositions. This section explains and presents these propositions.

Relationship Development Process

Much of the research into CSR has been to try to understand what benefits firms can achieve from implementing CSR (e.g., Menon and Menon, 1997; Ellen, Mohr and Webb, 2000; Varadarajan and Menon, 1988); that is, is there a positive business case to CSR. These types of initiatives can largely be referred to as cause related marketing (CRM). One of the dangers, or risks of engaging in CRM, is that some people or groups will perceive this as “marketing’s most unabashed exploitation” (Drumwright, 1996, p. 71). Even if a firm is trying to implement CSR activities from a normative standpoint, it could still be viewed as using a “cause” to get free publicity, or to manipulate the public. Or, the firm, whose expertise is not necessarily in, for example, environmental concerns, may not actually protect or help the environment. Any of these situations could lead to a firm being the target of an NASG. If a firm is the target of an NASG, or expects that it could be, one way to mitigate the risks of its CSR implementation is to attempt to strengthen the relationship with the NASG. Although Dwyer, Schurr and Oh (1987) developed their “Relationship Development Process” with a seller-buyer relationship in mind, the four phases seem to also be appropriate for other types of relationships. That is, if a firm was to work on its relationship with an NASG, it could go through the awareness, exploration, expansion and commitment phases. Hence

\[ P_1: \text{A relationship between a firm and an NASG would follow Dwyer, Schurr and Oh’s (1987) Relationship Development Process.} \]

Interest- or Identity-Based NASG

One factor that comes to mind almost immediately, when considering a relationship between a firm and an NASG, is that not all NASG’s would want a relationship with a firm. Or, they would not want a cooperative, relationship with a firm. This may be viewed as compromising their integrity, or they do not believe the corporation’s intentions. The firm’s
objectives in building a strong relationship with an NASG would be to work together on issues where the firm has an impact on the NASG, thereby reducing (or eliminating) those issues. By doing so, the negative actions (threatened or in place) such as a boycott, could be eliminated.

From the previous discussion of the factors that motivate stakeholder groups to mobilize, it is apparent that interest-based stakeholder groups are likely to be more inclined to work with a firm on resolving issues, as resolving those issues addresses their interests. On the other hand, identity-based stakeholder groups may not be as inclined to work with firms to resolve issues, as if the issues “go away”, perhaps the reason for their group’s existence also goes away, which is then a threat to their social identity. Rowley and Moldoveanu (2003) had also proposed that stakeholder groups would be comprised of both interest- and identity-based members; or that the members would have varying amounts of interest and identity motivations for joining the stakeholder group. Thus the characteristics of an NASG will range on a continuum from entirely interest-based, through a mixture of interest- and identity-based, to entirely identity-based. Based on our understanding of the motivations of interest-based versus identity-based members, we would expect that the more an NASG is characterized by interest-based members, the more inclined it will be to form a cooperative relationship with a firm. Thus

P2A: The more an NASG is characterized by an interest-based membership, the more inclined it will be to form a cooperative relationship with a firm.

P2B: The more an NASG is characterized by an identity-based membership, the less inclined it will be to form a cooperative relationship with a firm.

Commitment and Trust

One of the key findings of Morgan and Hunt (1994, p. 22) was that trust and relationship commitment were key mediating variables in a relationship: “when both commitment and trust – not just one or the other – are present, they produce outcomes that promote efficiency, productivity, and effectiveness. In short, commitment and trust lead directly to cooperative behaviours that are conducive to relationship marketing success.” Initially it may seem difficult to imagine an NASG having trust – i.e., confidence in an exchange partner’s reliability and integrity (Morgan and Hunt, 1994) – in a firm that they are about to boycott, or launch some other type of action against. Nor does it seem feasible for an NASG to have a commitment to a relationship – i.e., an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it (Morgan and Hunt, 1994) – with that same firm. However, if the firm can demonstrate that its CSR intentions are not just an external “show”, but are specifically and deliberately a core part of the corporate culture, as described by Robin and Reidenbach (1987), then an NASG will be more likely to progress in the relationship.

P3: The more coherent, consistent and integrated CSR is in a firm, the more trust and relationship commitment an NASG will have in the firm.

Corporate Associations

Brown and Dacin (1997) investigated the nature of the influence of a firm’s CSR associations on new product evaluations. They found that CSR associations influence product evaluations – but through their affect on corporate evaluation. Establishing a relationship with an NASG will have a positive impact on the CSR association of the firm – that is, the firm will be
deemed to be more socially responsible - and thus will also enhance product evaluations. In some CSR literature (Andreasen, 1996), it has been shown that a relationship between a charitable, non-profit organization, and a for-profit firm (e.g., Share our Strength, a hunger-relief organization, and American Express) can enhance the reputation of the firm, and can provide support for the non-profit organization. It is expected that the same effect will hold between a firm and an NASG.

\[ P_4: \text{A relationship with an NASG will have a positive impact on a firm’s CSR association, which will improve the firm’s corporate evaluation. In turn, the corporate evaluation will enhance its product evaluations.} \]

**Areas for Future Research and Limitations**

The propositions outlined in this paper are only the first, high-level view of the integration of CSR, stakeholder theory and relationship marketing. A limitation, at this point, is that each of the propositions have not yet been empirically tested to see if they hold true, or under what conditions they hold true. Also, the propositions outlined here are oriented toward a firm’s dyadic relationship with an NASG. However, an NASG functions in a network of other stakeholders. How can relationship marketing concepts be applied in a network scenario? Additionally, there are times when an NASG will have conflicting goals with another NASG. How could a firm use stakeholder theory and relationship marketing concepts to effective deal with this situation, and still be socially responsible? In an upcoming article by Maignan and Ferrell (2003), the concept of power is introduced. Although, this concept was essentially removed from the relationship marketing concept (Morgan and Hunt, 1994), perhaps it has a place in relationships with NASG. How would the power of an NASG affect the priority a firm places on a relationship with that NASG? Would the varying degrees of power amongst stakeholder impact who the firm establishes relationships with? Another limitation of this paper is that from organizational theory perspective, only stakeholder theory has been examined in conjunction with relationship marketing and CSR. Other organizational theories, such as institutional theory, may present further options for understanding and explaining what a firm must deal with in society, and how they do so. As can be seen, in these few ideas for further research, there is much work that can be done to further explore the realm of CSR.

**Conclusions**

This paper has brought together CSR, stakeholder theory and relationship marketing. The result is a deeper understanding of each of these separate areas, and their integration in particular, helps to answer the “how” of CSR question posed by Smith (2003). It is proposed that by integrating stakeholder theory and relationship marketing concepts, we will have a better understanding of CSR, and how a firm can more effectively implement CSR initiatives. A brief definition and discussion of each of the three areas was followed by four propositions. Finally, based on the propositions and the review of the literature, suggestions were made for areas of future research.
References


