The effect of philanthropic marketing on brand resonance and consumer satisfaction of CSR performance

Does media self-regulation matter?

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Abstract

Purpose – This study aims to investigate whether engagement in philanthropic marketing after the 311 Japan earthquake crises had a positive effect on brand resonance and consumer satisfaction of CSR performance for Taiwanese companies. Additionally, the particular phenomenon of media self-regulation was integrated to explore the consolidated impact of philanthropic marketing, media self-regulation and brand resonance on consumer satisfaction of CSR performance.

Design/methodology/approach – The study used survey method to collect required data. The subjects of the study were 516 adults who were aware of the 311 Japan earthquake crises. Of the 476 survey questionnaires collected, 450 were identified as usable.

Findings – The results show that the constructs were highly positively correlated, meaning that post-disaster corporate philanthropic marketing can enhance brand resonance and consumer satisfaction of CSR performance. Media self-regulation was found to have a significant influence on philanthropic marketing and brand resonance. However, it did not exert any significant effect on consumer satisfaction of CSR performance.

Research limitations/implications – Because of the chosen research method and surveyed subjects, the research results may lack generalizability. Therefore, researchers are encouraged to test the proposed research model further with additional subjects and variables.

Practical implications – A good impression of the brand usually makes consumers generate brand resonance. This study reveals that a higher level of brand resonance may lead to higher consumer satisfaction of CSR performance. This implies that local and international companies should engage in...
philanthropic marketing programs, as it will not only support charitable organizations but also enhance the firm’s corporate image.

**Social implications** – This study points out that the positive coverage of the disaster could give the audience a positive impression, rather than showing provocative, violent or sexual content to push viewership. At the time when disasters become increasingly common, people’s expectations of the media will also elevate. Dramatization, exaggeration and information overload make the audience distrust the media and constantly seek the truth behind the story. Content generated by online bloggers and citizen reporters (ordinary people) is an alternative source for true, fast and in-depth reports.

**Originality/value** – This study differs from earlier studies researching disastrous events in that they were taking the perspective of natural sciences, while we adopted the management viewpoint to evaluate the 311 crises and took media self-regulation into account. It is the first to reveal that media’s self-regulated coverage of the disaster seems to have a positive effect on corporate philanthropic marketing and brand resonance.

**Keywords** CSR performance, Consumer satisfaction, Brand resonance, Media self-regulation, Philanthropic marketing, Post-disaster management

**Paper type** Research paper

1. **Introduction**

In the past decade, business ethics has played an increasingly important role in civil society. Companies worldwide have accepted economic, legal and ethical responsibilities for society, and the recent trend is to embrace philanthropic responsibility as well. With the rising awareness regarding philanthropic marketing, communities give high expectations to the roles played by business firms. Conversely, these firms expect to reap great benefits from philanthropic marketing, such as increasing corporate visibility and image, consumer attachment and loyalty and enhance performance of corporate social responsibility (CSR) activities. It would be intriguing to know whether companies taking on philanthropic responsibility proactively as part of their CSR could actually reach their goals of philanthropic marketing, and what kind of effect philanthropic marketing activities might have on their corporate values.

Of the many philanthropic marketing activities, disaster relief is the most resource-demanding one. For example, at 14:46 local time on March 11, 2011, a 9.0 magnitude earthquake occurred off the Pacific coast of Northeast Japan in Tohoku area, releasing 126 times more energy than the 7.6 magnitude 921 earthquake that occurred on September 21, 1999 in Jiji, Nantou County, Taiwan. This powerful earthquake brought a tsunami with waves reaching 10 meters in height. Many people, vehicles and houses were swept away leaving plenty of Japanese homeless. At the same time, a series of accidents happened at the Tokyo Electric Power Company’s Fukushima Daiichi Nuclear Power Plant, resulting in a complicated disaster. These catastrophic scenes of 311 megathrust undersea earthquake deeply touched the hearts of people in Taiwan. Soon after the earthquake, Taiwan’s Government immediately issued an early warning for evacuation in anticipation of a tsunami and promptly dispatched rescue teams to Japan, provided financial assistance and helped Taiwanese expatriates and hundreds of government officials, as well as nationals of other countries to withdraw to Taiwan. Her central government, local governments, major political parties, businesses, representatives of the film and television circles and charitable and religious non-governmental organizations all responded actively to donate money and supplies. Various Taiwanese public interest groups and business companies (e.g. The Red Cross Society of Taiwan,
the Buddhist Tzu Chi Foundation, World Vision Taiwan, the United Way of Taiwan, the Evergreen Group, the Foxconn Technology Group and the Chi Mei Corporation, among others) actively launched aid-providing activities to demonstrate their CSR performance. Many volunteers determined to go to the disaster area to provide relief and assist in short- and long-term reconstruction. The Japanese Government, media and people expressed their gratitude for donations reaching at least US$252 million given by the people, firms and the government of Taiwan. The amount was ranked the largest among the country donations worldwide. According to the statistics, it exceeded the financial support from the USA, exemplifying Taiwanese people’s sincere sympathy and solidarity with Japan. The Taipei Office of Interchange Association for Japan published a formal thank-you letter from Japanese Prime Minister, Naoto Kan, on its Web site to express the nation’s gratitude. All these reactions demonstrated that the value systems of Taiwanese people and firms seem to be rooted in the concept of ren (仁) which represents philanthropic, benevolent behavior in Chinese culture.

Past studies investigating catastrophic incidents have focused mostly on disaster and crisis management from the perspectives of social or natural sciences. Few have raised the post-disaster management issue. This motivates us to initiate the current study. Taking the management perspective, this study investigates the effects of philanthropic marketing, media self-regulation and brand resonance on consumer satisfaction of CSR performance. Furthermore, Japanese self-regulated media coverage of the disaster gave international viewers a refreshing view. Instead of reporting in a sensational way to attract viewership, viewers were presented with the real facts and positive communication. This kind of media behavior is rare in the TV broadcasting industry and has created a positive image of Japanese society. Such an image is very likely to affect customers’ recognition of and resonance with (Keller, 2003) Japanese products. This study intends to use the peaceful media coverage of Japanese 311 earthquake as an example of media self-regulation and examine its effects on philanthropic marketing and brand resonance.

Based on the aforementioned background and motivation, this study explores whether philanthropic marketing can enhance brand resonance and consumer satisfaction of CSR performance while using media self-regulation as a confounding factor. Specifically, the research questions are as follows:

**RQ1.** Does media self-regulation significantly influence philanthropic marketing and brand resonance?

**RQ2.** Does brand resonance significantly mediate the relationship between philanthropic marketing and consumer satisfaction of CSR performance?

### 2. Literature review

#### 2.1 Philanthropic marketing

In recent years, CSR has played an increasingly important role in Taiwan’s civil society. Companies are accepting economic responsibility, legal responsibility and ethical responsibility, and the recent trend is to embrace philanthropic responsibility as well. Not only companies give more attention to philanthropic marketing but also consumers. Consumers no longer consider philanthropic marketing as solely a means by which to care for and give back to the public. Instead, they regard it as a responsibility and duty. From the standpoint of CSR, besides aiming to integrate charity with brand image, firms...
Strive to increase their brand resonance so that consumers will feel more satisfied. Philanthropic marketing is also known as cause marketing, cause-related marketing and societal marketing. Varadarajan (1986) provided the first definition of philanthropic marketing, defining it as a form of horizontal cooperative sales promotions, i.e., cooperative promotions that combine product brands and non-profit organizations. Caesar (1986) considered philanthropic marketing as a direct linkage between the firm’s products or services and a specific charitable organization, i.e., when consumers buy the firm’s products or use its services, part of the sales revenue goes to the charity organization. Taking the perspective of public relations, Oldenburg (1992) regarded philanthropic marketing as a new media hybrid; by using public services, advertising and public relations companies are linked with certain important social issues or with a charity-related idea that is worth an investment. Thus, it can be said that philanthropic marketing is a way of implementing strategic public relations. For this reason, it has become a major instrument used in the marketing activities of those in the public relations field (Oldenburg, 1992; Mullen, 1997).

2.2 Brand resonance
The subject of this study is centered on the concept of customer-based brand equity (CBBE) developed by Keller (2003). The concept included theoretical advances and management practices with a goal to understand and further influence consumer behavior. Keller (2003) claimed that to build a strong brand, the following four steps must be followed:

1. establish a brand identity and brand positioning in the minds of consumers;
2. strategically link brand with tangible and intangible assets and create brand meaning in the minds of consumers;
3. trigger consumers’ positive brand responses; and
4. on the basis of positive responses, create a close, active and loyal relationship between the customers and the brand.

As shown in Figure 1, the CBBE pyramid is divided into six blocks representing factors essential for achieving a strong brand. Going from the bottom to the top, the six elements are brand salience, brand performance, brand imagery, customer judgments, customer feelings and brand resonance. The brand identity in the first step can influence brand meaning in the second step; the brand meaning in the second step can influence the brand response in the third step; the last step is establishing a brand relationship.

It can be said that philanthropic marketing is a brand-specific behavior that companies perform in a perfectly competitive market. How is their philanthropic marketing performed? What kind of brand imagery is created? What are customer judgments? What kinds of feelings are aroused? Is brand resonance formed?

2.3 Relationship of philanthropic marketing with brand resonance
In this study, we adopted the perspective of CSR, which encompasses economic responsibility, legal responsibility, ethical responsibility and, lastly, philanthropic responsibility. Philanthropic responsibility generates philanthropic actions (rescue activities, donations, etc.) that result in philanthropic marketing programs. By using philanthropic marketing, companies can create a win–win situation. Many firms consider
that philanthropic marketing can improve the company’s public image and enhance goodwill. According to Nichols (1990), philanthropic marketing for businesses can raise goodwill and corporate image as well as motivate employees. Garrison (1990) claimed that philanthropic marketing may improve the brand resonance of both profit and non-profit organizations: in the case of non-profit organizations, their visibility and funding sources can be enhanced; in the case of profit organizations, their corporate goodwill and employee morale can be boosted. Hence, we propose the following hypothesis:

**H1.** Philanthropic marketing has a significant positive effect on brand resonance.

### 2.4 Brand resonance and consumer satisfaction of CSR performance

Keller (2001, 2009) centered brand relationship on customer-brand relationship, the nature of which he discussed through the lens of brand resonance. The two dimensions of relationship intensity and relationship activity were used to measure the relationship between the brand and consumers. Relationship intensity is the strength of attachment and group recognition. Relationship activity means the frequency of purchases or consumption and the degree to which consumers are willing to invest their time, money and energy in brand-related activities. No matter what kind of relationship is established between the brand and the customers, the ultimate goals are for customers to recognize the brand and achieve brand resonance. Brand resonance can be categorized into four types:

1. attitudinal attachment, i.e. consumers’ willingness to purchase;
2. behavioral loyalty, i.e. repeated purchases or continuous buying behavior;
3. sense of community, i.e. a close relationship among the consumers recognizing the specific brand; and
4. active engagement, i.e. consumers’ willingness to fully invest themselves in brand-related matters.
Customer satisfactions included an overall evaluation based on total experience with goods or services (Anderson et al., 2004; Fornell, 1992; Ostrom and Iacobucci, 1995). Customer satisfaction has been recognized as an important goal of corporate strategy (Fornell et al., 2006) and a key successful factor of a firm’s long-term profitability and market value (Gruca and Rego, 2005). Hunt (1977) defined consumer satisfaction as a kind of process involving experience and evaluation. Oliver and DesSarbo (1995) indicated that customers decide whether they are satisfied by referring to the gap between the actual performance of a product or service and their prior expectations regarding that product or service. Bolton and Drew (1991) pointed out that customer satisfaction comes from quality and value perceived by the service recipients.

In this study, consumer satisfaction of CSR performance is a multidimensional–multiobject model. Both institutional theory (Scott, 1987) and stakeholder theory (Maignan and Ferrell, 2004; Maignan et al., 2005) suggest different layers of multidimensionality of a consumer; he/she is not only an economic being but also a member of various communities in the society (Handelman and Arnold, 1999). Beyond this concept, Daub and Ergenzinger (2005) propose the term “maximizing stakeholders’ benefits” to explain that people are members of various stakeholder groups. They are not only actual or potential customers who care about the consumption experience but also are upstream or downstream supply chain members, or organizations’ employees, community members or even the ecosystem of living environment for which companies need to be responsible to achieve consumer satisfaction of CSR performance. Previous studies (Alafi and Alsufy, 2012; Luo and Bhattacharya, 2013) support that customer satisfaction is significantly positively related with CSR. A strong record of CSR such as philanthropic marketing arouses brand resonance, such as corporate image, word of mouth, brand identity, etc., and creates a favorable context that positively boosts consumers’ evaluations of and attitude toward the firm (Brown and Dacin, 1997; Gürhan-Canli and Batra, 2004; Sen and Bhattacharya, 2001). Therefore, we propose the following hypothesis:

\[ H2. \] Brand resonance has a significant positive effect on consumer satisfaction of CSR performance.

2.5 Philanthropic marketing and consumer satisfaction of CSR performance

Varadarajan and Menon (1998) distinguished six objectives that companies seek by engaging in philanthropic marketing activities:

1. **Increasing sales.** Increasing sales is a major objective for companies. Firms can achieve it by increasing both customers’ initial willingness to purchase and their repurchase intentions, raising the number of purchases, creating incremental sales, etc.

2. **Enhancing corporate stature.** This includes conveying the company’s concept of CSR, gaining national visibility and improving the corporate image.

3. Mitigating a negative corporate image.

4. Pacifying customers who engage in collective boycotts and protests.

5. **Facilitating market entry.** This includes capturing new markets and expanding the customer base.
Increasing the brand value of the company’s products. This includes diversifying brand usage, raising brand awareness, increasing brand recognition and improving brand image.

Andreasen (1996) extended the conception of philanthropic marketing by claiming that it is enough for companies to integrate the marketing activities conducted by non-profit organizations to call it philanthropic marketing. Based on the different cooperation modes between companies and non-profit organizations, philanthropic marketing can be classified into three categories:

1. *Transaction-based promotions.* Currently, this is the most commonly used form of cooperation in philanthropic marketing. As defined by the early researchers of philanthropic marketing, transaction-based promotions activities are conducted in cooperation with non-profit organizations to encourage customers to purchase the company’s products or services. If the sales target is reached, part of the revenue is donated to non-profit organizations.

2. *Joint issue promotions.* Companies cooperate with one or several non-profit organizations to engage in strategic marketing activities centered on a particular social issue or topic. Companies and non-profit organizations jointly work on preventing a certain social problem by distributing products or promotional materials and publishing advertisements; however, the parties do not necessarily have monetary exchanges.

3. *Licensing.* A non-profit organization licenses a company to use its name or trademark and collects a fixed fee or a percentage of revenue. Meanwhile, the company uses the non-profit organization for its marketing activity goals.

There are many reasons for businesses to engage in philanthropic marketing, such as increasing sales, raising the company’s visibility and corporate image and expanding the customer base. Each time, philanthropic marketing programs can receive different customer responses, such as consumer satisfaction of CSR performance and brand resonance, among others. Therefore, we propose the following hypothesis:

*H3.* Philanthropic marketing has a significant positive effect on consumer satisfaction of CSR performance (direct effect).

As philanthropic marketing may lead to different customer responses, we use brand resonance to discuss the nature of the relationship between the customers and the brand. In addition, we reveal that brand resonance increases the brand value of the company’s products, enhances brand visibility, raises customers’ brand recognition and improves brand image. For an organization, attaining consumer satisfaction of CSR performance complies with common managerial practices. We treat philanthropic marketing as a part of integrated corporate marketing. In today’s innovative multi-channel communication society, consumers are exposed in much more brand resonance which affects corporate synergy and brand equity, and impacts the relationship between philanthropic marketing and consumer satisfaction of CSR performance, among others. Hence, we propose the following hypothesis:

*H4.* Brand resonance has a mediating effect on the relationship between philanthropic marketing and consumer satisfaction of CSR performance.
2.6 The effects of media self-regulation

The news media are the primary messengers of the events in the life of society. Media exaggeration can make things both rise and fall. In the event of the shocking 311 Japan earthquake, the Japanese media exhibited self-regulative behavior which has been praised by the media in other countries. Japanese news refrained from exaggeration, the use of excessively alarming language or heartrending images, and reporters making a fuss in front of cameras. Instead, practical information such as messages from the government or where to collect supplies were reported. One of the success factors of Japanese news media self-regulation was the effective functioning of the Japan Newspaper Publishers & Editors Association, the country’s main self-regulation organization, established in 1946. The association’s goal is to combine news media forces to establish free and responsible media and ensure freedom of the press. The establishment of this association was influenced by the realization of self-regulation theory in Western news media. Even though American academics have repeatedly accused the media of improper practices, a theory of social responsibility was proposed in 1940. This study investigates whether engagement in philanthropic marketing after the 311 Japan earthquakes had a positive effect for Taiwanese firms on brand resonance and consumer satisfaction of CSR performance. Besides, the particular phenomenon of media self-regulation in the context of a disaster is integrated to explore the consolidated impact of philanthropic marketing, media self-regulation, brand resonance and consumer satisfaction of CSR performance.

According to Campbell (1999), the principal value of a self-regulatory system is that persons of the same occupation recognize common ethics (rather than simply referring to rights or wrongs of professional conduct) to learn how to perform their professional roles competently. Therefore, media professionals respect the self-regulatory system as a means of expressing respect and approval for their own profession. The main idea of media self-regulation comes from social responsibility theory. It increasingly helps to compensate the deficiencies of liberalism. In the media social responsibility theory, the focus has recently turned to promoting the general public’s right to use media, reducing political interference in the media and diversifying the structure of the media. According to social responsibility theory, if the media wants to be able properly carry out its mission in a democratic society, the key lies in media self-regulation. The media should consciously assume the responsibility of serving the public interest. Siebert et al. (1956) have pointed out that freedom and responsibility are interdependent. The reason why the media has to be socially responsible is that the media is above government control and is privileged to perform the important function of mass communication; it has an obligation to assume social responsibility. Based on the aforementioned studies, we proposed the following hypotheses:

H5. Media self-regulation has a significant positive effect on philanthropic marketing.

H6. Media self-regulation has a significant positive effect on brand resonance.

3. Methodology
3.1 Research model
This study is based on the following concepts: philanthropic marketing (Henricks, 1991; Kelly, 1991), consumer satisfaction of CSR performance (Oliver and DesSarbo, 1995;
Ranaweera and Prabhu, 2003) and brand resonance proposed as part of the brand equity pyramid theory (Keller, 2003). We explored the relationships among philanthropic marketing, brand resonance and consumer satisfaction of CSR performance, as well as the effect of media self-regulation (Campbell, 1999). Figure 2 identifies the six hypotheses we postulated in the last section and represents the research model of this study.

3.2 Measures
Our research model contains four constructs: philanthropic marketing, brand resonance, consumer satisfaction of CSR performance and media self-regulation. By referring to relevant literature and available definitions, we distinguished operational definitions and questionnaire items for each of the constructs as follows. The details of the questionnaire items are listed in the Appendix:

1. **Philanthropic marketing.** Companies, non-profit organizations and consumers are all interrelated and interdependent. By pursuing the goals of fundraising and promoting philanthropy which attracts consumers to buy, companies can attain the benefits of increasing sales and enhancing their external image. We developed 15 questionnaire items that were each measured using a seven-point Likert scale.

2. **Media self-regulation.** We referred to this concept as conceived by Campbell (1999) and developed eight questionnaire items that were each measured using a seven-point Likert scale.

3. **Brand resonance.** The goal of a brand is to create a close relationship between the customers and the brand, as well as to produce brand resonance by relating with the customers’ values and beliefs. We developed 12 questionnaire items that were each measured using a seven-point Likert scale.

4. **Consumer satisfaction of CSR performance.** This is measured by the overall evaluation of emotions, i.e. the overall attitude, which individuals hold toward buying products from firms engaging in philanthropic marketing. We developed four questionnaire items that were each measured using a seven-point Likert scale.

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**Philanthropic marketing**

**H1**

Philanthropic marketing

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**Band resonance**

**H2**

Consumer satisfaction of CSR performance

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**Media self-regulation**

**H5**

**H6**

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**Figure 2.** Research model
3.3 Data collection
The subjects of the study were adult consumers who were aware of the 311 Japan earthquake crisis and had watched the media coverage. We used accidental sampling to collect data from a large shopping mall located at a major city in northern Taiwan. The data collection process lasted for two weeks with two researchers working from 6 to 9 p.m. in the evening. To increase the response rate, we awarded US$10 gift certificates to 10 per cent of those respondents who provided e-mail addresses one week after the survey through a lottery drawing process. In total, we distributed 516 copies of the questionnaire and 476 of them were returned; the response rate was 92.2 per cent. We excluded 26 questionnaires which had incomplete answers, leaving 450 usable samples with an effective response rate of 87.2 per cent. Demographic variables included gender, marital status, age, current occupation and income. In terms of gender, females accounted for more than half of the sample (55.1 per cent). In terms of marital status, the great majority were unmarried (74 per cent). In terms of age, the majority were aged 21-30 years (59.1 per cent). In terms of occupation and income, the majority of the sample comprised students (70 per cent) and those with a monthly income of less than US$180 (52.7 per cent). To test whether the data collected can be analyzed as a single group, we conducted a series of tests for mean differences. First, we adopt the split-half process to divide the sample into two groups and test the mean differences for each questionnaire item between the two groups. Neither the chi-square test of independence nor the Student’s t-test of mean differences showed any significant difference between the groups. The same process was applied to different demographic groups (gender, marital status, age, current occupation and income) for each questionnaire item. Neither the chi-square test nor the ANOVA test showed any significant difference exists among demographic groups. These findings indicated the validity of analyzing the data as a single group. Consequently, the entire sample of 450 respondents was used for data analyses.

3.4 Descriptive statistics
All variables were measured using a 7-point Likert scale, with values ranging from 1 = “strongly disagree” to 7 = “strongly agree.” The averages of the four dimensions, i.e. philanthropic marketing, brand resonance, consumer satisfaction of CSR performance and media self-regulation, respectively, are 4.6521, 4.7634, 5.2489 and 5.2786 standard deviation values ranged between 0.75016 and 0.95421.

3.4.1 Reliability analysis. We used Cronbach’s α values to assess reliability. In the range from 0 to 1, higher α value indicates higher reliability. We tested the variables of the formal questionnaire for internal consistency. The Cronbach’s α values of four dimensions, i.e. philanthropic marketing, brand resonance, consumer satisfaction of CSR performance and media self-regulation, respectively, are 0.864, 0.925, 0.817 and 0.790. These values were higher than 0.7, indicating good consistency of the study’s scales.

3.4.2 Validity analysis. We calculated the Kaiser–Meyer–Olkin (KMO) measure of sampling adequacy and conducted Bartlett’s test of sphericity to determine if the data were suitable for factor analysis. High KMO values demonstrate that partial correlation for each pair of variables is low, thus, indicating that factor analysis would be effective. Generally, KMO values higher than 0.7 demonstrate that data are suitable for factor analysis, while values less than 0.5 shows that data are not suitable for factor analysis.
The KMO values of the extracted factors were all higher than 0.7, indicating that the data were suitable for factor analysis.

3.5 Correlation analysis
To know whether significant correlations existed among the study dimensions, we used Pearson correlation analysis. Results of the correlation analysis among the four dimensions of philanthropic marketing, brand resonance, consumer satisfaction of CSR performance and media self-regulation are shown in the table. In Pearson correlation analysis, the degree of correlation between two variables is usually defined by the value of the correlation coefficient. The following degrees of correlation are differentiated: an absolute value less than 0.3 indicates a low correlation; an absolute value in the range of 0.3-0.7 indicates a moderate correlation; an absolute value in the range of 0.7-0.8 indicates a high correlation; and an absolute value above 0.8 indicates a very high correlation. The results in Table I showed a significant positive correlation between philanthropic marketing and brand resonance ($r = 0.581$, $p < 0.01$), meaning that brand resonance will be enhanced if companies engage in philanthropic marketing. Brand resonance and consumer satisfaction of CSR performance had a significant positive correlation ($r = 0.704$, $p < 0.01$), meaning that if brand resonance increases, consumer satisfaction of CSR performance increases as well. Philanthropic marketing and consumer satisfaction of CSR performance had a significant positive correlation ($r = 0.561$, $p < 0.01$), meaning that client satisfaction is higher for companies that engage in philanthropic marketing. Philanthropic marketing and media self-regulation had a significant positive correlation ($r = 0.566$, $p < 0.01$), meaning that media self-regulation will strongly impact philanthropic marketing. Brand resonance and media self-regulation had a significant positive correlation ($r = 0.838$, $p < 0.01$), meaning that media self-regulation will strongly impact brand resonance. Media self-regulation had a significant effect on philanthropic marketing and brand resonance.

3.6 Regression analysis
We conducted regression analyses to test the significance of the relationships among constructs in the research model. As can be seen from the Table II, the results of regression analysis of the relationship between philanthropic marketing and brand resonance showed the following: the correlation coefficient $r = 0.581$, $\beta = 0.838$, the adjusted $R^2 = 70.2$ per cent, $F(1,445) = 1046.378$ and $p < 0.001$. The regression model's effect reached the level of significance, indicating that its explanatory power was statistically meaningful. Thus, philanthropic marketing was positively related to brand resonance, giving support to $H1$. The results of regression analysis of the relationship between brand resonance and

<table>
<thead>
<tr>
<th>Correlation</th>
<th>Philanthropic marketing</th>
<th>Brand resonance</th>
<th>Consumer satisfaction of CSR performance</th>
<th>Media self-regulation</th>
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<tr>
<td>Philanthropic marketing</td>
<td>0.7502</td>
<td>0.581*</td>
<td>0.561*</td>
<td>0.566*</td>
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<td>Brand resonance</td>
<td></td>
<td>0.8716</td>
<td>0.704*</td>
<td>0.838*</td>
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<tr>
<td>Consumer satisfaction of CSR</td>
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<td>0.9542</td>
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<td>performance</td>
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<td>Media self-regulation</td>
<td></td>
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<td>0.796*</td>
<td>0.8272</td>
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<td></td>
<td></td>
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</table>

Notes: The value in each diagonal cell indicates the square root of AVE; *$p < 0.01$
consumer satisfaction of CSR performance showed the following: \( r = 0.704, \beta = 0.632 \), the adjusted \( R^2 = 63.3 \) per cent, \( F(1,446) = 796.805 \) and \( p < 0.001 \). The regression model’s effect reached the level of significance, indicating that its explanatory power was statistically meaningful. Thus, brand resonance was positively related to consumer satisfaction of CSR performance, giving support to \( H2 \). The results of regression analysis of the relationship between philanthropic marketing and consumer satisfaction of CSR performance showed the following: \( r = 0.561, \beta = 0.494 \), the adjusted \( R^2 = 49.6 \) per cent, \( F(1,445) = 437.197 \) and \( p < 0.001 \). The regression model’s effect reached the level of significance, indicating that its explanatory power was statistically meaningful. Thus, philanthropic marketing was positively related to consumer satisfaction of CSR performance, giving support to \( H3 \).

Regarding the effects of media self-regulation on philanthropic marketing and brand resonance, it had significant positive effect on philanthropic marketing (\( \beta = 0.566, p < 0.01 \)), i.e. the more media self-regulation, the higher the level of philanthropic marketing. Thus, \( H5 \) was supported. Moreover, it had a significant positive effect on brand resonance (\( \beta = 0.838, p < 0.01 \)), i.e. the more self-regulated the media reports, the higher the corporate brand resonance. Thus, \( H6 \) was supported. Finally, we used analysis of variance (ANOVA) to test the overall validity of the regression model. The result revealed that the \( F \)-statistic was significant (\( F(3,443) = 278.327; p < 0.001 \)) as shown in Table III, confirming the validity of the model.

### 3.7 Testing mediation effect
To test the mediation effect, we examined the criteria set forth by Baron and Kenny (1986). First, the direct effect of the independent variable (philanthropic marketing) on the dependent variable (consumer satisfaction of CSR performance) must be significant. Second, both the path from the independent variable (philanthropic marketing) to the mediator (brand resonance) and the path from the mediator (brand resonance) to the

<table>
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<tr>
<th>Hypothesis</th>
<th>( \beta )</th>
<th>( t )</th>
<th>( \text{p-value} )</th>
<th>( R^2 )</th>
<th>( F )</th>
<th>( \text{p-value} )</th>
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<td>( H1. ) Philanthropic marketing ( \rightarrow ) Brand resonance</td>
<td>0.838</td>
<td>32.348</td>
<td>0.000***</td>
<td>0.702</td>
<td>1,046.378</td>
<td>0.000***</td>
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<td>( H2. ) Brand resonance ( \rightarrow ) Consumer satisfaction of CSR performance</td>
<td>0.632</td>
<td>1.752</td>
<td>0.000***</td>
<td>0.633</td>
<td>796.805</td>
<td>0.000***</td>
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<td>( H3. ) Philanthropic marketing ( \rightarrow ) Consumer satisfaction of CSR performance</td>
<td>0.704</td>
<td>20.909</td>
<td>0.000***</td>
<td>0.496</td>
<td>437.197</td>
<td>0.000***</td>
</tr>
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</table>

**Table II.**
Results of regression analysis

**Note:** ***\( p < 0.001 \)

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<th>Source</th>
<th>Sum of squares</th>
<th>( df )</th>
<th>Mean square</th>
<th>( F )</th>
<th>( p )</th>
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<td>278.327</td>
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<tr>
<td>Total</td>
<td>406.437</td>
<td>446</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table III.**
Results of ANOVA

**Notes:** *Predictors: media self-regulation, philanthropic marketing and brand resonance; criterion: consumer satisfaction of CSR performance
dependent variable (consumer satisfaction of CSR performance) should be significant. Third, the introduction of a mediator will lower the path loading between the independent variable (philanthropic marketing) and dependent variable (consumer satisfaction of CSR performance). Furthermore, if the path loading is not significant, the mediator has a fully mediated effect; otherwise the effect is partially mediated. The results of the mediation model in Figures 3(a) and 3(b) showed that regression’s mean sum of squares was 129.688, $R^2$ was 0.638 and $F$-statistic was 391.543, and it was significant at the level of $p < 0.001$. The coefficients of the paths from philanthropic marketing to brand resonance ($\beta = 0.838; t = 32.348; p < 0.001$) and from brand resonance to consumer satisfaction of CSR performance ($\beta = 0.691; t = 13.228; p < 0.001$) were both significant. The direct effect of philanthropic marketing on consumer satisfaction of CSR performance was reduced from 0.704 ($t = 20.909; p < 0.001$) to 0.125 ($t = 2.390; p = 0.017$) once brand resonance was introduced as a mediator. All these findings supported that brand resonance had a partially mediated effect on the relationship between philanthropic marketing and consumer satisfaction of CSR performance. Thus, $H4$ was supported.

3.8 Summary of hypothesis tests
The overall model exhibits a significant effect. The research results can be summarized as follows: philanthropic marketing has a significant positive effect on brand resonance ($H1$); brand resonance has a significant positive effect on consumer satisfaction of CSR performance ($H2$); philanthropic marketing has a significant positive direct effect on consumer satisfaction of CSR performance ($H3$); brand resonance has a significant mediating effect on the relationship between philanthropic marketing and consumer satisfaction of CSR performance ($H4$); media self-regulation has a significant positive effect on philanthropic marketing ($H5$); and media self-regulation has a significant positive effect on brand resonance ($H6$). Table IV summarizes the results of all hypothesis testing.

![Figure 3. Testing mediation effect of brand resonance](image)
4. Conclusions and implications
This study investigated post-disaster issues including marketing, brand management and public relations. It differs from earlier studies researching disastrous events in that they were taking the perspective of social or sciences, while we adopted the management viewpoint to evaluate consumer responses and took media self-regulation into account. The study suggests that companies should contribute their efforts to enhance consumer satisfaction of CSR performance besides preventing and relieving disasters. In this way, money and effort allocated for philanthropic marketing programs are not wasted. To achieve consumer satisfaction of CSR performance, a company needs to reinforce the link between the brand and the customer by enhancing customers’ resonance with the brand through philanthropic marketing. Moreover, this study is the first to reveal that media’s self-regulated coverage of the disaster seems to have a positive effect on corporate philanthropic marketing and brand resonance. The possible reason might be attributed to consumers’ positive attitude as being an audience.

Some implications for local and international firms can be derived from the research results. First, a good impression of the brand usually makes consumers generate brand resonance. This study reveals that a higher level of brand resonance may lead to higher consumer satisfaction of CSR performance. This implies that local and international companies should engage in philanthropic marketing programs as it will not only support charitable organizations but also enhance the firm’s corporate image. For example, the Taiwan Fund for Children and Family and the Mercuries Corporation in Taiwan has organized an annual running event for the past 22 years. In addition to providing meal vouchers, the organizers also provide cupboards, stationery, sneakers, etc., all of which are donated by corporate sponsors. In addition, they adopted more House of Hope projects to help disadvantaged families. The running event turned into the climax of all sponsoring companies. Besides addressing the nutrition problem by providing meal vouchers to vulnerable families, the event provides disadvantaged families with complete daily necessities. Another activity was sponsored by Procter & Gamble (P&G). The goal was to help 6,000 Taiwanese women to have breast and cervical cancer screenings. The promoted public welfare campaign was named “Buy a P&G product and we will donate 6 Taiwan dollars”. Consumers had a chance to show support via practical actions and help raise funds for gynecologic cancer prevention. Another example of

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1. Brand resonance has a significant positive effect on consumer satisfaction of CSR performance</td>
<td>Supported</td>
</tr>
<tr>
<td>H2. Brand resonance has a significant positive effect on consumer satisfaction of CSR performance</td>
<td>Supported</td>
</tr>
<tr>
<td>H3. Philanthropic marketing has a significant positive effect on consumer satisfaction of CSR performance</td>
<td>Supported</td>
</tr>
<tr>
<td>H4. Brand resonance has a mediating effect on the relationship between philanthropic marketing and consumer satisfaction of CSR performance</td>
<td>Supported</td>
</tr>
<tr>
<td>H5. Media self-regulation has a significant positive effect on philanthropic marketing</td>
<td>Supported</td>
</tr>
<tr>
<td>H6. Media self-regulation has a significant positive effect on brand resonance</td>
<td>Supported</td>
</tr>
</tbody>
</table>
Avon, the world’s largest direct selling cosmetics company, started worldwide philanthropic marketing campaigns related to breast cancer prevention in 1992. Campaigns included Avon Walks for Breast Cancer, selling products marked with a pink ribbon (the international symbol of breast cancer awareness), and donating a certain percentage of the selling price to organize publicity events. So far, more than US$700 million have been donated. Broderick et al. (2003) indicated that because of the exposure brought by activities and media coupled with the attention to personal issues that directly affect people, engagement in philanthropic marketing can bring tangible benefits such as improved sales figures and intangible ones such as enhancing the brand image in consumers’ minds. The majority of scholars have pointed out that the benefits brought by philanthropic marketing should not be underestimated. By generating online word of mouth, brand resonance could increase because of the rapid spread of online reviews and messages (Gelb and Sundaram, 2002). This, in turn, can significantly affect brand equity either positively or negatively. Companies should continuously strive to enhance brand equity, which can boost the overall consumer satisfaction of CSR performance.

With regard to CSR (e.g., economic responsibility, legal responsibility, ethical responsibility and philanthropic responsibility), we encourage companies to assume medium- and long-term philanthropic responsibility because philanthropic acts could bring about corporate brand image and consumer brand resonance. As far as media self-regulation is concerned, this study points out that the positive coverage of the disaster could give the audience a positive impression, rather than showing provocative violent or sexual content to push viewership. At the time when disasters become increasingly common, people’s expectations of the media will also elevate. Dramatization, exaggeration and information overload make the audience distrust the media and constantly seek the truth behind the story. Content generated by online bloggers and citizen reporters (ordinary people) is an alternative source for true, fast, and in-depth reports.

In addition to the aforementioned effects of generating brand resonance and increasing consumer satisfaction of CSR performance, there are some important implications, particularly for Chinese management. In the West, management is centered on performance-oriented pragmatism and utilitarianism. Such an approach, however, is not in accordance with the Chinese notion of morality. The concept of ren (仁) in Chinese culture can lead to philanthropic behavior and brand resonance, even to reverence and esteem, which is the highest level of brand relationship marketing. While ren influences consumers’ purchasing behavior and enhances the brand image and position in their minds, it also allows companies which are planning their brand’s strategy or handling a crisis to induce consumers to influence the decisions of the authorities (assuming a democratic environment). In the environment where businesses are customer-oriented and authorities are approachable, crisis can become opportunities, enabling small companies to take advantage of the critical moment and transform themselves from followers into key players. One of the examples is the One Foundation formed by movie star Jet Li after his personal escape from the 2004 Indian Ocean earthquake and tsunami. The foundation is involved in disaster relief efforts, and its brand resonance and consumer satisfaction of CSR performance are unmatched by many companies.

5. Limitations and future research
Even though the hypotheses were supported, there are some research limitations that can serve as directions for future research. Limits in time, funds and human resources
meant that only consumers in Taiwan were surveyed, and those were concentrated in the central part of the country. The results of this study cannot be applied to companies internationally. More diverse sample segments should be included in future studies to explore these issues. Besides, factors such as time, place, gender, age, occupation and income might have influenced willingness to participate in the study and created bias. Suggestions for future studies include:

- **Adding other variables.** This study primarily explored philanthropic marketing and whether it can help companies to enhance brand resonance and consumer satisfaction of CSR performance. Possible effects of other related variables were not thoroughly discussed. Future studies may include brand image or other moderating variables to conduct more comprehensive research.

- **Different study subjects.** The main participants of this study were students; thus, consumer behavior can be discussed in terms of these subjects only. We recommend including different study subjects in the future.

- **Research scope.** The study was conducted in central Taiwan with few survey participants coming from other regions. Thus, we recommend expanding research area in the future.

- **Sample size.** Limits in time, funds and human resources meant that only 450 valid copies of the questionnaire were collected. We recommend conducting a wider survey with more diverse participants, not limited to students only.

- **Research methods.** We used the survey method to conduct a quantitative study and were not able to control the situations and organizational circumstances related to the respondents. Thus, the process of answering the survey might have been influenced by personal subjective factors and the organization’s degree of involvement in the research. This could have caused varying attitudes and differences in responses. We recommend that researchers understand all related circumstances very well before conducting the survey to design the most suitable questionnaire.

No doubt, there are some criticisms and concerns for philanthropic marketing as well. With the development of the M-shaped society, the manner in which companies attend to philanthropic marketing also appears to be polarized. Those companies that take philanthropic marketing seriously place an increasing emphasis on it, while the lack of philanthropic marketing is becoming more and more flimsy for those companies that are indifferent towards it. Besides, as people consider philanthropic marketing to be a kind of social beneficence, a behavior that is beneficial both to others and oneself, its connection with commercial activities should be treated delicately to avoid the opposite effect. The link between non-profit organizations and philanthropic marketing may invoke the criticism that philanthropic marketing often is mistaken as non-profit organizations seeking commercialization, or consumers’ donating money is a commercial consumption. Therefore, non-profit organizations should consider the following six questions before becoming involved in philanthropic marketing programs:

1. Can the connections brought by philanthropic marketing impact the organization’s image?
2. Does the general public find philanthropic marketing important?
3. Does the organization have the ability to prevent the media’s negative hype?
(4) Can the organization lose its identity?
(5) Can the organization manage the balance of payment with regard to the income coming from philanthropic marketing programs?
(6) Is philanthropic marketing a one-time involvement or long-term commitment?

All these enquiries can be considered as future research directions.

References


Further readings

Stoolmacher, I.S. (1991), “Non-profits should treat volunteers as if they were paid employees”, Chronicle of Philanthropy, Vol. 3 No. 19, pp. 34-35.
The following items use the 7-point Likert scale, ranging from 1="strongly disagree" to 7="strongly agree."

<table>
<thead>
<tr>
<th>Construct</th>
<th>Item Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media self-regulation</td>
<td>1. In case of an earthquake, I would choose to watch media for information.</td>
</tr>
<tr>
<td></td>
<td>2. I think that our country can learn from how the Japanese government and media they handled the 311 earthquake.</td>
</tr>
<tr>
<td></td>
<td>3. My judgments are affected by media coverage.</td>
</tr>
<tr>
<td></td>
<td>4. I think that the media sometimes use provoking violence or sexual contents to push viewership. (Reversed code)</td>
</tr>
<tr>
<td></td>
<td>5. I think that the media overly exaggerate some incidents. (Reversed code)</td>
</tr>
<tr>
<td></td>
<td>6. I think the Japanese media have reported truthfully about the 311 earthquake crisis and fulfilled their social responsibilities.</td>
</tr>
<tr>
<td></td>
<td>7. I think it is helpful to the public if the media report factually.</td>
</tr>
<tr>
<td></td>
<td>8. If TV media constantly report about a company’s philanthropic activities, it gives me a good impression of that company.</td>
</tr>
<tr>
<td>Philanthropic marketing</td>
<td>1. I like charitable activities a lot and take part in them.</td>
</tr>
<tr>
<td></td>
<td>2. I have a favorable impression of the companies that make donations to help Japan.</td>
</tr>
<tr>
<td></td>
<td>3. I know many companies cooperate to hold charity events to help the victims of earthquake that occurred in Japan.</td>
</tr>
<tr>
<td></td>
<td>4. My purchase intention will increase if a company advocates <strong>social services</strong> as its philanthropic marketing activities.</td>
</tr>
<tr>
<td></td>
<td>5. My purchase intention will increase if a company advocates <strong>social welfare</strong> as its philanthropic marketing activities.</td>
</tr>
<tr>
<td></td>
<td>6. My purchase intention will increase if a company advocates <strong>healthcare</strong> as its philanthropic marketing activities.</td>
</tr>
<tr>
<td></td>
<td>7. My purchase intention will increase if a company advocates <strong>art and culture</strong> as its philanthropic marketing activities.</td>
</tr>
<tr>
<td></td>
<td>8. My purchase intention will increase if a company advocates <strong>charity and relief</strong> as its philanthropic marketing activities.</td>
</tr>
<tr>
<td></td>
<td>9. I like a company more if it engages in philanthropic marketing.</td>
</tr>
<tr>
<td></td>
<td>10. I tend to pay more attention to products related to philanthropic marketing.</td>
</tr>
<tr>
<td></td>
<td>11. I tend to buy more products related to philanthropic marketing.</td>
</tr>
<tr>
<td></td>
<td>12. I <strong>do not</strong> have a good impression of the companies that engage in philanthropic marketing. (Reversed code)</td>
</tr>
<tr>
<td></td>
<td>13. I care how other people view companies that engage in philanthropic marketing.</td>
</tr>
</tbody>
</table>

(continued)
14. I strongly support companies that are actively involved in charitable activities.

15. I am strongly against companies that actively engage in philanthropic marketing. (Reversed code)

### Brand resonance

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>A company that engages in philanthropic marketing can increase its visibility.</td>
</tr>
<tr>
<td>2.</td>
<td>A company that engages in philanthropic marketing makes me interested in its entrepreneurial spirit.</td>
</tr>
<tr>
<td>3.</td>
<td>A company that engages in philanthropic marketing can attract more consumers.</td>
</tr>
<tr>
<td>4.</td>
<td>I will buy products again from a company that engages in philanthropic marketing.</td>
</tr>
<tr>
<td>5.</td>
<td>I recommend to others that they buy products from a company that engages in philanthropic marketing.</td>
</tr>
<tr>
<td>6.</td>
<td>A company’s philanthropic marketing affects my purchase decisions.</td>
</tr>
<tr>
<td>7.</td>
<td>If a company engages in philanthropic marketing, it matches my buying principles.</td>
</tr>
<tr>
<td>8.</td>
<td>When I buy a product again, I first consider a company that engages in philanthropic marketing.</td>
</tr>
<tr>
<td>9.</td>
<td>I think that a company’s philanthropic marketing affects my impression of that company.</td>
</tr>
<tr>
<td>10.</td>
<td>If someone criticizes a company that engages in philanthropic marketing, I feel very uncomfortable.</td>
</tr>
<tr>
<td>11.</td>
<td>If other people start talking about the company that has made the greatest contribution to society, I will instantly think of a company that engages in philanthropic marketing.</td>
</tr>
<tr>
<td>12.</td>
<td>I care not only about the products related to philanthropic marketing; I also care about other products of this company.</td>
</tr>
</tbody>
</table>

### Consumer satisfaction of CSR performance

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>A company that engages in philanthropic marketing has improved its brand image.</td>
</tr>
<tr>
<td>2.</td>
<td>A company that engages in philanthropic marketing has established its product value.</td>
</tr>
<tr>
<td>3.</td>
<td>A company that engages in philanthropic marketing has attracted media coverage.</td>
</tr>
<tr>
<td>4.</td>
<td>A company’s philanthropic marketing is a meaningful charitable activity.</td>
</tr>
</tbody>
</table>

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**About the authors**

Tracy Tsui-Hsu Tsai is an Assistant Professor of Marketing at the Department of Marketing, Takming University of Science and Technology in Taiwan. She holds a PhD from National Cheng Chung University, Chiayi, Taiwan. Her research interest lies in corporate governance, philanthropic marketing and corporate social responsibility.

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