

CSR Communication in B2B business: "It is a bonus, not a priority."

International Business Communication

Master's thesis

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CSR Communication in B2B business: "It is a bonus, not a priority."

Objective of the Study

The objective of the thesis was to shed light on how suppliers communicate CSR to organizational buyers in B2B business relationships by studying the topic from the buyer's perspective. More specifically, the study examined how organizational buyers perceive the role of CSR in business, how they perceive CSR communication practiced by suppliers, and to what extent organizational buyers process CSR communication when making buying decisions. The topic was scrutinized in the context of the Finnish shipping industry by way of studying the company Finnlines as the case organization.

Methodology and the Analytical Framework

The study was conducted as a qualitative single case study using semi-structured interviews with four international organizational buyers who work in a department of altogether 11 buyers. The interviews were conducted in Helsinki and an interview guide was formulated to guide the research. The analytical framework of the study was constructed on the basis of the research questions. It consisted of three main parts: 1) B2B business relationship between the supplier and the buyer 2) CSR communication and 3) the organizational buying-decision.

Findings and Conclusions

The main findings of the study were threefold. First, the findings showed that CSR was perceived rather traditionally, emphasizing the economic and legal aspect of responsibility, and the role of CSR was perceived mostly as enhancing corporate reputation. Furthermore, the buyers experienced that the suppliers did not heavily promote CSR in their communication, and if they did promote it, the buyers had a somewhat skeptical stance towards it. Finally, the findings showed that CSR communication was perceived as something extra while concurrently the organizational buyers were receptive to CSR messages; yet their motivation to process CSR communication was low and the effect of CSR communication on the buyer's buying-decision was marginal at most.

These findings indicate that the case organization should emphasize CSR issues, both in the purchasing department and in the organization in general, in order to leverage competitive advantage. For supplier organizations in shipping, the findings indicate that supplier organizations should plan their CSR communications more carefully in order to influence organizational buyers in their supplier selections. Moreover, the findings indicate that B2B shipping organizations in general should further emphasize CSR both in their operations and in their communications to gain an image of a forerunner organization and gain a competitive edge over competitors.

Key words: Corporate social responsibility, Corporate social responsibility communication, Stakeholder dialogue, Organizational buying, Organizational buying decision, International Business Communication

Vastuullisuusviestintä B2B-liiketoiminnassa: “Se on bonus, ei prioriteetti.”

Tutkimuksen tavoitteet

Tutkimuksen tavoitteena oli selvittää miten tavarantoimittajat viestivät vastuullisuudesta sisäänostajille B2B-yritysten välisissä kauppasuhteissa. Tutkimus pyrki erityisesti selvittämään miten sisäänostajat ymmärtävät yritysvastuun, miten he mieltävät toimittajien harjoittaman vastuullisuusviestinnän, ja missä määrin ostajat prosessoivat vastuullisuusviestintää ostopäätöksiä tehdessään. Tutkimus tarkasteli näkemyksiä suomalaisen varustamoalan näkökulmasta, ja case-yrityksenä tutkimuksessa toimi Finnlines.

Tutkimusmenetelmät ja analyttinen viitekehys

Tutkimus toteutettiin laadullisena case-tutkimuksena. Tutkimusaineisto kerättiin puolistrukturoiduilla haastatteluilla, joissa haastateltiin neljää kansainvälisesti toimivaa sisäänostajaa, jotka työskentelevät kokonaisuudessaan 11 ostajan osto-osastolla. Haastattelut tehtiin Helsingissä ja niitä ohjaamaan kehitettiin haastattelukäsikirja. Analyttinen viitekehys suunniteltiin tutkimuskysymysten pohjalta ja se koostui kolmesta pääosasta: 1) B2B-kauppasuhte toimittajan ja ostajan välillä 2) vastuullisuusviestintä ja 3) organisatorinen ostopäätös.

Tutkimuksen tulokset ja johtopäätökset

Tutkimuksen tulokset voidaan jakaa kolmeen pääluokkaan. Ensimmäiseksi haastatteluissa nousi esille, että yritysvastuu ymmärrettiin melko perinteisesti korostaen taloudellista ja laillista vastuuta. Lisäksi yritysvastuun rooli miellettiin lähinnä yrityksen imagoa ja mainetta edistäväksi tekijäksi. Toiseksi havaittiin, että toimittajat eivät panostaneet voimakkaasti vastuullisuusviestintään ja sisäänostajat suhtautuivat siihen skeptisesti. Tulokset osoittivat myös, että vastuullisuusviestintään suhtauduttiin hieman ylimääräisenä asiana, vaikka toisaalta sisäänostajat olivat vastaanottavaisia yritysvastuuviesteille. Heidän motivaationsa prosessoida vastuullisuusviestintää oli kuitenkin matala, ja sen vaikutus ostopäätökseen oli korkeintaan marginaalinen.

Tulosten perusteella voi päätellä, että case-yrityksen tulisi korostaa yritysvastuuasioita sekä osto-osastollaan että yrityksessä yleisesti saavuttaakseen kilpailuetua. Lisäksi varustamoalan toimittajayritysten tulisi suunnitella vastuullisuusviestintäänsä tarkemmin, jotta sisäänostajan päätöksentekoon voitaisiin vaikuttaa toimittajavalinnassa. Toisaalta varustamoalan B2B-yritysten tulisi yleisesti korostaa yritysvastuuta toimintoissaan ja viestinnässään, jotta edelläkävijäyrityksen imago saavutettaisiin ja yritys voisi luoda itselleen kilpailuetua.

Avainsanat: vastuullisuus, vastuullisuusviestintä, sidosryhmädialogi, organisaation ostaminen, organisaation ostopäätös, kansainvälinen yritysviestintä

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1 INTRODUCTION

Due to the intensifying competition and increasing consumer awareness, organizations pay more and more attention to ethical considerations and responsibility related concerns. Climate change, sustainability and environmental responsibility have become somewhat of a mantra in the present corporate rhetoric. However, the idea that companies have other responsibilities than making profits has been around for centuries (Carrol & Shabana, 2010). Corporate social responsibility (CSR) originated from consumer pressure (Porter & Kramer, 2006) but it is largely a product of the past half a century, and it surged to a great importance in the 1960's and beyond (Carroll, 1979; Carrol & Shabana, 2010; Garriga & Melé, 2004).

Even though CSR is often considered as a voluntary action, increased attention towards CSR has not been entirely voluntary on behalf of the corporate world (Porter & Kramer, 2006). Numerous companies were surprised by public responses to issues that the corporate world had not previously considered as part of their business responsibilities. For instance, Nike encountered enormous consumer boycott in the early 1990's when media reported abusive labor practices in Nike's Indonesian suppliers (Porter & Kramer, 2006). When Shell decided to sink Brent Spar, an obsolete oil platform in 1995, Greenpeace facilitated widespread protests, which the international media reported comprehensively (Cornelissen, 2011; Porter & Kramer, 2006). In addition, pharmaceutical companies faced increased public pressure as they were expected to respond to the AIDS pandemic in Africa, and fast food chains have been constantly tackling with accusations of causing obesity and poor nutrition (Porter & Kramer, 2006).

Consequently, a lot of consumer attention concentrates on how companies source and manufacture their products (Park & Stoel, 2006), which is natural considering the globalizing nature of businesses today. Because CSR has been discussed and studied over three decades (O'Connor & Shumate, 2010) and it has been addressed by various disciplines (Lockett, Moon & Visser, 2006), it can be said to be a relatively much

studied field. Countless theoretical and popular press articles have focused on the philosophical and operational shift to the triple bottom line (Ziek, 2008) introduced by John Elkington in the 1990's. The triple bottom line, referring to people, planet and profit, aimed to measure the social, environmental and financial performance of an organization, and Elkington (1998) argues that a company adopting the triple bottom line thinking is taking a full responsibility of its operations. In addition, ample studies have been conducted in the search for a business case for CSR (Carroll & Shabana, 2010) and numerous researches have focused on CSR communication (Schmeltz, 2012a; Ziek, 2008).

A common feature in CSR studies is their relationship to stakeholders, and more specifically, to consumers. It is only natural that since CSR originated from consumers, most of the academic research focuses on the consumer perspective and to the B2C (business-to-consumers) market. Numerous CSR studies discuss how consumers perceive CSR and CSR communication, what is valued in CSR communications and how stakeholders are engaged in the CSR process (see e.g. Becker-Olsen et al., 2006; Menon & Kahn, 2003). However, research addressing CSR in B2B (business-to-business) markets are few (Homburg, Stierl & Bornemann, 2013; Lai, Chiu, Yang & Pai, 2010). Also, despite the acknowledgments that CSR is an important business practice, little attention has been paid to the ways in which CSR is practiced in B2B markets (Foreman, 2011) and more specifically, how CSR communication takes place between companies.

Despite the fact that end consumers drive the economy in the end, the value of B2B markets is significantly more than that of end consumers (Morris, Pitt & Honeycutt, 2001). Even though some academics (Cooke, 1986; Cova & Salle, 2008; Vargo & Lusch, 2010; Gummensson, 2009; Wind, 2006) argue that B2C and B2B markets should be treated in similar ways as they are converging, there are significant differences, for instance, in purchase volumes and purchasing behavior that differentiate the markets (Aspara & Tikkanen, 2008). In addition, B2B and B2C can be considered separate entities when considering CSR because traditionally in the marketing field,

organizations are viewed as organizations supplying either end consumers (B2C) or those supplying intermediary or final organizations (B2B).

Globalization has enabled businesses to increase their efficiency and effectiveness in competition through partnerships, and in B2B, the trend has been towards outsourcing (Kytte & Ruggie, 2005). However, this has led to increased social and operational risk as the relationships have become more complex. As firms divest their direct control over significant operations, the probability of risks increases between firms and their external environment (Kytte & Ruggie, 2005; Park & Stoel, 2005). Despite this and the growing interest towards CSR in B2B, it seems that CSR has not gained the same salience in academic research in the B2B sector compared to B2C. B2B is an interesting area of research because the pressure for CSR originally stemmed from consumers. Therefore, studying CSR in the B2B context is an intriguing research topic because the power of consumers as stakeholders decreases.

The contribution of the present research project to the field of international business communication is threefold. First, the present study aims at contributing to the general research gap in CSR studies in B2B identified by Homburg et al., (2013) and Lai et al., (2010). Second, the present research project aims to enrich the understanding of how CSR is practiced in the B2B business, a research gap identified by Foreman (2011). Third, the present research project attempts to reveal CSR communication practices between B2B organizations, an area that has been disregarded in the field of international business communication.

1.1 Objective and Research Questions of the Study

The purpose of the present study is to shed light on how CSR communication is practiced in the B2B sector, and more specifically, how it is practiced in the interface of the supplier – buyer relationship. Regarding the specific relationship, the purpose is to identify how the buyers perceive the CSR communication between the parties. Based on the perceived CSR communication by organizational buyers, the present study aims to

determine whether the perceived CSR communication is something that organizational buyers consider when making buying decisions. The topic is scrutinized from the context of Finnish shipping industry and the objective is threefold.

First, the study aims at understanding how organizational buyers perceive CSR and its role in business in general. Before proceeding to discuss how organizational buyers perceive CSR communication, it is important to understand how they understand CSR and its role in business operations. Because there is no one way of defining CSR, understanding organizational buyers' perceptions of CSR facilitates understanding how they process CSR information and more specifically, CSR communication.

Second, the study aims at understanding how organizational buyers perceive CSR communication. On the one hand, many organizations may have ethical buying guidelines, meaning that the organization might communicate ethical considerations and CSR to their organizational buyers. On the other hand, suppliers and subcontractors might communicate about CSR when having interactions with organizational buyers. In addition, because buyers are direct customers of suppliers in B2B, hence parallel to consumers in B2C, it is likely that organizational buyers are a target audience for CSR communication. This study concentrates on studying CSR communication in this specific relationship between buyers and suppliers aiming at understanding how suppliers or potential suppliers communicate CSR to organizational buyers.

Third, the purpose of the study is to identify how the possible CSR communication affects the organizational buyer and whether organizational buyers consider responsibility related concerns when making buying decisions. On the one hand, organizational buying might be restricted by organizational purchasing guidelines and the buying decision might be purely done on company specific purchasing criteria. On the other hand, organizational buyers are in a central role to affect the responsibility of their own organization by choosing the suppliers and partners that the business is conducted with. In this perspective, CSR related concerns might be something that surface in the buyer's mind when buying decisions are done.

Based on the aforementioned considerations, three research questions were formulated:

RQ1: How do organizational buyers perceive CSR and its role in business in general?

RQ2: How do organizational buyers perceive the suppliers' or the potential suppliers' CSR communication?

RQ3: How do organizational buyers process CSR communication and to what extent do they consider CSR issues when making buying decisions?

1.2 Introducing the Case Company

It would be highly challenging to study CSR communication in B2B relationships on a general level because the communication is tightly bound to the context, organizational characteristics and industry specific factors. Therefore this study is demarcated to the shipping industry, and more specifically to Finnlines as a research premise. However, the study was not commissioned by Finnlines and it needs to be emphasized that the present research does not concentrate on Finnlines as a case organization aiming at revealing the CSR practices at Finnlines. Rather, Finnlines was asked to cooperate as a partner for my research project, providing access to organizational buyers and to their views and experiences of CSR communication in international operations. In this thesis, however, Finnlines is referred to as the case company due to practical reasons.

The shipping industry was chosen as a research premise for this study because of four reasons. First, shipping companies, due to their operating nature, have a rather large number of purchases and a broad supplier base combined with a high total value of purchases. For instance, in 2013 Finnlines' total spending on materials and services totaled EUR 230 million (Finnlines Financial Statement, 2013). In addition, a great amount of the buying is international giving an international perspective to my study. Second, as the buying operations are daily, also the communication between suppliers and buyers is very frequent. Third, as purchasing professionals can also affect the

responsibility practices of an organization to a great extent as kind of ‘gatekeepers’ (Salam, 2009), organizational buyers are likely to be targets of supplier’s CSR communication. Finally, as shipping is not perhaps an industry that is heavily associated with CSR, at least in comparison to many other industries such as high street fashion retailing and tobacco or oil industries, which makes shipping an interesting research context. Considering this, it could be assumed that the research results provide more accurate knowledge about the actual state of CSR communication in the field of shipping.

Shipping is an international mode of transport and is therefore regulated by three different regulation levels; global, EU and national (Trafi, 2012). The purpose of the regulations is to develop the safety in maritime transportations but also to protect the marine environment. First, the global level of maritime regulations is formed in number of conventions, codes and recommendations adopted by International Maritime Organization (IMO) concerning safety and security, and prevention of pollution. Second, the EU level of maritime regulation focuses on the free movement of people and goods, but also on the environmental aspect of preventing oils spills and marine accidents. Third, national level of regulation sets its own restrictions for shipping, which in Finland mostly focuses on technical requirements for different types of vessels in domestic shipping. (Trafi, 2012.)

Finnlines is an international organization listed in the Nasdaq Omx Helsinki Ltd and it belongs to the international Grimaldi Group. In 2013 the Finnlines group recorded a revenue totalling EUR 563.6 million (Finnlines Financial Statement, 2013) and the average number of employees was 1861 (Finnlines Annual Report, 2013). In Northern Europe, Finnlines is one of the largest shipping operators providing ro-ro and passenger services. Finnlines’ sea transports are concentrated in the Baltic and the North Sea, and the Finnlines passenger-freight vessels operate mainly from Germany to Finland, Sweden, and Russia and from Sweden via Åland Islands to Finland. In addition, Finnlines also provides port services in the most important seaports in Finland: Helsinki, Turku and Kotka. The company has subsidiaries or sales offices in Germany, Belgium, the United Kingdom, Sweden, Denmark, Luxembourg and Poland, and a

representative office in Russia. (Finnlines, 2014.)

Finnlines' international buying department is located in Helsinki and it employs altogether 15 people from whom 11 are purchasing professionals including the head of purchasing. The rest have supporting tasks such as providing logistic and financial support for the department. Currently, Finnlines has around 1000 suppliers and majority of spending is distributed by suppliers from Germany, Sweden and Finland. (T. Doepel, personal communication, 27 February.)

In procurement, direct purchases are defined as purchases that are directly linked to the product or service that the organization produces. For instance, raw material and components can be direct purchases for a manufacturing organization. Indirect purchases, on the other hand, refer to all other purchases that the organization needs in its operations. For instance, supporting functions such as marketing are indirect purchases. (Logistiikan Maaailma, 2013.) At Finnlines, direct purchases comprise everything that is offered to the customer directly or inseparably bound to providing the sea voyage (eg. food, drink, retail products, vessel maintenance) whereas indirect purchases (eg. advertising, IT, HR and personnel related issues) enable the business activity in general. In addition, indirect purchases for office needs, including marketing spending are within the scope of centralized purchasing. Bunker purchasing, referring to fuel purchasing in shipping, is out of scope of the centralized purchasing. Based on the different types of purchasing needs, the department is divided into three different units: technical purchasing, consumables purchasing and indirect purchasing. The head of purchasing supervises the whole department (T. Doepel, personal communication, 27 February).

The main reason for choosing Finnlines was because the present researcher had an access to the organization but also because to a certain extent Finnlines can be considered a somewhat traditional organization pertaining CSR. In my view, Finnlines is a good example of a company that recognizes CSR related concerns on the level of mentioning them in the annual report and briefly on the company website under values (Finnlines, 2014), but still, at least from an outsider's perspective, does not implement a

full-scale CSR strategy including considerations regarding purchasing. In addition, what is typical in CSR concerns in corporate rhetoric is the heavy focus on environmental responsibility (Frandsen & Johansen, 2011), which is also the emphasis in Finnlines' CSR communication. I reckon that this is a familiar situation in many organizations making Finnlines an interesting research context to which many other organizations can relate to.

1.3 Structure of the Thesis

The thesis is divided into 5 Chapters. The present Chapter introduced the research topic and the purpose of the study. In addition, the objective and the research questions were presented, and the case company and the research premise were briefly introduced. Chapter 2 presents relevant literature on CSR, CSR communication, stakeholder dialogue and organizational buying behavior in B2B business relationships, four focal points of this study. Chapter 3 outlines the empirical research method and design. Chapter 4 presents and discusses the findings of the study and finally, Chapter 5 concludes the study by presenting practical implications, limitations of the study and suggestions for further research.

2 LITERATURE REVIEW

The purpose of this Chapter is to review literature that is relevant for the objective of the research, which is to study how CSR communication is practiced in B2B business relationships. The present Chapter is divided into four sections. Section 2.1. introduces the concept of CSR and how it has evolved through decades. Section 2.2. discusses CSR communication and the elements that it consists of, and introduces the relationships of CSR and stakeholder dialogue. Section 2.3. presents the nature of B2B markets and the supplier-buyer relationship in detail. Furthermore, the section introduces the organizational buying-decision process. Based on the literature review, the last section 2. 4 presents and explains the analytical framework for the thesis.

As mentioned in the Introduction, studies addressing CSR in B2B are scarce (Homburg, Stierl & Bornemann, 2013; Lai, Chiu, Yang & Pai, 2010). Therefore, this piece of research is mostly grounded in B2C CSR studies that are applied—in lack of better-suited literature—to the B2B context as seen appropriate.

After each section there is a proposition or propositions that are derived from the literature that form the structure for the interviews. In this way the literature is anchored to the data collection, a process that is explained at length in Chapter 3.

2.1 Defining CSR

The concept of CSR is not new. According to Lindgreen, Swaen and Johnston (2009), the earliest conceptualizations of CSR date back to the 1950's arguing that businesses have to pursue policies with desirable societal objectives and values while conducting business. Beckmann (2007) goes even further back in time arguing that social responsibility issues date as far as the 1930's. Throughout decades, the concept of CSR has evolved and developed but for such a widely used concept, there is little agreement of its precise definition (Carroll & Shabana, 2010; Crane & Matten, 2007; Garriga & Melé, 2004; Ziek, 2009).

The myriad definitions of CSR have led to the increase of different terms in business and research literature. Together with CSR, terms such as corporate responsibility (CR), corporate citizenship, sustainability, stakeholder management and business ethics are used interchangeably (Carroll & Shabana, 2010; Lindgreen et al., 2009). The present study utilizes the term CSR since it is the most dominant term used in academic and business literature (Carroll & Shabana, 2010; Ihlen, Bartlett & May, 2011). However, all aforementioned terms are seen as synonyms.

CSR has been considered as the “license to operate” (Cornelissen, 2011, p. 233) meaning that the organization needs to gain legitimacy from its stakeholders by practicing responsible behavior in economic, environmental and social terms. What Cornelissen (2011) refers to is the CSR model called the triple bottom line (TBL) that entails the notion that companies need to care about people (social), planet (environmental) and profit (economic). The triple bottom line model is illustrated in Figure 1.

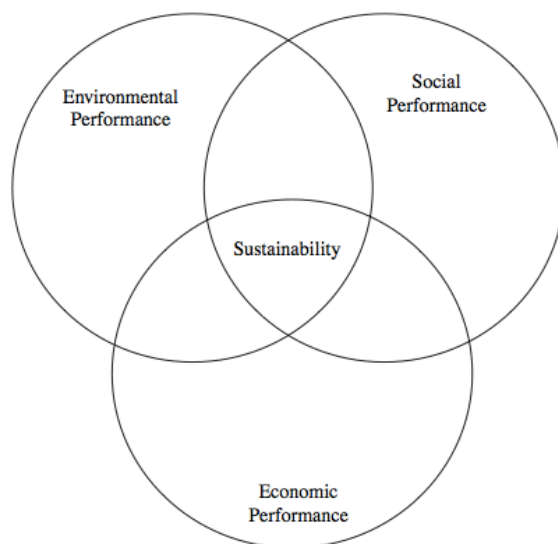


Figure 1. Three components of triple bottom line (Carter & Rogers, 2008, p. 365)

As briefly discussed in the Introduction, the triple bottom line is John Elkington’s model from 1994. In his view, businesses do not have only one single goal of making a profit but that companies also need to extend their goals and consider the environmental

and social impacts of their businesses (Elkington, 1998). Today, CSR is generally accepted as a concept entailing all the three components of Elkington's model. The model suggests that in the intersection of social, environmental and economic performance, companies can engage in activities that will positively affect the environment and society while at the same time gain long-term benefits and competitive advantage for the firm in terms of sustainability (Carter & Rogers, 2008).

In addition to Elkington, one of the most well known CSR authors is Carroll who in the 1979's argued that organizations must incorporate "the full range of obligations business has to society" (Carroll, 1979, p. 499). According to Carroll (1979) these obligations consist of economic, legal, ethical and discretionary expectations that the organization faces in its business operations. Carroll (1991) worked further with his theory and developed the pyramid model for CSR in 1991. With the model, illustrated in Figure 2., he showed that there are four kinds of social responsibilities that all together form CSR: economic, legal, ethical and philanthropic (Carroll, 1991). The pyramid model illustrates the four building blocks for CSR, beginning with the basic building block of economic responsibility. Carroll (1991) argues that economic performance is the foundation for the other forms of responsibilities and without it the other levels of responsibility cannot be achieved.

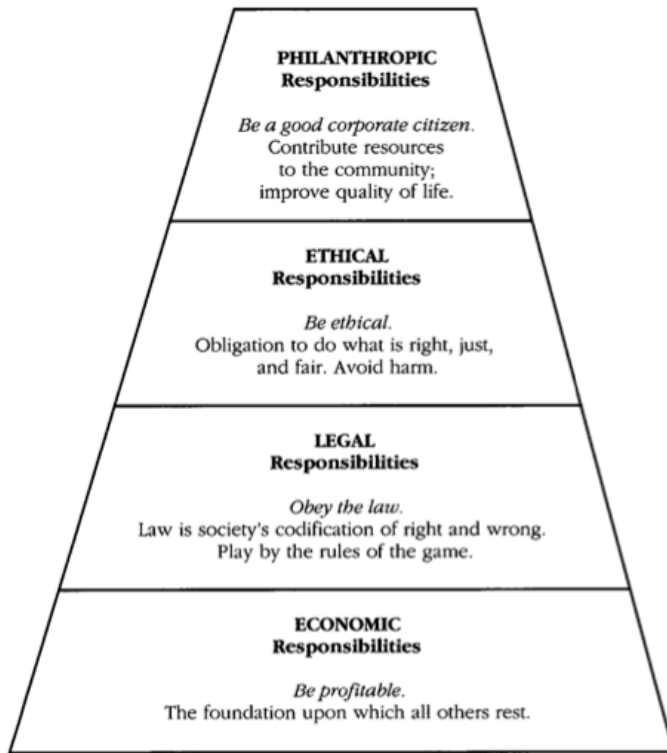


Figure 2. CSR Pyramid by Carroll (Carroll, 1991, p. 42)

Carroll later added that the economic and legal responsibilities are “required”, the ethical responsibilities are “expected” while the philanthropic responsibilities are “desired” (Carroll & Shabana, 2010; Crane & Matten 2007). Carroll’s model is not used as a basis for analysis in the present study but is introduced here as it is one of the most well know conceptualizations of CSR and referred widely in the academic literature. The present study aims to put more equal emphasis to the different responsibilities that organizations need to consider when operating in the present economy.

Even though there is little agreement between different CSR models and definitions (Carroll & Shabana, 2010; Crane & Matten, 2007; Garriga & Melé, 2004; Ziek, 2009), what seems to be common for many CSR definitions is the idea that organizations should be concerned also with other aspects of doing business than making a profit. At present, many of the CSR definitions concentrate on the stakeholder perspective meaning that the stakeholders of the organization should approve the behavior that is practiced. In addition, many CSR definitions regard voluntarism to lie in the heart of

CSR. Below, five CSR definitions are presented to provide a more detailed view of what CSR is considered to entail.

First, Cornelissen (2011, p. 255) defines CSR as “actions which do not have purely financial implications and which are demanded or expected of an organization by the society at large, often concerning ecological and social issues”. Second, O’Connor and Shumate (2010, 531) define CSR in a similar way suggesting that it is a corporate operation that is guided by socially responsible behavior, which is approved of by its stakeholders, and that is aimed at competitive advantage and profit performance. In addition it is often considered as something that is not required by the law, i.e. it is seen as a voluntary action (O’Connor & Shumate, 2010). Third, also McWilliams, Siegel and Wright (2006, p. 1) consider CSR as something voluntary. They define CSR as situations where the firm goes beyond compliance and engages in “actions that appear to further some social good, beyond the interests of the firm and that which is required by law.”

Fourth, Lindgreen et al. (2009), regard CSR generally referring to decision-making that takes ethical values, communities and the environment into consideration and respects people together with compliance in legal requirements. In their definition, they do not emphasize the voluntary aspect of CSR but rather suggest that it is compliance with legal requirements. However, the fifth definition by European Commission (2006) incorporates the voluntarism in their definition by defining CSR as an action where “companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”. The CSR definition by the commission is one of the most cited CSR definitions. In 2011, the commission published a new definition on CSR by simply defining it as “the responsibility of enterprises for their impacts on society” (European Commission, 2011).

To conclude the discussion about defining CSR, it is important to understand that CSR can be defined in rather vague and ambiguous ways. There is no general agreement what CSR actually is, which might result in multiple understandings of CSR. Pertaining

the results on the present study, the stakeholder perceptions of CSR and CSR communication might therefore vary to a great extent. For the purposes of the present study, an adaptation of the definition of Lindgreen et al. (2009) and of the European Commission (2006) is used and CSR is defined as decision-making where companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.

Derived proposition: 1. CSR is defined rather freely and vaguely.

2.1.1 Business Case for CSR

Determining the business case for CSR seems to be as multifaceted as its definition because there is disagreement whether CSR can really benefit businesses and provide competitive advantage (Porter & Kramer, 2006; Waddock & Graves, 1997). The most well known critic towards CSR has been Milton Friedman who argued that CSR is misusing corporate resources and that the primary responsibility of a business is to do business and generate profit for its shareholders (Friedman, 1970). He argued that the possible social problems arising from the free market system do not fall upon businesses but upon government and legislation to solve.

Ever since Friedman (1970), the debate over CSR has continued and it has been difficult to prove that companies can actually benefit from CSR financially (Carroll & Shabana, 2010). For many, the lack of financial proof has been the justification that CSR does not benefit companies. Nevertheless, today it is fairly widely accepted that companies do have other responsibilities than simply generating profits (Crane & Matten, 2007), and that CSR can provide competitive advantage for companies if the CSR strategy is matched to the company strategy (Carroll & Shabana, 2010; Coombs & Holladay; 2012; Porter & Kramer, 2006). However, it has been argued that companies operating in the same industry tend to communicate in the same way about their CSR, and therefore they do not achieve any competitive advantage (O'Connor & Shumate, 2010).

According to Reinhardt (1998), a company engaging in CSR activities can only exploit the benefit from it if the company can prevent competitors from imitating its strategy.

Especially consumers as stakeholders might exercise pressure over an organization if they feel that the organization is not acting in an acceptable way (Du, Bhattacharya & Sen, 2010; Lindgreen et al., 2009). Irresponsible company behavior may result in boycotts and other undesirable consumer actions (Crane & Matten, 2007). Therefore, acting in a responsible way can save some revenues for the organization as they avoid lost sales due to consumer boycotts. According to Kotler and Lee (2005), CSR is obviously driven by the belief that CSR can benefit businesses. Interestingly, their definition implies the uncertainty related to the business benefits of CSR: it can benefit businesses but it is not sure.

What drives the belief that CSR can benefit businesses seems to be the reputational advantages it provides for companies. According to Roberts and Dowling (2002), a good corporate reputation takes time to develop and means that the organization needs to make considerable and stable investments in it over time. Roberts and Dowling (2002, p. 1078), further argue that because of this, companies should protect it, as reputation is, according to them, “valuable asset that allows a firm to achieve persistent profitability or sustained financial performance”. Similarly Cornelissen (2011, p. 64) agrees that a good corporate reputation is an intangible asset of the organization because of its potential for value creation, but also because its intangible nature makes it hard for competitors to imitate.

Indeed, research has found evidence that CSR initiatives are related to reputational returns (Heikkurinen & Ketola, 2012). Therefore CSR is most often an effort to boost reputation and CSR is considered an integral element in the organization’s differentiation strategies both on the business and corporate level (McWilliams et al., 2006). Even though CSR is not directly tied to a product feature or production process, companies should view CSR as a form of reputation building or maintenance (McWilliams et al., 2006).

With regard to company stakeholders on a wider spectrum, it is widely accepted that

CSR seems to influence especially the image and reputation of an organization (Carroll & Shabana, 2010). First, CSR can benefit the organization in terms of attractiveness to potential employees and better talents (Cornelissen, 2011). Second, it can enhance the degree of current employees' motivation and commitment, and attract investors (Du et al., 2010; Heikkurinen & Ketola, 2012). Third, many researchers agree that CSR builds on the goodwill of the organization, and in time of crisis, companies can benefit from it (Cornelissen, 2011).

CSR might benefit businesses also on consumer- and on product levels. For instance, CSR can enhance consumer loyalty (Sheikh & Beise-Zee, 2011) and turn customers into brand ambassadors meaning that they might engage in positive behaviors towards the company through word-of-mouth, willingness to pay price premiums and resilience to negative company news (Du, Bhattacharya & Sen, 2007). Concerning the product level, CSR can provide competitive advantage in a situation of two competing but similar products, from which another has CSR characteristics. In most cases, the product with CSR characteristics is considered better than the other even though the products would otherwise be equal. (McWilliams et al., 2006.)

Even though many studies in consumer markets have indicated the reputational advantages of CSR, no related research exists in the B2B markets (Lai et al., 2010). It has been noted that with regards to organizational/business customers' purchasing decisions, they are often influenced by supplier companies' images or reputations (Aspara & Tikkanen, 2008) but on a larger scale studies of CSR's impact on B2B relationships are scarce (Homburg et al., 2013). However, the responsibility of purchasing management and logistics functions has become especially critical in the globalizing world, and according to Salam (2009), CSR has gained increasing attention from supply chain professionals as purchasing and supply chain management can have a significant effect on the firm's reputation.

To conclude the section, it is important to understand that it is not very straightforward whether organizations can benefit from CSR even though there seems to be general agreement that an organization has other responsibilities than financial responsibilities to its stakeholders. Because the most obvious benefits are most likely linked to

enhancing the company reputation and/or image, determining the business case for CSR might be difficult in practice because measuring the value of a company's reputation or image is challenging. Concerning the present study, first, it is important to understand how the members of the organizations perceive CSR and its benefits. Second, it is important to understand the uncertainty related to the benefits of CSR as it might result in reluctance in engaging in CSR activities and thus, affect the possible CSR communication that is the focus of the present study. Third, it is important to understand the nature of the possible benefits that CSR provides as they might have an influence on the buyer's buying-decision.

Derived Propositions: 1. CSR can provide competitive advantage in terms of reputation.
2. CSR is central for purchasing and supply chain.

2.2 CSR Communication

Even though it is debated whether companies can benefit from CSR or not, there seems to be agreement on the fact that in order to benefit from CSR, organizations should communicate about it. Overall, the main focus in the CSR communication research has been the possible effect on consumer buying behavior (Schmeltz, 2012b). However, as discussed in previous section, there is no general agreement whether CSR communication influences buying behavior or not.

In order to understand where CSR communication takes place in organizations, Podnar's (2008) model of CSR communication is used to illustrate it in Figure 3.

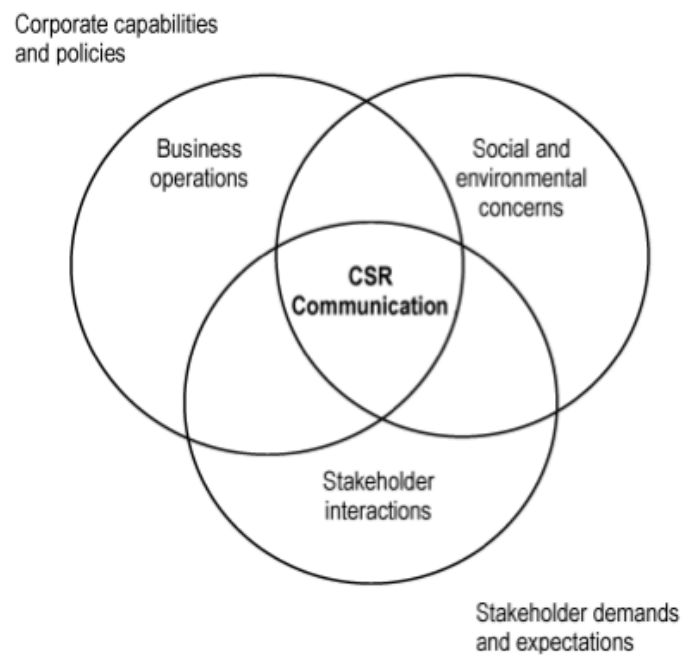


Figure 3. CSR Communication (Podnar, 2008, p. 76)

As can be seen from Figure 3., CSR communication takes place in the interplay of business operations, social and environmental concerns and stakeholder interactions. According to Podnar (2008, p. 75) CSR communication is “a process that anticipates stakeholders’ expectations”, gives a meaning to a company’s CSR policy while manages the various organizational communication tools conveying true and transparent information of the interplay.

However, Podnar’s (2008) model is lacking the aspect of two-way communication that is considered crucial in CSR communication with stakeholders. What is worth noting in Podnar’s (2008) description of the model is the word “anticipate”; it reveals that the model does not expect symmetrical communication to take place between the organization and its stakeholders. The wording gives the approach a somewhat passive tone implying that the organization merely sits on the sidelines and observes what the stakeholders expect.

Ihlen, Bartlett & May (2011) on the other hand define CSR communication in a way

that includes the stakeholder involvement perspective. According to them, CSR is “how companies negotiate with its stakeholders and public at large” and CSR communication, on the other hand, means the ways in which “corporations communicate in and about this process; it is the corporate use of symbols and language regarding these matters” (Ihlen et al, 2011, p. 8) Notable in this definition is the word “negotiate” meaning that the aim is in two-way communication. In contrast to Podnar’s model, the wording of this approach elevates the stakeholder to a position where two equal partners are having a dialogue.

Podnar’s (2008) and Ihlen et al.’s (2011) models provide a good basis for understanding where CSR communication takes place in an organization and how it is defined but because the focus of the present study is on CSR communication, a deeper understanding of CSR communication is required. Therefore, a framework developed by Du et al. (2010, 11) is discussed more thoroughly. The framework is illustrated in Figure 4.

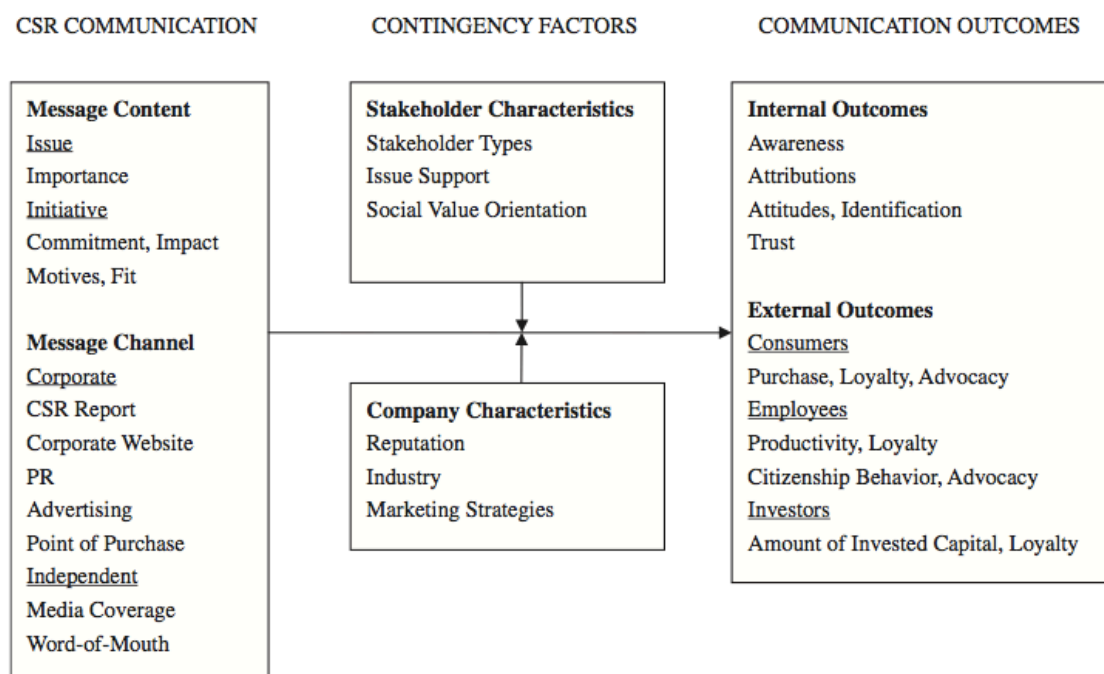


Figure 4. A Framework for CSR Communication (Du et al., 2010, p. 11)

As Figure 4. shows, the framework consists of three different parts 1) CSR communication 2) contingency factors and 3) communication outcomes.

The first part of the framework, CSR communication, consists of two different components: message content and message channel. First, message content refers to what the organization emphasizes in its CSR communication. It can be a CSR issue or an initiative but what is often considered crucial, is the focus of the message. For instance, a company can emphasize why the organization is committed to the cause, what is its impact on the cause or what is the motive why the company engages in the particular CSR activity (Du et al., 2010). In addition, an organization can also communicate how the CSR initiative fits its business. If the fit is perceived as natural, the communication is likely to be more effective (Du et al., 2010). The second component of the CSR communication in the framework is the message channel. As Figure 4. shows, there are multiple different channels available for organizations to communicate their CSR messages. In the framework, these channels are further divided into corporate and independent channels. Corporate channels refer to different corporate documents, such as press releases, annual CSR reports and corporate websites (Du et al., 2010). Even though the most preferred channel for CSR communication today by far is the CSR report, also traditional marketing strategies such as advertising and public relations (PR) are popular (Du et al., 2010).

A general feature for all the above-mentioned message channels is that they are controllable by the organization. However, there are multiple message channels that are not entirely controllable by the organization. In the framework in Figure 4. these channels are referred as independent message channels (Du et al., 2010). For instance, media, customers, monitoring groups, consumer forums and blogs can all be considered as channels on which the company has very little control over (Du et al., 2010). The less controllable the communicator is, the more credible the communication is perceived by the stakeholder (Du et al., 2010). This trade-off between controllability and credibility is rather natural considering that CSR communication via corporate channels might trigger skepticism. In contrast, CSR communication from neutral sources can frame the company as less self-interested (Du et al., 2010) resulting in more positive stakeholder

reactions (Yoon, Gurhan-Canli & Schwarz, 2006).

The middle part of the framework in Figure 4. is the contingency factors existing between CSR communication and communication outcomes. These contingency factors are further divided to two different components: the stakeholder characteristics and the corporate characteristics.

First, according to Du et al.'s (2010) framework in the Figure 4. there are three different stakeholder characteristics affecting the communication process. These are stakeholder type, issue support and social value support (Du et al., 2010). The stakeholder type refers to different audiences that organizations have and thus, need to communicate with: different stakeholders have different expectations towards the CSR communication and they seek different information (Dawkins, 2004). For instance, the stakeholder group of investors is likely to seek actively for CSR information while the general public is likely to show more passive behavior in seeking CSR information (Dawkins, 2004). This means that organizations need to pay close attention to different stakeholder groups, and customize their CSR messages to specific stakeholder expectations (Du et al., 2010).

Additionally, other stakeholder characteristics such as stakeholder issue support and social value orientation also affect the CSR communication outcomes (Du et al., 2010). Issue support refers to “the extent to which stakeholders support the focal issues of a company’s CSR initiative” and social value orientation is defined as “the stakeholders motivation to process CSR information (Du et al., 2010, p. 16). In other words, the personal importance of the issue and individual’s own values affect how the communication is perceived.

Second, also corporate characteristic affect the CSR communication outcome. According to Du et al.'s (2010) framework, the corporate characteristics are reputation, industry and marketing strategies. First, Du et al., (2010) discuss how the past reputation of the company affects how its CSR communication is perceived. According to Yoon et al. (2006), companies with a good reputation are perceived credible. Therefore it is likely that organizations with existing good reputations benefit from CSR

communication whereas companies with poor reputations are likely to be perceived even poorer (Yoon et al., 2006). Second, the industry in which the company operates will affect how the CSR communication is perceived. For instance, when considering tobacco or oil companies, or any other company operating in a somewhat suspicious industry, the stakeholders are likely to hold a doubtful presumption towards CSR communication (Du et al., 2010). Third, company specific marketing activities are likely to affect the perception of CSR communication. Du et al. (2010) refer to these marketing activities as a CSR positioning. By this they refer to “the extent to which a company relies on its CSR activities to position itself, relative to competition, in the minds of consumers (Du et al., 2007 as cited in Du et al., 2010). Hence, if the organization is able to position itself as a socially responsible brand, it evidently affects how stakeholders perceive its CSR communication (Du et al., 2010). Stakeholders are not only likely to pay attention to the CSR messages but they are also likely to believe the authenticity of the messages (Du et al., 2007).

The last part of the framework in Figure 4. is the communication outcomes that are divided to internal and external outcomes. Depending on what happens in the first two parts of the framework, in CSR communication and in contingency factors, outcomes vary accordingly. First, internal outcomes can be, for instance, increased awareness, generated attitudes or attributions linked to the organization, but also increased trust in the organization (Du et al., 2010). Second, any outcome resulting in effects on consumers, employees and investors, in contrast, are framed as external outcomes (Du et al., 2010). For instance, consumers can purchase the product/service and show purchase loyalty while employees might show increased commitment and productivity. Investors on the other hand can invest more capital in the organization (Du et al., 2010).

In addition to Du et al.'s (2010) framework, there are also other factors that affect CSR communication. According to Ziek (2008), the overall approach to communicating CSR varies by organization and depends on many factors, such as location, size and the departmental origin of the communicative behavior. Because of the intensive nature of competition and increased consumer expectations for companies in social and environmental engagement, companies are likely to use CSR messages in their

marketing activities (Du et al., 2010; Schmeltz, 2012a). Because the present study focuses on purchasing, it could be assumed that marketing activities take place between suppliers and buyers, and that the supplier organization communicates CSR in the business relationship between the two.

To conclude the section, it is important to understand that CSR communication is a complex process and dependent on different factors illustrated by Du et al.'s (2010) framework. Du et al.'s (2010) framework is highly relevant for the present study as it incorporates three different parts that are in the center of this study: CSR communication (executed by the supplier), stakeholder and the company (organizational buyer at Finnlines) and the possible outcome (buying-decision in the present study) of the communication process between the two. Therefore Du et al.'s (2010) framework is essential for the present study as it provides a systematic and general view of CSR communication. More specifically, it identifies the components in CSR communication and provides the concepts that can be used as steering tools in the analysis phase of the research.

Derived proposition: 1. Stakeholders perceive independent message channels as reliable channels for CSR communication. 2. There are multiple channels for CSR communication.

2.2.1 Challenges in CSR Communication

Despite the possible reputational advantages, CSR communication is troubled with multiple challenges according to a number of scholars. For instance, Cornelissen (2011) argues that the main problem with CSR is its cosmetic nature. Similarly, Porter & Kramer (2006) identify the same problematic by agreeing that CSR communication takes place because of reputation-building purposes, and that glossy CSR reports, PR and media campaigns are mostly the centerpieces of CSR communication. Lewis (2003) goes somewhat further noting that companies' efforts to talk about their CSR efforts are often considered as PR stunts, green wash or even "worthless". These views imply that

companies probably find it difficult to engage with their stakeholders when it comes to CSR.

The challenges in stakeholder engagement might stem from the organization's own engagement in CSR. According to Heikkurinen (2013), there seems to be two kinds of approaches towards CSR activities: extrinsic or intrinsic. Extrinsic approach means that the company is considered to use CSR activities to increase its profits while intrinsic approach is seen as acting out of genuine concern of the focal issue (Heikkurinen, 2013). However, based on research, it seems that stakeholders also tolerate extrinsic motives for CSR as long as they perceive the company to participate also because of intrinsic motives (Du et al., 2010). In addition, if there is a logical fit between the CSR activity and the company's core business, the skepticism towards the CSR activity is likely to be lower than if the activity is a low-fit (Schmeltz, 2012a). Therefore, the organization's own engagement in the CSR activity is essential concerning the trustworthiness of CSR communication. According to Porter and Kramer (2006), stakeholders are often skeptical towards CSR communication because they do not find companies in engaging in CSR activities in strategic or operational levels. As a result, the CSR communication is perceived cosmetic (Porter & Kramer (2006).

Still today, one of the major reasons in reluctance for CSR communication is the stakeholder skepticism towards CSR and CSR communication (Coombs & Holladay, 2012; Du et al., 2012). According to Schmeltz (2012a) it is somewhat unclear what consumers want to hear in terms of CSR but it is clear that they see CSR as a very important issue and expect companies to engage with it. In addition, consumers tend to react easily to negative CSR information than to positive CSR information (Beckmann, 2007, 32). Therefore the focus in the message content is often considered problematic in CSR communication. According to Du et al. (2010) organizations tend to communicate how the organization is involved in the good cause but neglect to communicate about the actual cause itself. What makes the communication even more problematic, is the fact that studies actually suggest that the more companies expose their CSR ambitions and activities, the more likely they are to attract critical stakeholder attention (Morsing & Schultz, 2006).

There is also evidence that some stakeholders may find it inappropriate for companies to publish material on how good they are (Morsing & Schultz, 2006). For instance, relying too heavily on promotion practices concerning CSR engagement might result in consumer skepticism or in negative attitudes towards the organization (Coombs & Holladay, 2012). As a result, it might decrease corporate credibility and trust (Schmeltz, 2012a). In the CSR literature, this is known as the self-promoter's paradox (Ashforth & Gibbs, 1990) suggesting that companies that emphasize their legitimacy too extensively run the risk of achieving the opposite effect. Balancing with the self-promoter's paradox adds complexity for the communication process of CSR and thus, it can be considered to increase the reluctance for CSR communication because of the difficulty in balancing the promotional activities.

In addition to the cosmetic nature of CSR communication and stakeholder skepticism, multiple stakeholder groups and their expectations make the communication process even more complex (Coombs & Holladay, 2012; Schmeltz, 2012a). For instance, if the company is caught of saying one thing to one stakeholder group and something different to another, it might be especially harmful for the company because the messages can be conflicting (Coombs & Holladay, 2012). Still, tailoring CSR messages according to the specific needs of different stakeholder groups is a necessity. Different stakeholders seek CSR information from different channels (Du et al., 2010), and choosing the right channel for the CSR message is crucial in order to ensure that the right stakeholders are exposed to the message (Coombs & Holladay, 2012). Because of the complexity in determining to whom to communicate, i.e. choosing the most relevant stakeholders, companies are probably likely to concentrate to the most influential stakeholders in their CSR communication efforts (Schmeltz, 2012a).

The reluctance and careful CSR communication practices have consequences especially in terms of awareness. According to Du et al. (2010), it is typical that the awareness of CSR activities is often low among external stakeholders (eg. consumers) but also with internal stakeholders (eg. employees). This somehow illustrates the complexity of CSR communication as a vicious circle: consumer skepticism results in companies' reluctance to communicate about CSR, which again results in low stakeholder

awareness.

To conclude the section, it is essential to understand that CSR communication research seems to be facing multiple challenges. The main problems surrounding the CSR communication seem to be how the organization is engaging in CSR and what and where to communicate it in order to minimize skepticism. In addition, it can be argued that understanding multiple stakeholder expectations greatly influences the effectiveness of the communication process. From the point of view of the present study, understanding these challenges is prominent because it might have an effect on how CSR is communicated by the suppliers in practice. Moreover, the understanding helps in analyzing the experiences and perceptions of organizational buyers, and might provide insight whether skepticism in B2B markets is as common as in B2C markets.

Derived proposition: 1. Organization's own engagement in the CSR activity is essential regarding stakeholder perceptions.

2.2.2 CSR and Stakeholder Dialogue

Stakeholder theory lies in the heart of successful CSR strategy. One of the most famous stakeholder theorists has been Freeman, who in the 1980's argued that organizations are not simply accountable to their shareholders but that there are multiple different groups, i.e. stakeholders, that have interest in the organization (Crane & Matten, 2007). Freeman defined stakeholders as "any group or individual who can affect or is affected by the achievement of the organization's purpose and objectives" (Freeman as cited in Cornelissen, 2011, p. 42).

To be more specific with the definition: in the business context, stakeholders have a stake or claim towards the organization pertaining products, operations, markets, industry and outcome (Fraedrich, Ferrell & Ferrell, 2011). Stakeholders can be, for instance, customers, investors, shareholders, employees, suppliers, government agencies and communities. Common feature for these groups is that they are influenced by businesses, but on the other hand, they also have the ability to influence businesses

(Fraedrich et al., 2011) Therefore the company-stakeholder relationship should be viewed as a two-way communication process (Fraedrich et al., 2011).

Freeman's conceptualizations about the stakeholder theory shifted the focus how companies viewed their external relationships. Figure 5. shows the traditional management model by Crane & Matten (2007), where shareholders were considered as the most influential group to an organization. The model emphasizes shareholders as a dominant group while other groups relevant for producing goods or services to customers were employees and suppliers. However, the stakeholder model illustrated in Figure 6. made organizations realize that they need to interact with their external environment and put more equal emphasis to different stakeholders that may be affected by the firms activities (Crane & Matten, 2007).

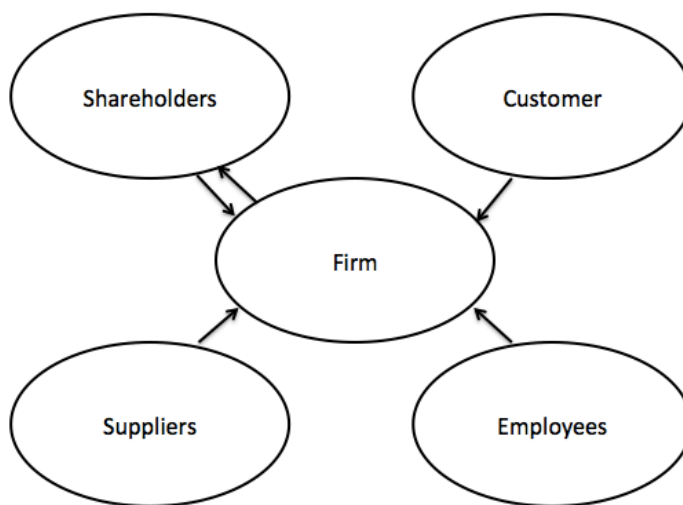


Figure 5. Traditional management model (Crane & Matten, 2007, p. 59)

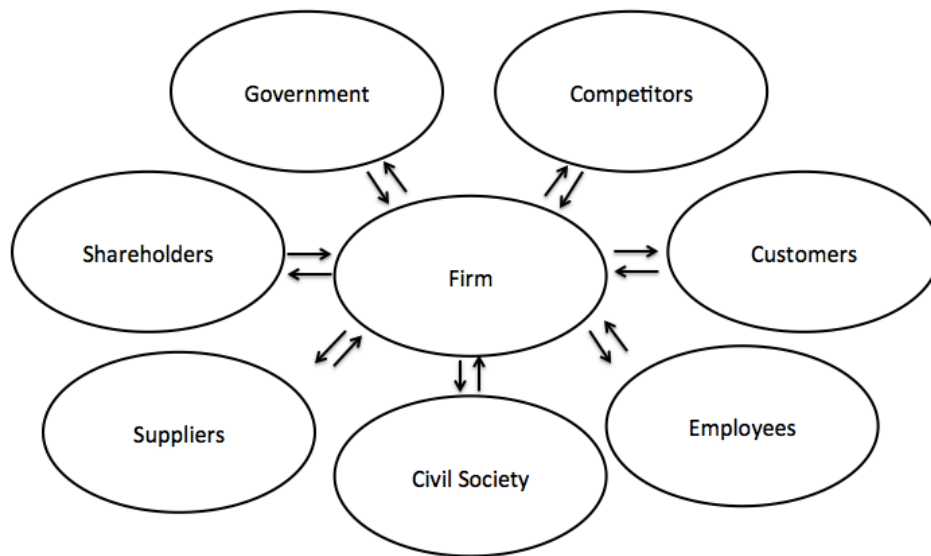


Figure 6. Stakeholder model (Crane & Matten, 2007, p. 59)

Today, the stakeholder theory by Freeman (1984) is widely accepted practice among businesses and stakeholders are often viewed as primary and secondary stakeholders. First, primary stakeholders are considered crucial for the organization to survive, and their constant participation in the organization is an absolute necessary (Cornelissen, 2011; Fraedrich et al., 2011). This group consists of employees, customers, investors, and shareholders, as well as the governments and communities that provide necessary infrastructure for businesses (Crane & Matten, 2007). Second, secondary stakeholders, on the other hand, are not considered as crucial for the organization because they do not engage in transactions with the organization (Fraedrich et al., 2011). They do, however, have usually a moral interest in the organization and can have a tremendous effect on the public opinion against or in favor of the organization (Cornelissen, 2011, 43). Secondary stakeholders usually include the media, trade associations, and special interest groups (Crane & Matten, 2007).

However, without categorizing the key stakeholders, organizations do not know what relationships are crucial for its business. According to Andriof, Waddock, Husted, & Rahman (2002), today's companies who recognize and engage with their stakeholders

are successful. Furthermore, the emphasis is on long-term value creation where the focus is on building long-term and mutual relationships rather than on short-term profit (Morsing & Schultz, 2006). Therefore, companies need to engage, communicate and manage their relationships with their stakeholders on a continuous basis. In order to know what and whose relationships to manage and to whom to communicate, organizations need to identify their key stakeholders.

There are different approaches to identify stakeholders but the most well known model is the stakeholder salience model by Mitchell, Agle and Wood (1997). As the name suggests, stakeholders are identified and classified on the basis of their salience to the organization. The central idea in the model is that the more salient the stakeholders are for the organization, the more they have priority and the more actively they need to be communicated with. Less salient stakeholders have less priority and do not need to be communicated on an ongoing basis. (Cornelissen, 2011.)

In their model, Mitchell et al. (1997) identify stakeholders according to three different attributes. These are 1) how much *power* the stakeholder has over the organization, 2) the *legitimacy* of the stakeholder's relationship with the firm, and 3) the *urgency* of the claim (Mitchell et al., 1997). Salience for the organization is then determined based on how much the stakeholder possesses one or more of the three attributes. The stakeholder salience model is shown in Figure 7.

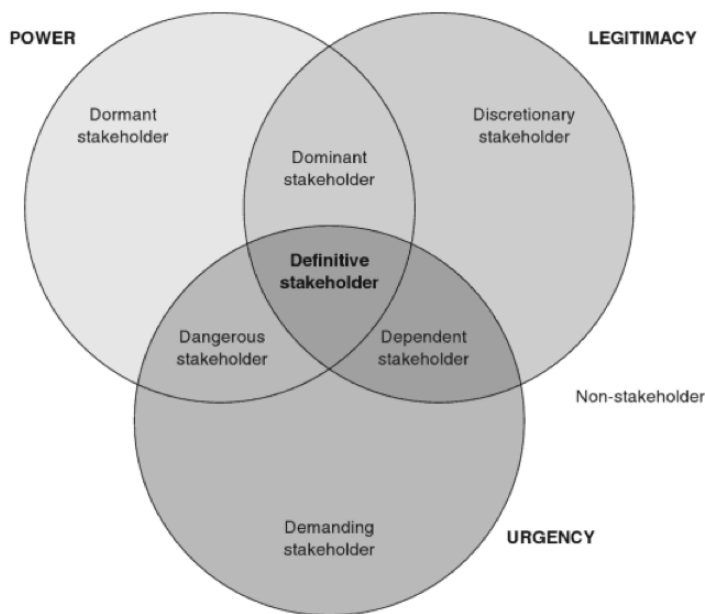


Figure 7. The Stakeholder salience model (Mitchell et al., 1997, p. 874)

As can be seen from Figure 7., the most powerful stakeholder is the definitive stakeholder who possesses all three attributes over an organization: power, legitimacy and urgency. Definitive stakeholders are powerful and legitimate stakeholders, who need the highest priority and continuous communication (Cornelissen, 2011). However, it is advisable to pay close attention to the expectant stakeholders (in Figure x. the dominant, dangerous and dependent stakeholders) possessing two of the attributes, as they can become definitive stakeholders by acquiring the missing attribute (Mitchell et al., 1997).

Depending on what categorization models an organization applies, it is able to plan its communication strategies to its stakeholders. Based upon the stakeholder analysis, organizations are able to determine how intensively they need to communicate with particular stakeholder groups and what should be the key messages (Cornelissen, 2011). Also, stakeholder categorization provides insight, whether stakeholders should be actively listened to and communicated with, or if the company should simply disseminate information about the organization and its activities (Cornelissen, 2011).

However, it seems to be difficult for companies in finding a way to engage with

stakeholders and establish a real dialogue with them about CSR (Cornelissen, 2011). One of the most prominent reasons is that dialogue is often more challenging than simply aiming at interaction with stakeholders (Burchell & Cook, 2008). Yet, both in the business and academic world, more emphasis has been put on the concept of stakeholder dialogue. Concerning especially CSR, stakeholder dialogue has become an increasingly central aspect of a company's CSR strategy (Burchell & Cook, 2006), and sometimes CSR and stakeholder management are even used as overlapping concepts (Carroll & Shabana, 2010).

Organizations use different strategies in their stakeholder communication. According to Cornelissen (2011), organizations can simply disseminate information (informational strategy), aim at persuasion (persuasive strategy) or actually engage stakeholders in a dialogue (dialogue strategy). The use of different strategies depends on the salience of the stakeholder (Cornelissen, 2011). It is worth noting that Cornelissen (2011) does not incorporate CSR in the different strategies per se but rather discusses them on a general level regarding stakeholder communication.

Morsing and Schultz (2006), on the other hand, scrutinize the strategies similarly to Cornelissen, but take the analysis more in-depth incorporating CSR in their communication model. Their model suggests that depending on the level of the stakeholder's engagement with the organization, the communication approach towards the stakeholder should also vary. As stakeholders and CSR are in the focus of this study, the model is highly relevant.

Morsing and Schultz (2006) developed their model on the basis of Grunig and Holt's (1984) characterization of communication models. The model entails three different communication strategies for CSR, which are 1) the stakeholder information strategy, 2) the stakeholder response strategy and 3) the stakeholder involvement strategy. Table 1 below shows the different CSR communication strategies.

Table 1 Three CSR Communication Strategies (Morsing & Schultz, 2006, p. 326)

	The stakeholder information strategy	The stakeholder response strategy	The stakeholder involvement strategy
Communication ideal: (Grunig & Hunt 1984)	Public information, one-way communication	Two-way asymmetric communication	Two-way symmetric communication
Communication ideal: sense-making and sensegiving:	Sensegiving	Sensemaking ↓ Sensegiving	Sensemaking ⇕ Sensegiving – in iterative progressive processes
Stakeholders:	Request more information on corporate CSR efforts	Must be reassured that the company is ethical and socially responsible	Co-construct corporate CSR efforts
Stakeholder role:	Stakeholder influence: support or oppose	Stakeholders respond to corporate actions	Stakeholders are involved, participate and suggest corporate actions
Identification of CSR focus:	Decided by top management	Decided by top management. Investigated in feedback via opinion polls, dialogue, networks and partnerships	Negotiated concurrently in interaction with stakeholders
Strategic communication task:	Inform stakeholders about favourable corporate CSR decisions and actions	Demonstrate to stakeholders how the company integrates their concerns	Invite and establish frequent, systematic and pro-active dialogue with stakeholders, i.e. opinion makers, corporate critics, the media, etc.
Corporate communication department's task:	Design appealing concept message	Identify relevant stakeholders	Build relationships
Third-party endorsement of CSR initiatives:	Unnecessary	Integrated element of surveys, rankings and opinion polls	Stakeholders are themselves involved in corporate CSR messages

The first strategy, as can be seen from Table 1, in the stakeholder information strategy, the information is always one-way from the organization to its stakeholders (Morsing & Schultz, 2006). The strategy has an informative nature, where the aim is to disseminate factual and objective information about the organization to its stakeholders. The communication is not necessarily persuasive but it can take place. Companies adopting this communication model usually engage in active press relations programmes but they also produce information and news for the media (Morsing & Schultz, 2006). In addition, brochures, pamphlets, magazines, facts, numbers and figures are used to inform the public (Cornelissen, 2011).

The logic behind the stakeholder information strategy is that it assumes that stakeholders can have an impact on the company performance either giving support to the company by word-of-mouth or by showing customer loyalty. On the other hand,

they can also show opposition by boycotting the company or taking part in demonstrations against the firm. Because of this, organizations need to inform its stakeholders about its good intentions to make sure that the stakeholders respond in positive behavior. (Morsing & Schulzt, 2006.)

The second strategy of the model is called the stakeholder response strategy, where stakeholders are asked for feedback on CSR activities. It is based on a two-way asymmetric communication model meaning that even though the communication flows between to and from the public, in the end, it is the organization that decides what the focus of its CSR activities should be (Cornelissen, 2011). Therefore, communication is considered as feedback, discovering what the public accepts and tolerates when it comes to CSR. However, the stakeholder response strategy can be rather one-sided approach as it aims in convincing stakeholders of the company attractiveness (Morsing & Schulzt, 2006) through glossy CSR reports or marketing and PR ploys (Cornelissen, 2011).

The third strategy is the stakeholder involvement strategy that can be considered similar to Ihlen et. al's (2011) definition of CSR communication where the emphasis is on dialogue approach. According to Morsing and Schulzt (2006), the stakeholder involvement strategy aims at real mutual dialogue between the organization and its stakeholders. Unlike in the stakeholder response strategy, in the stakeholder involvement strategy, the persuasion comes not only from the organization but also from its stakeholders, meaning that each side tries to persuade the other to change. Taking the iterative nature of the model into consideration, it is most likely that both the company and its stakeholders will change after engaging in a symmetric communication model (Morsing & Schulzt, 2006). Therefore companies should also try to seek to be influenced by stakeholders, and change when necessary in order to keep up with stakeholder expectations (Cornelissen, 2011).

Even though it seems that the stakeholder involvement strategy is considered as the most preferred strategy, companies seem to hesitate in engaging their stakeholders in the two-way communication processes (Morsing & Schulzt, 2006). However, two-way symmetric communication could enhance companies engaging less in self-promoting advertisements and press releases but instead use more discreet CSR communication

channels such as reports and websites (Cornelissen, 2011). In addition, a real dialogue could foster the birth of new CSR efforts that stem naturally from the stakeholders (Morsing & Schulzt, 2006).

Stakeholder dialogue concerning CSR can take place in a number of different formats. According to Burchell and Cook (2006), dialogue can take place between an individual company and its stakeholders but also on a more industry/sector-wide basis. A company can start the dialogue itself but it can also start through a third party, such as an independent facilitator organization (Burchell & Cook, 2006). Moreover, dialogue can also take place between companies in addition to the traditional company – stakeholder dialogue aspect (Burchell & Cook, 2006).

To conclude the section, understanding the company-specific stakeholders are essential for a company to succeed in the competitive, global markets. When it comes to CSR, stakeholders are in of prominent position to affect the operations of an organization, and therefore important stakeholders should be identified on a regular basis. The nature and importance of the stakeholders of Finnlines is in the center of the present study, because organizational buyers are direct customers of suppliers and thereof, they are considered as primary stakeholders for supplier organizations. Considering this, based on stakeholder theory, engagement activities targeted to organizational buyers should take place in order to fulfill the expectations of the stakeholder group. Furthermore, the similarities between stakeholder communication strategies and CSR communication strategies show that stakeholder dialogue and CSR are intertwined to a great extent, and CSR does not exist without the stakeholder perspective. The relevance of stakeholder dialogue for the present study is to understand how organizations communicate with their stakeholders, and more specifically how they communicate about CSR with their stakeholders. Understanding the model by Morsing and Schultz (2006) is therefore highly relevant in the present study as it identifies how the importance of the stakeholder can affect the type of CSR communication. In addition, it helps in determining how important organizational buyers are as stakeholders for suppliers in this specific research context.

Derived propositions: 1. Establishing a dialogue is difficult for companies. 2. Depending on the importance of the stakeholder, organizations can implement different stakeholder communication strategies for CSR.

2.3 B2B and the Buyer-Seller Relationship

The nature of B2B markets differs to a great extent from B2C markets. One of the most traditional ways of differentiating the markets is to distinguish them through consumption: in B2B markets, the buyers do not consume the products/services themselves (Fill & Fill, 2005). Similarly, Wright (2004, p. 3) defines B2B markets as “goods and services sold by one organization to another organization for its own use in some way or to be sold on to another organization for its own use”. However, these definitions provide little information about the actual nature of business markets in comparison to consumer markets. Business and academic literature discuss the differences through specific, distinguishing characteristics that are shown in Table 2.

Table 2 Differences between business and consumer markets (Brennan et al., 2007, p. 7)

Market structure differences		
<i>Dimension</i>	<i>Business marketing</i>	<i>Consumer marketing</i>
Nature of demand	Derived	Direct
Demand volatility	Greater volatility	Less volatility
Demand elasticity	Less elastic	More elastic
Reverse elasticity	More common	Less common
Nature of customers	Greater heterogeneity	Greater homogeneity
Market fragmentation	Greater fragmentation	Less fragmentation
Market complexity	More complex	Less complex
Market size	Larger overall value	Smaller overall value
Number of buyers per seller	Few	Many
Number of buyers per segment	Few	Many
Relative size of buyer/seller	Often similar	Seller much larger
Geographic concentration	Often clustered	Usually dispersed
Buying behaviour differences		
<i>Dimension</i>	<i>Business marketing</i>	<i>Consumer marketing</i>
Buying influences	Many	Few
Purchase cycles	Often long	Usually short
Transaction value	Often high	Usually small
Buying process complexity	Often complex	Usually simple
Buyer/seller interdependence	Often high	Usually low
Purchase professionalism	Often high	Usually low
Importance of relationships	Often important	Usually unimportant
Degree of interactivity	Often high	Usually low
Formal, written rules	Common	Uncommon
Marketing practice differences		
<i>Dimension</i>	<i>Business marketing</i>	<i>Consumer marketing</i>
Selling process	Systems selling	Product selling
Personal selling	Used extensively	Limited
Use of relationships	Used extensively	Limited
Promotional strategies	Limited, customer-specific	Mass market
Web integration	Greater	Limited
Branding	Limited	Extensive, sophisticated
Market research	Limited	Extensive
Segmentation	Unsophisticated	Sophisticated
Competitor awareness	Lower	Higher
Product complexity	Greater	Lesser

Sources: Chisnall, 1989; Dwyer and Tanner, 2002; Ford et al., 2002; Lilien, 1987; Simkin, 2000; Webster, 1991; Wilson, 1999, 2000; Wilson and Woodside, 2001.

As can be seen from Table 2, B2B markets are characterized by number of factors that differentiate B2B from B2C markets. Major distinguishing factors between the markets are often discussed through differences especially in buying behavior and in marketing practices but Brennan, Canning and McDowell (2007) scrutinize the differences from three different perspectives: 1) market structure 2) buying behavior and 3) marketing practice differences. As one of the objectives of the study is to identify to what extent organizational buyers consider CSR issues when making buying decisions, organizational buying behavior is discussed in detail in the next section.

First, the market structure has several distinguishing dimensions. For instance, the number of buyers in B2B is fewer than in B2C, but in contrast, the purchasing sizes are larger (Walley, Custance, Taylor, Lindgreen & Hingley, 2007). Also, because of the heterogeneity of customers in B2B, the nature of products and services is different. In B2B, there is often a need for customization to meet and fit the customer needs whereas in B2C, a more standard range of products or services is usually offered for the customer (Fill & Fill, 2005). Higher customization inevitably leads to closer relationships with suppliers, which might lead to greater purchasing loyalty in comparison to B2C markets. (Walley et al., 2007.) It seems that because of fewer buyers, larger quantities and more customized products/services, the interdependence between the buyer and the seller is greater in B2B markets, emphasizing the importance of a good relationship.

Second, the buying behavior differs to a large extent. In B2B the buying process is more complex involving a greater number of people resulting in longer decision-making processes (Fill & Fill, 2005) and purchase cycles (Brennan et al., 2007). However, Walley et al., (2007) note that one distinguishing feature is also the fact that buying behavior is considered to be more rational in B2B than in consumer markets, and that buyers tend to be better informed of what they are buying. Additionally, the degree of interactivity and importance of relationships is also typical for organizational buying behavior (Brennan et al., 2007).

Third, relationships are used extensively for marketing practices in business markets. For instance, consumer markets tend to focus on psychological benefits in promotion activities through advertising while B2B markets emphasize economic or utilitarian benefits through personal selling (Brennan et al., 2007; Fill & Fill, 2005). The extensive use of personal selling in business markets can be traced to the market structure and buying behavior: personal selling makes sense as organizational buyers expect to hear a well-argued case specifically tailored to the needs of their organization (Brennan et al., 2007).

As a concluding note for the differences between the two markets, B2B markets entail considerably more human interactions, i.e. relationships between different parties than in B2C. According to Fill & Fill (2005), perhaps the most crucial difference between B2B and B2C markets is indeed, the nature of relationships that develop between organizations in the process of buying and selling. Moreover, today, it is widely accepted that organizations can benefit from these long-term relationships. In business and academic literature, the relationship perspective emerged in the 1990's when organizations realized that co-operation between the buyer and seller benefits the development of products and technologies (Da Villa & Panizzolo, 1996). The shift from the logistics relation, where the focus was on transferring materials and products between supplier and buyer (Da Villa & Panizzolo, 1996), meant that organizations needed to place increasing importance to their supplier relationships (McDowell Mudambi, Doyle & Wong, 1997).

The research field, where the relationship perspective has been the focus, incorporates a wide range of terms such as partnerships, networking, strategic alliances, relationship marketing and transaction cost economies (McDowell Mudambi, Doyle & Wong, 1997). In B2B literature, the relationship perspective is better known as relationship marketing or relationship management (Grönroos, 1995) that is based on a principle in which companies aim "to get and keep customers" (Grönroos, 1995, 253).

According to Grönroos (2004, 101), who is one of the pioneers in relationship management research, relationship marketing is "first and foremost a process" meaning that all implemented marketing activities should be "geared towards the management of this process". The process starts from identifying customers and establishing a relationship with them, followed by maintaining and enhancing the relationship to generate more business (Grönroos, 2004). Furthermore, Grönroos (2004) argues that the most central relationship is the one between suppliers and buyers and the relationship marketing activities should focus on this particular relationship in the first place.

However, not all buyer-seller relationships can be characterized as relationships. Some business interactions are merely transactional (Peppers & Rogers, 2004) and therefore,

building close relationships is by no means relevant for every market, company or customer (Day, 2000). Market relationships are considered to create sustainable advantages exactly because they are so difficult to manage and therefore every firm should not try to master a relationship strategy (Day, 2000). Some customers want to purchase the product or service with a minimum hassle with minimum time. In addition, because maintaining close relationships requires a lot of resources, it is not economically wise to make relationship efforts with every customer (Day, 2000.)

Indeed, relationships between organizations vary in terms of quality, duration and level of interdependency (Fill & Fill, 2005). Figure 8. illustrates the varieties of the relationships as a continuum. The exchanges between organizations line up along a continuum from market exchanges to relational exchanges.

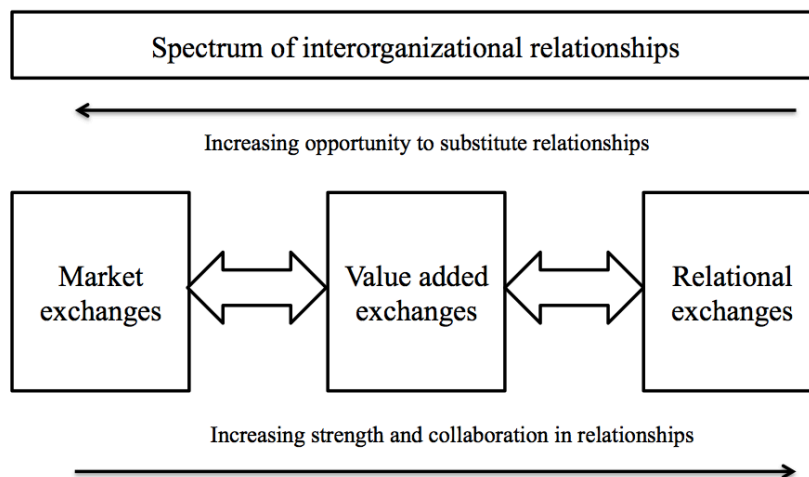


Figure 8. A Continuum of value-oriented exchanges (Fill & Fill, 2005, p. 26)

Market exchanges are characterized by short-term and price-focused exchanges between the buyer and seller (Day, 2000), where both parties are mainly driven by self-interest (Fill & Fill, 2005). Movement along the continuum represents increasingly valued relationships. At the other end of the continuum are relational exchanges that are characterized by long-term value orientation with integrated systems and processes motivated by mutual support (Day, 2000). Trust and commitment are common

characteristics of these relationships (Fill & Fill, 2005).

However, most of B2B relationships fall somewhere between the two (Fill & Fill, 2005). These are called valued added exchanges where the focus is on getting and keeping customers (Day, 2000). Companies usually focus on developing a deep understanding of the customer needs and requirements, and give incentives on a continuous basis for the customer to concentrate most of their purchases with them (Day, 2000). Thus it can be concluded that many different kind of relationships exist in B2B and as a rule of thumb, the higher the interdependence between the organizations is, the more valued the relationship becomes.

To conclude the section, it is fundamental to identify the characteristics of B2B commerce in general, as the objective of the present research is to study how CSR communication is practiced between B2B organizations. Concerning especially CSR, it is relevant for the study to understand that purchasing professional can have a central role in the responsibility practices of an organization (Carter & Rogers, 2008), and as a consequence, one could assume that suppliers try to influence organizational buyers with CSR communication. Thirdly, it is relevant to realize the importance of relationships in B2B markets, and especially the stakeholder relationship between the supplier and buyer, as it is the focus of the stakeholder relationships in this study. Finally, it is prominent to understand that not all relationships are similar, and regarding this, not all suppliers necessarily practice CSR communication.

Derived propositions: 1. For B2B companies, relationships are important. 2. Organizations benefit from long-term relationships.

2.3.1 Organizational Buying Behavior

As discussed shortly in the previous section, the buying behavior in B2B differs to a great extent from that in B2C. In contrast to consumer markets, where the buying decision is done relatively quickly (Fill & Fill, 2005), in B2B the buying decision takes considerably more time. This is due to higher economic risk but also because the buying

decision involves more people. Buying in B2B can be considered as a group activity where the composition and number of people involved changes according to the significance of the purchase (Fill & Fill, 2005).

Companies buy products and services on a regular basis and in most businesses, professional purchasing is a requirement. The task of organizational buyers is to make decisions that ultimately contribute to the achievement of corporate objectives (Fill & Fill, 2005). Organizational buying is defined as “the decision-making process by which formal organizations establish the need for purchased products and services, and identify, evaluate and choose among alternative brands and suppliers” (Webster & Wind, 1972, p. 2). The word “process” implies that there are a number of stages or phases in the procurement that require separate decisions (Fill & Fill, 2005).

In academic literature, the process is tightly linked to a group that is referred as a decision-making unit (DMU) or as a buying center (Fill & Fill, 2005; McDowell Mudambi et al., 1997). A widely cited perception of DMU is the one by Webster and Wind (1972). Their DMU identifies a number of different roles in the buying center that are illustrated in Figure 9.

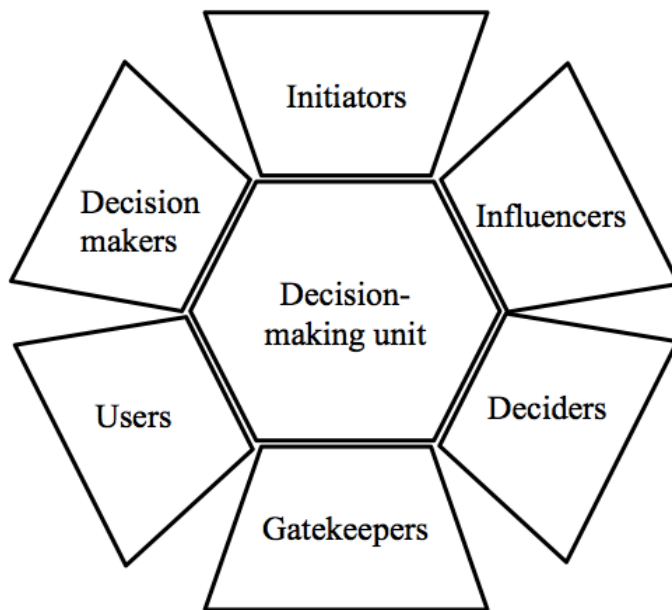


Figure 9. Membership of the decision-making unit (Fill & Fill, 2006, p. 116 after Webster & Wind, 1972)

Members of the DMU can have multiple different memberships in the unit. For instance, initiators can be considered as those who request the purchase in the first place, whereas users may not only initiate the purchase but might also be involved in the specification process and use the product after it is acquired (Fill & Fill, 2005). Influencers, on the other hand, are very often involved in the specification stage and assist in the evaluation of alternative offerings. These can be, for instance, consultants that are hired to assist in certain purchases. In addition, there are gatekeepers who have the ability to control the flow of information related to the process: they can control what type of information reaches the organization and the DMU. (Fill & Fill, 2005.)

Deciders, on the other hand, are those who actually make the purchasing decision but they are very difficult to identify. The reason for this is that they might not possess the formal buying decision authority, but in practice they are very influential internally, meaning that their decision carries the most weight. Interestingly, buyers are referred as decision makers in the Figure 9. They select the suppliers and manage the overall purchasing process. However, they do not necessarily decide which product or service

is to be purchased but they influence the overall process within which the decision is to be made. (Fill & Fill, 2005.)

Research has shown that the members of the DMU have often very different preferences concerning product attributes, price and technical sophistication (McDowell Mudambi et al., 1997). For instance, the buyer might value different aspects than a designer. Therefore, depending on the nature of the purchase, different roles are required and adopted, and in some situations all of the roles can be accommodated within one individual (Fill & Fill, 2005). In addition, the members of the DMU can be from various different departments in the organization and hold various roles in the process (Brennan et al, 2007). Figure 10. illustrates these roles in the context of organizational functions.

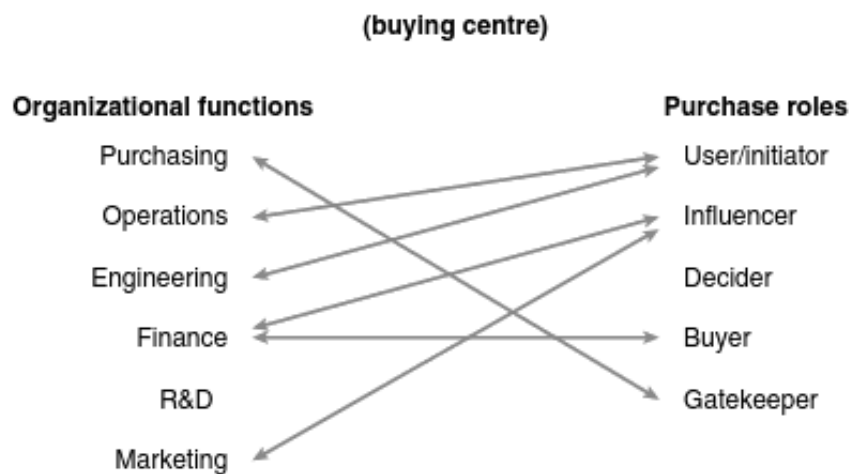


Figure 10. Members of decision-making unit (Brennan et al., 2007, p. 41)

In organizational buying, three different buying classes can be identified. They are new task, modified rebuy and straight rebuy (Brennan et al., 2007; Fill & Fill, 2005). First, new task refers to a situation where an organization is buying something for the first time. The risks related to the purchase are relatively high and people involved in the purchase require a great deal of information concerning the new purchase. In addition,

new tasks take a relatively long time period to be accomplished mainly because of the extensive problem solving usually associated with new tasks (Brennan et al., 2007).

Second, modified rebuy refers to situations where an organization has already purchased something from the supplier and now requests some modifications for the future purchases (Brennan et al., 2007). Third, organizations execute extensively straight rebuys meaning that the purchasing department acts based on a routine and reorders a product or a service. The nature of the products or services is usually rather low in value but typically they are something the organization needs in its daily operations (Brennan et al., 2007). In modified rebuys and in straight rebuys, the associated risk is usually rather low because of previous purchases (Fill & Fill, 2005).

There are also multiple other forces affecting organizational buying. According to Fill and Fill (2005), four main areas can be identified influencing organizational buying: internal, external, individual and relationship forces. However, these factors are not discussed in detail, as they are not central for the study. The main point here is to illustrate that organizational buying is a complex process where multiple forces influence the decision-making. These forces are illustrated in Figure 11. below.

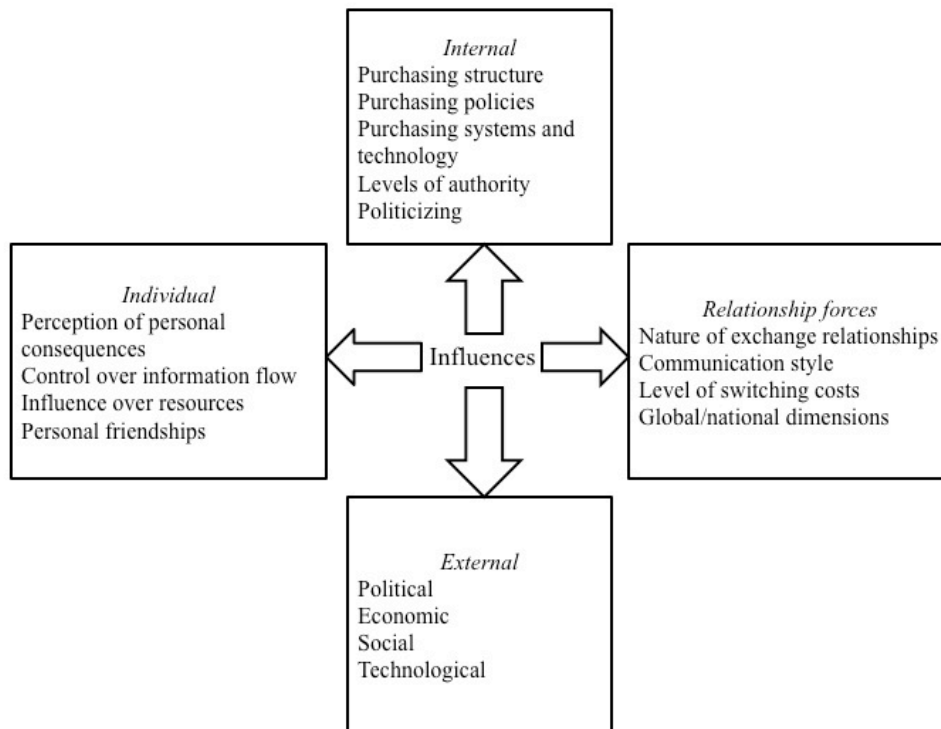


Figure 11. Major influence on organizational buying behavior (Fill & Fill, 2005, p. 126)

Even though it has been argued that buying-decision in B2B is more rational than in B2C (Walley et al., 2007), there are also studies that identify emotional bonds that affect the buying in B2B. The traditional description of the B2B buyer has focused on economic evaluation and rationale neglecting any emotional bonds to the buying (Blombäck & Axelsson, 2007), but Aspara & Tikkanen (2008) argue that corporate brand is often emphasized over product brands in B2B markets, and it could be assumed that similarly as in consumer markets, buyers in B2B feel similar emotional attachment to the products and services they are buying.

Since organizational buyers are also consumers, meaning that brands and product features must have an emotional meaning for them too, products and services with CSR features might be appealing for organizational buyers. Thus CSR can affect decision-making also in B2B markets. For instance, as discussed in section 2.2, in B2C markets, especially consumers as stakeholders might exercise pressure over companies that are considered to behave in an irresponsible way resulting in lost sales due to consumer boycotts (Du, Bhattacharya & Sen, 2010; Lindgreen et al., 2009) and products with a

CSR feature might provide a competitive advantage for an organization when there are two competing products from which the other possesses CSR features (McWilliams & Siegel, 2001; Siegel & Vitaliano, 2007).

Even though CSR can affect decision-making in B2C markets, it needs to be acknowledged that CSR has to be communicated to consumers before it can have an effect on the buying decision (Mohr, Webb & Harris, 2001). Similarly in B2B markets, CSR needs to be communicated to organizational buyers in order to influence the buying decision. However, in B2B marketing literature it is widely accepted that suppliers' reputations and corporate images affect business customers' purchasing decisions (Aspara & Tikkanen, 2008). Moreover, according to Mudambi (2002), it is often the manufacturer's reputation together with the buyer's own level of awareness and degree of loyalty to the supplier that are important considerations in purchasing decisions. As reputations and images are important factors in organizational decision-making, it may be suggested that possible CSR communication can have a role in the decision-making process.

To conclude the section, understanding the complexity of organizational buying behavior in B2B is relevant because it shows that the organizational buyer is not necessarily the one who makes the actual buying-decision. In addition, multiple other factors influence how decisions are made in a B2B organization. Therefore, this study aims not to answer the question whether CSR communication affects the buying decision but rather, whether responsibility related concerns are considered at all when choosing suppliers and making buying-decisions, and whether they can be linked to the possible communication that has taken place. However, pertaining CSR, it could be assumed that since CSR can affect the decision-making in B2C markets, the supplier's CSR practices and CSR communication in B2B markets can affect the business customer's decision-making (Aspara & Tikkanen, 2008). Hence, CSR communication can have a role in the buying decision-making process.

Derived propositions: 1. Organizational decision-making is complex. 2. CSR can have a role in the buying decision.

2.4 The Analytical Framework

The analytical framework for the present study is based on the literature discussed in the previous sections concerning CSR, CSR communication, stakeholder dialogue, the buyer-supplier relationship and decision-making in B2B markets. The framework emphasizes CSR communication, as the overall objective of the present research is to study how organizational buyers perceive CSR communication practiced by suppliers or potential suppliers in B2B business. The analytical framework for the present study is strongly influenced by earlier studies of Du et al. (2010) and Morsing and Schultz (2006) because they discuss CSR communication with the stakeholder perspective most profoundly.

Figure 12. visualizes the analytical framework and the process of CSR communication and its potential outcome regarding the buying decision. The framework summarizes the reviewed literature discussed in the present Chapter and consists of three main parts: 1) B2B business relationship between the supplier and the buyer, 2) CSR communication and 3) the organizational buying-decision.

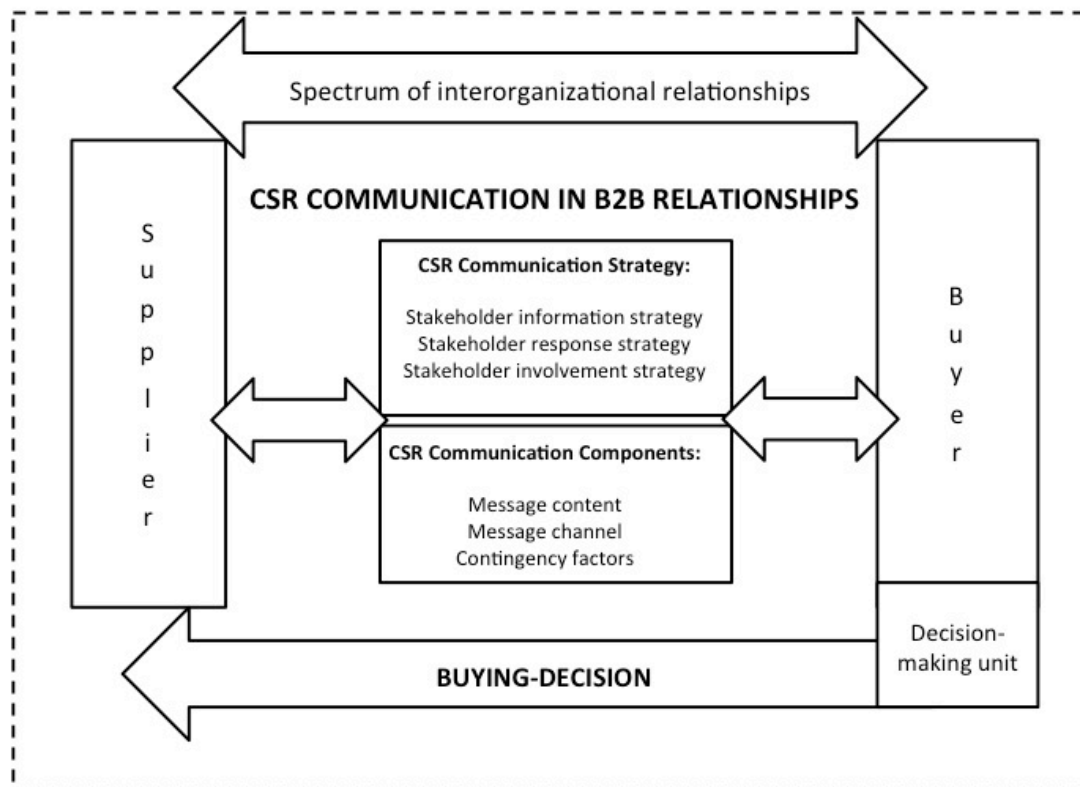


Figure 12. Analytical Framework

As Figure 12. shows, the role of stakeholders is highly emphasized in the CSR communication process. Because the focus of the present study is on the stakeholder relationship between the supplier and the buyer, the B2B business relationship between the two forms the frame, in which the possible CSR communication takes place. The dashed line in the framework illustrates this relationship. The arrow between the business partners, on the other hand, illustrates the spectrum of different interorganizational relationships that are possible. As discussed in section 2.3, the nature of the business relationship is determined by the quality, duration and interdependency between the organizations (Fill & Fill, 2005). Therefore the type and the depth of the relationship might affect how suppliers communicate to organizational buyers. In addition, the type of relationship might affect how buyers experience and perceive CSR communication but also how suppliers practice CSR communication.

The second, and the most central part of the framework, is the CSR communication

between the supplier and the buyer visualized by the two rectangle boxes between the parties. Because the present study focuses on how CSR is communicated by suppliers to organizational buyers, the topic has been given the key position in the framework. The arrows from supplier to CSR communication and from CSR communication to buyer visualizes that the communication flows between the two in the specific relationship. In the analytical framework, CSR communication consists of two parts: CSR communication strategy and CSR communication components.

The first part, CSR communication strategy, visualizes the alternatives presented by Morsing and Schultz (2006) that the supplier organization has when it is planning its CSR communication strategy. The three strategies are: 1) the stakeholder information strategy 2) the stakeholder response strategy and 3) the stakeholder involvement strategy. The choice of CSR communication strategy is dependent on the type of the relationship, how important the stakeholder is perceived by the supplier, and also what the supplier wishes to accomplish with the CSR communication strategy. Concerning the scope of different kind of relationships between Finnliness' suppliers and buyers in B2B business, it is likely that several different CSR communication strategies take place, and as a result the perceived CSR communication by the organizational buyer is likely to vary accordingly.

The second part, CSR communication components, visualizes three different parts that are likely to vary according to the chosen CSR communication strategy. According to Du et al. (2010), CSR communication consists of message content and message channel that are filtered through contingency factors resulting in a communication outcome. The message content and message channel are incorporated in the framework as they might provide insight on how Finnliness' suppliers implement different communication strategies, how the chosen message content and message channel reflect the chosen strategy and finally how the supplier organizations perceive the role of stakeholders, i.e. organizational buyers of Finnliness. In addition, the contingency factors might on one hand provide insight on how Finnliness and the organizational buyers at Finnliness perceive CSR, its role and CSR communication, but on the other hand also provide information on what is the general status of CSR within the shipping industry.

The third and the final part of the framework is the organizational buying-decision that is visualized at the bottom of the analytical framework. There are other alternatives for the outcomes of CSR communication, but in the present study the emphasis is given to the buying-decision as an outcome. In addition, the nature of the buy (new task, modified rebuy, straight rebuy) strongly influences how organizational buyers make buying decisions and therefore it might also act as a filtering factor for CSR communication. Decision-making unit in the framework illustrates that the possible outcome of CSR communication is not only filtered through the organizational buyer but there might be other people affecting the possible decision-making.

Because of the complex buying-decision process in B2B, the framework does not assume that the possible CSR communication necessarily affects the actual buying decision but rather it tries to identify, whether it can be determined if the organizational buyer ponders CSR considerations prior to decision-making.

3 METHODOLOGY

The present Chapter presents and justifies the methodological choices for the present study. The Chapter is divided into four sections. Section 3.1 discusses the research design, which is used as an umbrella term for the research method and research strategy of the present research project. Section 3.2 explains the data collection method and the design of the interview questions. Section 3.3 describes data analysis and finally, section 3.4 discusses the trustworthiness of the study.

3.1 Research Design

According to Silverman (2010, p. 109 & 121) a methodology is “a general approach to studying research topics” and the chosen method should reflect this approach. Furthermore, Silverman (2010, 9) points out that the chosen method should be selected on the basis of the task at hand. There are no right or wrong methodologies but rather less and more suitable ones.

In general, research methodologies are divided into qualitative and quantitative. Despite this, there is no clear distinction between qualitative and quantitative research (Eriksson & Kovalainen, 2008) and today, a methodology combining the two, a mixed methods approach, is also popular (Bergman, 2008). Qualitative research focuses on in-depth understanding through careful analysis of words, actions and records, whereas quantitative research looks past the words, actions and records to their mathematical significance (Maykut & Morehouse, 1994). It can be considered that qualitative research is therefore addressing “how” questions and quantitative “how many” questions. Because I am interested in questions like ‘what’, ‘why’ and ‘how’, qualitative research method can be considered to provide a better approach for my research than quantitative approach. In addition, many qualitative approaches are concerned with interpretation and understanding (Eriksson & Kovalainen, 2008). As my study aims at interpreting organizational buyer’s experiences and feelings, and understand their perception of CSR communication, a qualitative research method can be considered to be a suitable approach.

However, as Eskola and Suoranta (2008) point out, the interpretation of the research data is always only one interpretation among a variety of other possible interpretations, and the result may change if someone else interprets the data. Therefore science is always dependent on different factors such as the object, target and subject of the knowledge, but also, the researcher (Eskola & Suoranta, 2008). Because of this, it is important to acknowledge openly the subjectivity of the researcher, and admit that she/he has a central role as a research instrument in the overall process (Eskola & Suoranta, 2008).

Considering the nature of the study, in which I as a researcher interpret other people's experiences and feelings, it needs to be acknowledged that the researcher has a possibility to affect the research results because they are my interpretations. As a distancing and neutralizing factor, however, it could be pointed out that the researcher has no personal interest or stance towards the topics of shipping industry, purchasing or the B2B business in general. The research interest emerged purely out of my personal interest towards CSR communication and the focus, B2B market, was chosen because I wanted to scrutinize the topic from a fresh perspective.

The choice of qualitative research method can be considered to support my standpoint as a researcher as well. I do not believe that there exists only one reality or that one can find one absolute truth pertaining CSR communication in the specific research context. On the contrary, I believe that there are multiple realities, and depending on the interviewee and the interviewer, the results may change. Therefore as a researcher, I have a somewhat constructivist view because through my interpretation of the interview results, I also construct knowledge.

Concerning my ontological stance as a researcher, I understand that CSR communication is a reality because individuals through interaction construct it. In other words, I understand reality as subjective. According to Eriksson and Kovalainen (2008) this means that depending on the individual and context, the experiences and perceptions might be different at different times, and that "reality is always about

individuals' and groups' interpretations" (Blaikie, 1993 as cited in Eriksson & Kovalainen, 2008, p. 14).

In addition, I have my own preunderstanding about CSR, which is somewhat critical. In short, I view CSR as a somewhat artificial phenomenon meaning that if consumers would not practice pressure over companies, organizations would most likely only aim at fulfilling their legal and economic responsibilities. Yet, I also understand that organizations are purely responding to the needs and requirements of their customers and according to the rules of capitalism, CSR is a natural response on behalf of organizations. However, with regards to the nature of the study, my own preunderstanding should not play a role in the results, as the study does not aim at determining whether businesses can benefit from CSR or not. Rather, the focus is on trying to understand how organizational buyers perceive possible CSR communication.

Based on the aforementioned aspects, the present research project follows a qualitative research method and the specific research strategy of this study project is a single case study. According to Bromley (1986 as cited in Yin, 2012) case studies have always one thing in common, which is the desire to obtain close or otherwise in-depth understanding of a single or a small amount of cases, set in their real-world contexts. According to Yin (2012, 6) a case is usually a person, an organization, behavioral condition, event or even social phenomenon. Case study is not about methodological choice but rather what is going to be studied and the aim is on producing valuable and deep understandings of the case(s), perhaps resulting in new knowledge (Yin, 2012).

According to Yin (2009) the choice to use case study as a research strategy is depended to a large extent on the research questions. As my research questions are interested in the buyer's experience of CSR communication and the aim is to understand the perception of an individual, a case study can be considered to be a very suitable strategy. However, as Yin (2009) points out, one of the fundamental problems of a case study is to define what the case of the study is. Yin (2009) further states that the case is actually the same thing than the unit of analysis. In this thesis, the unit of analysis is the

perception the organizational buyer has about CSR communication and the real-world context is the organization in question.

Yin (2012) argues that a multiple case study design probably provides better confidence in the research findings than a single case study. However, regarding the present study, there are some resource and time constraints for the project that need to be acknowledged. For instance, one person with rather a limited amount of time conducts this study. Therefore, a single case study can be considered to be a suitable research strategy with rather limited resource.

3.2 Data Collection

The data collection method is defined as “a specific research technique (eg. interview, focus group)” (Silverman, 2010, p. 109). According to Silverman (2010), interviews are especially suitable for understanding experience. Also Hirsjärvi and Hurme (2008) agree by stating that the purpose of interviews is to transmit information about the thoughts, knowledge, perceptions, feelings and experiences of the interviewees to a larger audience. Because the present study aims at understanding how organizational buyers perceive CSR communication, and more specifically whether responsibility issues play any role in the buying decision process, interviews as a specific data collection method were considered suitable for this particular research.

To gain in-depth understanding of the possible CSR communication, and its possible effect on buying decisions in the organizational context, I conducted theme interviews. In theme interviews, which are also called semi-structured interviews (Hirsjärvi & Hurme, 2007), the focus of the interview is constructed on different themes that are discussed in the interview situation. Similarly, Patton (1990, p. 280) refers to the same a kind of an approach as “the general interview guide approach”.

According to Hirsjärvi and Hurme (2007), the advantage of theme interviews is that instead of detailed questions, the interview proceeds according to central themes. Only

the themes are preliminary settled and the specific form and order of questions is missing when compared to, for instance, structured interviews (Eskola & Suoranta, 2008). This liberalizes the interview and makes the voice of the interviewee to be heard (Hirsjärvi & Hurme, 2007). In addition, theme interviews take into account the fact that meanings are created through interactions (Hirsjärvi & Hurme, 2007).

As the study was demarcated to only one shipping company, Finnlines, the number of interviews is perhaps less than in International Business Communication theses in general. However, the buying department at Finnlines employs 15 people, from which 11 are buyers including the purchasing manager, and therefore four interviews can be considered to represent a sufficient amount of interviews as the number represents almost fifty percent of all buyers on the department. In addition, the saturation point was achieved already after two interviews. According to Eskola and Suoranta (2008), the saturation point is reached when any new and/or additional information is not gained through new interviews. Thus, the number of interviews can be considered to be sufficient.

The reason I decided to contact Finnlines was because I knew that Finnlines has an international buying department that is located in Finland. First, I contacted the head of the purchasing department at Finnlines and after the approval for participation in the study I contacted the interviewees via email that were appointed as the most important ones for my research. The precondition to be a suitable interviewee candidate for my thesis project was that the interviewee participated in international purchasing operations and cooperation with suppliers on a daily basis.

The interviews lasted approximately 60 minutes. All four interviews were conducted face-to-face in February 2014. The interviewees represented all different levels at the purchasing department – from buyer to team leaders and to the head of the whole department. In addition, every angle of purchasing was covered as the centralized purchasing department is divided into three different parts: technical, consumables and indirect purchasing. The head of purchasing supervises all of this. As stated in section

1.2, bunker purchasing is out of scope of the centralized buying. The interviewee profile summary can be seen in Table 3.

Table 3 Interviewee profiles

INTERVIEWEE PROFILE

Title	Length of work experience at Finnlines	Area of purchase	Education	Abbreviation used in text
Buyer	Over 2 years in purchasing department	Indirect purchases	M.Sc. Economics	R1
Buyer and Team leader	Over 7 years, over 5 years in purchasing department	Technical purchases	Graduate/University of Applied Sciences	R2
Buyer and Team leader	Over 20 years, over 5 years in purchasing department	Consumables' purchases	Graduate/University of Applied Sciences	R3
Purchasing manager, Head of purchasing department	Over 4 years in purchasing department	Head of all purchasing	M.Sc. Economics and Graduate/University of Applied Sciences	R4

Considering the rather novel perspective of my study in the context of CSR communication, I aimed to keep the interview situations open as possible. In the beginning of the research process, it was considered that even semi-structured interviews might be too structured for my research purpose. However, an unstructured interview method could have made the risk of failure too high taking into account the researcher's previous research experience. Therefore, semi-structured and open-format interview method was chosen for the present research. The interviews can be regarded as guided conversations, and I believe that this kind of a format served my research purposes best and encouraged interviewees to tell openly about their experiences.

One pilot interview was conducted to test the structure and the appropriateness of the interview questions. The pilot interview proved to be useful and it is included in the

actual data that the final analysis is based on. The interview questions are presented in the interview guide (see Appendix 1) and they are more or less open-ended. The interview questions were derived from the analytical framework, a process that is explained at length in the next section. However, the questions are not necessarily in the same order in which they are presented in the literature review. This is because I wanted to achieve a more natural flow for the discussions.

The pilot interview revealed that the terms CSR and CSR communication could be unfamiliar terms for the interviewees. Based on this, it was clear that in order to get in-depth answers, I needed to be well prepared and maybe even simplify my interview questions somewhat prior to any interview took place. Sending the questions to the interviewees beforehand proved to be valuable because it made me as an interviewer better prepared but also the interviewees were able to think about the matter before the actual interview situation. However, the interviewees did not receive the whole guide including the themes and propositions but only the interview questions from the guide in a word document via email. It needs to be clarified that even though the terms ‘CSR’ and ‘CSR communication’ are used in the interview guide, these terms were not used in the actual interview situations because they are academic terms and not necessarily familiar for the interviewees. In practice, a term ‘responsibility’ replaced ‘CSR’ and ‘responsibility communication’ replaced ‘CSR communication’.

The interviews were conducted in Finnish. All of the interviews were recorded with the permission of the interviewee, and the interviews were transcribed within one or two days after the interview took place. The purpose was to facilitate writing reliable transcripts of each interview. Moreover, during the interviews, notes were taken to facilitate the analysis of the on the spot reflections on the answers. Making notes proved to be valuable with regards to collecting information that would not have been collected without any note making. While I was writing down my notes, the interviewee had some extra time to add something to his/her answers so the silent moments proved to be important in the data collection phase. In addition, they helped me to write down extra questions that emerged during the interviews. With the help of writing them down, I did not forget to ask them at some point during the interview. All comments and views by

the interviewees presented in this research report are translated by the researcher from Finnish to English. They are direct translations and I have – to the best of my ability – translated them as accurately as possible.

3.2.1 Designing the Interview Questions

To anchor my interviews to my research questions, I developed an interview guide (see Appendix 1) for the interviews. Figure 13. below visualizes the process of forming and planning the specific interview questions in the interview guide.

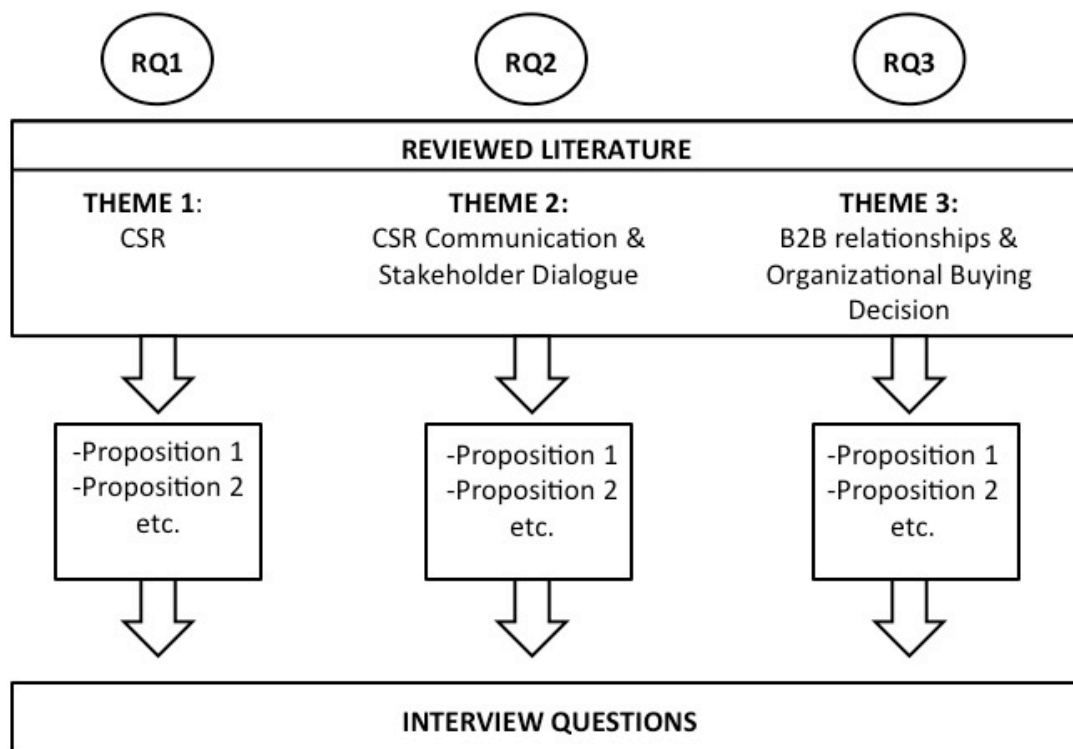


Figure 13. The process of forming the Interview guide

First, I derived three main themes from my research questions based on the reviewed literature. For the first research question “How do organizational buyers perceive CSR

and its role in business in general?” the theme was named ‘CSR’. For the second research question “How do organizational buyers perceive the suppliers’ or the potential suppliers’ CSR communication?” the theme was named ‘CSR Communication and Stakeholder Dialogue’, and for the third research question “How do organizational buyers process CSR communication and to what extent do they consider CSR issues when making buying decisions?” the theme was named ‘B2B relationships and Organizational buying-decision.’

Second, I derived propositions from the reviewed literature under each interview theme. These propositions were used in forming the actual interview questions that can be seen in the interview guide (see Appendix 1). In addition, the purpose of the propositions was to serve as a systematic analyzing tool in the actual data analysis phase but also to provide a connection to the reviewed literature presented in Chapter 2. This connection aimed at ensuring that the analytical framework and the results of the study do not exist in isolation but rather that a real and reliable relationship was formed between the literature and the actual research results.

The interview guide, on the other hand, was meant to help the interviewer in the interview situation and it contained all the themes for the interview. Its purpose was to function as a checklist in the actual interview situation by providing a systematic listing of issues to be covered in the interviews. The interview guide included all the questions for the interview but some questions needed modification in the actual interview situation depending on the specific conditions. In addition, some questions needed clarification for the interviewee. Because of this, the themes and propositions proved to be helpful for me in the actual interview situation.

3.3 Data Analysis

After the practical collection of data, the first thing that was done was transcription of the data. As Saunders, Lewis & Thornhill (2007) state, quite a lot of time is needed to prepare the data for the actual analysis. Saunders et al. (2007) also point out that there is

no standardized approach to the analysis of qualitative data but that it is common to organize and collect the mass of qualitative data into meaningful categories, unitize the data and recognize relationships.

The process of data analysis had four steps. First, I started to categorize the data with the help of the interview themes that emerged from the literature review. I had three main themes: 1) CSR and responsibility 2) CSR communication and Stakeholder dialogue and 3) B2B relationships and organizational buying behavior. Under the themes, I had propositions that I had derived from the literature relevant for the present study. These propositions can be seen in the interview guide (see Appendix x).

Second, with the help of the themes and the propositions, I identified similarities and differences of the data and systematically grouped them into categories. The themes served as headlines for the first stage in the categorization. After this, more careful categorization took place in which irrelevant quotes were deleted and quotes that could be clearly grouped to the same categories were grouped together. At this point, the propositions under each theme were used to categorize the data more carefully into relevant sub-categories under each theme. At this stage it became clear that some propositions were perhaps somewhat irrelevant and could be rephrased. For example, the original proposition “If the CSR initiative fits the business strategy, the communication is more effective” was rephrased to “Organization's own engagement in the CSR activity is essential regarding stakeholder perceptions”.

Third, I did a selective process where I reduced and rearranged the data into a more manageable and comprehensible form by attaching sentences and words to the categories under each proposition that were considered relevant for my study. The propositions served as guiding headlines for these categories, and under the categories I used the modified propositions as grouping tools. Saunders et al. (2007) refer to this stage as unitizing the data. At this point, I tried to identify the most central and valuable insights for my research purposes and seek in identifying relationships and recurrent patterns between the themes. Even though most comments were triggered by the planned themes and propositions under each research question, some freedom was taken

in placing a view under a proposition even if it came into discussion at some other point during the interview.

Finally, when I was able to finalize the categorization, I started reflecting the data through the analytical framework. The findings and analysis of the present study are presented in the next section. As Eskola and Suoranta (2008) point out, in qualitative research, it is generally difficult to separate the data collection and the actual analysis in the overall research process. The overlap of these stages is mostly visible in Chapter 4 Findings and Discussion. The Chapter ends with a discussion after each section but the analysis and discussion are somewhat overlapping.

3.4 Trustworthiness

In research literature, a widely accepted set of evaluation criteria for trustworthiness in qualitative research is the one by Lincoln and Guba (1985). Yet, trustworthiness in qualitative research has been traditionally evaluated through validity, reliability and generalizability that stem for quantitative research (Eriksson & Kovalainen, 2008). However, according to Eriksson and Kovalainen (2008, 294), a researcher relying on the ontological view, in which there are multiple realities, and on subjectivist epistemology “emphasizing that the researcher and the participant jointly create understandings”, should substitute the traditional evaluation criteria with the one by Lincoln and Guba. Therefore the trustworthiness of the present study is discussed through Lincoln and Guba’s (1985) work. They present trustworthiness as a concept entailing four different aspects measuring the quality of a qualitative study: credibility, transferability, dependability and confirmability.

First, credibility means that the researcher needs to carry out the study in a way that makes the findings acceptable in the eyes of others (Bryman & Bell, 2007). In addition, the research needs to be carried out according to good research practices and the researcher needs to have the findings approved by the members that took part in the research (Lincoln & Guba, 1985). The present study has gone through peer evaluation

and faculty supervision in form of thesis seminars. In addition, the thesis supervisor reviewed the themes and interview questions in the interview guide before any interviews took place. Moreover, sending the thesis to my interviewees for comments also ensured credibility. Interviewees were given the opportunity to make modifications to their comments and also comment my interpretations. A few quotes were specified by one of the interviewees. Concerning the aforementioned aspects, they have a significant contribution to the transparency of this study.

Second, transferability, on the other hand, refers to the issue whether the findings could be applied to other research contexts (Lincoln & Guba, 1985). The idea is not on replication (Eriksson & Kovalainen, 2008) but rather whether the findings are transferable to some other milieu (Lincoln & Guba, 1985). Because the current study is conducted as a case study, the findings only apply with the specific sample of the study, the specific conditions and me as a research instrument processing and interpreting the data. However, on the level of speculation, the findings of this study may well be interesting for representatives of other not-forerunner companies as they probably can recognize similarities in the way CSR communication is dealt with in the case company and in their own operations.

The third aspect concerning trustworthiness is dependability. According to Bryman and Bell (2007), dependability corresponds reliability in quantitative research. Basically, dependability evaluates how similar results a replication study would produce (Lincoln & Guba, 1985). Therefore, it is the researcher's responsibility to provide sufficient information about the process of the research and whether it has been logical, traceable and how it has been documented (Eriksson & Kovalainen, 2008). My goal has been to report the overall research process as transparently as possible. With regards to this, any researcher with a similar mindset, interviewee responses and research conditions should be able to achieve essentially similar results as I have.

The final aspect of trustworthiness, according to Lincoln and Guba (1985), is confirmability. It addresses the objectivity of the study and refers to the idea that the results of the study are not a product of imagination but that the researcher is able to

link the findings and interpretations to the data (Eriksson & Kovalainen, 2008). In other words, the researcher should act in good faith and not let any personal agendas affect the results of his/her research (Bryman & Bell, 2007). In order to tackle this criterion, I have attempted to make the inference process as transparent as possible by anchoring my conclusions tightly to the interview responses, so that it would be clear for the reader where the conclusions are derived from.

4 FINDINGS AND DISCUSSION

In this Chapter, the findings of the study are presented and discussed. Interviews with four international purchasing professionals were the main source of the findings. The Chapter is divided into three sections that each focus on one of the research questions and are also closely linked to the interview themes that were derived from the analytical framework. The objective of the present study was to shed light on how suppliers communicate CSR to organizational buyers in B2B relationships by scrutinizing the topic from the buyer's perspective. Next the findings are presented in the order of the research questions:

RQ1: How do organizational buyers perceive CSR and its role in business in general?

RQ2: How do organizational buyers perceive the suppliers' or the potential suppliers' CSR communication?

RQ3: How do organizational buyers process CSR communication and to what extent organizational buyers consider CSR when making buying decisions?

Based on the aforementioned order, section 4.1 aims at addressing the question of how organizational buyers perceive CSR and its role in general when doing business. Before proceeding to discuss how organizational buyers experience CSR communication, it is important to understand how they perceive CSR and its role in business. This might help in understanding how they process CSR information and CSR communication. Section 4.2 will focus on analyzing the buyer perceptions of CSR communication practiced in the B2B relationship between the buyers and the suppliers or potential suppliers. Section 4.3 will then address the third research question, which seeks to understand how organizational buyers process CSR communication and to what extent they consider CSR related issues when making buying decisions. Most of the comments and views were triggered by the planned themes and propositions under each research question but some freedom has been taken in placing a comment under a proposition even though it came into discussion at some other point during the interview.

Each section ends with a research summary that concludes the findings to the research question at hand and discusses the main findings of the study and links them to the reviewed literature.

4.1 Perceptions on CSR and its Role in Business

The theme in the interview covering the first research question was named “CSR” and it consisted of three different propositions that were derived from the literature presented earlier. These propositions were 1) CSR is defined rather freely and vaguely 2) CSR can provide a competitive advantage in terms of reputation and 3) CSR is central for purchasing and supply chain. The findings to RQ1 in this section are discussed through the three propositions.

Proposition 1: CSR is defined rather freely and vaguely.

Interestingly, but not surprisingly, it seemed difficult for the interviewees to define CSR and explain what it means to them personally. Throughout the interviews, there was a feeling that being a responsible operator was something that the interviewees were proud of and they felt and believed that Finnlines is a very responsible freight carrier in safety and in environmental issues. However, because of the industry in question, there is a great deal of safety and environmental regulations and laws that need to be obeyed, and it might have been difficult for the interviewees to distinguish what is actually CSR and what is obeying law. This made the analysis of the findings more complicated.

In general, it was challenging for me to grasp the essence of CSR through the interviews. CSR is by no means an explicit concept and it can mean different things for different people. In addition, because it is debatable whether businesses can benefit from CSR, answers for defining CSR and its possible benefits were perhaps somewhat careful. The interviewees did not agree on the definition of CSR but had similar views of what it could comprise. Quite traditionally, following rules, regulations and laws was

considered CSR. Only one interviewee viewed CSR as something that goes beyond the law, and two interviewees mentioned the triple bottom line; people, planet, and profit in their replies, as can be seen from the following quotes.

“CSR is going further than the law requires – going beyond the law. Somehow being a good citizen and taking not only economic responsibility but also taking environment and people into consideration somehow. -- The environmental and safety issues are taken care of by different regulations and certificates, which means that the firm simply obeys law but is not doing anything extra. Yet, it is still operating in a responsible way regarding environment and safety but within scope of law.” (R1)

“CSR in corporate operations means that environmental, social and economic issues are somehow taken into consideration.” (R3)

In addition, stakeholders were seen as central part of CSR. While stakeholders were mentioned, the owner and investor aspect were slightly highlighted and the economic aspect of CSR was given the most emphasis as these quotes illustrate:

“One aspect is what stakeholder groups need attention – for investors it is economic responsibility and we try to make profit for them.” (R3)

“For a traditional organization like us, the one and only responsibility is to create value for the owners. For employees, the responsibility is defined in the working agreement, which is to pay compensation for the work. That is the biggest responsibility towards employees. -- But making profit is a vital condition for an organization. Without making profit, an organization cannot be responsible to its employees or to anyone. Economic aspect is very dominant concerning CSR.” (R4)

As shipping and seafaring can be considered a rather traditional field of business, these comments giving most emphasis to the economic aspect of responsibility were not perhaps very surprising. Yet, when considering the rather sensitive condition of the Baltic Sea, it could have been assumed that other aspects of CSR would have been

emphasized over profit making. However, for most of the interviewees, CSR meant environmental and safety related concerns, regulations and laws, as the following quotes show.

“It is a basic thing meaning that our actions need to be transparent and regulations and rules need to be followed. If we follow the required regulations of seafaring, there are no ethical dilemmas either.” (R2)

“Investors are of course one aspect. In addition, you act in a responsible way towards the society by paying taxes and the like...environmental responsibility realizes through following the environmental requirements in the Baltic Sea.” (R3)

“To my view, complying laws and regulations is CSR.” (R4)

Shipping is an international mode of transportation and regulated by three different levels: global, EU and national (Trafi, 2012). The findings indicated that CSR is scrutinized through the operating environment and context as the interviewees emphasized the legal aspect of responsibility the most.

Proposition 2: CSR can provide competitive advantage in terms of reputation.

Even though defining CSR proved to be a difficult task, questions concerning the benefits of CSR and CSR communication were easier to answer for the interviewees. There was a solid agreement that the most apparent advantages of CSR are reputational and that CSR can help in promoting the image of the organization to different stakeholders. The following quotes illustrate this:

“It would give us extra points in society in some way. We could be more attractive in the eyes of customers and potential employees.” (R1)

“Reputation of course! I do not know if there is some other added value but if you have a responsible image and reputation, of course the customer perceives you as a reliable

and a safe freight carrier. If we are responsible economically, the benefits come from investors. I believe that an economically responsible firm attracts more investors than a non-responsible firm.” (R3)

CSR was considered to benefit the image and reputation of an organization in crisis situations but also in differentiation that leads to competitive advantage. In addition, CSR was framed as risk management, protecting the image of an organization as these comments show:

“We would benefit from CSR in problem situations of course. It would also enhance our public image and maybe differentiate us from our competitors so it could provide us competitive advantage.” (R2)

“Advantages are reputational. --- It is also risk management for us. It is a question of image of course.” (R4)

The comments in general were very illustrative: it was clearly experienced that the advantages of CSR are most strongly related to company reputation and image but there was perhaps uncertainty in the comments regarding other possible benefits of CSR.

Proposition 3: CSR is central for purchasing and supply chain

In B2B markets, supply chain was considered as a central part of the value creation to customers in form of a competitive advantage. This is illustrated well by the following quote:

“We create our services through our partners and suppliers. It is a common perception that organizations do not compete against each other, but actually the value chains that the organization utilizes compete. And best supply chains and networks add value to our operations and create competitive advantage for us. We just need to find the best partners.” (R4)

Because the centralized purchasing department manages the supply chains at Finnlines, it could have been assumed that CSR was emphasized to some extent at the purchasing department. However, the interviewees had differing views on questions how important CSR is at the purchasing department. On the basis of the comments, CSR, as it is defined in this research project, was not firmly emphasized in the department. However, it needs to be pointed out again that since seafaring is regulated by laws concerning environmental and safety issues, which are taken into consideration in Finnlines' purchasing, the interviewees did feel that the purchasing department had a relevant role concerning CSR by following laws. This was especially highlighted by these comments:

“We need to follow rules and regulations and our operations need to be transparent. We need to be able to show that we do not support black market and that our operations are in line with standards, and that basic criteria such as tax payments and pension contributions are paid and fulfilled by our suppliers.” (R2)

“We need to follow safety regulations and rules set by maritime legislation so we cannot buy just anything but they need to be in accordance with regulations.” (R3)

Throughout the interviews, environmental, economic, legal and safety issues emerged to the discussion and it was clear that they were considered at the purchasing department. Therefore it cannot be said that the proposition is compromised as such. In addition, as CSR was also considered to be reputation maintenance by minimizing risks in the supply chain, it can be considered that CSR has become increasingly important for purchasing and supply chain. Only one interviewee, who defined CSR similarly to the present study as *‘going further than the law requires’*, had a differing view of the importance of CSR in the purchasing department as the comment below shows:

“We do not have any clear policy on how to take CSR concerns into consideration in purchasing. I do not feel that CSR is in any way emphasized in our department.” (R1)

In general, the interviewees had two-fold opinions whether they considered themselves to be in a position in which they were able to influence the CSR practices at Finnlines.

Perhaps the purchasing manager held the most positive perception towards the proposition. In his view, CSR had become increasingly important for purchasing and supply chains and the purchasing department had a relevant role to influence the CSR practices at Finnlines. Other interviewees felt that they perhaps could have an impact when choosing the suppliers but that price was the prevailing criterion to be followed according to the company policy. Even though the buyers experienced that they could have an impact if the price difference was not too big, they did not really see themselves to be in a key position to affect the CSR practices at Finnlines as these comments illustrate:

“I do feel that if I were more active and bothered to do it, I could have an impact if the price difference would not be too big. I could also weight supplier options based on CSR criteria and take the responsible options to my supervisor. It could make a difference.” (R1)

“I have not really considered myself to be in a key position to affect the responsibility of our organization. Of course we have an impact from where we are going to order the product or service but it is mostly determined by the price.” (R3)

4.1.1 Summary and Discussion to RQ1

To conclude the findings related to RQ1, none of the three propositions were compromised as such. Rather, the propositions seemed to be supported by the findings. There were similarities to academic literature (Carter & Rogers, 2008; Carroll, 1991; Cornelissen, 2011) in the perceptions of what CSR encompasses with regard to environmental, legal, economic and social concerns. There seemed to be no concrete definitions of CSR policies in the purchasing department in the case organization that would exceed the legal and environmental requirements. However, the interviewees felt that CSR is important and that Finnlines is a responsible operator. The findings are in line with literature (Carroll & Shabana, 2010; Crane & Matten, 2007; Garriga & Melé, 2004; Ziek, 2009) suggesting that there is no one way of defining CSR but that

economic responsibility as a convention seemed to be somewhat uppermost aspect of responsibility as shareholders were considered the most important stakeholders. In addition, the findings indicated similarities in perceptions regarding environmental and safety related concerns among the interviewees.

However, as already emphasized, understanding the context and operational environment is essential regarding the findings on perceptions on CSR as it might affect how interviewees viewed and understood CSR. In addition, it might imply what is experienced to be relevant CSR practices within the industry. Because seafaring is highly regulated by global, EU and national levels (Trafik, 2012), CSR can be viewed somewhat differently in this specific research context. Nevertheless, as CSR was defined for the present study “as decision-making where companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” in section 2.1, complying with laws and regulations does not fulfill the definition of CSR. However, the comments by the interviewees are not entirely unjustified when considering the pyramid model by Carroll (1991), in which economic responsibilities are seen as the first building block for CSR and legal responsibilities as the second one. In this sense, it cannot be argued that defining CSR through legal responsibilities is somehow “wrong” but rather outdated point of view when reflecting it through the current academic literature.

Although CSR was perceived in a rather traditional way in general, the findings concerning the role of CSR seemed to support the argument that the prevailing perceptions of CSR’s role in business are reputational advantages aiming at attracting different stakeholder groups and helping the organization in possible crisis situations. The findings indicated that CSR was perceived positively in terms of enhancing corporate reputation, which is in accordance with academic literature (Cornelissen, 2011; Heikkurinen & Ketola, 2012) on the possible benefits of CSR suggesting that CSR can increase the attractiveness of an organization to potential employees and investors. In addition, there seemed to be indication that the case organization viewed CSR as reputation maintenance, as suggested by McWilliams et al. (2006), by preventing risks through CSR.

Literature suggesting that purchasing professionals are in a key position to influence the CSR practices of an organization (Carter & Rogers, 2008) was not supported by the findings. Yet, the role of purchasing function was considered relevant with regards to CSR and there was a slight indication that the role of CSR was increasingly important for purchasing. On the other hand, interviewees clearly felt that they had an impact on the purchases when it comes to environmental regulations and safety issues. Thus, it could be concluded that the role of CSR was mostly perceived as reputational in general, and in purchasing, its role was central when environmental and safety issues were to be taken into consideration.

4.2 Organizational Buyer's Perceptions on CSR Communication

The theme in the interview covering the RQ2 was named “CSR communication and stakeholder dialogue” and it consisted of five different propositions that were derived from the literature presented earlier in section 2.2 (eg. Du et al., 2010; Morsing & Schultz, 2006). These propositions were 1) Establishing a dialogue is difficult for companies 2) Depending on the importance of the customer, organizations can implement different stakeholder communication strategies for CSR 3) Organization's own engagement in the CSR activity is essential regarding stakeholder perceptions 4) Stakeholders perceive independent message channels as reliable channels for CSR communication and 5) There are multiple channels for CSR communication. The findings to RQ2 in this section are discussed through these propositions.

Proposition 1: Establishing a stakeholder dialogue is difficult for companies.

In general, the supplier communications had a very personal nature. The uppermost perception was that the amount of messages that the buyers received through different channels is overwhelming. All interviewees had very similar views on what are the most important and frequent communication channels; email, phone and supplier meetings.

“The main communication channels are email, phone and meetings with suppliers...lot of catalogs also. (R1)

Despite the overwhelming amount of daily communications, there was a solid agreement that CSR communication is rather marginal and that communication that could be clearly framed as CSR communication emphasizing social, environmental or economic issues, was rather non-existent. Based on the findings, it seemed that most of the CSR communication took place through corporate channels such as annual reports, CSR reports, stakeholder magazines, company presentations, brochures, product information and websites. In addition, none of the interviewees reported any independent channels as sources of CSR communication, as these comments illustrate:

“Well...there has been very little direct CSR communication - at least I haven't registered it. One Finnish firm has sent me a CSR report and sometimes CSR communication comes through from annual reports and websites.” (R1)

“Let's say that in the daily operations, it is clear that we do not receive any CSR information. But when we are doing contracts and when we are tendering, suppliers can mention in the offer form the environmental certificates they have...and also in the websites you can encounter some green messages when you are looking for products.” (R2)

The general perception throughout the interviews was that CSR was considered a part of marketing or PR, and if it was communicated, it was considered as an extra or a bonus as the following comments show:

“Especially during these days when everybody is trying to save money and the price is the main thing that matters no one comes in and tries to emphasize the CSR aspect in the first place...it is a bonus if it exists, not a priority.” (R2)

I haven't experienced that a supplier has actively promoted CSR and tried to impress me with CSR." (R3)

Suppliers never contact us with CSR focus in the communication. It is an extra feature if it exists. (R4)

The findings indicated that the message content in the perceived CSR communications was most often framed as 'green messages' or environmental friendliness. With regard to CSR messages communicated in the supplier meetings, interviewees perceived them mostly as advertising or company promotions. It was evident from the comments that the company presentations were not perhaps considered very reliable channels for CSR communication:

"In supplier meetings there might have been someone who has mentioned CSR but they are usually company promotions where the supplier tries to impress us." (R3)

Mostly, the amount of experienced CSR communications was quite low. However, the suppliers who did communicate CSR related concerns seemed to purely aim at informing the stakeholders about favorable corporate CSR decisions and practices. On the other hand, Finnlines seemed to request for environmental and safety certificates in the offer forms, which can be considered as two-way symmetric communication where organizational buyers try to co-construct corporate CSR efforts with suppliers by communicating that certificates are appreciated.

The findings also illustrated the customer driven aspect of CSR communication: if there is demand for CSR, companies communicate it more eagerly. For instance, in B2C markets, where consumers demand for CSR especially in certain industries, companies also tend to put more emphasis on CSR communication. In B2B, and especially in B2B purchasing, the demand for CSR is not necessarily that high and other factors, such as price and delivery time, might precede other aspects of doing business. One could speculate that if the supplier knows that the price is the most important factor for the organizational buyer, they do not necessarily experience that communicating CSR is

relevant or needed. The more organizational buyers would communicate the importance of CSR to suppliers, the more likely suppliers would also emphasize CSR in communications and marketing targeted at buyers.

Based on the findings, it could have been assumed that since a great deal of personal communication takes place between buyers and suppliers, it would be natural to bring on CSR related topics into discussions with organizational buyers. Despite this, the perceptions continued to be very similar when the interviews proceeded to questions concerning possible CSR discussions with suppliers. The interviewees did not really report having discussed particularly CSR issues with their suppliers as these comments demonstrate:

“Very rarely. I don’t remember that ever. I myself haven’t had any CSR related discussions with our suppliers.” (R1)

“Not really...I don’t remember that we would have discussed about CSR with our suppliers...only one case when there was a worry that the working uniforms were manufactured by child labor. But if we take a new supplier, we have a form, in which we ask for basic company information and also possible certificates that the supplier has. The supplier has a possibility to inform us about them. But I don’t know if it really matters if they do not have any certificates or not...” (R3)

“Well I would not say that we use the words CSR and responsibility but we try to solve our purchases in a way where we can benefit, for instance, from recycling. But I would say that these discussions are sporadic.” (R4)

At this point, it was brought into a discussion that suppliers are asked to fulfill Finnlines’s offer forms when in tendering and that they can mention the possible ISO-certificates they hold. In essence, this can be considered as an example of two-way symmetric communication, where the important stakeholder tries to persuade the other organization to pay attention to these issues. However, throughout the interviews there

was a certain indifference towards CSR. The comment below illustrates this attitude rather well:

“If some supplier enthusiastically tells me about their CSR, I don’t really pay attention to it...” (R3)

Whether the reason behind the indifference lies in the organization where the interviewee works or whether it is a general perception towards CSR also in other contexts is hard to say. Yet, the general perception was that CSR issues are not emphasized in Finnlines’ purchasing to a large extent, which might result in indifference towards CSR and CSR communication. There were also quite a few comments throughout the interviews where CSR communication was considered a bonus or something extra. On the other hand, buyers might be indifferent towards CSR communication because of the overwhelming amount of general communication together with the pressure to perform the daily task; buyers might simply be too busy in the daily purchasing operations to process CSR related information.

Even though Google was mentioned as an important source of information in supplier search, the interviewees did not report having encountered CSR information or CSR communication too extensively through it. Overall, the comments indicated that if there was CSR communication found on the websites the buyers visited through search engines, it was mostly informative. In addition, some of the interviewees showed slightly skeptical attitude towards CSR communication as the following comments show:

“Sometimes when I have done supplier research on my own, I have bumped into some CSR messages in the company websites. But by no means every company has something about CSR but sometimes you find something about it...it is usually related to environment. In quite many websites there is an own section for CSR. Usually they have short descriptions on how magnificent the company is. They also have pretty often CSR reports in these sections.” (R1)

“When I visit websites I just quickly find the contact information and maybe browse products...there I sometimes see that they have some certificates. But CSR is not really highlighted in websites and it does not really stand out.” (R2)

It also became clear in the interviews that it was the buyer’s responsibility to familiarize oneself with the CSR material the buyer receive as the following comment illustrate:

“Most of the CSR material that we receive is informative. It is the reader’s responsibility to familiarize oneself with the material.” (R4)

It is natural that the general perception was that the CSR communication is mostly informative as most of the CSR communication channels that were reported were corporate channels. The findings supported the proposition but despite this, there were individual comments indicating that some of the CSR communication between suppliers and buyers can be considered a dialogue.

Proposition 2: "Depending on the importance of the stakeholder, organizations can implement different stakeholder communication strategies for CSR."

The findings under proposition number two showed that Finnlines audits some of its suppliers. Although some of the interviewees had differing views on the importance of the audits and their relatedness to CSR, the general perception was that in audits, CSR concerns are discussed more thoroughly than in other encounters with suppliers. Still, the overwhelming number of suppliers was considered problematic regarding audits, yet comments also indicated that audits are rather new as the following comments show:

“We sometimes do audits but it is rather challenging because there are so many suppliers. But we try to audit the most crucial ones for us at least...and sometimes we do not necessarily execute an official audit but we go through the most important issues and claims if there is something that needs to be discussed. But it is usually about the process or price, not responsibility...” (R2)

“When we do audits, CSR related concerns could be discussed more thoroughly... but in reality they are not paid attention to.” (R3)

“We audit some of our suppliers because we want to be sure that suppliers are ready to react if something happens. – When we have done audits, suppliers have commented that this is a new thing...” (R4)

Concerning proposition 1. and the interview questions derived from it, it was rather surprising that audits emerged to the discussion at this point because they can be considered pure CSR as they are entirely voluntary. Quite surprisingly, the interviewees did not view audits as CSR discussions or dialogues even though they are an important channel for a two-way symmetric communication and purely based on dialogue. Through audits, stakeholders are involved, participating and suggesting corporate actions for suppliers, and buyers are themselves involved in suppliers' corporate CSR through the relationship. Moreover, it was rather interesting that audits did not emerge as a CSR message channel earlier even though it can be considered to be an important one. Perhaps the comment from the last interviewee illustrates the general practice within the industry: it implies that audits are not necessarily very common within shipping.

The reason behind the perception that audits were not viewed as discussion or dialogues was perhaps the rather limited amount of audits Finnlines had performed by the time of the interviews. Again, the number of suppliers was mentioned to be a challenge and in general audits, as a company practice, were rather new as these comments show:

“Actually we have done only a few audits. The challenge is the amount of suppliers. We do not necessarily meet all of our suppliers ever.” (R2)

“It is still in its infancy...we have done only a couple.” (R3)

Also the comments concerning the content of discussions in audits or the consequences from audits were considered minimal, which might have had an effect on why the interviewees did not regard them as dialogue or CSR:

“I don’t remember that based on audits we would have discussed any responsibility related concerns – only one occasion. The issues that are discussed are mostly related to logistics and processes.” (R3)

“I do not dare to say that any supplier has changed its behavior based on the audit but maybe they have paid more attention to these issues...but if we show that we think it is important, they will also.” (R4)

However, again the last comment above illustrates the customer-driven aspect of CSR communication: if an organization shows and communicates to their partner/supplier that CSR is important for their business, the supplier will also consider CSR as something that is important and worth communicating. In addition, this is, again, a good example of two-way symmetric communication where the stakeholders try to persuade the organization to change: first it is asked if an audit can be done and second, the audit possibly has some consequences. Concerning persuasion, there was also another comment that implied two-way symmetric communication between Finnlines and the supplier organization regarding CSR:

“Yesterday we discussed with our supplier how we could minimize the use of washing liquids in our ships for economic and environmental reasons. We communicated this to our supplier and they need to solve this somehow...it is a win-win situation.” (R4)

The general view on what type of organizations practice CSR communication seemed to be that bigger organizations are more likely to engage in CSR activities than smaller ones. Quite expectedly, companies operating in oil, chemical, waste and environmental sectors were considered most strongly engaged in CSR issues and in their promotion. It also came through from the comments that CSR was mainly associated with reputation and image building purposes and that organizations tend to use CSR as a buffer, for

instance, to distinguish from singular incidents by other industry peers that have hampered the image of the industry. Interestingly, also the difference to B2C commerce came up in this context as the quotes below illustrate:

“Roughly, they are bigger companies that practice CSR communication. But I also think that organizations that are facing public image problems could put more emphasis on CSR communication. And I could imagine that oil companies do it...trying to soften the image of the business.” (R2)

“If there is CSR communication, it is from bigger organizations...mainly from chemical or oil companies...smaller organizations rarely communicate CSR.” (R3)

“If I simplify, oil and environmental organizations are the ones who mostly practice CSR communication. For instance, waste management organizations put a lot of emphasis on that because the whole sector has been under scrutiny since the Lokapojat case. Also suppliers that know we are also selling directly to consumers. In these sectors it is both big and smaller companies that do it. They do it differently, but it is still vital for their operations - they do not publish stakeholder magazines but when in tendering, they take it into discussion very rapidly.” (R4)

However, one of the interviewees pointed out that since the products are mainly bought from intermediaries, the possible CSR communication does not necessarily reach the organizational buyers.

“I cannot say that one industry would do more CSR communication than other but maybe bigger companies are more eager to communicate CSR than smaller ones. Also maybe service companies than product manufacturers...but then on the other hand we buy products mostly from intermediaries so the possible communication does not necessarily reach us.” (R1)

It is difficult to make any exhaustive conclusions on whether supplier organizations implement different stakeholder communication strategies for CSR depending on the

importance of the stakeholder. Despite this, the findings indicated that different CSR communication strategies took place. In addition, it seemed clear that CSR and CSR communication was often linked to organizations operating in somewhat sensitive industries concerning CSR and that the size of the organization was more often large rather than small for those that practiced CSR communication.

When stakeholder expectations concerning CSR communication were briefly discussed, interviewees did not report particularly enthusiastically what they would like to hear in terms of CSR. There was a strong belief by one of the interviewees that environmental responsibilities are taken care of by laws and regulations and to his view, social responsibilities were an aspect of CSR that could be more strongly emphasized in CSR communication as the comment below shows:

“It is a bit difficult to consider what would be relevant for us...but what I would like to hear is that because we are very price oriented, I would like to know that the products and services we buy are not in any way exploitation of anyone. We go so strongly after the price that sometimes you don’t even think how it is possible to get the price so low. Of course environmental aspects are interesting as well but I believe that in Finland and in Europe, environmental aspects are taken care by laws.” (R1)

Other interviewees considered safety and environmental responsibilities to be more important in CSR communications and did not emphasize social responsibilities to the same extent. Rather, there was a somewhat indifferent attitude towards social concerns as this comment illustrates:

“Everything that concerns safety is welcome. Also environmental concerns are welcome, for instance, if the product comes from a long distance, there are always environmental side effects concerning logistics. Regarding social concerns.... I don’t really see how it...well, I guess there is no harm, no benefit, to communicate these issues.” (R3)

Proposition 3: Organization’s own engagement in the CSR activity is essential regarding stakeholder perceptions of CSR communication.

The assumption behind this proposition was that since CSR and CSR communication is often troubled with skepticism, the more the organization is engaged with its CSR activity, the more likely it is that stakeholders respond positively to the communication. As the findings indicated, CSR communication seemed to be rather marginal in Finnlines’ buyer-supplier relationships, yet there were examples of two-way symmetrical communication, i.e. dialogue between the parties. However, when there was CSR communication reported, the general feeling was that CSR is part of company promotion and that it does not feel very genuine as the comments below illustrate:

“CSR communication can sometimes feel a bit artificial.” (R1)

“It feels maybe mostly just promotion and advertising the company.” (R3)

“It depends how it is communicated but I experience CSR discussions as part of marketing.” (R4)

In addition, it came through from the comments that practicing CSR communication is a must in the present operating environment as this comment demonstrates:

“It is crucial for businesses to understand these concerns today...but despite of this I think it is part of marketing yet rarely you see marketing material emphasizing CSR...of course it depends what kind of supplier is in question but it is very rare. But for some suppliers it is of course more important than to others. And let’s face it, big companies are forced to CSR and CSR communication because of pressure. I believe that the pressure is even stronger in B2C than in B2B for CSR communication.” (R4)

Perhaps the comment referring to how CSR is communicated illustrates well the suspicion that is often related to CSR communication: “it depends how it is communicated.” In addition, as the above comment interestingly illustrates, CSR

communication was seen as a part of marketing, yet marketing material emphasizing CSR seemed to be rare. The link to marketing is not surprising considering the strong link between CSR and reputation. In addition, the comment brings up the aspect of the differences of B2C and B2B. At this point, a follow-up question, what might be the reason for the interviewee's argument, was presented. In the interviewee's view, B2C organizations are facing different kind of consumer pressure that does not reach B2B organizations:

“In B2C the power of consumers, and especially social media, put more pressure to that side than in B2B. In B2C, companies must communicate CSR because without it, an organization does not necessarily survive. This pressure simply does not reach B2B organizations.” (R4)

The earlier comment by the same interviewee (“if we show that we think CSR is important, they will also”) and the comment above give rise to the thought that the pressure either does not reach B2B organizations because of the absence of consumers or because of what the buying organization communicates to the supplier organization. As the earlier comment by interviewee R4 shows, there seemed to be a certain dichotomy in the stance the interviewees hold towards CSR communication. On the one hand, they saw that companies could not survive without CSR but on the other hand, they felt that CSR communication often fails to convey the message credibly; the communication seems artificial.

When interviewees were asked what they thought in general about organizations that engaged in CSR activities and practiced CSR communication, the perceptions were similar. All interviewees saw the matter somewhat identically and in general, the perception seemed to be positive. In addition, it was considered that paying attention to CSR is modern and projects a developed picture about the organization as these comments demonstrate:

“The uppermost feeling is positive towards these kind of companies. They are somehow intelligent firms. I would say that it projects positive image about the organization. It is very modern to pay attention to CSR.” (R1)

“It tells that the organization in question is somehow more developed.” (R2)

Even though the uppermost feeling was positive, there was also slight indication for skepticism as comments below demonstrate:

“It projects a good picture about the organization. It tells that they have paid attention to these issues and maybe even done something for the matter and that they are not just promoting it because of promotion itself...of course it is difficult to what is the reality...but it is always bonus and creates a positive feeling, and maybe also trust.” (R3)

“It depends on which field the company operates. But in every field they are forerunners. For instance, in oil industry – everyone is practicing CSR and CSR communication. In that business it is a fundamental requirement that the company can operate in the first place. -- I have a little bit twofold opinion...It depends on the industry in which the company operates whether it is a forerunner or not.” (R4)

The interviewees seemed to hold a rather positive attitude towards CSR practices even though their views on CSR otherwise felt a bit indifferent: on the one hand, CSR was considered modern, intelligent and obligatory in the present economy, yet on the other hand, the industry in which the organization operates affected the perception of its CSR activities. In general, there seemed to be two-fold perceptions of CSR: it needs to be taken into consideration in present economy, yet in practice the implementation seems minimal.

The possible motives behind the practiced CSR communication indicated very similar perceptions among the interviewees. Generally, there seemed to be consensus that organizations are engaging in CSR mostly because it is modern, trendy and necessary in

the present economy to fulfill the expectations of stakeholders as the following comments show:

“Maybe it is more of a response to the expectations of today’s world rather than a need to be a good organization. It is very modern to pay attention to CSR.” (R1)

“It is a trend. Being responsible is something companies cannot ignore at the moment. There is group pressure for it. You have to mention them in your annual report. But I don’t know if they receive any competitive advantage through it in the end...Some companies even write CSR reports about these matters! And some might just mention them in the annual report somewhere...” (R3)

Perhaps softer values were emphasized in the comments among the interviewees and in addition to fulfilling stakeholder expectations, corporate reputation and trust were also seen as motives behind the CSR communication. Interestingly, the responsibility towards owners did not come through as strongly when discussing the motives as when interviewees determined CSR:

“Of course it builds trust. The more you are able to tell about softer values, the more you create trust to the organization and maybe increase a belief that there might be sustainability...I mean that organization tries to develop and thinks other things than only process. It also creates a good public image and helps in crisis situations by creating a good reputation for the organization.” (R2)

The interviewees did not report any specific message content that the organizations would have been emphasizing in their CSR communications. However, there was slight indication that organizations operating in somewhat sensitive fields such as waste management, environmental and oil businesses were engaging the most with CSR initiatives in their CSR communication. The findings supported the proposition by indicating that CSR communication was experienced a bit artificial, and the general perception towards CSR communication was rather skeptical.

Proposition 4: Stakeholders perceive independent message channels as reliable channels for CSR communication.

The assumption behind proposition 4. was that since stakeholders are in the center of CSR communication, their wishes and expectations should be taken into consideration in the communication process. Moreover, as discussed in the literature review (in section 2.2), CSR communication through independent message channels, such as media coverage or word-of mouth (Du et al., 2010), is considered more reliable than through corporate channels. However, as the interviewees did not report any independent message channels in the interviews, it cannot be concluded within the scope of this particular research whether independent channels are more reliable. Therefore it cannot be said that something came up in the interviews that supported the proposition as such. However, there was a general feeling throughout the interviews that the interviewees downplayed the corporate channels that came up as these comments demonstrate:

“I am not naive so I don’t believe everything they say on the websites. You never know what is the reality.” (R1)

“In supplier meetings there might have been someone who has mentioned CSR but they are usually company promotions were the suppliers tries to impress us...in these advertising speeches there sometimes can be CSR related messages.” (R3)

“Pretty often suppliers send auditing reports, environmental certificates and try to project a picture how they are a responsible and a good partner.” (R4)

Based on these comments, it could be concluded that at least the corporate message channels were not perhaps perceived to be particularly trustworthy and there were also slight indication for skepticism towards CSR communication. However, some of the skepticisms might also stem from marketing and selling related experiences and cannot be necessarily clearly linked to CSR communication.

Proposition 5: There are multiple channels for CSR communication.

Even though none of independent message channels were mentioned in the interviews, it was clear that supplier organizations implemented CSR communication through multiple different channels. For instance, CSR reports, annual reports, environmental certificates, auditing reports, supplier meetings, supplier websites, corporate presentations and stakeholder magazines were appointed as the most frequent CSR communication sources. The following comments illustrate this:

“Pretty often suppliers send auditing reports, environmental certificates and try to project a picture how they are a responsible and a good partner. Annual reports sometimes and stakeholder magazines...I get probably 20 of those in a week. In these you can find quite a lot of CSR communication...CSR communication that is used for marketing purposes.” (R4)

“Sometimes in the websites and in the meetings CSR comes through. -- And of course in catalogs you see lot of “green” promotion. And of course the supplier meetings, suppliers usually mention CSR issues.” (R3)

When asked in which channels the interviewees would like to receive more CSR information, the impression was that the buyers preferred the situation as it was and no more time was needed to be spent on CSR as these comments show:

“Websites are good channels for CSR communication. In supplier meetings it would be ok to discuss these issues as well but in them it often feels that they are eloquent presentations about the supplier organizations. CSR is not very important in a way and if we would use a lot of time in the supplier meetings for CSR, it would feel like wasting time...if I can be brutal.” (R1)

“Fairs and meetings where you do not have to discuss the daily routines are good channels for CSR information. In these occasions I could have the energy to listen these presentations...and of course in the websites it is good to mention these things.” (R2)

“In tender process, I like to get CSR information at the same time with the offer – I don’t want or need any separate CSR messages.” (R3)

The proposition was supported and it seemed the buyers had a rather neutral attitude towards expectations on CSR communication. However, a slight indication for preference to find CSR communication in the websites perhaps projected a picture that CSR issues are not on top of the list, and that buyers preferred being able to familiarize themselves with the information if needed and when they have the time. Overall, the general feeling seemed to be that daily routines naturally drive over other aspects of doing business and that consuming time excessively to CSR related issues and communication can feel like wasting precious working time.

4.2.1 Summary and Discussion to RQ2

To conclude the findings related to RQ2, it seems that Finnliness’ suppliers are struggling to establish a real dialogue with their stakeholders about CSR. Yet, in the realm of supplier communications on a general level, the communications had a very personal nature, which is natural considering the nature of B2B markets where personal selling is more common than in B2C markets (Brennan et al., 2007; Fill & Fill, 2005).

Based on the findings, it seems that most suppliers were not heavily promoting CSR in their communications. However, there was a slight indication for two-way symmetric communications in the buyer – supplier relationships. Yet, according to the findings, CSR communication practiced by the suppliers was rather minimal. The findings imply that the CSR communication was mostly informative on the behalf of the suppliers but there was also some indication that the organizational buyers aim at persuading the supplier organization to change in terms of CSR. Audits were the most obvious example of two-way symmetric communication between the buyers and suppliers, but there was slight uncertainty in the perceptions on whether the audits have affected the suppliers’ CSR practices in any way. In addition to audits, requesting environmental and safety

certificates in offer forms was an example of two-way symmetric communication. Indeed, the customer driven aspect of CSR came through from the comments, and the findings indicate that if the buying organization implies that CSR is important for them, suppliers will most likely respond to the need by communicating CSR.

The findings did not indicate that supplier organizations would heavily position themselves with CSR in their marketing activities even though the perception among the organizational buyers seemed to be that some organizations from certain industries use CSR in their marketing more eagerly than others.

When reflecting the findings through academic literature, it seems that the suppliers mostly utilize the stakeholder information strategy by Morsing and Schultz (2006) in their CSR communications by simply informing the organizational buyers about the good intentions of the organization as Morsing and Schultz (2006) suggest. However, as the findings indicate, stakeholder involvement strategies (Morsing & Schultz, 2006) also took place to certain extent through audits and offer form requests in which the buyers try to persuade supplier organizations to perform desirable behavior. The findings did not indicate any use of response strategies suggested by Morsing and Schultz (2006), yet there were some message channels, such as CSR reports and marketing activities indicating that response strategies can occur occasionally in the relationships. In a concluding nature, most likely all different CSR communication strategies by Morsing and Schultz (2006) take place in the buyer – supplier relationship from which the stakeholder information and the stakeholder involvement strategies are most obvious.

However, nothing in the interviews suggested that the communication strategies would vary according to the dependency of the stakeholder on the supplier organization as Cornelissen (2011) suggests. The suppliers' choice to utilize the stakeholder information strategy implies in a clear manner that both CSR and CSR communication are not perhaps considered as highly relevant practices within the shipping industry or that some buyer/customer relationships are not perhaps considered particularly important to most suppliers. Furthermore, the findings indicate that it was mostly bigger

organizations from somewhat sensitive industries that were perceived to engage in CSR and in CSR communication. Smaller organizations were hardly considered to practice any CSR communication. However, this might be explained by the fact that bigger organizations are more likely to be under the public loop than smaller organizations, and organizations operating in somewhat sensitive fields of business, such as tobacco or oil, are likely to raise suspicion in stakeholders with regards to CSR (Du et al., 2010).

All of the message channels used by the suppliers were perceived to be corporate channels as none of the reported channels could be characterized as independent ones. However, many different corporate channels were used in CSR communication, which is in line with academic literature (Du et al., 2010). Yet, the channels can be generally considered rather traditional. However, there was a slight indication that organizational buyers were receptive for CSR communication but due to daily routines and workload, the preference was for the information to be available when the buyer has the time and energy to familiarize oneself with the material. The findings indicate that organizational buyers perceived CSR communication as something extra, which was perhaps most evident in comments concerning the CSR message content. As nothing specific came through in the interviews regarding the message content, the findings implied that the contents of CSR messages were perhaps disregarded or forgotten rather quickly. Received CSR messages were perceived as advertising or company promotions, which further implies that the CSR message content was most often related to company's reputation and/or image building.

In general, there was a certain dichotomy in the findings indicating that CSR communication was considered somewhat artificial and a part of marketing; yet it was also perceived that organizations could not survive without paying attention to CSR. The findings are in line with literature (Carroll, 1991; Carter & Rogers, 2008; Elkington, 1998) suggesting that today organizations need to pay attention to responsibility concerns and cannot only concentrate on the economic aspect as the main responsibility. Despite the two-fold perceptions on CSR communication, the interviewees considered organizations engaging with CSR and practicing CSR communication to be more developed and intelligent when compared to organizations

that are not practicing CSR and/or CSR communication. However, the findings also indicated that the industry in which the organization operates might have an impact on how the engagement with CSR is perceived by the stakeholder.

There was skepticism towards the experienced CSR communication referring to the self-promoter's paradox discussed in section 2.2 that suggested that organizations emphasizing their legitimacy too extensively run the risk of achieving the opposite effect (Ashforth & Gibbs, 1990). The findings seem to be in line with academic literature suggesting that stakeholders are often skeptical towards CSR communication (Porter & Kramer, 2006), which again might result in low willingness to CSR communication on behalf of organizations (Coombs & Holladay, 2012; Du et al., 2012).

The contingency factors, both stakeholder and corporate characteristics, which affect how the stakeholder perceives CSR communication (Du et al., 2010), showed that organizational buyers are not perhaps highly motivated to process CSR information even though they are receptive for CSR messages. The low motivation to process CSR information implies that the social value orientation of the organizational buyers together with CSR issue support was perhaps low. In addition, as mentioned earlier, the findings indicate that CSR and CSR communication are not perhaps considered highly relevant practices within the shipping industry as many CSR related issues are taken care of by laws and regulations. Therefore, the aspect of CSR communication might be downplayed to certain extent because of certain company characteristics. However, as Dawkins (2004) suggests, the stakeholder type also affects what kind of information stakeholders are looking for. Therefore it could have been assumed that organizational buyers were more eager to find and hear CSR related information as they function as sort of gatekeepers (Salam, 2009), but in practice their willingness was rather low. Yet, as mentioned, due to daily routines and workload, the capacity to process CSR communication can be limited and willingness to perform anything extra is likely to be low.

4.3 CSR communication and Buying-decision in B2B Business Relationships

The theme in the interview covering the RQ3 was named “B2B relationships and organizational buying-decision”. The theme consisted of four different propositions that were derived from the literature presented earlier. These propositions were 1) For B2B companies, relationships are important 2) Organizations benefit from long-term relationships 3) Organizational decision-making is complex and 4) CSR communication can have a role in the buying decision. The findings related to RQ3 in this section are discussed through these propositions.

Proposition 1: For B2B companies, relationships are important.

All interviewees viewed the types of business relationships very similarly varying from routine ordering to partnerships and everything in between. The size of suppliers also varied from one-man organizations to multinational ones. In addition, Finnlines had identified four different levels in their supplier relationships that were based on the interdependency of the organizations in terms of economic impact and importance of the relationship as these comments show:

“We have few very big suppliers, a lot of small ones and everything in between. We have also single suppliers but we try to avoid them. Some relationships are partnership types. We understand that it is important to have a good relationship with our suppliers – we are mutually dependent on each other.” (R2)

“We have divided our suppliers into four different levels. -- These four levels are influential suppliers, strategic partners, routine purchases and bottle necks (single supplier). We divide them based on how dependent we are from them....” (R4)

Quite expectedly, all types of business interactions were found in Finnlines’ supplier relationships. As the above comments show, in some relationships Finnlines is highly dependent on the supplier. For instance, single suppliers refer to business partners that

are the only ones providing the product/service on the market. On the other hand, a great deal of the purchases is routine buying referring to pure market exchanges (Fill & Fill, 2005). Thus, nothing came up in the interviews that would have compromised the proposition, but the degree of importance of the relationship varied between different supplier types.

Proposition 2: Organizations benefit from long-term relationships.

Based on the findings, there was consensus that in order to benefit from business relationships there needs to be dialogue about the common objectives. In general, the interviewees agreed that organizations should aim at win-win situations with their business partners. In addition, the power proportions in the relationships greatly influence whether it is easier to promote Finnlines' own agenda or not as this comment demonstrates:

“With some suppliers, we try to find the best solution together. For instance, we discuss with our suppliers that are considered as partnerships. But sometimes it is also so that we must go purely with our own agenda...of course it depends on the supplier relationship – are we an underdog or not...what are the power proportions in the relationship and so on. Sometimes we have to be very humble when we don't have really options, like these single suppliers...” (R2)

Even though the findings indicate that some supplier relationships had lasted for a long time and that win-win situations with suppliers were preferred, it was perhaps a little surprising that none of the interviewees reported any change in supplier's behavior concerning CSR in long-term supplier relationships. These comments with uncertainty demonstrate this:

“It is hard to say if the responsibility of a supplier has developed somehow in longer relationships...I don't think so. It has been on the background mainly and it is not on top of the to-do list. I don't feel that there has been any development on that.” (R2)

“Maybe they pay more attention but I do not dare to say that they have changed their behavior.” (R4)

Based on this, it is possible to infer that development in CSR policies might happen only after a negative ordeal and that CSR is discussed only between the concerned parties, for instance, through crisis communication or equivalent. It is likely that in the daily co-operation with suppliers, CSR and the development of CSR is not the priority until something harmful happens that needs to be tackled and hedged for in the future. In addition, nearly all interviewees mentioned that the corporate reputation of a supplier might have an effect on decision-making to some extent but that second chances are also given:

“The previous reputation matters to some extent. You always try to avoid those suppliers that you know are not the best ones. It is always in your mind. You value trustworthy organizations.” (R3)

The findings supported the proposition and it can be concluded that Finnlines benefits from its long-term supplier relationships. However, nothing came up in the interviews implying or revealing that CSR practices of Finnlines’ suppliers would have developed in the long-term relationships.

Proposition 3: Organizational decision-making is complex.

The findings show that organizational decision-making was indeed complex. Even though the buyers considered themselves to be independent decision makers, in some purchases they are merely messengers who tender the requests from initiators, for instance. Especially in bigger and more valuable purchases, the buyer was the person who brings the DMU together as this comment shows:

“Decision-making depends on the purchase. We are independent experts who are supposed to do independent decisions. But in bigger purchases, for instance, when we are discussing collaboration that lasts several years, there are multiple people involved.

Then the buyer brings people together who have better knowledge and insight for the purchase. Then it is of course a joint decision.” (R1)

One interviewee brought up the nature of centralized buying department as a “distancing factor” to any brand preferences. By concentrating the purchases to a single department, which supervises all purchases and in the end, makes the order, any brand preferences regarding products or services are minimized and cannot influence purchasing decisions:

“We have done it on purpose that there is always a different person doing the actual tendering and purchasing from the need initiator. This way we minimize brand preferences different people might have on products and services and we act as an distancing factor.” (R4)

The findings also indicated that the centralized purchasing department has perhaps created tension in the organization; the one who presents the need for the purchase might not be the same person who tenders the options and finally makes the decision for the purchase. Therefore it was clear that people are dependent on each other with regards to purchases and nothing came up in the interviews that would compromise the proposition as such.

Proposition 4: CSR can have a role in the buying decision.

None of the interviewees reported on CSR affecting their decision-making. Rather, there was strong consensus about the purchasing criteria on which the decision-making should be based on. The findings demonstrated that the buying criteria at Finnlines is communicated well to the organizational buyers and the decision should be mainly based on price, quality and delivery time as the following comments show:

“Price, quality and delivery terms are the criteria in this order.”(R1)

“Our purchasing criteria is price, trustworthiness including ability to deliver on time and general feeling about the firm. Sometimes also time is criteria, if something is very critical.” (R2)

CSR related issues did not come up to any extent in the comments, which indicates that CSR issues were not perhaps emphasized in the buying criteria at the department or otherwise possibly communicated to organizational buyers. Yet, the interviewees felt that CSR communication could have an effect on the decision-making but in practice, the buyers' hands are tied to the purchasing manual at Finnlines where the price seems to be the most dominant criteria for purchasing as demonstrated by these comments:

“It could affect if the price difference was not too big.” (R1)

“I have seen so little of CSR communication that it is hard to say...but yes, it could affect...but of course it is the price that dictates.” (R1)

“I wouldn't mind hearing more CSR information...it is ok...but the role of it is bonus...I don't think it would really have an impact on my decision and I don't believe that anyone would get more orders because of CSR. We need to follow our guidelines in purchasing.” (R2)

However, one interviewee reported one occasion when CSR had had a central position in the decision-making process. However, the same interviewee admitted that mostly, it is the price that dictates the buying decision:

“Partly it affects.... I have had a case where I had two competing offers but the other one was perhaps acting in irresponsible way to my opinion. I told them I don't want to take that risk to our organization because they would have also damaged our reputation and image. -- We go for the price. We also aim at clearing the basic information about the suppliers...and also hope that they would have some kind of ISO-certificate. It is not a requirement but we hope a supplier would have environment and safety certification.” (R4)

On the basis of the findings, it could be concluded that CSR communication affects the buying decision quite rarely, yet occasionally there might occur situations for a possible image or reputation damage, and CSR might affect the decision-making in these cases. The way in which the buyers indicated to process CSR information through communications seemed to be rather limited as CSR's role was most often described as an "extra" or "bonus".

4.3.1 Summary and Discussion to RQ3

To conclude the findings related to the RQ3, none of the four propositions derived from the literature were compromised as such. There was clear indication that in B2B, relationships are highly important and that there are all types of relationships among the supplier relationships varying from small to larger ones, and from mere ordering to partnership type of relationships. However, Finnlines has categorized its suppliers according to the interdependency between Finnlines and the supplier, which implied that the importance of certain relationships is recognized. In some relationships, the interdependency seemed to be rather high. Regarding the benefits from long-term relationships, it was recognized that Finnlines can benefit from them, yet there was no indication of any concrete development in CSR issues in these long-term relationships.

When business relationships on a wider spectrum are considered, these findings are quite expectedly in accordance with the reviewed literature suggesting that depending on the level of interdependency between the organizations, there are varieties between relationships as Fill and Fill (2005) suggested with their continuum model presented in Figure 8. In general, the perceptions of relationship types seemed to be in accordance with the literature (Peppers & Rogers, 2004) suggesting that not all buyer-seller relationships can be characterized as relationships and building close relationships is not even relevant for every organization. All supplier relationships are not strategic or partnership types and therefore it is also natural that not all supplier organizations practice CSR communication.

The decision-making process seemed to follow academic literature (Fill & Fill, 2005) in that there are multiple factors affecting the decision-making from which the enlarged DMU is not the least. Finnlines' organizational buyers can be considered to hold different roles in different purchasing tasks, and therefore the actual decision-maker differs case by case as Fill and Fill (2005) suggest. In addition, the findings show that the composition of the DMU varied in accordance to the importance of the purchase (Fill & Fill, 2005). It also seemed that centralized purchasing might make the purchasing process more complicated as different people execute different tasks.

Organizational buyers gave the most emphasis to other criteria than CSR when making buying-decisions. This is natural considering that Finnlines has its own purchasing manual where the specific purchasing criteria for the organization are defined. Factors such as price, delivery time and quality were defined as the most important criteria in Finnlines' purchases. In addition, there was also a strong indication that CSR issues may be merely superficially noted when buying-decisions are done and that processing CSR information among the organizational buyers is marginal at most. Concerning the industry and other organizations operating in the same field, this is probably quite typical and the case in most organizations.

Even though Aspara and Tikkanen (2008) argue that organizational buyers have emotional attachments to products and services similarly to consumer markets, Finnlines buyers need to follow Finnlines' purchasing manual, in which the brand plays no role. Yet, the findings indicated that if the price difference were not too big, a product or service with a CSR feature would be preferred. This seems to be in accordance with academic literature (McWilliams & Siegel, 2001; Siegel & Vitaliano, 2007). Moreover, as the findings indicated, suppliers image and reputation might have an effect on the buying decision, one could speculate that CSR can possibly have a role in the decision-making through company reputation. However, it can be concluded that the effect of CSR on the buying decision in practice is marginal at most.

5 CONCLUSION

This Chapter concludes the study and is divided to four sections. Section 5.1. summarizes the research and contrasts the findings with earlier research. Section 5.2. discusses the practical implications, while section 5.3. explains the limitations of the study. Finally, section 5.4. suggests topics for further research.

5.1 Research Summary

The purpose of the study was to explore CSR communication in B2B business. The study was motivated by a general lack of CSR studies in B2B business (Homburg, Stierl & Bornemann, 2013; Lai, Chiu, Yang & Pai, 2010), and it contributes to this existing research gap in the field of International Business Communication. The overall objective of the present study was to shed light on how suppliers communicate CSR to organizational buyers in B2B business relationships by scrutinizing the topic from the buyer's perspective. More specifically, the present study examined how organizational buyers perceive the role of CSR in business, how they perceive CSR communication practiced by suppliers, and to what extent organizational buyers process CSR communication when making buying decisions. The research questions that the current study set out to answer were:

RQ1: How do organizational buyers perceive CSR and its role in business in general?

RQ2: How do organizational buyers perceive the suppliers' or the potential suppliers' CSR communication?

RQ3: How do organizational buyers process CSR communication and to what extent organizational buyers consider CSR when making buying decisions?

To understand how organizational buyers perceive CSR and CSR communication, and to what extent they process CSR information when making buying decisions, a

framework utilizing literature on CSR, CSR communication, stakeholder dialogue and organizational buying was constructed. The framework illustrates the relationships and connects the present research to earlier studies. The most significant influence for the framework came from earlier studies by Du et al. (2010) and Morsing and Schultz (2006). The framework emphasized CSR communication, as the overall objective of the present research was to study how suppliers communicate CSR to organizational buyers in B2B relationships. The framework consisted of three main parts: 1) B2B business relationship between the supplier and the buyer, 2) CSR communication and 3) the organizational buying-decision.

Communication in general, is affected by the type and depth of a business relationship (Fill & Fill, 2005). Therefore, the type of relationship might affect how buyers experience and perceive CSR communication but also how suppliers practice CSR communication. Depending on the importance of the stakeholder, organizations can implement different CSR communication strategies varying from purely informing the stakeholder about CSR matters to establishing a real dialogue with them (Morsing & Schultz, 2006). Depending on the chosen CSR communication strategy, the perceived CSR communication and its components, such as CSR message content, CSR message channel and contingency factors affecting how the stakeholder perceives the CSR communication, might vary (Du et al., 2010). The framework assumed that based on the perceived CSR communication, a stakeholder possibly reacts towards the supplier organization. In the present study, the focus of the CSR communication outcome was given on buying-decision that is heavily influenced by organizational decision-making unit (DMU) in B2B business.

The methods of the study were qualitative in nature and the data stemmed from four interviews with organizational buyers. The study was demarcated to shipping and more specifically to Finnlines as a case organization, making the study a single case study. The interviews were chosen as a method to gain a deeper understanding of CSR and CSR communication in a B2B organization. The interviews were divided to three different themes: 1) CSR 2) CSR communication and stakeholder dialogue and 3) B2B

relationship and organizational buying-decision. Based on the themes and reviewed literature, an interview guide was formulated.

The main findings of the present research were threefold. First, organizational buyers at Finnlines perceived CSR rather traditionally, emphasizing the economic and legal aspect of responsibility. However, the laws and regulations of seafaring might have affected how organizational buyers perceived CSR as environmental and safety issues are mostly governed by laws and regulations. In addition, the role of CSR was perceived as enhancing corporate reputation. Second, the findings indicated that suppliers did not heavily promote CSR in their communication to organizational buyers. The perception towards CSR communication was skeptical; yet a dichotomy was identified indicating that organizations cannot survive without engaging in CSR in the present economy. In general, the findings showed that CSR communication was perceived as something extra. Third, the findings showed that organizational buyers were receptive to CSR messages; yet their motivation to process CSR communication was low. The decision-making in organizational buying seemed to be complex and the effect of CSR communication on the buyer's buying-decision was marginal at most.

To conclude, the findings of the present study support and give counter arguments to reviewed literature. For instance, there were similarities in CSR definitions to Elkington's (1998) and Cornelissen's (2011) models emphasizing the triple bottom line (people, planet and profit). However, in contrast to present literature, CSR was perceived in a rather traditional manner emphasizing economic and legal responsibilities the most as Carroll's (1979) pyramid model also suggests. However, based on more recent literature, other aspects of CSR, such as environmental and social concerns, could have been expected to be more strongly emphasized in the findings.

Despite the rather traditional views on CSR, the literature suggesting that the benefits of CSR are mostly reputational (Cornelissen, 2011, Roberts & Dowling, 2002) was supported by the findings. In addition, the findings were aligned with the argument by Morsing and Schultz (2006) that it is difficult for organizations to establish a real dialogue with stakeholders. Moreover, literature suggesting that CSR communication is

often perceived as somewhat artificial (Porter & Kramer, 2006), and that skepticism towards the CSR communication is common (Coombs & Holladay, 2012; Du et al., 2012) was also supported by the findings. However, the findings were in contrast with the literature on CSR that suggest that it is a must in the contemporary B2C business environment to pay attention to CSR (Porter & Kramer, 2006); in B2B, the role of CSR was perceived as an extra or bonus..

5.2 Practical Implications

The findings of the present study provide practical implications for Finnlines, for supplier organizations in shipping and for B2B shipping organizations in general.

First, for Finnlines, the most significant implication of the present study is that CSR issues could be further emphasized, both in the purchasing department and in the organization in general. As the case organization is clearly engaging in CSR activities to some extent through audits and recycling, it could leverage this in its external communications to stakeholders. In addition, the interviewees clearly felt that Finnlines is a responsible operator when it comes to environmental and safety issues, and it could leverage this also in its external communications to stakeholders. Otherwise Finnlines might lose a valuable opportunity to enhance its image.

Second, supplier organizations in shipping must plan their CSR communications more carefully. The findings showed that organizational buyers were receptive for CSR messages in general but due to daily workload, CSR communication was given the stamp of “an extra” or “bonus”. This means that CSR communication practitioners must plan their CSR communication strategies more skillfully in order to leverage CSR in their efforts to assure organizational buyers in their supplier selections, and thus, gain a competitive advantage over competitors.

Third, CSR and CSR communication should be further emphasized by B2B shipping organizations. The findings indicated that CSR and CSR communication are not

perhaps experienced to be highly relevant business practices in B2B business relationships in the shipping industry. Therefore, in order to gain the image of a forerunner organization, shipping organizations could pro-actively emphasize CSR in their business practices and perhaps gain competitive advantage over competitors. For B2B shipping organizations, utilizing partners with a CSR focus would therefore provide a reputational advantage and a competitive edge over competitors.

Even though the study was a single case study and strongly context specific, the findings might be useful for supplier organizations with regards what is experienced relevant concerning general and CSR communications. In addition, many organizations in a similar situation in B2B can possibly relate to the situation and perhaps find the present study useful.

5.3 Limitations of the Study

The study has three main weaknesses that nevertheless do not compromise the trustworthiness of the present research. First, the single case study method sets a burden to the generalizability of the research findings. It should be pointed out that since there was only one case organization under scrutiny, the findings are very context specific and they are only applicable to Finnliness as a case organization. As discussed in Chapter 3, a single case study is not perhaps as reliable as a multiple case study (Yin, 2009) when it comes to trustworthiness of the research findings. However, in this case, a single case study best served the objective of the present study as it allowed a thorough examination of the chosen topic.

Second, a notable limitation in the present study is the scarce number of CSR studies in B2B business. For this reason, it was difficult to find appropriate models of communication in B2B relationships that would also involve the aspect of CSR communication. Therefore, as mentioned earlier, in the lack of better-suited literature this piece of research is mostly grounded in B2C CSR studies that are applied to the B2B context as seen appropriate. This affected the formulation of the analytical

framework for the present study and perhaps made the construction process somewhat challenging. Therefore, it needs to be further emphasized that the strong use of CSR studies in B2C business can have a hampering effect on the research findings.

Finally, the number of interviews can be considered rather small for a master thesis. Even though the number of four interviews is sufficient when considering the size of the whole purchasing department that employs 11 purchasing professionals, it is obvious that the study is strongly context specific.

5.4 Suggestions for Further Research

B2B business as a research area is enormous concerning CSR and CSR communication and as mentioned earlier, CSR in B2B business is still lacking academic research. The present research project presents at least five suggestions for further research.

First, it would be an intriguing research topic to study whether B2B organizations believe that the consumer pressure does not reach B2B organizations and whether it is a possible reason for the low engagement in CSR. Possible further studies on CSR communication in B2B could focus on what drives organizations to engage with CSR in B2B and what is the origin of pressure for CSR in B2B as there are various B2B organizations actively engaging with CSR.

Second, it would be interesting to study what makes B2B organizations engage in CSR to the extent of incorporating it in the processes of the organization. It could be hard research evidence that would assure organizations of the benefits of CSR or then perhaps it could be a forerunner organization acting as a champion, enhancing the perceived value of CSR and leading the way for other organizations to lay more emphasis in CSR.

Third, it would be interesting to study what are the dimensions of CSR that are experienced relevant regarding CSR in B2B as the present study implied that if the economic and environmental responsibilities are fulfilled, it is considered enough. This

kind of research perspective would shed light on whether the perception of CSR is more traditional in B2B than in B2C business.

Fourth, studies focusing on the supplier side could shed light on why supplier organizations do not practice CSR communication to a great extent and what the underlying reasons for that might be: do they simply focus on executing the price-oriented strategy because they think it is what the customers expect or are there possibly other reasons? There surely are ample studies on CSR as a business case, but still it would be intriguing to have more profound models and thoughts on how to sell the idea to organizations. If CSR provides a clear business case, how can the organizations really benefit from CSR in practice and how can they motivate their employees to consider it in their daily work?

As the present study focused on an organization that can be considered to be a rather traditional organization in a rather traditional field concerning CSR, the fifth and a final aspect for further research could be a comparative study between a traditional B2B organization and a forerunner B2B organization engaging with CSR. This could provide more insight on the prevalence on CSR communication in B2B business. The current study thus paves the way for further research into CSR communication in B2B.

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APPENDICES

Appendix 1 Interview Guide

Theme	Proposition from literature	Interview Questions
CSR RQ1: How organizational buyers perceive CSR and its role in general?	CSR is defined rather freely and vaguely.	1. Tell me how do you define CSR and what does it mean to you? 2. Can you tell me a little bit about your organization's internal CSR practices?
	CSR can provide competitive advantage in terms of reputation.	3. How do you think your employer benefits from CSR policy in practice?
	CSR is central for purchasing and supply chain.	4. How would you describe the role of purchasing functions regarding CSR at Finnlines? 5. Do you consider yourself being in a position where you can affect CSR in the supply chain? How? Why?
	Establishing a dialogue is difficult for companies.	6. Tell me on a general level how do suppliers communicate to you...
CSR Communication and Stakeholder dialogue RQ2: How organizational buyers experience/perceive CSR communication?	Depending on the importance of the stakeholder, organizations can implement different stakeholder communication strategies for CSR.	7. How suppliers contact you usually? 8. Can you tell me how suppliers communicate about CSR... 9. What kind of discussions you usually have about CSR with your suppliers? 10. What type of suppliers discuss CSR the most? /Do you discuss with all kind of suppliers?
	Organization's own engagement in the CSR activity is essential regarding stakeholder perceptions.	11. How do you experience these discussions? 12. Please tell me to what kind of CSR messages you have encountered from suppliers. 13. What kind of thoughts you have about suppliers that practice CSR communication? 14. Do you remember that any supplier has changed its behavior to more responsible on the basis of your discussions with them?
	There are multiple channels for CSR communication.	15. Please describe in which channels you have encountered to CSR messages? 16. Please describe in which channels you usually find/get CSR information?
	Stakeholders perceive independent message channels as reliable channels for CSR communication.	17. What kind of thoughts does the CSR communication evoke? 18. What kind of CSR related information you would like to hear? 19. In which channels you wish to find information on CSR?
B2B relationships & Organizational Buying-decision RQ3: How organizational buyers process CSR communication and to what extent organizational buyers consider CSR when making buying decisions?	For B2B companies, relationships are important.	20. How would you describe your relationship with suppliers on a general level? 21. Please describe your relationships with your suppliers...
	Organizations benefit from long-term relationships.	22. Has there been any indication that responsibility has developed in long supplier relationships?
	Organizational decision-making is complex.	23. How do you choose your suppliers in most cases? What are the criteria? 24. How much does the previous reputation of the supplier affect your decision-making? 25. Do you make buying decision alone or in a group? Please describe your decision-making in the buying department...
	CSR can have a role in the buying decision.	26. On what criteria you usually make your buying decision? 27. Do you feel that CSR communication affects your decision-making in daily buying?