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The problem for business is business

Exploring how consumers legitimize marketing strategies that publicly declare a moral or political stand

by

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Abstract

The purpose of this thesis is to gain an understanding of the credibility gap between consumers and marketing strategies that aims at gaining moral legitimacy by taking a stand, since it is becoming increasingly important for companies to gain moral legitimacy. By triangulating theories within consumer culture theory, corporate social responsibility and organizational legitimacy and conducting a qualitative empirical study on consumer perception of the research phenomenon, we identify how consumers legitimize these communicational activities. Our findings show that consumers generally welcome companies to take moral and political stands as long as they align their brand communication with company operations. Consumers pragmatically legitimize the strategy due to dissatisfaction with political progressivity and ascribe the strategy moral legitimacy because they perceive promotion of good moral values to be better than mere pragmatic argumentation. Lastly, they cognitively de-legitimized the strategy due to the assumed "money making motive" of business. Contemporary consumers are well equipped to judge moral statements and easily see through insincere persuasive argumentation that aims at engineering moral legitimacy. Dimensions affecting the credibility gap are consumer awareness, perceived size of company, distance to cause, congruency between saying and doing, degrees of freedom, likeability of company and the moral/political stand, and organizational context. For companies who wish to gain moral legitimacy through such a marketing strategy, actions are needed and transparency through access to "the backstage of business" needs to be granted, in order to cope with the loss of cognitive and pragmatic legitimacy that business is facing today.

Keywords: consumer culture theory, CCT, corporate social responsibility, CSR, organizational legitimacy, communication, advertising, marketing, branding, consumer resistance, credibility gap, CSR-communication

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1 Introduction

After we identified our research phenomenon, we conducted an inspirational interview with the famous Swedish adman Joakim Jonasson who is, among other things, well known for the legendary Diesel commercials in the 1990's. Diesel won numerous advertising awards including two Grand Prix awards in Cannes and was voted its Advertiser of the Year in 1998 (Tylee, 1998). Joakim Jonasson (interview, April 6, 2016) explains how the company outperformed the previous market leader Levis after launching their inventive "successful living" campaign and that the Diesel commercials included political elements which both caused controversy and success. He explains part of his strategy as follows:

"People are always waiting for brave people who stand on the barricades and have an opinion about something. Brands are people, and the most interesting people out there are those who have opinions about something, no matter if it is interesting or not. (...) I usually put it like this: If you have an hour a month of your time where you can have a beer with someone, do you chose someone who only talks about him- or herself and how fucking good they are, or someone who only says what sounds right at the moment but who you notice after 10 seconds doesn't have any opinions of his or her own. Or do you chose someone who is super controversial and has opinions about this and that and is him- or herself? Of course you choose the last one!"

A modern example of this is the British soap retailer and manufacturer Lush. A company who had a turnover of more than £500 million during 2015 and a profit of over £31 million, while openly financing activist groups such as the anti-fracking movement and peaceful groups against the Israeli occupation of Palestine, without spending a penny on advertising (Levitt, 2016).

Another, less controversial, example is how the Swedish grocery store ICA, in the spring of 2016, introduced the new character Abdullah in their commercials and openly declared their pro-diversity position, which led to a heated debate on their social media channels.

Silla Levin, the chairman of the jury for the Swedish advertising award, Guldägget, also recognizes the need for morality in advertising by stating:

"As jury chairman, I want to inspire people who work in this industry to understand what an important job we have. That communication is an incredibly powerful force and that we, together with our clients, can use it in a positive way that will benefit the whole society." (Silla Levin, quoted in Lundin, 2015)

Sachs (2015) wrote in The Guardian that companies no longer can proclaim "We're sustainable. Buy from us." Consumers, according to him, instead expect companies to take a stand in moral issues and not only look inwards in attempts to do good. He also believes that companies need to be more politically disruptive and inspiring than basic sustainable brands in order to become relevant to consumers.

In this thesis we will investigate if these statements hold true. What do consumers really think when companies and their brands publicly declare a moral or even political stand? Do they welcome companies to engage in the moral and political debate, and if so, why? We believe that this is a phenomenon that will become more common in the foreseeable future since companies increasingly are searching for a moral "license to operate" (Castelló & Lozano, 2011). Needless to say, this phenomenon inhabits many interesting aspects and exploring it further can shed light on many dimensions concerning the moral role of corporations in society.

1.1 Background

This thesis will be conducted using literature within the fields of corporate social responsibility (CSR), consumer culture theory (CCT) and organizational legitimacy. More specifically it will build on theories within the theoretical field of political CSR coupled with consumer culture theories concerning branding paradigms and consumer resistance. We will use CCT theories in order to gain a cultural consumer perspective on our research phenomenon, which is when companies publicly declare a moral or political stand. The typology of organizational legitimacy offered by Suchman (1995) will be used as a theoretical lens, or means if you will, to understand consumer reasoning concerning the phenomenon. The typology will also enable us to better understand what Dando and Swift (2003) term the credibility gap, in relation to the research phenomenon. The credibility gap, in the context of this thesis, can be understood as mistrust towards marketing strategies that affects the moral evaluation of companies and their communicational efforts (Dando & Swift, 2003; Seele & Locke, 2015).

1.2 Problem identification

Palazzo and Scherer (2006), the authors behind political CSR-theory, and Holt (2002), an author whose theories on consumer resistance we will use extensively throughout this thesis, argue that there is a mistrust towards business in general, and especially towards their marketing efforts. Scherer and Palazzo (2011) argue that this mistrust in business is due to a loss of both pragmatic and cognitive legitimacy, which especially multinational corporations (MNC's) are suffering from. The loss of cognitive legitimacy is due to societal changes caused by globalization and a growing mistrust towards the capitalist system, and since corporations often are perceived as the protagonists within this system, they are severely affected by this mistrust (Palazzo & Scherer, 2011). The loss of pragmatic legitimacy is largely due to changes within consumer culture, where consumer resistance towards the marketing schemes used by corporations is becoming the norm (Palazzo & Scherer, 2006; Holt, 2002).

In other words, people and in extension consumers, are losing faith in how good corporations really are for themselves and society in large. To cope with the decreasing pragmatic and cognitive legitimacy, Palazzo and Scherer (2006) and Scherer and Palazzo (2011) argue that the remaining form of legitimacy for business to resort to is that of moral legitimacy.

However, since most companies still view CSR-communication as mere marketing or PR-campaigns and thus use instrumental communication techniques, they "fuel the critique" of CSR-communication from stakeholders (Seele & Lock, 2015, p.402). Because of this, stakeholders do not prescribe moral legitimacy to companies, which cause a "credibility gap" in their communication (Seele & Lock, 2015). This is perhaps not so strange when companies such as Exxon Mobile extensively advertise their support for renewable energy science while they have spent vast amounts of money on climate denial research and legislation (Browning, 2016; Goldenberg, 2015). These attempts to insincerely communicate responsible behavior are often referred to as "greenwashing".

As mentioned, in this thesis we will have a consumer perspective on our research phenomenon, which makes the stakeholder relationship relevant for this thesis, the consumer – company relationship.

"The credibility gap" is a term first used in the CSR-context by Dando and Swift (2003), who built their concept around the notion that trust is a key element in credibility, especially concerning business responsibility. Seele & Lock (2015) further argue that the level of moral legitimacy is positively related to the level of credibility that deliberative communication obtains. We therefore build on the arguments that trust, and thus credibility, is an essential element needed in order to establish moral legitimacy, especially in communicational efforts. The reason why communication and moral legitimacy are so tightly linked is well explained by Castelló and Lozano (2011, p.21):

"Moral legitimacy results from communicative activity (Suchman, 1995) in which the actors try to persuade each other to take joint collective action or decide what direction is suitable. By means of moral legitimacy, firms support their "pathos" with constructs that are close to the values and beliefs of their stakeholders."

To use the reference in the quote, whose theories will be thoroughly used throughout this thesis, Suchman (1995) argues that one of the most prominent strategic outcomes of legitimacy is credibility. Based on this circular argument, we believe that legitimacy is a good way to analyze credibility gaps concerning communicational efforts made by companies. This is why we will use Suchman's (1995) typology of legitimacy as a theoretical lens to understand how consumers form their reasonings concerning when companies take a moral or political stand.

In a study by Castelló and Lozano (2011), they concluded that discourses in sustainability reports from corporations increasingly use a rhetoric that aims at gaining moral legitimacy. In other words, companies are using more moral argumentation to defend their actions and their right to exist, and we believe that this is happening in messages aimed directly at the consumer as well. These messages can occur in advertisements or through media, but they all seem to have one aim, to gain moral legitimacy from consumers. Castelló and Lozano (2011, p.21) highlights the possible problems this can cause and states:

”However, the danger remains that some corporations might be willing to engineer moral legitimacy by manipulating public discourse and by setting public agendas.”

We interpret this sentence, and especially “…setting public agendas”, as aimed at companies who publicly promote judgments of what can be considered as morally or politically ”right” or ”wrong” behavior through marketing efforts. But is it really as bad as Castelló and Lozano (2011) make it sound? What do consumers think about this?

By referring to Palazzo and Scherer (2006) and Ashforth and Gibbs (1990), Castelló and Lozano (2011, p. 21) highlights the risks companies take when entering this “moral domain” through public discourse by stating:

”...the attempt to engineer moral legitimacy, for example, by means of instrumental public relations or political lobbying, may even increase moral indignation and further reduce public acceptance.”

This thesis will explore why attempts like these might cause moral indignation, and why it might cause moral legitimization. We will do this by exploring if and why companies are welcomed into this communicative activity, where they (cynically speaking) can “engineer moral legitimacy” by using a marketing strategy which communicates a moral, or even political stand.

As mentioned earlier, we will use consumer culture theory (CCT) to further understand the underlying reasons for the phenomenon and to help us analyze our empirical material. More specifically, we will use CCT on the topic of consumer resistance, since we believe mistrust largely can be understood as a “resistance” towards communicational efforts.

To sum up, businesses are facing legitimacy problems due to big societal and consumer culture changes that are occurring (Palazzo & Scherer, 2011; Holt, 2002). These problems, in turn, create a credibility gap between consumers and corporations concerning communication seeking moral legitimacy (Seele & Lock, 2015). To cope with these problems, corporations are increasingly trying to establish moral legitimacy through communication (Castelló & Lozano, 2011). In this thesis we will conduct a qualitative empirical study on how consumers legitimize or de-legitimize this communication strategy and what reasoning they use when forming their opinions on the matter.

The aim of this study is thus to gain a better understanding of how consumers legitimize or de-legitimize the research phenomenon and to apply our empirical findings to theories in order to gain an understanding of what it is that characterizes the credibility gap when companies take a moral or political stand.

1.2.1 The research phenomenon

The famous quote attributed to Milton Friedman "The business of business is business" is not only a classical quote, but it is also a very good description of the "natural habitat", or as we will refer to it, the traditional domain of business. In Friedman's (1962 cited in Carson, 1993, p.5) "Capitalism and Freedom", this domain is further explained as follows:

"In such an economy ["a free economy"], there is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud."

But as we will explain in this thesis, societal and consumer cultural changes are creating a demand for more responsibilities on businesses, and companies are meeting the demand by taking on responsibilities traditionally carried out by other social actors (Crane & Matten, 2010; Holt, 2002; Scherer & Palazzo, 2011). When businesses take on more responsibilities, we argue that they venture out of the traditional domain of business and instead enter an unregulated "moral domain" governed by morals rather than hard law.

Moral should here be understood as "Concerned with the principles of right and wrong behaviour" (Oxforddictionaries, n.d.), which we will argue becomes increasingly hard for businesses to navigate through due to societal changes (Palazzo & Scherer, 2006). In order to navigate in this "moral domain", companies need to follow a set of values. Values should here be understood as "principles or standards of behaviour; one's judgement of what is important in life." (Oxforddictionaries, n.d.), which imposes judgements of what is to consider important in order to decide what is morally "right" and "wrong" behavior.

The phenomenon we are exploring is when companies actively and publicly communicate these judgments to consumers. In other words, when companies tell consumers what they consider to be morally "right" and "wrong". This is depicted in messages which include a declaration of a moral position, or as we express it, taking a moral stand. Our research phenomenon is thus when a company openly declares what is to be considered "right" or "wrong" based on a set of publicly expressed moral values aimed at consumers. Further, we believe that communicating a political position or stand is an even more concrete depiction of these judgments, and we will refer to this phenomenon as the "political domain".

It is nothing new that companies enter the moral domain or make moral judgments and the phenomenon of communication these judgments are not new either. The fashion company Benetton got famous for their political and provoking commercials in the 1990's (Gobé, 2001) and so did Diesel, according to Joakim Jonasson (interview, April 6, 2016).

But as we will argue for in this thesis, we believe that our research phenomenon will become more frequent and is in need of further research.

1.3 Research Objectives

The aim of our empirical study is to gain a better understanding of how consumers legitimize or de-legitimize marketing strategies from businesses that publicly declare a moral and/or political stand. By conducting a qualitative empirical study on the research phenomenon from a consumer perspective, and combine our empirical findings with literature within political CSR, general conclusions from theories concerning CSR-communication, CCT theories concerning consumer resistance and theories on organizational legitimacy, our objective is to get an understanding of what it is that characterizes the suspected credibility gap concerning our research phenomenon.

1.4 Purpose and research questions

As we will argue for in this theses, we believe our research phenomenon will become more frequent in the foreseeable future and needs exploration since it, to our knowledge, has not been studied from a consumer perspective before.

Further, since the values and beliefs concerning the responsibilities of business is increasingly diverse (Palazzo & Scherer, 2006), we believe that it is likely to be conflicting opinions among consumers concerning this form of communicative activity, or marketing strategy if you will. This would likely cause problems for companies who pursue mass markets, but according to Scherer and Palazzo (2011), such multinational corporations (MNC's) are in the greatest need of moral legitimacy. So it might not be so unlikely, that MNC's increasingly use such communicative activities to obtain moral legitimacy. It is already happening, as we can see in the examples used in our empirical study.

Since we do not know how consumers perceive the research phenomenon or how they respond to it, we need to gain a broad initial understanding of how consumers legitimize or de-legitimize it. In order to achieve this we will conduct a qualitative empirical study on the phenomenon from a consumer perspective. This leads us to the following research questions:

- How are companies' moral and political stands legitimized or de-legitimized by consumers?
- What logics do consumers use in their reasoning and how do these logics affect the credibility gap concerning our research phenomenon?

1.5 Outline of the thesis

In this opening chapter we have presented our research phenomenon, our theoretical background, identified the theoretical problem, our research objective, purpose and research questions, in order to introduce the reader to this thesis.

Chapter two will provide our theoretical review, which we use in order to get a better understanding of some of the potential background factors driving our research phenomenon by reviewing the literature within CCT, CSR and organizational legitimacy. The theoretical review will also be used throughout the rest of the thesis to guide our research design, the analysis of our findings, our discussion and conclusions. The chapter ends with our theoretical framework.

Chapter three will provide a thorough explanation of our research design and approach, data collection method, analysis method, ethical considerations and possible limitations of the research design.

In chapter four we will present our findings together with a parallel analysis of these in relation to the theories presented in chapter two. We will conclude with a development of the theoretical framework presented in chapter two, visualizing our theoretical contribution.

In chapter five we will present our conclusions from chapter four, which will answer the research questions and objectives, presented in this introduction chapter. Further, we will discuss the possible implications of our conclusions on a more general level, the possible limitations of our conclusions together with suggestions for further research.

2 Theoretical review

The aim of this chapter is to get a better understanding of the possible background factors that are driving our research phenomenon and creating the credibility gap. We suspect that these factors are to be found on both the demand and supply side of the phenomenon, which we characterize as the consumer perspective and business perspective. Further, the theories used in this chapter will be used throughout the rest of the thesis to guide our research design, the analysis of our findings, our conclusions and discussions.

The chapter will begin with an argument concerning why we use CCT to understand the consumer perspective and continue with a review of the literature within the field that we find relevant for the objective of the thesis. We will then continue by arguing for the use of CSR-theories and continue with a review of the relevant literature within this field. The third part of this chapter will explain our theoretical lens, namely the typology of organizational legitimacy offered by Suchman (1995). We will then conclude the chapter with the findings from our theoretical review, which we believe drive both the research phenomenon and its credibility gap.

2.1 Consumer culture

As noted above, we will attempt to apply consumer culture theory (CCT) to examine the demand side of the phenomenon. Namely, how consumers interpret brands and companies that use moral and political claims in their advertising and communication directed at them. To what extent do consumers favor companies that pursue this marketing strategy, or even demand its very existence? For clarification purposes it is important to differentiate the concept of a brand from a company as they are interpreted differently. The focus within CCT is generally concerned with brands since it is the brand persona, and not the actual company, that first and foremost influences consumers and defines consumer culture, however, today resistant consumers are forcing companies to align the brand with the company (Holt, 2002).

Consumer culture is not concerned with economic and psychological aspects of consumption but rather the sociocultural, experiential, symbolic and ideological ways consumers relate to brands (Arnould & Thompson 2005). They conclude that CCT research is fundamentally concerned with the cultural meanings, sociohistorical influences, and dynamic relationship between consumer experience and the marketplace within everyday life. Since consumers are assumed to construct their identities through their consumption of commercial goods and images, the consumption phenomena can only be interpreted within the cultural context in which they exist, according to Askegaard (2015).

Corrigan (1996) states that many sociologists would be tempted to date the origins of consumer society to the economic boom of the 1950s. Others would argue that it dates back to the beginning of the industrial society, while McCracken (1988) maintains that consumer society started as far back as Elizabeth I, when nobles began to compete for attention through their consumption practices (Corrigan 1996).

Since we are examining a brand related phenomenon it is relevant to consider marketing implications on consumer culture from the authoritarian modern brand paradigm of the 1950s, through the fragmentation of postmodernity, to the responsibilities demanded of brands in this post-postmodern era (Holt, 2002). By investigating the historical changes that have taken place and the new demands that consumers put on brands, we seek to further our understanding of how consumers legitimize the actions of brands and companies.

2.1.1 Consumer culture and brands

According to Holt (2002), opposition to brands have transformed from being a niche anti-establishment protest to a full-fledged social movement. From a marketing perspective, he finds it difficult to come up with a rational explanation for this behavior. The academic view is that; as long as companies meet the needs of consumers there can be no conflict. Therefore, he argues, it is surprising that the anti-establishment movement target highly successful companies such as Nike, Coca Cola and McDonalds. Holt (2002) argues that there appears to be a tension between consumers and brands that needs to be investigated further.

2.1.1.1. The cultural authority model

The cultural authority model portrays marketers as cultural engineers who solemnly determine how consumers should think and feel (Holt, 2002). Companies used elaborate marketing schemes to seduce consumers and the consumers are in turn obedient to the authoritarian brand meaning. To work properly, consumers have to politically support the capitalist market system and grant firms the authority to dictate their preferences. In reality, however, consumers are often able to outsmart the marketers and create their own, often oppositional, brand meanings through their personal consumption practices. Holt (2002) describes two concepts, which illustrates consumer resistance to the authoritarian model, namely reflexive resistance and creative resistance. (Holt, 2002)

Reflexive resistance refers to concept of the reflexively defiant consumer introduced by Ozanne and Murray (1995). Their idea, according to Holt (2002) is that consumers need to understand the codes of marketing in order to emancipate from the system, which they are involuntary, controlled by. The conscious consumer should, in other words, filter out marketing influence by separating the marketer-imposed code with the intended use-value of a product or service.

To help explain *creative resistance* Holt (2002) refers to Firat and Venkatesh (1995) who introduced the term liberatory postmodernism. They suggest that increasingly diverse consumptions styles and fragmentation will liberate people from the markets' domination and eventually free them from its cultural authority. In their postmodern view of consumer resistance, people instead become cultural producers and actively create their own self and cultural meaning.

In the first two decades of the 20th century, before the establishment of the contemporary advertising industry, there were two guiding principles of branding. The first principal was to create economic legitimacy by educating the consumer about the product and the second principal was to deceit consumers with exaggerated product claims. After the 1920's, advertising became an organized business practice and these early principles gradually transformed into what would become the modern branding paradigm. (Holt, 2002)

2.1.2 The modern branding paradigm

The modern paradigm was built on the above-mentioned cultural authority model and the concept of cultural engineering (Holt 2002). Elmo Calkins, a pioneering branding expert, believed that companies should position their brands to express social and moral ideals (Lears, 1995 as cited in Holt, 2002). Building on Calkins ideas, the advertising industry began to link attractive product benefits together with desirable personal characteristics and created brands that embodied the notion of "the good modern life". By embracing motivational research, advertising told consumers how they should live and that brands were a central part of their lives. In this post-war era, manifested by a significant increase of disposable income in the US within the growing middle class, the introduction of television and suburbanization, large corporations flourished. For the first time people had the means to buy into the dictated collective modern lifestyle and automatically felt that they fit into the consumer society. (Holt, 2002)

With the success of this aggressive cultural engineering, both critics and consumers began to question the persuasive influence of advertising and the fact that it pursued material well being far beyond what was necessary for human happiness. Consumers no longer wanted to live in accordance with a model dictated by companies but instead felt the need to freely express themselves through their own consumption choices. Soon marketers realized that the modern authoritarian paradigm had reached a dead end. (Holt, 2002)

2.1.3 The postmodern branding paradigm

According to Holt (2002), postmodern consumer culture was born in the anti-corporate counterculture in the 1960s, the same decade as CSR-research started to become more prominent within academia, as we will explain further in section 2.2.2. Instead of looking to companies for cultural guidance, Holt (2002) describes postmodern consumer culture as an experimental movement where people used consumer goods to pursue individual identity projects.

The premise of the postmodern branding paradigm was, according to Holt (2002, p.83) "the idea that brands would be more valuable if they were offered not as cultural blueprints but as cultural resources, as useful ingredients to produce the self as one chooses". In other words, brands could no longer present only one "good life", but instead needed to cater a buffet of desirable lifestyles. However, to be trusted, brands needed to be perceived as authentic, and to be authentic they had to be driven by moral values and not by their economic agenda (Holt, 2002). This is much in line with the need to gain moral legitimacy that we see today, but we highlight the difficulty of achieving this in the post-postmodern branding paradigm.

Advertisers in the 1960s experimented with new branding techniques that would connect with the postmodern consumer culture. After a decade of experimentation, some successful techniques began to surface. The recessionary decade of the 1970s pushed these techniques lower on the agenda but since the mid-1980s, they returned with full force. By the 1990s each new technique sought to present brands as authentic cultural resources. (Holt, 2002)

Just as critics in the fifties rejected cultural engineering techniques, the anti-branding critics of the 1990's exposed these authenticity claims. One reason for the popularity of Naomi Klein's (2000) book "No Logo" was that she revealed, to a countercultural audience, many of the postmodern techniques that marketers used. The fact that the techniques were devious and concealed the crass realities of profit maximization seems to especially annoy the readers. In addition, the movement also attacks companies for building favorable meanings into their brands for consumers while at the same time mistreating their factory workers in Asia. (Holt, 2002)

In order to counter the corporations, postmodern anti-consumerist found it necessary to engage in activities that would disrupt or subvert mainstream media and advertising, so called culture jamming. An example of this was when a countercultural activist exposed Nike's disregard for its outsourced factory workers, by attempting to make Nike write "sweatshop" on their "customized" shoes. Nike refused and the "stunt" gained heavy media attention, forcing the company to clean up its act. One form of consumer disobedience is coined political consumerism and will be explained further. (Holt, 2002)

2.1.3.1. Political consumerism

According to Micheletti (2003) consumption involves more than economic considerations such as relations between quality and price. She claims that in today's globalized world, citizens are getting increasingly aware of the political and moral consequences of their consumption practices. The political aspects of a product are often hidden but when they become exposed, citizens tend to compare them with their own "philosophy of life and political persuasion" (Micheletti, 2013, p.ix). When citizens act on these considerations they behave as political consumers.

Micheletti, Stolle & Follesdal (2006, p.xxv) defines political consumerism as "the use of market purchases by individuals, groups, and institutions, who want to take responsibility for political, economic, and societal developments." Political consumers, thus, utilize their purchasing power to either support companies with comparable values (buycott) or reject companies they dislike (boycott). They chose products according to the company's moral and ethical conduct in regards to human rights, environmental concern and societal virtuousness (Solomon et al, 2006). Using Holt's (2002) argument that this is becoming more frequent, this phenomenon could very well be one of the forces driving the demand side of our research phenomenon. Solomon et al (2006) also concludes that there is a risk that political consumers may become politically correct consumers and that morality instead becomes moralization. In other words, when companies and consumers reinforce each other's morals and beliefs, progressivity may be hindered.

In the postmodern era, companies obtained authenticity by letting their brands emulate consumer subcultures, everyday life or anything else that would distant it from the corporation (Holt, 2002). But the political consumers demanded that companies had to be transparent and align their image with their doings. The anti-branding movement demanded that, to be authentic, corporations could not simply distance themselves from their brands but rather had to reveal themselves to public scrutiny. According to Holt (2002), consumers wanted to see what companies were doing backstage and were no longer only interested in the polished front stage. They also wanted to make sure that the two worlds were consistent with each other. Brands that got scrutinized first were Benetton, Ben & Jerry's, and the Body Shop simply because they took stands both morally and politically. Soon however, most other brands began to receive the same treatment. Most consumers consider this kind of consumer scrutiny commonplace nowadays, forcing marketers to find new ways to persuade them. Using this argument, sticking your neck might not be as dangerous anymore, since scrutiny will come anyway. (Holt, 2002)

2.1.3.2. Co-optation

One technique that marketers use to persuade consumers in a postmodern manner is co-optation. Co-optation theory sees the commercial marketplace as a force that assimilates the symbols and practices of a counterculture into established norms. When political consumerism threatens to destabilize established norms, companies seek to contain and neutralize these threats and convert the actions by commodifying them. (Thompson & Coskuner-Balli, 2007)

According to Corrigan (1997 p.72), the principal is simple: *"Take a social movement or an idea that look as it is in opposition to the capitalist world as currently constructed, use it to sell more capital goods, and thus strengthen the system the social movement or idea was suppose to subvert."*

Heath and Potter (2004 as cited in Thompson & Coskuner-Balli, 2007) explain oppositional counterculture as a postmodern version of the Veblenian status struggle that has inspired conspicuous consumption. Through the consumption of organic food and anti-establishment premium goods, these consumers gain social status and distinction. Instead of opposing excessive consumption it *"simply feeds the flames, by creating a whole new set of positional goods for these new rebel consumers to compete for"* (Heath & Potter 2004 p.322 as cited in Thompson & Coskuner-Balli, 2007). Paradoxically, this sociocultural phenomenon promotes a symbiotic relationship between oppositional consumers and profit-driven companies relentless pursuit for innovative commodities (Thompson & Coskuner-Balli, 2007) and creative marketing schemes (Holt, 2002).

2.1.4 The Post-Postmodern paradigm

According to Holt (2002), the post-postmodern branding paradigm will succeed the postmodern. Holt (2002) predicts that brands within post-postmodernity no longer will be able to hide their commercial motivations. As consumers see through any discrepancy between brand image and company actions, corporations are forced to do what the say and say what they do. Until they are honest, Holt (2002) claims that brands cause trouble, not because they dictate tastes, but because they allow companies to avoid civic obligations. He states that brands are perceived as deceitful when the brand ideals are disconnected from the consumer, and often contradictory to the actions taken by the company. To cope with this might arguably be one of the reasons for the recent increase in CSR efforts (Lee, 2008). Holt (2002) explains the problems with disconnecting the brand meaning from the actual company doings by going back in time. He argues that when companies and their consumers coexisted in the local community, they were linked to each other. Therefore early consumer product companies and retailers often realized that what was good for the consumer and the community was also good for business. It meant that being a good corporate citizen was also good for their brands.

Today when corporations are getting larger and ownership is disconnected from operations there is no longer a natural link to the branding activities, and corporate activities are often hidden from the consumers. Unfortunately companies have exploited this situation by only committing to short-term financial targets and shareholder value, while at the same time neglecting their environmental and societal impact. (Holt, 2002)

Holt (2002) further predicts that consumers now have to force companies to create a congruency between the brand and the company. When consumer see through the brand image they will start looking for companies that act with transparency and integrity, much like local establishments. They want companies to treat all people with respect, even those who are not customers. Brands will be trusted when they show that they can “shoulder civic responsibilities as would a community pillar” (Holt, 2002, p. 88).

Holt’s (2002) predictions are supported by Micheletti and Stolle’s (2012) concept of sustainable citizenship. They claim that all members of society should do all they can to promote good economic, environmental and equitable social development. This need for good sustainable citizenship should no longer be handled only through government involvement but increasingly by the engagement of individual consumers, NGOs and corporations. The reason for the inclusion of all actors is that they are respectively indispensable contributors in sustainable societal problem solving. (Micheletti & Stolle, 2012)

In the context of Suchman’s (1995) theories of organizational legitimacy, we can interpret Holt’s (2002) modern and postmodern branding paradigms as brands seeking to gain pragmatic legitimacy. In the modern paradigm, brands constructed consumers to fit into the consumer society while consumers utilized brands to construct their own identities during the postmodern era. If these identity projects were fueled by self-interest, Holt (2002) predicts that in today’s post-postmodern paradigm consumers are more concerned with brands that shoulder civic duties and benefit society, or as Suchman (1995) would put it, obtain moral legitimacy. This might help us understand why companies engage in our research phenomenon. Consumer culture demands moral legitimacy and business simply attempts to meet this demand.

2.2 Corporate Social Responsibility

In order to understand how and why businesses increasingly enter the moral domain and how they meet the demand concluded in the previous section, we believe that a review of the literature concerning Corporate Social Responsibility (CSR) is necessary. We start this review with a short introduction to the concept of CSR and continue by reviewing the conclusions offered by the academic literature within CSR-communication. We then proceed by reviewing the historical developments within the field and lastly review recent developments, which might help explain the research phenomenon and strengthen the argument that it might become more frequent in the foreseeable future.

Corporate Social Responsibility (CSR) can be viewed as an umbrella term for a number of related concepts such as business ethics, corporate citizenship, stakeholder management and sustainability (Carroll & Shabana, 2010). The concepts mentioned share the notion that companies have a responsibility that goes beyond the legal and economic responsibilities of the firm (Carroll & Shabana, 2010). The term CSR was up until the late 1970’s almost derided as a joke, but since that time the term has become widely accepted and used (Lee, 2008). For example, the European Commision puts CSR high on the agenda and defines it as "The responsibilities of enterprises for their impact on society" (Corporate Social Responsibility (CSR) - European Commission, n.d.). Another definition, which takes a more cultural perspective on CSR, is offered by Carroll and Buchholtz (2009, p.44), as cited by Crane and Matten (2010, p.53):

"The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time"

This definition incorporates a model introduced by Archie Carroll in 1979, which was further developed by Carroll in 1991 (Crane & Matten, 2010). We believe that this model offers an understandable way of conceptualizing CSR from both an organizational and societal/cultural perspective, which is why we use this model as an introduction to the concept.

The model contains four dimensions or "layers" within the so-called "pyramid of corporate social responsibility", which aims at creating a better understanding of the components within the CSR-concept. The model, as depicted below, divides the concept into four interrelated responsibilities of the firm, where the two bottom layers of the pyramid are required by society while the two top layers are expected or desired by society.

Economic responsibilities can be understood as the economic requirements that a company have to fulfill towards its stakeholders and avoid bankruptcy. The legal requirements are simply to comply with the laws imposed on the company. Ethical responsibilities entails that a company needs to do what that the social environment considers to be right, just and fair. The final layer can be understood as ethical responsibilities that the company engages in which exceeds the expectations from its social environment. (Carroll, 1991)

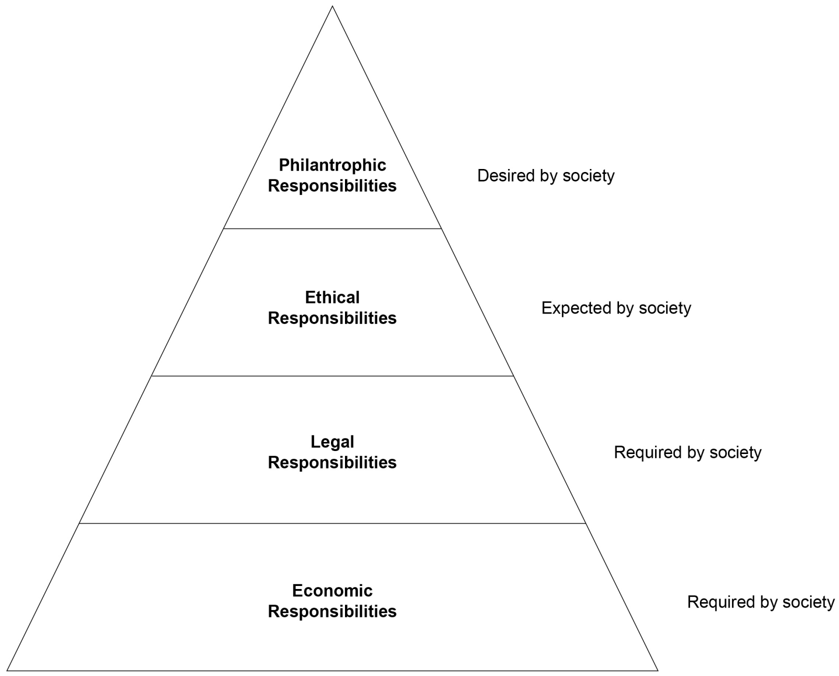

Figure 1: Carroll's four-part model of corporate social responsibility

We believe that certain dimensions and developments within the CSR-field is of greater importance for this thesis, which is why we do not believe that further explanations of the CSR-concept is necessary. Instead we will continue by reviewing developments within the field as well as literature concerned with communicating CSR.

2.2.1 CSR-communication

Since our research phenomenon concerns the communication of moral values, we believe that a short review of what the literature within CSR-communication has concluded will be helpful for the analysis of our empirical findings.

Consumers do not pay much attention to ethical considerations in their purchasing behavior and are in general not willing to pay a premium for ethical products, largely explained by the low awareness concerning companies CSR-engagement (Carrigan & Attalla, 2001). In order to overcome the awareness barrier, companies need to communicate their CSR-engagement (Pomering & Dolnicar, 2009). However, companies that wish to communicate their engagement soon run into the so called credibility gap, which is the latent mistrust in business that cause consumers to view instrumental CSR-communication as greenwashing (Dando & Swift, 2003; Seele & Lock, 2015). This is arguably due to the low level of moral and cognitive legitimacy that businesses possess in contemporary consumer culture (Seele & Lock, 2015; Palazzo & Scherer, 2006).

Further, Sen and Bhattacharya (2001) conclude that the success of CSR-communication is dependent on the perceived consumer-company congruence and the consumers' support of the CSR-issue. The consumer-company congruence refers to how well the consumer can identify with what the company stands for while support of the CSR-issue is how important the specific social or environmental cause is for the consumer. Further, Du, Bhattacharya and Sen (2010) conclude that you have to link the CSR-issue to the company's core-business for the communication to have the greatest impact on consumers. In other words, you have to link the cause to the core business, make sure that the issue is perceived as important by the consumer and make sure that the values that your brand represent is in line with the values of your potential customers.

Another suggestion to overcome the credibility gap, according to Ellen, Webb and Mohr (2006), is to make sure that the message is perceived as both value-driven and strategic. When the motives stated by the company do not correspond to the perceived motives, negative outcomes from CSR-communication are more likely to occur. Similarly, when the CSR-message is more about the social issue than the company and its product, consumer skepticisms is likely to occur since it does not fit with the perceived motive to gain financially from the communication (Du, Bhattacharya & Sen, 2010). In other words, consumers are well equipped to understand the motives behind engaging in CSR and communicational attempts that do not recognize this are perceived as deceitful marketing schemes, much in line with Holt's (2002) arguments explained in section 2.1.3.

To conclude, we can see that consumers pay little attention to CSR-activities and have a tendency to cynically see through CSR-communication, which creates a credibility gap. We offered some instrumental approaches to overcome this problem but highlight the underlying factor that seem to undermine CSR-communication, namely the latent mistrust in business motives and actions.

To overcome these problems, Seele and Lock (2015) suggest that CSR-communication has to become more inclusive of the recipients and evolve from being mere instrumental one-way communication and instead become what they term "deliberative communication". The objective of the communication should, according to Seele and Lock (2015), be to reach a rational consensus between the company and its stakeholders about how the company's CSR-activity should be executed. They base their suggestions on theories within political CSR, and especially those concerning moral legitimacy, which we will explain in greater detail in section 2.2.6.

2.2.2 Advertising with a social dimension

In contrast to the conclusions presented above, Drumwright (1996) present conclusions based on a study of advertisements that, in one way or another, contains "a social dimension". In other words, it is not based on communication of specific CSR-efforts, which is much more in line with our research phenomenon. In contrast to this thesis however, Drumwright's (1996) study was concerning companies motivation to engage in such advertising campaigns and the conclusions relevant for our study are drawn from the success of such campaigns. In our study we will instead have a focused consumer perspective on a much more specific research phenomenon.

According to Drumwright (1996) some companies choose to engage in advertising with social dimensions for either purely economic or altruistic reasons. Most, however, have a mixed motive. Whatever the motivation, the study found two factors that increase the chance that a social campaign was perceived as successful: the degrees of freedom and company-cause compatibility.

Freedom refers to the company's financial strength, the company culture and previous advertising history. The more freedom the companies have in relation to these aspects, the better. The other success factor is the relationship between the cause and the core business of the company. Here, the most beneficial relationship observed in the campaigns was indirect. Dissonance resulted when there was no relationship. (Drumwright, 1996)

On the other hand, when the relationship was to close consumers perceived the advertising to be opportunistic or exploitative, which we note is contradictory to Du, Bhattacharya and Sen's (2010) recommendations. A personal liking to the social cause among the company's consumers also increased the likelihood of success, which is in line with Sen & Bhattacharya's (2001) conclusions.

The study concludes that, while social campaigns not necessarily are effective at generating sales, they are highly efficient in achieving other company objectives, such as employee motivation or strengthening the company's mission. Also, social advertising, whatever the motivation, can have positive social benefits. (Drumwright, 1996)

2.2.3 Historical developments of CSR

In order to understand why companies increasingly engage in CSR (Lee, 2008) and why these activities are being communicated to consumers, we need to understand the development of CSR over time. CSR development has also been affected by changes in the social environment and continue to be so (Lee, 2008), which might be of significance in relation to our research phenomenon. It can also be good to understand how companies have worked with responsibility issues while keeping the branding developments in mind, which we explained in section 2.1.1. Both the branding developments, as explained by Holt (2002), and CSR developments stems from the US context, which makes it possible to draw some parallels between the two fields of research (Crane & Matten, 2010).

The idea that companies have responsibilities that go beyond the economic responsibilities of the firm has been around for centuries (Carroll & Shabana, 2010). But it was not until the mid

20th century that the field really “took of” and some argue that Howard R. Bowen’s book “Social Responsibilities of the Businessman” in 1953 was the start of the CSR-field (Lee, 2008; Carroll & Shabana, 2010). In the 1950s the main ideas concerning CSR, or business ethics, was the view of the manager as a public trustee, managing corporate resources and corporate philanthropy (Carroll & Shabana, 2010).

It did not take long before formal critique towards the ideas arose, with Theodore Levitt (1958 as cited in Carroll & Shabana, 2010) warning about the dangers of social responsibility. His main critique was that the main responsibility of business was to create material welfare and that a social focus would erode the profit motive which was seen as essential for the success of business. The social welfare was instead the job of governments. (Carroll & Shabana, 2010).

Despite the critique in the late 1950s, interest in the ideas gained more attention in the 1960s, arguably because of the changes in the social environment that the decade experienced (Carroll & Shabana, 2010). The social movements that became prominent in the US at the time, such as the civil rights movement, feminist movement, environmental movement etc., largely drove the interest of CSR in the 1960s (Carroll & Shabana, 2010). The research was mainly focused on what CSR meant and how it would affect business and society in large (Lee, 2008). A parallel to Holt (2002) should be noted here, namely that the critique of cultural engineering managed by marketers arose parallel to these CSR-developments which gave way for the postmodern branding paradigm. The decade thus seemed to experience a general mistrust towards business operations, at least in the US.

During the 1960’s, Milton Friedman introduced his thoughts on CSR in his book “Capitalism and Freedom” (1962) and seven years later, in his New York Times essay “Social Responsibility of business is to increase its profits” (1970), where he made it very clear that the role of business is to maximize profit, and nothing else (Carson, 1993). His arguments can be seen as twofold, where they on one hand built upon the rights of shareholders and the duties of their business executive agents to do as they are told (Carson, 1993). The other side of his arguments are more philosophical and utilitarian in nature and rests upon Friedman’s conviction of “... the felicific tendencies of the free market” (Carson, 1993, p.4). His views have been very influential and most literature within the field of CSR is “at least partly in reaction to Friedman” (Carson, 1993, p. 3).

Despite the critique, CSR research continued in the 1970’s and changed as researchers started to focus on how to define and measure CSR (Lee, 2008). A distinction between Corporate Social Responsibility and Corporate Social Responsiveness also started to emerge as business saw a need to get in line with the social environment, i.e. to respond to demands rather than a proactive or moral motivation to engage (Carroll & Shabana, 2010). From this distinction stemmed the growing focus on measurements of CSR and its outcomes. This drew the field closer to what Carroll and Shabana (2010) call “the business case of CSR”, which is the focus on why companies would benefit financially from CSR and how they can do it in the most efficient way. In the late 1970’s and 1980’s the research thus started to focus on exploring the possible link between CSR and corporate financial performance (Lee, 2008).

In the 1990's and early 2000's a lot of researchers started to explore the effects that different aspects of CSR had on consumer behavior, which results we explained in greater detail in section 2.2.1 (Lee, 2008). Another focus also started to emerge, namely that of "creating shared value" by Porter and Kramer (2011). The idea rests upon the assumption that if you contribute to your social and environmental context with the resources your firm best can handle, than the contextual improvements will benefit the firm at least as much as your initial investment cost (Porter & Kramer, 2011).

Today CSR has become a widely used concept by business and most of the fortune 500 firms actively promote CSR-efforts in their annual reports. By contrast, in 1977 less than half of the fortune 500 firms even mentioned CSR in their annual reports. (Lee, 2008)

2.2.4 Towards a new paradigm within CSR

The historical development and general conceptualization of CSR, described above, is derived from the currently dominant economic paradigm, which strictly separates the roles of business and governments in society. This leads to an instrumental approach towards CSR, which in many cases aims at contributing financially to the company rather than viewing the company and its CSR-efforts in a wider social context. (Scherer & Palazzo, 2011)

The world is becoming increasingly globalized, with corporations gaining more power within society as a consequence of a general dismantling of tasks traditionally executed by government institutions, for example (Crane & Matten, 2010). At the same time, multinational corporations are getting out of reach from nation-state regulations, which is why a less instrumental view on CSR is starting to emerge among both practitioners and academics (Scherer & Palazzo, 2011; Seele & Lock, 2015). The concept of corporate citizenship and political CSR tries to understand and explain this new way of looking beyond instrumental approaches to CSR, which might help to explain the underlying reasons to why companies start entering the moral domain.

2.2.5 Corporate Citizenship

There is no established definition of what corporate citizenship (CC) really is, largely because it is a relatively new term within the field of business ethics and CSR (Crane & Matten, 2010). Many definitions are very closely related, and sometimes interchangeable with CSR (Matten and Crane, 2005). However, Crane and Matten (2010, p.78) offer a more comprehensive definition:

"Corporate Citizenship describes the corporate function for governing citizenship rights for individuals"

This definition is derived from what Crane and Matten (2010, p.78) calls *"the extended view of CC"*, in which they take a starting point in individual citizens social, civil and political rights, as a way to explain the concept. Traditionally *"the key actor for governing these rights for citizens"* has been the government, but as governments sometimes fail to take on these roles together with an increase in corporate power, corporations increasingly take on these roles instead (Crane & Matten, 2010, p.77). To better understand this argument we will explain each dimension in greater detail.

Social rights can be understood as the freedom to participate in society by gaining access to various welfare aspects, such as education and healthcare (Matten and Crane, 2005). In the realm of CC, corporations rather than governments are taking on activities such as providing health care, paying for education or feeding homeless people.

Civil rights can be understood as the right to freedom from abuse by various actors in society, such as freedom of speech, ownership and freedom to engage in "free" market transactions (Matten and Crane, 2005). The role of corporations when it comes to civil rights, is when they apply pressure on governments to either encourage or discourage governments to withhold civil rights (Crane & Matten, 2010). A recent example of a corporation defending civil rights is Apple's dispute with FBI. Apple refused to help FBI unlock the iPhones of suspected terrorists behind the San Bernardino attack in 2015 by claiming to lawfully defend the right to privacy (Grossman, 2016). An interesting aspect of the Apple example is that they went out publicly with their reasonings and thus affecting the opinions of the general public rather than through traditional lobbying. It is interesting in the context of this thesis since they publicly enter what we call the political domain.

Political rights can be understood as the right to participate in society by voting, being able to hold office and generally to participate in society outside ones own private sphere (Matten and Crane, 2005). With political rights comes the right to criticize the political direction of governments, and increasingly the aim of critique has instead been corporations. (Crane & Matten, 2010)

These rights, increasingly governed by corporations, in effect turns companies into political actors in similar ways as governments often are viewed (Crane & Matten, 2010). This might partly help to explain why some companies choose to take a political stand; they might simply comply with their new role as a political actor.

2.2.6 Political CSR

Political CSR is a similar concept to CC but is more focused on the role of business as a co-creator of global regulations together with other actors within society such as governments, civil society groups and international institutions. When CC tries to explain the new role of corporations, political CSR aims at conceptualizing a new approach to how this political responsibility should be governed and propose new developments of both business and society in large. The motivation for this concept is that the increasingly globalized world makes it impossible for governments to impose their traditional role as the sole governor and creator of regulations that affect business operations. In the words of Scherer and Palazzo (2011, p. 901):

"In a nutshell, political CSR suggests an extended model of governance with business firms contributing to global regulation and providing public goods. It goes beyond the instrumental view on politics in order to develop a new understanding of global politics where private actors such as corporations and civil society organizations play an active role in the democratic regulation and control of market transactions."

The concept stems from reactions to two fundamental and interrelated phenomena that Scherer and Palazzo (2011) argue are dramatically changing our world, and especially the context for business operations of multinational corporations (MNC's). These are globalization, and the post-national constellation that is emerging as a consequence. Scherer and Palazzo (2011, p. 901) define globalization as follows:

"Globalization can be defined as a process of intensification of cross-border social interactions due to declining costs of connecting distant locations through communication and the transfer of capital, goods, and people."

A consequence of this process is a growing interdependence between economic and social actors on a transnational level, which can cause both opportunities and risks for the business community. The factors driving the acceleration of globalization are political decisions (such as deregulation policies, privatization, reduction of trade barriers etc.), political upheaval (for example the fall of the iron curtain), technological advancements (the rise of internet and more efficient transportation methods) and socio-political developments (such as the spread of knowledge and migration). (Scherer & Palazzo, 2011)

2.2.6.1. The post-Westphalian order

The post-national constellation, or post-Westphalian order, is a term frequently used by social scientists and philosophers to describe the world order that is emerging as a consequence of globalization. The Westphalian order is termed after the treaty of Westphalia that ended the 30-year war in 1648, which international lawyers argue mark the foundation of modern state principles. In short, the principle rests on the steering capacity of nation-state authorities, the state's sovereignty over its territory and domestic affairs as well as a monopoly on the use of force within its territory. It is also based on more or less homogeneous national cultures with similar moral values, which leads to a stabilization of social roles and expectations within the state. (Scherer and Palazzo, 2011)

In the post-Westphalian order, these conditions have changed, and the regulative power of nation-states is starting to erode as a consequence. This is because of a growing number of social and economic interactions that are beyond the reach of national jurisdiction (Scherer and Palazzo, 2011). This has lead to relocation of business activities to offshore locations, where the rule of law is insufficient and democratic state governance is absent (Scherer and

Palazzo, 2011). In other words, it is not so much that nation states are becoming powerless, but rather that MNC's are relocating to countries where the laws suit their needs (Crane & Matten, 2010).

2.2.6.2. Increased interconnectedness of organizational contexts

At the same time, civil society and governments are increasingly facing problems with negative and global externalities that corporations cause, such as global warming and international tax evasion (Crane & Matten, 2010). International institutions, such as the United Nations and the International Labor Organization, are unable to solve the issues sufficiently, largely due to the Westphalian principle of non-intervention in domestic affairs, together with the influence of national egoism in international institutions (Scherer & Palazzo, 2011). The increased exposure to negative externalities and knowledge about these by consumers, are creating a self-interested mistrust towards corporations and the regulative institutions (Scherer & Palazzo, 2011). This self-interested mistrust, or pragmatic de-legitimization, will play an important role in this thesis and will be discussed in greater detail later.

To cope with the regulative problems, NGO's seem to play a new role. They are starting to focus more on investigating the actions of corporations rather than that of nation-states. This puts pressure on companies to satisfy the demands of civil society actors, usually NGO's, rather than that of governments (Scherer & Palazzo, 2011). The growing responsibilities of the business sector and civil society sector, traditionally held by government actors, calls for a new perspective on the role of business in society according to Scherer and Palazzo (2011).

The authors of this thesis also note that the increased interconnectedness between different organizational contexts supported by Micheletti and Stolle's (2012) theories of sustainable citizenship found in section 2.1.4. This coupled with the increased corporate power explained in section 2.2.5, might be a driving factor for businesses to enter the moral domain. With power comes responsibility demands, and responsibility often entails moral judgments of what behavior is to be considered as "right" and "wrong". Not least if guiding regulations are absent. We seem to live in a time where these moral evaluations are communicated publicly through media and advertising, which is the phenomenon we are exploring.

2.2.6.3. Social changes in the post-Westphalian order

Another consequence of the post-Westphalian order is social changes, the spread of individualism for example, which we could see was one of the driving forces towards the postmodern branding paradigm, according to Holt (2002). It also brought with it an increased migration of people with different origins on a global scale (Scherer & Palazzo, 2011). This has lead to a gradual replacement of national cultures towards a more multi-cultural set of morals and values within nation-states (Palazzo & Scherer, 2006).

As national or relatively homogeneous cultures within states give way for a more multi-cultural society; values, attitudes and social practices that were once taken for granted in the pre-globalization era are losing their applicability. The result is a business environment that consists of heterogeneous social expectations on business. (Palazzo & Scherer, 2006)

In sum, globalization brings with it more complex legal and social systems, which makes it increasingly hard for companies to exist solely within the traditional domain of business. This is our main argument for why business, in one way or another, is forced into the moral domain. As we will explain in section 2.3.5, this calls for a growing importance to obtain moral legitimacy.

2.2.6.4. Emerging themes within the field of political CSR

Because of the challenges concerning business and CSR, that we described above, Scherer and Palazzo (2011, p. 906-907) suggests five "interconnected institutional, procedural and philosophical themes emerging on the CSR research agenda":

1. The emerging global institutional context for CSR: From national to global governance.
2. CSR as self-regulation: From hard law to soft law.
3. The expanding scope of CSR: From liability to social connectedness.
4. The changing conditions of corporate legitimacy: From cognitive and pragmatic legitimacy to moral legitimacy.
5. The changing societal foundation of CSR: From liberal democracy to deliberative democracy.

Because of the scope of this thesis, we will dig deeper into the fourth of these emerging themes, namely the one concerning legitimacy. But in order to understand this concept better, we will now introduce the theoretical lens we will use to explore our research phenomenon, namely Suchman's (1995) theories on organizational legitimacy.

2.3 Organizational Legitimacy

According to Ashforth and Gibbs (1990, p.177), an organization is perceived as legitimate if it pursues "socially acceptable goals in a socially acceptable manner". In order to conceptualize organizational legitimacy better, we will use the widely cited article "Managing legitimacy: Strategic and Institutional Approaches" by Mark C. Suchman (1995) for the categorization of our findings.

2.3.1 Defining Legitimacy

Suchman (1995) begins with identifying two different approaches towards defining legitimacy, namely a cognitive and an evaluative approach. The cognitive approach towards defining legitimacy focus on when actions and institutions are understandable based on congruence with social norms. In other words, the organization "makes sense" because of some sort of cognitive "taken-for-grantedness" within the societal context. The evaluative approach instead focuses on weather actions and institutions are desirable, related to social norms and expectations. The actions must thus have some sort of value, which is based on conscious evaluations of pros and cons. (Suchman, 1995)

In an attempt to bridge these two approaches towards defining legitimacy, Suchman (1995) offers a comprehensive definition, which incorporates both the cognitive and evaluative dimensions of legitimacy:

"Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions." (Suchman, 1995 p.574)

The term "generalized" is used to capture an "umbrella evaluation" of the entity, which is, to some degree, resilient to particular events but dependent on the historical actions of an entity (Suchman, 1995, p.574). Organizational legitimacy is thus something that is built over time and not a consequence of a single action.

The use of "perception" and "assumption" indicate that organizational legitimacy is based on reactions from observers and that it is something "possessed objectively, yet created subjectively" (Suchman, 1995 p.574). As a consequence, organizations can deviate from social norms and still possess legitimacy if the action goes unnoticed. (Suchman, 1995)

This brings us to the notion that legitimacy is socially constructed, because an entity's behavior is congruent with assumed shared beliefs of a specific social group. Legitimacy is thus "dependent on a collective audience, yet independent of particular observers" (Suchman, 1995, p.574). A legitimized entity can thus deviate from a single observers preferred behavior and still retain legitimacy if it is assumed to be in congruence with a broader social group. (Suchman, 1995)

In sum, and very simply put, an organization or action is thus perceived as legitimate if it pursues "socially accepted goals in a socially acceptable manner", as Ashforth and Gibbs (1990, p.177) put it.

2.3.2 Why legitimacy matters

It might seem like a no-brainer, but it might be good to understand why legitimacy matter for organizations and thus how they can benefit from actions which consumers perceive as being legitimate. One of the most compelling arguments for legitimacy is that it can be seen as a resource that is necessary for the continued existence of an organization (Palazzo & Scherer, 2006). Take for example how the energy company Enron, and its multinational accounting firm Arthur Andersen, ceased to exist after the Enron scandal in 2001 (Brown & Dugan, 2002). Both firms arguably ceased to be perceived as legitimate in the eyes of many social groups, including government and customers, which ultimately contributed to the bankruptcy of both firms.

The reason illegitimate organizations cease to exist is that various social groups stop supplying resources since illegitimate organizations are seen as less worthy of resources, less meaningful, less trustworthy and less predictable (Suchman, 1995). In other words, legitimacy leads to persistence, which means that legitimate organizations almost become “self-replicating” (Suchman, 1995, p.574). Legitimacy thus favorably affects, both how people act towards organizations and how they understand them, which in turn favors both credibility and continuity (Suchman, 1995).

Suchman (1995) also differentiates between two types of support a legitimate organization can gain, namely passive and active support. The former is easier to attain and closely related to the cognitive approach towards legitimacy, in that the organization must “make sense” by positioning itself within an unproblematic social category of activities, for example “doing business”. The problem with this support is naturally that it is more vulnerable since it has few active supporters who will defend it when the legitimacy is questioned, for one reason or another (Suchman, 1995). This might help to explain the rapid loss of cognitive legitimacy that corporations are experiencing today, they simply lack active and widespread consumer support (Palazzo & Scherer, 2011).

Active support, on the other hand then, seeks long lasting audience intervention, often against competitors. This is of course harder to attain and can arguably be the focus of many branding strategies (Suchman, 1995). For example, we all know that one dedicated Apple-fan who will defend the brand against any Apple-scrutiny.

In sum, legitimized actions and organizations becomes more credible and can thus obtain more and better resources from their passive and active supporters than that of illegitimate organizations or actions. In this thesis, we aim at exploring how consumers legitimize or de-legitimize our research phenomenon, which require us to dissect the concept and create different categories of legitimacy. Suchman (1995) offer such a categorization, where two of the categories are based an evaluation and one is based on subconscious assumptions. We begin with latter.

2.3.3 Cognitive Legitimacy

In line with the cognitive approach towards defining legitimacy, cognitive legitimacy is based on shared and taken for granted assumptions in the social environment, namely that the organization, its procedures, output and leaders are inevitable (Suchman, 1995). The acceptance of an organization, individual, or even societal system is in other words based on the assumption that there is no alternative. Much like the slogan attributed to the conservative

British Prime Minister, Margaret Thatcher, in the 1980s to defend her policies, namely that "there is no alternative [to the capitalist system]".

This specific assumption, that there is no alternative to the current economic system, is being increasingly challenged in the societal context and is one of reasons why this form of legitimacy is challenged according to Palazzo and Scherer (2006) and Scherer and Palazzo, (2011). According to them, corporations, and especially MNC's, are seen as the protagonists of this system and thus critique of the capitalist system often take the form of critique of corporations. This is arguably because of some of the factors driving globalization, such as technical advancements (internet and social media) and sociopolitical developments (the spread of knowledge). People not only have better means to detect unsatisfactory labor conditions and environmental concerns. Today alternative solutions are only a click away. A well-known and influential example of this critique and knowledge is Naomi Klein's book "No Logo" (2000) that heavily critiqued the growing power of MNC's. It also reflects Holt's theories about the postmodern branding paradigm explained in section 2.1.3.

Even though cognitive legitimacy usually fosters a kind of passive support, it is in most cases outside the control of managers and still hard, if not impossible, to manage. This is because cognitive legitimacy operates on the subconscious level of individuals. Attempts to manipulate cognitive legitimacy could take it from the subconscious level and soon be scrutinized and in extension lead to a collapse of cognitive legitimacy, if actions under scrutiny are perceived as unacceptable. (Suchman, 1995)

In order to see how consumers prescribe cognitive legitimacy or de-legitimacy to the phenomenon, we will look for general taken for granted assumptions in our analysis of consumer reasoning.

2.3.4 Pragmatic legitimacy

In contrast to cognitive legitimacy, this form of legitimacy is formed in the conscious level of analysis and *"results from the calculations of self-interested individuals who are part of the organization's audience, e.g., the corporation's key stakeholders or the wider public"* (Palazzo & Scherer, 2006 p.72).

Individuals prescribe pragmatic legitimacy if they directly benefit from the organization and/or its activities, in the form of price-reductions or better quality products for example. They can also prescribe pragmatic legitimacy if they perceive to indirectly benefit from organizational activities through macro economic growth for example. In other words, if an individual fail to see how they themselves benefit from an organization's activities, they will not prescribe it pragmatic legitimacy. (Suchman, 1995)

In order for us to explore if consumers prescribe pragmatic legitimacy to our research phenomenon, we will look for reasoning and underlying meanings related to people's self-interest. It is very possible that consumers look beyond their own self-interest and instead start arguing for or against the phenomenon, in reasonings evaluating the phenomenon in accordance to “right” or “wrong” and in relation to the broader society as a whole. This leads us to the final category of legitimacy, namely moral legitimacy.

2.3.5 Moral legitimacy

Much like pragmatic legitimacy, moral legitimacy also operates on the conscious level of analysis, involving moral judgments of an organization’s procedures, output, structures and leaders. However, as Suchman (1995) puts it:

“Unlike pragmatic legitimacy, moral legitimacy is "sociotropic"—it rests not on judgments about whether a given activity benefits the evaluator, but rather on judgments about whether the activity is "the right thing to do." These judgments, in turn, usually reflect beliefs about whether the activity effectively promotes societal welfare, as defined by the audience's socially constructed value system.” (Suchman, 1995, p.579)

Since moral legitimacy is part of an evaluative process concerning ethical/moral judgments and these judgments are drawn from “explicit public discussion” (Suchman, 1995, p. 585), Suchman (1995) argues that this kind of legitimacy best can be accomplished by participating in these discussions. In order to be granted access to these public discussions, it could be argued that a corporation must take a moral stand, which might help explain why our research phenomenon exist to begin with. Especially since a move towards moral legitimacy is one of the emerging themes that Scherer and Palazzo (2011) mention.

Suchman (1995) further categorize moral legitimacy into four sub-categories, namely consequential legitimacy, procedural legitimacy and structured legitimacy. Consequential legitimacy is based on ethical judgments of the outcomes of organizational activities, such as value and quality for example. Procedural legitimacy is based on socially acceptable procedures for producing the outcomes, such as good working conditions for laborers for example.

Structured legitimacy can refer to organizational structures within an organization, if they have a quality control department for example. It differs from procedural legitimacy in that it focuses on “entire systems of activity” (Suchman, 1995, p.581) in contrast to specific routines viewed in isolation. Structured legitimacy can also be understood by placing the organization within the “larger institutional ecology” (Suchman, 1995, p.581) and prescribe a moral judgment based on the industry category in which the organization is perceived to be embedded.

The last sub-category is that of personal legitimacy, which is the evaluation of the charisma of individual organizational leaders. So called “moral entrepreneurs” have been known to play a substantial role in changing the institutional environment within industries and scapegoats have frequently been used to save the legitimacy of a company (Suchman, 1995).

2.3.6 Institutional and strategic approaches to legitimacy

Suchman (1995) distinguishes between two fields within the literature on organizational legitimacy that uses two quite different logics towards understanding legitimacy, namely the strategic approach and the institutional approach. The strategic approach is very similar with the general approach we use in this thesis, which assumes that legitimacy is something manageable, which can be manipulated. The institutional approach, on the other hand, does not distinguish as much between the organizational entity and the sociocultural environment in which it is embedded.

The strategic approach sees legitimacy as an operational resource that can be extracted from the cultural environment. It is thus an instrumental and calculative view on legitimacy used to maximize profit, and thus assumes a high level of managerial control. Further, strategic legitimacy theorists predict recurrent conflicts between managers and their social contexts, where managers favor flexible and symbolic forms of legitimacy while the social environment in general expects more substantial forms of legitimacy. This is much in line with Holt's (2002) argument that consumer resistance is driven by a constant search for authenticity, rather than engineered symbolic meanings provided by marketers. (Suchman, 1995)

The institutional approach to legitimacy, in contrast to the strategic approach, does not emphasize the distinction between organization and the sociocultural environment since the former is an integrated part of the latter. The cultural environment in which the organization is embedded thus decides how the organization is managed, which in extension assumes very little control over legitimacy for managers as well as a low level of conflicts between managers and their stakeholders. (Suchman, 1995)

In other words, the same belief system is assumed to be used by both managers and their constituents. Since we all live more or less within the same social environment, conflicts between organizations and their stakeholders are not likely to occur since their judgments of actions and decisions are constructed by the same belief system. Palazzo and Scherer (2006) and Scherer and Palazzo (2011) argues against this assumption by arguing for a heterogeneous belief system among and within different stakeholder groups, and especially MNC's, as a consequence of globalization. In contrast to the strategic approach, institutional theories also tend to emphasize sectors or industries rather than individual organizations as the level of analysis because of assumed similar value systems towards and within industries or sectors (Suchman, 1995).

Suchman's (1995, p. 577) typology, which we use in this thesis, is built upon "a middle course between the strategic and institutional orientations". The cognitive form of legitimacy can be seen as an institutional approach since it is based on general and taken for granted assumptions within a social environment that, more or less, is constructed around the same belief system. As mentioned earlier, Suchman (1995) argues that this form of legitimacy is very hard, if not impossible, to manage. From a consumer perspective, we believe that the factors that affect this belief system, at least concerning the legitimacy of corporations and their actions, are best found and understood within the context of consumer culture.

The two evaluative forms of legitimacy, on the other hand, stems from the strategic approach to legitimacy (Suchman, 1995). This is due to the evaluative nature of moral and pragmatic legitimacy, which gives managers and marketers a chance to manipulate the outcome of this evaluation. In this sense, the underlying factors driving the research phenomenon from a company perspective, is to strategically manipulate or engineer moral legitimacy by influencing the evaluation process of consumers.

In other words, when companies take a moral or even political stand through public discourse, it can be seen as a strategic marketing effort used to influence the moral evaluation of a company's right to be granted resources from consumers. This is a hypothetical argument based on our interpretation of the literature within political CSR and organizational legitimacy, which might help to explain one underlying reason to why our research phenomenon exist to begin with.

2.3.7 From cognitive and pragmatic legitimacy to moral legitimacy

Above we explained the problems that cognitive legitimacy is facing due to a growing distrust in corporations, explained well by Holt (2002) and Micheletti (2003) concerning the end of postmodernity, and that this form of legitimacy is difficult, if not impossible, to manage. Together with the increasingly pluralistic foundation of values, norms and expectations that we described above, the cognitive form of legitimacy is under pressure according to Palazzo and Scherer (2006) and Scherer and Palazzo (2011). At the same time, the pragmatic form of legitimacy also seems to be challenged due to the growing consumer resistance proposed by for example Holt (2002) and (Palazzo & Scherer, 2006).

Using the categorization offered by Suchman, only one form of legitimacy seems to be left for companies to build upon, namely moral legitimacy. As explained above, this is best achieved through participation in public debate, which sometimes is done by taking a moral, or even political stand.

2.4 Theoretical framework

Consumer culture, according to Holt (2002), is driving marketing towards the post-postmodern branding paradigm. Within this paradigm, consumers are demanding more transparent and authentic responsibilities by companies, which only can be achieved by aligning the brand with the actual company behind the brand and granting consumers access to the "backstage" of business. Further, political consumers, who are on the rise according to Holt (2002), utilize their purchasing power to support their own political convictions (Solomon et al, 2006). At the same time, according to Palazzo and Scherer (2006) and Scherer and Palazzo (2011), globalization and contemporary politics is forcing companies to take on more and new societal responsibilities increasingly making them into political actors.

Meanwhile, and arguably due to these consumer cultural and societal changes, companies are experiencing a loss of both pragmatic and cognitive legitimacy (Palazzo & Scherer, 2006). In response to these changes, companies are searching for moral legitimacy, and since it is an evaluative form of legitimacy (Suchman, 1995), the evaluative process might be manipulated by companies trying to engineer moral legitimacy (Castelló & Lozano, 2011). One way of doing this, that we have identified, is for a company to publicly declare a moral and even political stand, defined as the phenomenon in figure 2 below.

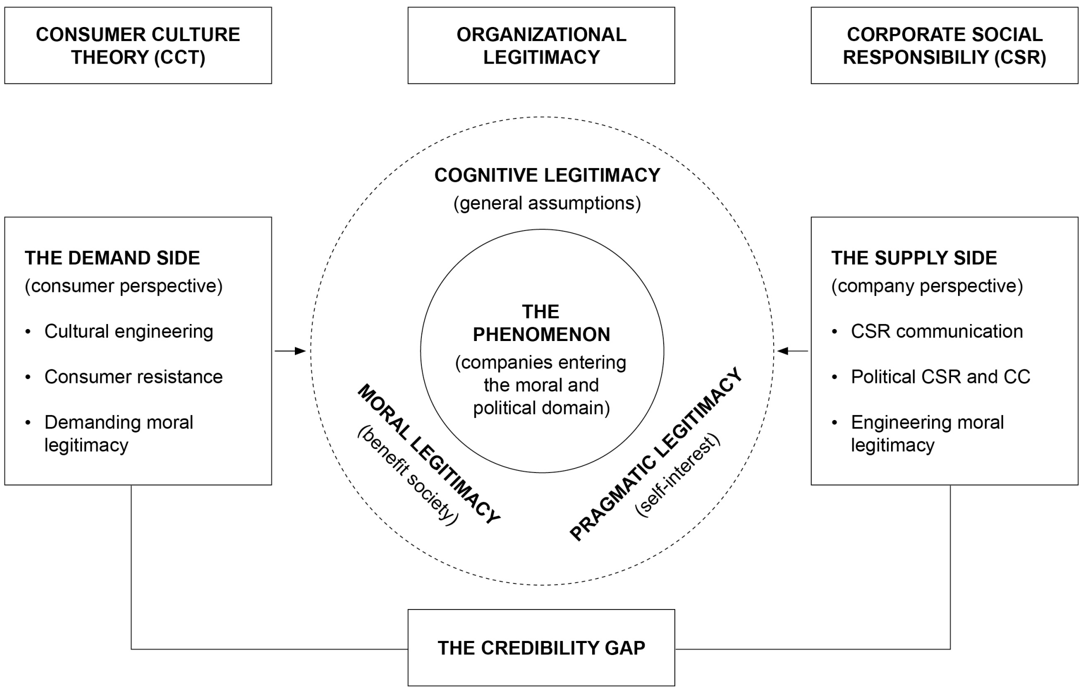

Figure 2: Theoretical framework

As depicted in figure 2, we have used the academic fields of CSR and CCT in order to get a better understanding of the background factors driving our research phenomenon, which explains two of the arrows pointing towards “the phenomenon” in the model. The outer circle encompasses the three typologies of legitimacy that are used to depict how we will categorize the reasonings from the respondents used in our empirical study, concerning the phenomenon.

More specifically, we have used CCT concerning the evolution of branding paradigms, from cultural engineering, through consumer resistance to the demand for moral legitimacy by consumers in the post-postmodern branding paradigm, to understand the demand-side of the phenomenon (Micheletti, 2003; Holt, 2002).

On the supply-side we have used CSR theories, within CSR communication, political CSR and Corporate Citizenship, that take a societal perspective on the role of business in contemporary society in order to understand how companies meet the needs from contemporary consumer cultural and societal changes (Palazzo & Scherer, 2006; Scherer & Palazzo, 2011; Matten & Crane, 2005; Crane & Matten, 2010) and how they end up attempting to engineer moral legitimacy (Castelló & Lozano, 2011).

The credibility gap, as depicted in the model, represents the suspected mistrust from consumers towards communication that publicly declares a moral or political stand. In chapter four of this thesis we will develop this model further, using the findings from our empirical study, by depicting dimension affecting the credibility gap.

Now that we understand some of the underlying reasons for this phenomenon, found within the fields of CSR, CCT and organization legitimacy, we will explore if, why and how consumers legitimize this phenomenon in an empirical study. Using the same theories we built our understanding of the phenomenon on, we will analyze the findings in order to get a better understanding of the phenomenon from a consumer perspective, and the suspected credibility gap, which is the objective of this thesis.

3 Method

This chapter will provide a thorough explanation of our research design and approach, data collection method, analysis method, ethical considerations and possible limitations of the research design. As explained in the introduction chapter of this thesis, the aim of our empirical study is to gain a better understanding of how consumers legitimize or de-legitimize marketing strategies from businesses that publicly declare a moral and/or political stand. Further, the objective is to get an understanding of what it is that characterizes the suspected credibility gap concerning our research phenomenon, which has lead us to the following research questions:

- How are companies' moral and political stands legitimized or de-legitimized by consumers?
- What logics do consumers use in their reasoning and how do these logics affect the credibility gap concerning our research phenomenon?

3.1 Object of study

Since legitimization-processes are based on evaluations and general taken for granted assumptions (Suchman, 1995), the object of study becomes opinions, reasoning and assumptions. In other words, we need to identify opinions that our respondents have concerning the phenomenon, how they reason and their underlying assumptions that help form these opinions and reasonings.

3.2 Data needed

We believe that opinions, reasoning and assumptions are best expressed through spoken or written words, which explains why this is the data needed to answer our research questions. A way of collecting data from written words could in this case be achieved by using netnography since consumers today actively participate in public discourse on social media platforms. We however, believe that the spoken words through in-depth interviews will be beneficiary to our research since it will enable us to penetrate the responses with follow-up questions and get a more complete understanding of the phenomenon.

3.3 Ontological position

Before we create a good research design for the research question above, we have to figure out what ontological position the research question implies. According to Bryman and Bell (2015), social ontology is about the view on social entities and to what extend they can be viewed as “objective entities that have a reality external to social actors” (Bryman & Bell, 2015, p.32). Since we believe that our research phenomenon is highly subjective to social actors rather than objective, we take the ontological position of constructivism. Further, we believe that the subject constructs opinions, reasoning and assumptions, which further strengthen our ontological position.

3.4 Epistemological position

Epistemology is here understood as what we regard as acceptable knowledge (Bryman & Bell, 2015). With the constructivist position in mind, it becomes hard to follow the positivistic doctrine since we assume that the social reality is a subjective reality, which in turn implies that we as observers of this subjective reality cannot make the assumption that there are objective truths that we can test in a valid way.

If we would follow the positivistic doctrine, we would claim that the research could be done in an objective and value free manner (Bryman & Bell, 2015). Since it is hard to observe opinions, reasonings and underlying assumptions in a fully objective way, to follow the positivistic doctrine would be difficult. The way in which we will be able to observe opinions, reasonings and assumptions will be subjective interpretations from the subjects. We as researchers than have to analyze these opinions, reasonings and assumptions with our own subjective construction of reality. In other words, the research question implies a high degree of subjectivity, which makes the interpretivistic doctrine suitable when using our constructivist perspective on social reality.

The interpretivistic epistemology acknowledges the difference between people and the objects of natural science (Bryman & Bell, 2015). It requires the researcher to grasp the subjective meaning of social action, which is more in line with the ontological position motivated above. This epistemological stand has fundamental implications for the research design, not least in what theoretical stance that will guide the research design.

3.5 Inductive theory

Given the above motivation for our ontological and epistemological positions, the natural theoretical stance would be an inductive one. Since we do not know how the subject of study will view his or her reality, it will be hard to use a deductive theoretical stance. Given this study's ontological and epistemological perspectives, it will make more sense to draw theory out of the empirical material generated from the research using an inductive method (Bryman & Bell, 2015). It will also enable us to look beyond the obvious to discover how the relevant opinions are formed and what the reasoning and the underlying assumptions are, which is in line with the interpretive nature of this study (Gray, 2014). Further, since our research phenomenon, to our knowledge, has not been studied, it makes it difficult, if not impossible to test theories concerning the phenomenon in a deductive manner. Instead we use an iterative process where we continuously go back and forth between our findings and existing theories to gain new insights regarding the research phenomenon (Bryman & Bell, 2015).

Of course we will not be able to conduct pure inductive research, given our constructionist view on reality. It implies that it is impossible not to have any theoretical lens as researchers and since we will analyze subjective data through our own subjective lens, the theory will not be drawn purely out of the empirical material (Gray, 2014)(Easterby-Smith, Thorpe & Jackson, 2015). The deductive elements of this inductive research is than, grand and middle range theory as a source for categorization in order to guide the tools of data generation and analysis, as well as provide a language in which we better can mediate our findings (Bryman & Bell, 2015). It will also serve as a tool for discussing consequences of the studied opinions, reasoning and assumptions. Given the motivation above, we think that an inductive approach to the research design is best suited for answering the research question in an in-depth manner.

3.6 Qualitative study

The fact that this research is not trying to quantify a phenomenon implies that the research will use a qualitative method. The emphasis will be on the opinions, reasoning and underlying assumptions our respondents have, which is in line with the qualitative side of the qualitative/quantitative divide (Bryman & Bell, 2015). The choice of using a qualitative method is also in line with the ontological and epistemological perspectives motivated above (Bryman & Bell, 2015).

3.6.1 Semi-structured interviews

As concluded and motivated in the beginning of this chapter, the data needed to answer the research question are spoken words. In order to get as deep of an understanding of the research phenomena as possible, interviews will be the most sufficient way to collect data (Easterby-Smith, Thorpe & Jackson, 2015).

We believe that personal, rather than group interviews, is the best-suited interview technique in order to minimize the risk of dishonest answers from the interview subject. The reason is that the interview subject might be hesitant to talk about his or her opinions and ethical judgments in a group where they might fear to be scrutinized by other group members (Easterby-Smith, Thorpe & Jackson, 2015). Because of the above, we think personal interviews are best suited to create the safe and relaxed atmosphere needed to get rich data and thick descriptions, which this research is aiming for.

The reason that we do not use structured interviews is that we want the freedom to ask follow up questions and adapt the questions to the respondents' reasonings. Further, as explained, we believe that we need to guide our respondents to focus on the research phenomenon, which is why we do not use unstructured interviews.

We do not believe that the location of the interviews will affect the answers from our respondents significantly, which is why the interviews will be conducted wherever it is most convenient for the respondent.

3.6.2 Sample

For the empirical study we did not seek participants on a random basis. Instead we choose a generic purposive sampling. Considering that the examples we expose our subject to are well known Swedish companies with a wide target audience, our aim was to find respondents who have lived most of their lives in Sweden and who are currently living here, people of both genders and a broad variation in age. According to Micheletti, Stolle and Berlin (2012) political consumerism is particularly apparent in the Nordic countries and Sweden stands out as a leader. Therefore we find it especially interesting to conduct the study on Swedish consumers.

Six of the respondents were women and five men, ranging from 25 to 59 years old. In order to get as many different perspectives of the phenomena as possible, we also wanted to interview participants with a wide range of occupations and backgrounds. This would increase the likelihood of gaining varied answers than a more homogenous sample could. For convenience purposes, we chose people from within our own social networks who live in the Malmö/Lund region.

Table 1. List of respondents

Name	Age	Occupation	Residence
Sara	25	Student	Malmö
Tor	25	Student	Malmö
Karin	25	Employee, charity organization	Malmö
Signe	25	Intern, activist organization	Lund
Camilla	38	Student, math teacher	Lund
Felicia	46	Small business owner, hairdresser	Lund
Anders	45	Advertising professional	Malmö
Frank	46	CEO, SMC	Malmö
Olle	48	Employee, pharmaceuticals	Malmö
Nils	50	Self employed, IT	Lund
Lisa	59	Employee, real estate	Lund

The samples included everything from students to CEOs, and both people with employment and self-employment. Some participants were chosen on their basis of their strategic importance (Bryman & Bell, 2015) like in the case of the advertising professional, the CEO and the "activist". Our intent was to gain insight into a wide range of issues related to our research questions in order to understand different consumer perceptions of the research phenomenon. The reason for choosing typically well educated and engaged consumers, to some extent what is referred to as the "informed public" by the Edelman Trust Barometer (Berland, 2014), was to be able to penetrate our interview questions on a deeper level.

We initially intended to sample respondents who were politically active in different parties, from far left to far right, but decided it was better to focus on a more diverse group of interviewees. To begin with, we wanted to get a more comprehensive picture of the phenomena and not just a political perspective. Secondly, we wanted the respondents to answer the questions as consumers and not as ideologically bound politicians.

3.7 Research design

In the beginning of the interview we asked general questions concerning the respondent and their personal involvement with brands, social responsibility and political consumer habits in order to get a picture of them as consumers. The reason for this was that we wanted to gain a picture of how active the respondents were in the consumer culture and see how “resistant” they were as consumers, following Holt’s (2002) case of consumer resistance. Also, we wanted to see if we could categorize our respondents using Micheletti's (2003) theories about political consumers, to see if this played a role in their reasoning.

Since the phenomenon is rather abstract, we decided that it was necessary to expose our respondents to examples in order to get answers concerning the actual phenomenon. Further, we wanted to highlight the “mistrust” or “consumer resistance” from our respondents by getting them into a critical mindset concerning the research phenomenon (Holt, 2002). Advertising, and TV-commercials in particular, was assumed to provoke a critical mindset from consumers, especially in a situation where they were asked to analyze them. That is why we chose to expose them to TV-commercials that included what we perceived as being moral or political statements. Further, we believe that advertising provides a good arena to investigate consumer - company communication.

Before showing each commercial, we asked what they thought of the company behind the commercial. We did this to get an empirical understanding of how prominent the presumed loss of legitimacy was (Palazzo and Scherer, 2006), and exploring what form of legitimacy consumers primarily used to either legitimize or de-legitimize the companies used in the study. In order to get an understanding of how consumers legitimized the companies prior to being exposed to the commercials we chose commercials from companies that have well known brands that all of our respondents were familiar with.

We chose three different tv-commercials from H&M, ICA and Björn Borg, with a variant degree of clearness in their statements, which will be explained in greater detail in section 3.8 In the process of designing this study, we considered using just one commercial in order to reduce the number of factors that might influence the answers. However, after contemplation we decided that using a variety of examples would help us get richer data and give us the opportunity to compare different logics and dimensions that might influence legitimization and the credibility gap.

We do recognize that this type of communication is carried out in other arenas than through advertising, but believe that this is the best arena for the reasons explained above. Further, Holt’s (2002) article concerning branding, assumes that advertising is one of the major communication channels where marketers can engineer the meanings of the brands.

Since we wanted to find out if and how consumers legitimize the actual phenomenon, we needed clear and concrete examples of well-known companies, which engage in this type of communicative action. It proved hard to find clear political statements in the TV-commercial context and we instead chose the example of Spotify, which the week prior to the interviews had published an open letter to politicians. We believe this kind of PR is another influential communication dimension that marketers use, especially to influence public opinion concerning political issues. The letter will be explained in greater detail in section 3.8.3. The four companies mentioned were included in all interviews.

After asking about the company we proceeded by showing them the commercial and then asking questions concerning what they thought and felt about the moral or political message and how it could affect them and society in large. We began by asking if the commercial left a positive or negative feeling directly after the exposure to see if the commercial was legitimized or de-legitimized before the more conscious and reflective analysis that followed.

The questions concerning how the messages could affect society was used in order to see if and how consumers morally legitimize or de-legitimized the statement, since Suchman (1995, p.579) explains that “Unlike pragmatic legitimacy, moral legitimacy is "sociotropic"...”. The questions concerning how the messages affect the respondent, is thus aimed at revealing pragmatic legitimacy since it is related to self-interested evaluations (Suchman, 1995).

When we asked questions concerning if the company behind the message could stand for it, we aimed at revealing the underlying assumptions concerning business and thus gain insights concerning the cognitive form of legitimization (Suchman, 1995). Is it true what Palazzo and Scherer (2006) claims that companies suffer from a low level of cognitive legitimacy, and if so, what assumptions do consumers base their opinions and reasoning on? It was also used to see if consumers would start reasoning about the “brand-company alignment” that Holt (2002) proposes in his thesis. Further we wanted to see if and why or why not there was a credibility gap. These questions also proved useful to explore if consumers perceived that the companies were engaging in co-opting (Thompson & Coskuner-Balli, 2007), which could be a sign of awareness concerning the marketing schemes, which Holt (2002) claims that most consumers see through.

The order that we chose to expose the companies and their commercials in was as follows: H&M, ICA, Spotify and Björn Borg. The reason for this was that we perceived this order to be an increase of clearness of the moral statement. Since we suspected that the ICA-commercial was more political than the H&M-commercial we started asking about the political domain from the ICA-ad and forward with the Spotify example having a closer connection to their core business, while the Björn Borg commercial, on the hand, was very disconnected.

In other words, the commercials became increasingly moral and political in their messages and had a variance in the perceived connection to the company’s core business. This was partly done to investigate if a link between the cause and the core business is as important within this phenomenon as researchers argue for in other CSR-related contexts (Drumwright, 1996; Du, Bhattacharya & Sen, 2010).

Depending on the directions the interviews took we also used other examples when we judged this to be effective in order to get a deeper reasoning concerning the phenomenon. These examples were: A Hampton Creeks’ open letter to the US presidential candidates about the urgent need for healthier food for everybody, a commercial from the Swedish and government owned liquor retailer Systembolaget that proclaims that the monopoly saves 2000 lives a year, a Volvo commercial with the tagline “Made by People” after showing national diversity in their company and lastly the case of Apple's involvement in the personal integrity issue after their refusal to unlock an iPhone on request from the FBI.

The commercial from Systembolaget, explained in greater detail in section 3.8.5, was used to compare legitimization of the phenomenon between government actors and business actors. Is it possible that government institutions are more welcome into this communicative activity than business actors?

In the end of the interviews we explained what our thesis would be about in order to inform out respondents and get additional insights that could be of relevance. Questions here included "what do you think the role of companies are in society?", which aimed to explore if consumer perceptions were in line with those of Scherer and Palazzo (2006) and Matten and Crane (2005).

3.8 The example commercials

3.8.1 The H&M-commercial "Close the Loop"

The commercial begins with showing a variety of people and the voice of Iggy Pop calling on people to be who they want and and dress how they want and then ends with the statement "There are no rules in fashion but one, recycle your clothes". In the end the H&M logo appears before showing the text "Leave your unwanted garments in one of our 3300 stores. We reuse them or recycle them into new clothes." "Recycling one single T-shirt saves 2,100 liters of water". This commercial provides two moral statements, namely "be who you want" and "recycle your clothes". The film can be seen at:

https://www.youtube.com/watch?v=s4xnyr2mCuI

3.8.2 The ICA-commercial "Abbe hälsas välkommen" ("Abbe is greeted")

ICA has run its existing advertising campaign successfully for over 15 years, being awarded the Guinness World Record already in 2007 for being the world's longest running advertising soap opera (Häggmark, n.d.). Fictive 'employees' within a model ICA store play out different sketches and promote weekly sale items. The main characters have been chosen to portray a diverse range of personalities, and guest actors come and go. Character traits have included homosexuality and a person with Down syndrome. The newest character, Abdullah, however has triggered a heated debate on social media. The "episode" where Abdullah is introduced as a new character is the one we used in our study.

One of the "Swedish" characters accidently starts addressing him in English, to the embarrassment of the other characters. In the end of the film Abdullah says, in Swedish: "An Englishman, good with diversity" and the store manager replies "Diversity yes, we are very happy to have him here". This commercial takes a moral and maybe even a political stand for diversity. Together with the commercial, ICA issued a press release which declared that ICA hired over 1000 trainees with a foreign background during 2015, and that the commercials should reflect the stores and customers reality. The film can be found at:

https://www.youtube.com/watch?v=qkFDm5K8rNw

And the press release can be found here:

http://www.icagruppen.se/arkiv/pressmeddelandearkiv/2016/ny-extrajobbare-i-icas-reklamfilm/

3.8.3 Spotify and their open letter "Vi måste agera eller bli omsprungna" ("We have to act or be overtaken")

On April 11th 2016, Spotify published an open letter aimed at both Swedish citizens and politicians. In the letter they proposed three specific policy changes necessary for the company to grow and keep its operations in Sweden. By referring to broad consensus among experts and decision-makers on the matter, the first demand was concerning the housing rental market, where they suggest deregulating it, change tax-structures and other regulations to improve the market in order to make it easier for international employees to find temporary apartments in Stockholm. The second proposal was concerning the educational system. Spotify requested that elementary schools should replace wood and textile shop with computer programming as a compulsory subject. This would enable the company to recruit more skilled workers over time. The last demand was that the government needed to lower the taxes paid on stock options to a competitive level in order for the company to recruit the best talents from all over world and make them partners. If these requests were not met, Spotify threatened to move their headquarters to the US and relocate thousands of existing and potential employment opportunities overseas. The letter can found at:

https://medium.com/@SpotifySE/vi-måste-agera-eller-bli-omsprungna-383bb0b808eb#.lroe3bg9u

3.8.4 The Björn Borg commercial "Love for All"

The commercial is set at a wedding ceremony in a church. The camera is focusing on the faces of two men (one with a priest collar) and a woman. At the climax of the song used in the commercial, the camera angle changes and you see the two men (both with priest collars) kissing each other to the delight of the audience in the church and it is revealed that the woman is the priest who conducts the ceremony. In the end, the couple stand outside the church and a text is shown that reads “Love for all” before it switches to the logo of Björn Borg on a white background the last five seconds of the commercial. This commercial was aired in 2008, a couple of months before the Swedish parliament voted yes on same-sex marriages in Sweden, where six of the seven parliamentary parties voted yes to the proposal. This commercial takes a moral and political stand for same-sex marriage. The commercial can be found at:

https://www.youtube.com/watch?v=gluKuCZF2D8

3.8.5 The Systembolaget commercial “Experten” (“The expert”)

The commercial is in English and set in a Systembolaget store, where the staff walks around the store with a fictive and famous American retail expert. The expert comes with various suggestions for improvements, such as “minimize selection” and “impulse buying at the checkout”, all done in a rather confident, obnoxious and stereotypical “American” manner. In the end he turns to what appears to be the store manager and concludes by stating, “As you can see, there is a lot of things we can do to increase profit, and that’s what it’s all about. Right?”. The store manager than answers “No, not for us.” and the expert responds by laughing hysterically. While he continuous to laugh the screen turns blue with a text stating “The Swedish way to sell alcohol is a bit different.” “But it saves approximately 2000 lives a year.”. This commercial clearly defends Systembolaget’s moral legitimacy, and more sublimely its pragmatic legitimacy by for example highlighting how Systembolaget does not “minimize selection”.

The commercial can be found at: https://www.youtube.com/watch?v=L4t-fCKQCP4

3.9 Reflection on the ethical and political dimensions of the research design

There are many ethical issues to consider when writing a thesis. First of all it is important that all respondent understand the implication of being part of our study. This refers to informed consent and means that we inform each participant clearly about the object of study, what is expected of them, how the data will be used and how the findings will be reported (Bryman & Bell, 2015).

Since one of our objects of study is opinions, the answers from our respondents might been seen as sensitive information. In order to cope with this issue we have changed the names of the respondents in the findings chapter to fictional names.

Considering our sensitive topic of morals and politics it is important that we as researchers remain unbiased when we conduct the study as well as analyze our findings (Easterby-Smith, Thorpe & Jackson, 2015). We cannot let our own personal views affect the research.

3.10 Reflection on the potential weaknesses of the design

To begin with, we recognize that our research design suffers from a rather high level of subjectivity due to the qualitative nature of our research design (Bryman & Bell, 2015). The critique is explained by Bryman and Bell (2015, p.413) as follows: "*qualitative findings rely too much on the researcher's often unsystematic views about what is significant and important, and also upon close personal relationships that the researcher frequently strikes up with the people studied*". In relation to our research design we would like to highlight the possible subjectivity issues in relation to sourcing of example commercials, sampling of respondents and what we view as significant and important in our findings and analysis.

One critique we acknowledge is that there was a big spread among the companies we chose to include in our interviews concerning product-category, business models etc. which might affect the results. The reason for doing this was because the phenomenon, to our knowledge, has not been explored from a consumer perspective before and therefore we could only speculate in how this could affect the results. Because of this, we chose to take a variety of companies in order to find diverse logics and dimensions as well as a broad initial understanding of our research phenomenon and the potential credibility gap.

Most of our respondents were either students at, or graduates from higher education programs as well as urban citizens. A large group of the Malmö-Lund region's population was thus excluded from this study, which should be noted. Another critique we acknowledge is that the sampling was convenient with people from the author's social networks, which might skew the results towards our view on the phenomenon. To increase validity we aimed at minimizing this risk by choosing people with a variety of backgrounds, age and occupations to get as many perspectives as possible (Easterby-Smith, Thorpe & Jackson, 2015).

Being transparent about our data collection and interpretations means an increased likelihood that similar observations would be reached by other researchers given the same circumstances, thus attributing reliability to our research design. If however, different companies and respondents were chosen, we recognize that the findings could differ.

The interviews were conducted in Swedish and the answers used in the findings have thus been translated into English by the authors. This might impose translation problems as some words simply cannot be directly translated and still contain the same meaning. One example is the Swedish word "schysst", which we have translated as "good", in questions such as "do you perceive H&M to be a "good" ("schysst") company?". This translation works well since both words encompass the duality of referring to both being respectable and having moral.

3.11 Data Analysis

The empirical material was collected from eleven semi-structured interviews. Each interview was audio recorded using one of the researchers iPad. All interviews were conducted during the same week, averaging between one and four interviews per day. The week after, all of the audio recordings were transcribed. Two interviews were transcribed in Swedish and the other nine directly to English.

The first step of analysis was to code the transcribed data by company to identify company-relevant dimensions, as well as by interview questions to discover question-related logics and reasoning among our different respondents. The second step was to find common logics and relate them to the theories used in our theoretical review. We also compared prevalent and deviating answers in order to draw more in-depth conclusions concerning the revealed logics. After the initial analysis was completed, we structured the conclusions into seven different dimensions in order to present the finding of our research in a more clear and purposeful manner. We also structured the most prevailing reasoning and assumptions, thereby detecting underlying factors concerning our research phenomenon by using the typology offered by Suchman (1995).

In the qualitative paradigm the questions of reliability and validity have to be redefined as concepts of trustworthiness, rigor and quality (Golafshani, 2003). By comparing our findings to multiple streams of research we intend to increase the likelihood of uncovering the truth in a credible manner.

4 Analysis and Discussion

4.1 Analysis

In this section we will summarize, analyze and discuss the findings from our interviews. First we will go through each of the three commercials and the open letter by continuously applying theoretical perspectives to the opinions, reasoning and assumptions used to form our respondents logics concerning each commercial and company. We then proceed by exploring the logics used to legitimize or de-legitimize the research phenomenon in general, by interpreting our findings through the lenses of pragmatic, cognitive and moral legitimacy. The last section of this chapter explores the seven different dimensions we have identified which affect legitimacy and the credibility gap concerning our research phenomenon.

4.1.1 Analysis: H&M

The majority of the respondents like H&M and do shop there. They thus primarily prescribe pragmatic legitimacy to the company but because of heavy media attention about H&M's historical wrongdoings, some start to talk about labor conditions in their factories, etc, thus morally de-legitimizing the company (Suchman, 1995). They also refer to the low prices they have; that it cannot be done responsibly based on a cognitive assumption. However, the respondents mostly prescribed H&M pragmatic legitimacy when asked what they think about the company. This dilemma is visible in one our respondents answers to the question about what they think about HM:

Felicia: *"I love HM! I love shopping at HM! You always find something."*

In another part of the interview however, she states:

Felicia: *"They are probably a villain. To buy a sweater for 49 SEK and 19 SEK when it's on sale. Who produces it and where? What's the material and what are the circumstances. I'd rather not know."*

Further, the respondents highlight that H&M is a very big company with a business model that is harmful to both the environment and the workers in Asia. The problems they identify with H&M being a big company is that they assume that they cannot control all of their suppliers, there are many steps between management and workers and the size entails a relentless pursuit for growth and profit. As Anders stated:

Anders: *“No I don’t think they… it is a business that are chasing profit and pushing prices. And that has consequences. I don’t think it is possible to have that kind of profit and growth … without there being some victims along the way.”*

The respondent Frank further said:

Frank: *“It is my judgment that they are ‘good’. But I think they are only as ‘good’ as they have to be.”*

The first quote can be seen to reflect the cognitive de-legitimization of MNC’s that Palazzo and Scherer (2006) and Scherer and Palazzo (2011) argue is prominent in contemporary society. The two statements further highlights two different forms of logics used by our respondents when the cognitive assumptions are brought to the conscious level of analysis to reason about H&M’s moral legitimacy. Anders evaluates his assumptions concerning H&M’s “goodness” by using his own moral judgments of these, while Frank refers to the moral demands society in large puts on the company. It should be noted here that Frank's reasoning, unlike most of our respondents, often used this logic during the interview, presumingly because of his occupation as CEO. It can be argued that Anders logic reflects a strategic approach towards legitimizing H&M’s actions while Frank’s logic reflects a more institutional approach, building on Suchman’s (1995) explanation of the strategic/institutional divide of approaching legitimacy.

In conclusion we can say that H&M seem to posses a high level of pragmatic legitimacy but that their moral legitimacy is challenged by cognitive de-legitimization concerning the negative impact related to the fast-fashion industry and big corporations assumed purpose of growth and profit-maximization. The quotes by Anders and Frank further depict two different kinds of logics used by our respondents when morally legitimizing or de-legitimizing a company and its actions.

4.1.1.1. Analysis: H&M-commercial

After showing the commercial, the first impression from the respondents was often that H&M said and did something good with their advertising space by stating that it is okay to be whomever you want to be. It was a bit of a surprise for most respondents that it ended up talking about recycling. The arguably moral message of “be whoever you want to be” was generally perceived well and the respondents did not have a problem with a company such as H&M using this form of moral argumentation. The same goes with the message that you should recycle your clothes and that this is backed up by a concrete action that the company provide in their stores.

Karin: *”It is a really good commercial. (…) Because it opens up how you think. Then maybe like the message in the end, it twists the thinking behind it. You can be whomever you want, there shouldn’t be any rules how you look and how you dress and who we identify ourselves as.”*

There was, however, one main and assumed problem that it did not take long for any of our respondents to identify, namely that H&M still wants to sell more clothes. The perceived hypocrisy that was evident was that the root to the problem for the environment is consumption in general, and especially in the way H&M's business model allows. The cognitive assumptions concerning the single goal of large corporations, namely to earn more money for money's sake, often became prominent in reasonings and created a dissonance between the message and its sincerity for the respondents.

They felt that H&M capitalized on a "good" trend in order to get people to buy more, which ultimately would only worsen the environmental problem. This shows that consumers in one way or another often are aware of the co-opting phenomenon and see it as problematic when reasoning about the problem (Thompson and Coskuner-Balli, 2007). It can also be argued that the notion of opportunism occurred since the relationship between the cause and the company was to close, using Drumwright's (1996) theories, and thus connected the problem with H&M. In other words, all our respondents were more or less aware of the marketing scheme, which strengthen Holt's (2002) conclusion that the postmodern branding paradigm is running into a dead end due to consumer awareness and resistance.

Frank: *"Because it is hypocrisy. I mean, for me it becomes hypocrisy when… H&M wants to sell more clothes, but they go out with a message that you can recycle them. For me it becomes a hidden message in the background and I think the consumer sees through that. I think it in some way becomes dishonest. 'We want to sell more clothes but you understand that it creates a mountain of clothes in your closet because we want you to buy new ones all the time. So here is what. Recycle them and there is no problem and you can buy as much as you want, we make them into new ones. Then we make more money and you get a good conscience.' Then I think it works. But when you try to disconnect the part that they exist in order to make money, then it just becomes stupid I think."*

The prominent logic among our respondents in their reasoning, which explains the notion of opportunism and exploitation, was thus a feeling or perception of "untruthfulness" in the message due to the perceived company motivation (Ellen, Webb & Mohr, 2006). This perception pragmatically de-legitimized the communicational effort and confirms Holts (2002) thesis as explained before the above quote.

A paradox in reasoning about this dissonance was that many of the respondents still thought it was a really good thing that such a large company as H&M chose to promote what most respondents thought was good values and actions through advertising. They thought it was good because it could reach a lot of people and help make the world become a more accepting place for all kinds of people and to create awareness concerning how we all can help to "close the loop".

Sara: *"It is important that it is brought up. And when there now is a lot of young people who watch this and someone feels like 'I want to wear girl-clothes' then there is someone who sees that person and 'ah, it is okay' and that it doesn't matter how you want to be, what you want* *to wear, and I think that is important. And then that with recycling, which is also important that they bring up. And that people can leave clothes there, that's really good!"*

In other words, the commercial gained moral legitimacy through its value and action based messages and the impact it might have on the values of others. The cognitive de-legitimization of business in general weakened the positive perception of H&M's commercial and created a sincerity-problem. This can also be understood using Holt's (2002) theories, since consumers assume that there is a poor brand-company alignment. In general however, it does not seem to be a problem for consumers that H&M take a moral stand, even though they assume an egotistical motive behind it.

4.1.2 Analysis: ICA

Most of our respondents had a good relationship with ICA and described their relationship in self-interested terms such as "good assortment", "clean", "safe" etc. Some of the respondents referred to a life-long relationship with the retail chain, which made some of them prefer ICA other Swedish grocery chains.

When asked if they perceived ICA as a "good" company most had a favorable image of ICA but could not really explain why. When discussing it further it became evident that the brand possessed a good image while the company behind the brand had a less favorable image. A quote from Signe concerning if ICA is a "good" company highlights this:

Signe*: "No, but my image of ICA is pretty good."*

As mentioned, the comment above highlights the discrepancy between the perception of ICA as a company and a brand, which Holt (2002) claims to be problematic. In this case Holt's (2002) claim is contradictory to our findings. This could be explained by the referrals to ICA's long lasting advertising campaign, which often were perceived as funny and inclusive with a diversity among the characters used in the commercials. This apparently increased the moral legitimacy of the ICA-commercial as the quotes below highlights:

Lisa*: "All of this with their commercials, they have a message in one way or another. (...) They have dealt with contemporary issues".*

The moral legitimacy that the ICA-brand seemed to posses could further be explained by the organizational structure that ICA has with local traders who personally own most of the ICA stores. This structure opened up for an explanation of the positive image since it gave the ICA-brand a local touch. Some respondents referred to the good things its local ICA-store were involved with and that they could adapt to local conditions better.

Signe*: "But then it is my local store. Then they know where the bananas come from and stuff, right?"*

In other words, the logic used by some of our respondents when morally legitimizing both ICA and their moral argumentation was that ICA in some ways were perceived as local. By being perceived as local, or at least “semi-local”, ICA circumvented the loss of cognitive legitimacy that Palazzo and Scherer (2006) and Scherer and Palazzo (2011) argue for.

However, the fact that ICA is the biggest retail chain in Sweden with over 50% market share shed light on the fact that ICA still was a big corporation that assumingly had contributed to the high price levels of groceries in Sweden.

Anders*: “I think they are to much of a power factor that affects the prices on food in Sweden.”*

One prominent form of logic used in reasoning used to either prescribe or not prescribe moral legitimacy to ICA was thus based on the perception of ICA as both a local and large company.

In conclusion, ICA seems to posses a relatively high level of moral legitimacy because of logics concerning the consistency in their marketing together with perceptions of ICA-stores as local companies. They also possessed a high level of pragmatic legitimacy because of assortment and other store aspects. They suffered from a lower level of moral legitimacy when their size and dominant position in the market was prominent in reasoning based on cognitive taken for granted assumptions concerning their size.

4.1.2.1. Analysis: ICA commercial

The commercial was generally perceived well because the respondents thought it was funny, included a diversity of people and promoted Swedish products. When asked if they thought they took a moral stand most respondents thought so, but not everybody could see the moral connection. The perception of a political connection was however more visible and was largely explained by the political debate that was current in Sweden at the time of both the commercial and the interviews.

All of our respondents expressed sympathy with the stand that ICA made, namely pro-diversity, which made most respondents positive to the stand. Interestingly enough, many respondents expressed a desire that ICA made the pro-diversity claim even more prominent in the commercial. In other words, they liked the fact that ICA took a stand, which clearly shows that this is a moral and even political domain that a company like ICA legitimately can enter. When asked if they could have made the ad more political one respondent answered:

Felicia*: ”Absolutely! They could film how they let a beggar outside of the store come in and work at ICA. The casting [of Abdullah] was to clean; he fit the ICA profile except for that he wasn’t Swedish. That’s not enough.”*

Unlike the H&M-commercial, not all of our respondents expressed concerns about the moneymaking nature of business in relation to ICA's commercial. Of course it was brought up, with one our respondents stating:

Frank*: "It is the same thing here. It is very dishonest to try to take advantage of something that they don't really stand behind or have worked for in any way. It is equally stupid as Volvo's made by people campaign. (...) So fucking dishonest. They try to take advantage of a phenomenon that is happening and don't give a shit about it at all."*

This statement shows how a respondent identifies that ICA has co-opted the migration debate and use it to gain moral legitimacy for their own purpose. The sincerity was thus questioned by some of our respondents much in the same way as the co-opting awareness concerning the H&M-commercial as explained in section 4.1.1.1. However, most of our respondents did not use this logic to de-legitimize the commercial, instead they used another kind of logic to legitimize the commercial, which we will explain below.

Most respondents mentioned that they only used part of the public debate in their commercial in a way that almost was expected in ICA-commercials. The consumers were used to the fact the new characters on the theme of diversity enter the ICA-commercial setting, and saw Abdullah to be a rather obvious, politically correct, next step for ICA to take.

Felicia*: It felt like they were forced to include a non-swede. Some people might find it racist but I don't. They have had the same concept for a very long time. They introduced a person with Down syndrome and a homosexual. They want to show that they like diversity."*

This highlights a rather interesting aspect of the ICA-commercials, which evoked a logic that legitimized the commercial. They have managed to build an advertising platform over an extended period of time where they in a humorous way take up various social issues that are influencing public and political debate. The logic used to legitimize the commercial was thus that ICA has done this for a long time in an acceptable manner.

According to the findings from this specific example, the argument by Scherer and Palazzo (2011), that companies need to gain moral legitimacy because of a loss of cognitive legitimacy, seems to be possible. This is because the relatively high level of moral legitimacy that ICA seems to enjoy makes consumers circumvent the business aspect when forming opinions about ICA's right to enter the moral and political domain through advertising. Apparently 15 years of a consistent marketing strategy seems to pay off. Another quote by Lisa highlights this further:

Lisa: *"Perhaps. You have to feed the market. You cannot go in with a huge sledgehammer. You start out small. Like ICA has done. They've been doing it for a long time. ICA would not have been able to start with this advertising. It would not have worked. Then everyone would have thought it was bad. ICA has built up its position by escalating it and now they have a position where they can express themselves freely and have different types of messages."*

This statement confirms Drumwright's (1996) findings that freedom in regards to financial strength and previous advertising history is a success factor in socially oriented campaigns. It also shows that the compatibility between the cause and the company is balanced. It is neither too unrelated, which may give rise to dissonance, nor too close, which may have the potential of being perceived as opportunistic and exploitative.

One of the most common reasonings for moral legitimization of the commercial used by our respondents was the same as we found in the H&M example, namely that ICA used their advertising to promote perceived good values. As Karin stated:

Karin: *"I don't really like advertising that much in general but if you manage to get things like this into people and if you get them to talk, which it actually has, and it is there ICA has succeeded time and time again."*

In conclusion, the commercial was mostly perceived to enter the political domain. The logics our respondent's used to morally legitimize the commercial was that ICA did something good with their advertising space, and had done so over an extended period of time. Arguably, the consistency in their commercials managed, to a limited degree, circumvent the cognitive dissonance of the business aspect, which was more prominent in the de-legitimization reasoning concerning the HM-ad.

4.1.3 Analysis: Björn Borg commercial

Much like ICA, the Björn Borg commercial enter the political debate. This time within the issue of same sex marriage, which was up for a vote in the Swedish parliament a couple of months after the commercial aired. We believe this commercial is a good example in order to see if the sentence from Castelló and Lozano (2011) holds true: *"…the attempt to engineer moral legitimacy, for example, by means of instrumental public relations or <u>political lobbying</u>, may even increase moral indignation and further reduce public acceptance."*

Further, the connection between the cause and the brand is very vague and not explained in the commercial in any way, which makes this an interesting commercial to use when exploring this phenomenon. We wanted to explore how far away a message can be from the company's core business, as researchers claim to have a negative effect in other CSR-contexts (Du, Bhattacharya & Sen, 2010) and social advertising in particular (Drumwright, 1996).

The majority of the respondents reacted positively to the commercial and did not seem to mind the lack of connection even though it was mentioned by most of our respondents. When asked about if Björn Borg should take a stand in an issue that they do not appear to have any connection with, one of our respondents answered:

Nils: *"Probably there is an advertising agency who couldn't care less and the purpose could be pathetic. It is still a lot better that they do this than just show a pair of underwear with a good looking model."*

And another respondent said:

Felicia: *”Crafty! He really sold underwear. Great video. Great message. Win-win-win.”*

The logic used in reasoning concerning the vague connection was thus that it was better than messages using pragmatic argumentation as well as a general likability of the statement. The lack of connection thus seemed to create a void where reasoning prescribing moral legitimization of the commercial was possible without interference from Björn Borg’s actual business operations. Even though the vague connection created dissonance, as Drumwright’s (1996) theories suggests, the likability of the cause coupled with a dislike for “the alternative” seemed to override this dissonance and create a positive moral evaluation.

Even though most respondents had a positive reaction towards the commercial and did not seem to mind the lack of connection between the cause and the brand, they still wished for a better connection. In other words, the dissonance proposed by Drumwright (1996) did occur, but did not seem to play as big of a role as you would suspect. Interestingly enough, the connection did not seem to have to be related to the company’s core business as researchers claim in other CSR-contexts (Du, Bhattacharya & Sen, 2010). Instead, the logic our respondents used in their desires to solve this dissonance was a wish for a connection to the owners or key persons within the company as advocates of gay-rights. As two respondent declared:

Frank: *”If you connect it, if the owner or CEO is a public person and has gone out and said that he is gay and you do a campaign like this and do a statement in media for example. Then I think it becomes authentic.”*

Anders: *“Björn Borg is a strange example, but if it would have been a company that has a founder or initiator that stands for something special it would have got a better resonance I think.”*

Many of our respondents see the commercial as positive and do not seem to mind the inherent, and identified, purpose of selling more products. It thus seemed to partly escape the cognitive de-legitimization that Palazzo and Scherer (2006) and Scherer and Palazzo (2011) argue for. Rather, they liked the fact that Björn Borg chose to use the advertising channel to promote good values and that a company dared to take a stand in the issue, even though most respondents recognized that it in many ways is a non-issue in the Swedish political debate. Of course some, but still a clear minority, found it troubling that they capitalized on a phenomenon with Karin stating:

Karin: *"It gets a little too analytical. ‘How can we use this?’ Then you do not do it because you want to make a statement or form an opinion. Then it’s just money that governs. ‘What can we focus on now?’".*

The quote shows how a respondent identifies that Björn Borg has co-opted the gay-rights movement and how they used it to gain moral legitimacy for their own purpose. The sincerity was thus questioned by some of our respondents using a similar logic as the co-opting awareness concerning the H&M-commercial, as explained in section 4.1.1.1.

The legitimacy analysis of this commercial seems to end up almost solely within moral legitimacy. Consumers see this as a good ad for society, not so much for their own sake and the cognitive de-legitimization of corporations does not seem to be taken into account so much during the opinion formation related to this commercial. To make a commercial that goes this far out of the business context seems to be morally legitimate since most respondents see this way of communication better than purely “pragmatic” communication, as the first quote highlighted. This might reflect the desire for responsibility that Holt (2002) writes about and that brands legitimately can enter the moral domain in this way.

The conclusion is that consumers seem to encourage brands to use their communication space to promote progressive values in public debate by morally legitimizing the activity.

4.1.4 Analysis: Spotify’s open letter

The closest we could get to political statements in advertising was the ICA and Björn Borg commercials, which both, arguably, are politically correct in the Swedish political debate. In order to understand how consumers legitimize situations when corporations publicly enter the political domain in a more direct manner, we had to go outside the context of advertising.

Our solution was to choose the recent example of when Spotify published an open letter (the week prior to our interviews), where they demanded policy changes in three different political areas, which we have explained in the section 3.8.3 of this thesis. Further, we believe this open letter reflects the last part of the sentence from Castelló and Lozano’s (2011, p.21) article:

”However, the danger remains that some corporations might be willing to engineer moral legitimacy by manipulating public discourse and <u>by setting public agendas</u>.”.

To begin with, Spotify seemed to have a very high level of pragmatic legitimacy by providing an innovative and cherished service. When answering the question if Spotify could be considered to be a “good” company, the answers were almost conclusively that they did not know anything about their ethicality but because of the high level of pragmatic legitimacy they still seemed to have a favorable image of the company, with one of our respondents stating:

Karin: “I like Spotify (...) I’ve had it for a long time (...) But yes they have opened my music world a lot, to have that opportunity. But I don’t have any deeper thoughts about their operations.”

Interviewer: "Do you have an image that Spotify is a "good" company?"

K: "Yes I do I guess."

Even though the respondents were not unanimously positive to the policy suggestions, the vast majority of respondents still did not seem to have a problem with Spotify entering the political debate in this manner. The most prominent logic used in reasonings legitimizing the open letter was a view of companies as citizens with political rights like everybody else, with one of our respondents stating:

Sara: *"…we live in a democracy and people should be able to say what they think and the company puts their reputation on the line…"*

Another logic that was prominent further into the respondents' reasoning seemed to be that Spotify were very open with their self-interested motive behind their political suggestions. The Spotify case was also very connected to the actual business of the company, which made it easier for the consumers to understand and accept the motive behind their action and thus viewing it as a form of transparency. As one of our respondents stated:

Karin: *"Yes it is better that they go out with an open letter that everybody can read than if they used lobbying like in the US."*

In other words, they transparently aligned the brand with the company in a desirable way, suitable in the post-postmodern paradigm according to Holt (2002). The logic used in reasoning which pragmatically legitimized the open letter was that consumers liked the transparency it was perceived to reflect. Rather than lobbying politicians, this kind of lobbyism directed towards consumers and/or the general public seemed to be favored due to the desire for transparency and authenticity that Holt (2002) argues is prominent in contemporary consumer culture. As one of our respondents further stated:

Anders: *"But I think that game has always been there. But it doesn't happen in the wooded saloon anymore with cigar smoke, and that is very positive."*

As mentioned, the high level of pragmatic legitimacy and likability that Spotify seemed to enjoy also appeared to play a role in our respondents evaluation of the action and almost created a willingness to agree with them, which highlights the power of voice that a company like Spotify seem to have. It also show how legitimacy sanctions credibility from the evaluator as Suchman (1995) suggests.

Felicia: *"No. Why would they do that? But on the other hand… I happen to like Spotify."*

As we mentioned, not all respondents were overly positive to the action and all of the respondents could see problems with companies using their influence on public opinion for self-interested or inferior motives in much the same way as Castelló and Lozano (2011) does.

Anders: *“Maybe I don’t think that companies should dictate the politics of a country. It is the job of citizens. Then you can think about how well that works. But it is pretty obvious that the demands that Spotify has is very much in their own interest.”*

The logic used to de-legitimize the communicative effort was thus drawn from the cognitive and pragmatic de-legitimization of corporations which confirms the underlying reasons for this that Palazzo and Scherer (2006) and Scherer and Palazzo (2011) argues for.

An interesting finding we got from our questions concerning Spotify’s open letter is notable in the previous quote, namely the general mistrust in our democracy and especially the lack of visions from politicians. The perceived inability by politicians to be visionary seems to have created a void, or demand if you will, for visionary political action. A high level of political frustration was prominent during our interviews and the respondents did not seem to care that a company dampened this frustration, as long as someone did it.

This could very well be one of the main driving forces that creates the general will from consumers that corporations should take active stands in moral and political issues. This finding has not been highlighted in any of the theories we used in our theoretical review, which makes it hard to validate the finding. However, this empirical study revealed that this is an important aspect in consumers’ legitimization of our research phenomenon. This is because the image of politicians does not seem to be as positive as that of some brands, which the following quotes highlights:

Nils: *“Politicians today are totally lacking vision. They are only administrators. The most important thing Spotify does is to bring the issues to the table. The politicians should have raised the issues and driven the debate. They should formulate the aim and instead they are taken by surprise.”*

Karin: *“... people care more about Spotify because it is close to people's lives so people probably think more about it than when a gray politician says things that you just don’t care about.”*

Karin’s quote highlights the interplay between the high level of legitimacy, and thus credibility (Suchman, 1995), which Spotify seem to enjoy and the frustration over politicians inactivity. This interplay might play an important role in the evaluation-process concerning mostly pragmatic legitimacy.

4.2 Discussion

4.2.1 Legitimization of the research phenomenon

4.2.1.1. Pragmatic legitimization and de-legitimization of the phenomenon

When asked what the respondents thought about the different companies during our interviews, before showing them the commercials and the open letter, they primarily prescribed pragmatic legitimacy to the company rather than any other kind of legitimacy. This was evident since the answers included statements such as “they have a good assortment”, “they have fashionable and affordable clothes” and “they have opened up my music world”.

The conclusion we can draw from this, is that pragmatic legitimacy still seems to be the most important reason for a company to exist. It might almost go without saying, but it would be very difficult for a company to attract and attain customers without appealing to the consumer's self-interest according to our empirical findings. In other words, we do not seem to live in a world where a moral license to operate can be the sole source of legitimacy.

Concerning the phenomenon we have studied, the underlying form of pragmatic legitimacy that consumers prescribe to the phenomenon is that companies fulfill a need for progressivity that politicians perceived visionary inactivity seems to have created. In other words, consumers are looking for moral and political statements from public actors and companies are more or less welcome to fulfill this need by taking a moral or even political stand. As Nils and Felicia states:

Nils: “I would have liked to see more. That people stand up and have an opinion even if it is not to everyone’s liking. I miss people with strong personalities and opinions. It doesn’t exist anymore.”

Felicia: “I think everyone should show some balls and dare to take stance.”

These statements supports the reasoning Joakim Jonasson (interview, April 6, 2016) refers to in his quote in chapter one where he explains that brands are like people and that they need to have opinions to be interesting. However, this does not mean that it goes without concern, which we will explain further under cognitive legitimacy.

In general, traditional advertising is more concerned with gaining pragmatic legitimacy (Scherer & Palazzo, 2011). In the modern and postmodern branding paradigms companies relied on advertising as a vehicle to promote consumer self-realization (Holt, 2002). In today’s post-postmodern world, we can verify that consumers tend to desire that companies use more socially responsible messages which brings us to moral legitimacy.

4.2.1.2. Moral legitimization and de-legitimization of the phenomenon

The most prominent form of logic used to prescribe moral legitimacy to the phenomenon was that companies used their communication channels to promote what was perceived as good values and opinions. All of our respondents did however identify the problem that would occur if they did not agree with the values promoted. As a company then, it is important to know your potential target group, since promoting what could be perceived as bad values and opinions naturally would morally de-legitimize the efforts. As one of our respondents stated:

Sara: *"...as long as it is good things but then it could be dangerous if it was something really bad. If a hip company that is known and trendy comes out and say 'get rid of all the Jews' for example, that would be dangerous…"*

In other words, a company which is contemplating to enter the moral or political domain by taking a stand should have a very good picture of what its potential customers think is "good" or "bad" values and opinions. Otherwise you risk moral indignation rather than moral legitimization of your communication efforts (Sen & Bhattacharya, 2001). This is in line with the argument made by Castelló and Lozano (2011, p.21) that "*By means of moral legitimacy, firms support their 'pathos' with constructs that are close to the values and beliefs of their stakeholders."*

Another reasoning for moral indignation that was prominent concerning the phenomenon, was that consumers were very well aware of the assumed fact that the motivation behind the message still was to make more money. It supports the argument by Holt (2002), that companies have to align their brand meaning with the company's actions. This presumed self-interest is however something that is based on general taken for granted assumptions, which brings us to cognitive legitimacy.

4.2.1.3. Cognitive legitimization and de-legitimization of the phenomenon

The biggest problem, or form of de-legitimization, that was apparent during our empirical study of the phenomenon, was the assumed motive behind taking a moral stand, namely that of profit maximization and growth. This falls under the category of cognitive de-legitimization since it is based on a general taken for granted assumption (Suchman, 1995), that companies exist primarily in order to generate financial growth and profit for its own sake and not for altruistic reasons. It verifies the argument that corporations possess a low level of cognitive legitimacy, made by Scherer and Palazzo (2011), which seems to affect the legitimization process of our research phenomenon.

In the case of H&M, their perceived unsustainable business model of fast fashion seems to be a de-legitimizing factor that affects the evaluation of the phenomenon. In a way it is a cognitive de-legitimization of the consumption society in large, especially related to proenvironmental claims in this case, which verifies Scherer and Palazzo (2011) argument concerning the loss of pragmatic legitimacy. We however, categorize it as a cognitive de-legitimization since the reasoning concerning our research phenomenon was based more on assumptions than self-interested evaluations (Suchman, 1995). Further, when the assumption is taken to the conscious level of analysis it becomes a form of structured de-legitimization, using Suchman's (1995) subcategory of moral legitimacy, which is based on elements from the institutional approach towards legitimacy and thus closely related to the cognitive form of legitimacy (Suchman, 1995).

4.2.2 Dimensions and logics affecting legitimacy and the credibility gap

In our findings we discovered some different forms of logics in reasoning as well as business and communication dimensions that affected the process of legitimization, which varied between the examples used in the study. These seven dimensions had more to do with the respondents, the communication as such and the companies behind the communication. These logics and dimensions also seem to affect the credibility gap in various ways.

4.2.2.1. Consumer awareness

Our respondents often expressed that the example commercials used in our study capitalized on a "good" trend or social movement, which "widened" the credibility gap. As Lisa suggests in the case of Björn Borg:

Lisa: *"It gets a bit too analytical. 'What issue should we use this time?' Then they don't do it because they want to make a statement or form an opinion. Then it's just money that guides. 'What can we focus on now?'"*

In other words, without necessarily knowing about the concept, consumers perceived the commercials to be a form of co-opting as explained in section 2.1.3.2. (Thompson and Coskuner-Balli, 2007). This caused moral de-legitimization since it was perceived as morally wrong as well as pragmatic de-legitimization of the commercials since they perceived it as an attempt to trick them into buying things. The conclusion we can draw from this is a rather important one, namely a confirmation of Holt's (2002) argument that consumers are more or less aware of marketing schemes, and our findings show that this seems to be especially important for marketing that seeks moral legitimacy. Further, we would like to highlight that this is a common and important logic, which affect the credibility gap negatively.

A way to dampen this negative effect for a company is to act in accordance to their moral or political stance. In other words, words have to be backed up by actions. As two representative respondents put it:

Camilla: *"I do not take brands for face value. I research them. Then they are not as romantic any more."*

Nils: *"Moral requires more than advertising. I have a highly evolved bullshit filter."*

A way to get around this "filter" is to simply acknowledge that consumers are intelligent and communicate with transparency and honesty.

4.2.2.2. Perceived size of company

A logic that appeared in all of our interviews was comments concerning the perceived size of the company behind the communication. Our findings reveal that the larger the company is, the more likely it is for consumers to cognitively de-legitimize the communication effort. In other words, when companies are perceived to reach a certain size, people tend to distrust the fundamental nature of business more.

The reasoning often referred to the profit and growth motive, the perceived disconnection between operations, management and ownership, and the impact of negative externalities on society and the environment that the company was perceived to cause. H&M was the company that suffered most from this cognitive de-legitimization among our examples. The respondents questioned the business model of fast fashion and had concerns about their suppliers ability to treat employees respectfully (Holt, 2002). As one of our respondents put it:

Nils: *"No, they are large and global and have ended up in a situation without having been able to choose it. They started growing in the sixties and seventies when everything got industrialized and the production got outsourced to Asia. They lost touch with the production and could neither see nor feel it. The top management in large companies has no connection to reality. There are eighteen managers between them and production. And at every level someone can profit from making a shady deal. Large companies act as large companies."*

This reflects the loss of cognitive legitimacy that Palazzo and Scherer (2006) and Scherer and Palazzo (2011) argue is affecting companies, and especially multinational corporations. The respondents often seemed to prefer smaller and local companies because of a general assumption that "big means bad". This was also reflected in reasonings concerning the legitimization of the actual communication because of MNC's perceived power to influence people's opinions. It highlights a paradox, namely that large corporations communication efforts are scrutinized and almost seen as dangerous, at the same time as their communicative reach is the main reason for moral legitimization of our research phenomenon, as explained in section 4.2.1.2. The logic of this paradox is reflected in the following quote:

Camilla: "*Because if the largest companies with a lot of power influence public opinion and mix their commercial interest by following trends they will influence democracy."*

Even though ICA was perceived as a large company, they were also perceived to have a local dimension, which seemed to dampen the cognitive de-legitimization. It is also interesting to speculate if the small and intimate setting of the ICA-commercials reflects this local dimension, which might affect the perception of ICA as both a large and small company.

Nils: "*I think ICA is better than many others because they allow their merchants to act independently.*"

Further, when exposed to the Björn Borg commercial, size was not used in our respondents reasonings concerning the research phenomenon. We can only speculate what the reason might be, but it is very possible that it has to with the perception of Björn Borg as a smaller company than the other examples used in our study. The quote below both highlights this and the paradox explained above:

Lisa: *"Maybe Björn Borg is too small to reach out with this type of message."*

To sum up, it seems to be harder for big corporations to bridge the credibility gap because of the cognitive de-legitimization of MNC's and their communication efforts. Much in line with Palazzo and Scherer's (2006) and Scherer and Palazzo's (2011) argument concerning MNC's loss of cognitive legitimacy due to the view of corporations as protagonists of the capitalist consumption society. To conclude, the larger the company, the harder it is for the business to bridge the credibility gap, concerning our research phenomenon.

4.2.2.3. Distance to cause

The distance to cause also seemed to play a role in the legitimization process. As discussed earlier, if the cause is close to the core business of the company behind the message, the company's operations are more prominent in the reasoning concerning the research phenomenon. The respondents find it easier to scrutinize the actions taken by the company and to interpret the communication as being opportunistic and even negative as in the case of H&M:

Anders: *"...and I think that 'recycling a T-shirt saves 2000 liters of water', but a non-produced garment, how many liters does that save?"*

Since the respondents seem to de-legitimize H&M cognitively, and especially their fast fashion business model, we would like to highlight that it is necessary for them and their industry to solve this problem, even if it seems to involve an element of risk to communicate these efforts.

On the other hand, if the cause-company relationship is perceived as unclear, some dissonance was evident but the operations of the company was not used in the reasoning concerning the research phenomenon. In other words, if a company takes a moral stand, which lacks a clear connection to the company's core business, scrutiny concerning the business operations is less likely to occur in the legitimization process aimed at the communication effort.

Drumwright's (1996) argument, that a company-cause relationship that is to close can create an opportunistic perception, seems to be true. The arguments, from Drumwright (1996) and other authors, that the relationship should not be too distant to the company's core-business, seems to be contradictory to our findings concerning our research phenomenon, even though it created some dissonance (Du, Bhattacharya & Sen, 2010). The logic we identified behind this finding was that the moral evaluation turned out to be positive due to a “good” use of advertising space.

Further, the findings, from this specific example, also revealed that consumers desired a relationship between the cause and key-people within the company. In other words, the cause does not necessarily have to be close the core-business of the company and thus contradicts previous research to some degree, at least concerning our research phenomenon (Du, Bhattacharya & Sen, 2010).

In the case of Spotify the cause is directly connected with the company as they actively seek to influence public opinion to further their own self-interest. We can only speculate here, but since this is concerning the political domain, a clear motive and connection between the company and the cause might be more important in this domain compared to the moral domain. The logic behind this finding was the desire for transparency, which confirms Holt’s (2002) proposals in the post-postmodern branding paradigm.

As for ICA, the respondents seemed to find the distance to the cause to be more balanced than the other examples. The respondents could relate to why ICA introduced Abdullah but did not, in most cases, deem it exploitive. Much in line with Drumwright’s (1996) conclusions as explained in section 2.2.2.

4.2.2.4. Congruency between saying and doing

One common type of reasoning among our respondents was that taking a stand had to be backed up by actions. This was visible in the H&M example where consumers, despite the cognitive scrutiny, highlighted that H&M actually did something concrete to improve their industry. As Sara put it:

Sara: “*And that people can leave clothes there, that’s really good!”*

In the ICA example, the need for action was also prominent. After we had discussed the commercial for a while with our respondents we also told them that ICA went out with a press-release saying that they hired 1000 trainees with a non-Swedish background during 2015. After hearing this and asked if it changed anything, one of our respondents declared:

Olle: *“Absolutely! That I really think is social responsibility. A whole other thing. (…) They should have done something different around that ‘we invest in the Swedish future’, that’s what I think.”*

In the case of Björn Borg we also found that some respondents questioned the intent of the commercial message. They felt that the company would gain from actually having substance behind their claim.

Anders: *"... if it would have been a company that has a… that have a founder or initiator that stands for something special it would have got a better resonance I think."*

This could arguably be related to Holt's (2002) argument that companies need to invite people to the "backstage", and not just to the "front stage" and thus confirm his argument. According to Holt (2002), companies cannot only dress in an image since consumers expect companies to not only "talk the talk" but also "walk the walk", which corresponds well with our empirical findings. In other words, they need to align the brand with the company's operations since consumers see through marketing schemes in the post-postmodern paradigm (Holt, 2002). Karin's de-legitimization of H&M's statement is a depictive example:

Karin: *"The problem is when you look deeper into what it really is, then they promise very much but do very little."*

4.2.2.5. Degrees of freedom

An interesting dimension we found from our empirical study was that some companies benefited from having a long history of moral argumentation. This was especially apparent concerning the ICA-commercials. They have consistently promoted diversity in their long-running advertising campaign. This longevity has made is possible, even necessary, for them to take a political stand in the heated immigration debate. They have, as Drumwright (1996) suggests, the freedom to make claims that other companies are less suitable to make.

Felicia: *"It felt like they were forced to include a non-swede. Some people might find in racist but I don't. They have had the same concept for a very long time. They introduced a person with Down syndrome, a homosexual. They want to show that they like diversity."*

The logic used by our respondents in these reasoning was thus that a moral consistency in marketing gives this form of communication, reflected in our research phenomenon, greater credibility, thus narrowing the credibility gap and confirming Drumwright's (1996) conclusions.

4.2.2.6. Likability of company and the moral/political stand

H&M suffered from the lowest degree of cognitive legitimacy, among our examples, with some moral de-legitimization. They, however, seemed to compensate the lack of cognitive and moral legitimacy with high pragmatic legitimacy. Most respondents really liked the company and even if they did not, they still shopped at H&M out of convenience and the perceived value for money. They also liked the commercial and could relate to the diversity and environmental claims, which is important for successful CSR-communication according to Sen and Bhattacharya (2001).

The same likability was apparent for ICA and Spotify. The longevity of ICAs commercials seems to have created a strong bond between the company and its customers which possibly helps them overcome problems with de-legitimization in relation to the “degree of freedom” that Drumwright (1996) argue plays a big role in these contexts. The streaming service supplied by Spotify was also mentioned in very positive terms. This likability seems to influence perceptions as Felicia states when asked about her opinion of Spotify’s open letter:

Felicia: *“Why would they do that? But on the other hand… I happen to like Spotify.”*

The quote reflects the difficulty for respondents to disconnect the statement from the sender if the company is liked, since they almost want to agree with the message. This is much in line with Suchman’s (1995) claim that companies who enjoys a high degree of legitimacy is perceived as more credible, which might help to explain this form of reasoning.

Further, our findings also show that it is important that the consumers agree with the stand taken by the company, which confirms findings from previous research (Drumwright, 1996; Sen & Bhattacharya, 2001). This statement by Felicia makes this point clear:

Felicia: *“I get a better image of a company if they have moral and they take a stance and it happened to fit my moral.”*

This also reflects the importance of knowing your potential customers moral convictions as concluded by Sen and Bhattacharya (2001) in section 2.2.1.

4.2.2.7. Organizational context

As explained throughout this thesis, we are exploring the company - consumer relationship concerning our research phenomenon. However, as mentioned in section 3.7 in the method chapter, we used some other examples during our interviews when we found it suitable for further discussions. One commercial we used was the Systembolaget commercial. Since Systembolaget is government owned and part of a legally enforced monopoly, they are arguably part of another organizational context than that of profit-driven businesses. Even though it is outside the scope of this thesis to compare different organizational contexts in relation to our research phenomenon, which is why the commercial was not used in all interviews, the example pointed towards some rather important and interesting findings.

The fact that Systembolaget was perceived as a government institution seemed to grant them a high level of cognitive legitimacy within this “moral domain”. This was based on an assumption from respondents that the commercial was a promotion of social policies imposed by the government, which granted Systembolaget legitimacy, and thus credibility, to use moral argumentation.

Interviewer: *"Do you trust them?"*

Felicia: *"Yes, you know where they come from. It is trustworthy to some degree."*

Interviewer*: "Is it okay that they do this kind of advertising?"*

Felicia: *"Yes, I think it is good that people understand why they exist."*

The logics used to legitimize this form of communication was thus a combination of Systembolaget's organizational context together with their perceived higher purpose than profit for profits sake. It should be noted here that the last part of this logic was the message promoted in the commercial as seen in section 3.8.5. In other words, government institutions seem to be granted higher legitimacy than business institutions when communicating moral stands. As mentioned however, it is outside the scope of this thesis to investigate this further which is why we will suggest this as further research in section 5.5.

4.3 Development of our theoretical framework model

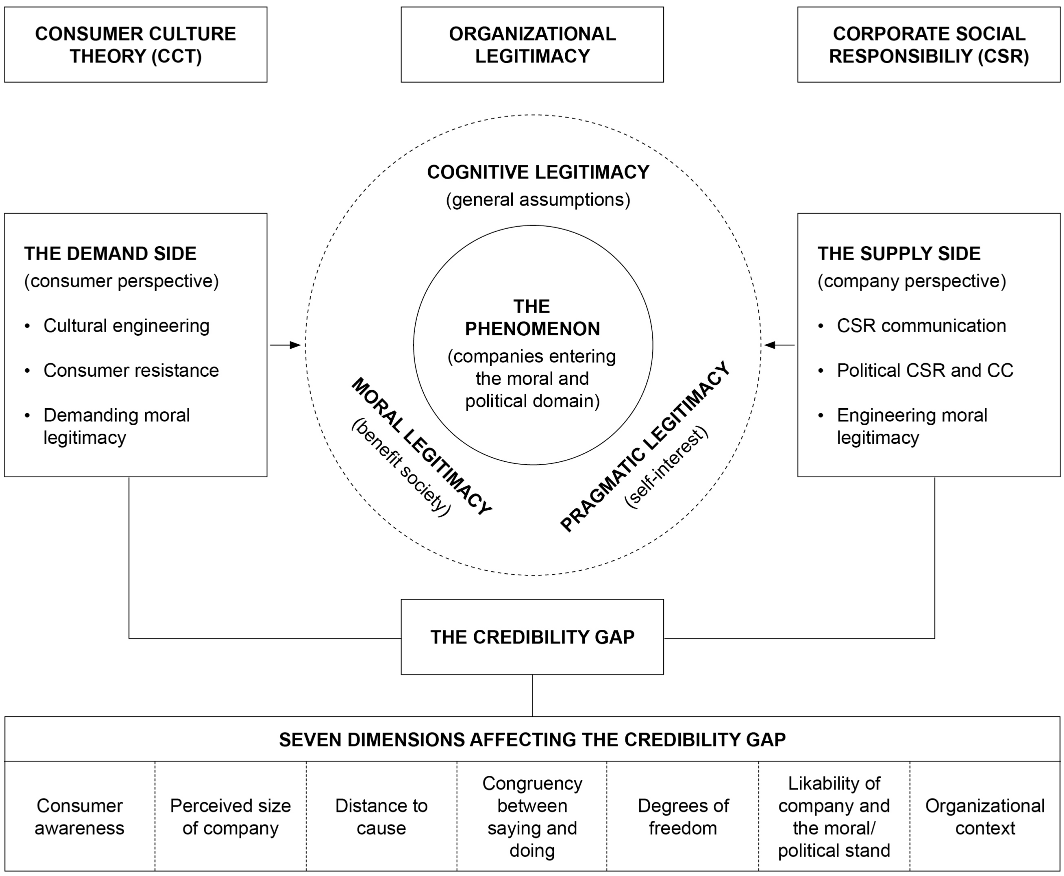

Figure 3: Theoretical framework including dimensions affecting the credibility gap

The figure above refers back to the initial theoretical framework, figure 2, in section 2.4. After the analysis and discussion we have now included the seven dimensions affecting the credibility gap, in order to complete the model. We find that it now clearly visualizes our theoretical contribution and can be used as a new starting point for future research. The dimensions will be explained in further detail is section 5.2.

5 Conclusions

In this chapter we will present the conclusions we could draw from our analysis presented in the previous chapter. We will begin by answering our first research question by describing how consumer legitimized and de-legitimized our research question. The next section will answer our second research question by providing seven characteristics of the credibility gap, based on logics and reasonings concerning our research phenomenon, and how they affect legitimacy from a consumer perspective.

5.1 Legitimization and de-legitimization of the research phenomenon

5.1.1 Pragmatic legitimization

To begin with, consumers generally seemed to have a positive image concerning our research phenomenon and more or less welcomed companies to take moral, and even political stands. Interestingly, in their reasoning, consumers often talked about the companies and their brands as if they were people and not as organizational entities, much in line with the quote by Joakim Jonasson (interview, April 6, 2016) presented in the very beginning of this thesis. The logic used in these reasoning was also very much in line with this quote since our respondents described the company as more interesting if it had opinions about various things. In other words, our respondents generally liked opinionated people and in extension companies that take a stand.

Further, we detected a prominent political frustration directed at social entities in general and political actors, in the form of politicians, in particular. They perceived politicians to lack visionary progressivity and any social actor who did take a stand and had opinions was thus perceived as positive by contrast. To conclude, the underlying form of pragmatic legitimacy that consumers prescribe to the phenomenon is that companies fulfill a self-interested need for progressivity that politicians perceived visionary inactivity seems to have created.

5.1.2 Moral legitimization

The phenomenon was also prescribed a moral form of legitimization since consumers perceived it to be a better use of advertising space when it contained messages that promoted "good" moral values rather than purely "pragmatic" argumentation. The logic they used was that, since advertising can be very persuasive and reach a lot of people, they thought it would be good for society if "good" moral values were promoted, which in extension would lead to a better society.

However, this did not go without a few concerns. To begin with, all consumers recognized the risk this could have on society, since promoting what they perceived to be bad values would have a negative effect on society. The rather obvious conclusion we can draw from this is thus that if consumers perceive the values promoted to be "bad", then the communicational effort would suffer from moral indignation rather than moral legitimacy, much in line with Sen and Bhattacharya's (2001) conclusions. It is thus extremely important that there is congruency between the values promoted and the values of the potential consumers if the message is to obtain moral legitimacy.

5.1.3 Cognitive de-legitimization

The other concern that consumers struggled with, when morally evaluating the phenomenon, was the assumed motive behind the communicational activity, namely financial gain without a higher purpose. We relate this to the reasons behind the loss of cognitive legitimacy that Palazzo and Scherer (2006) and Scherer and Palazzo (2011) argues for, as explained in section 2.2.6. In other words, consumers struggle to perceive the moral stands as authentic due to assumed egocentric motives from businesses to take a stand, rather than altruistic reasons. This is very much connected to logics and dimensions concerning the credibility gap, which was evident in our findings. In order to understand this credibility gap better, the next section will provide seven characteristics of this credibility gap and how they affect our research phenomenon.

To conclude this section, our research phenomenon was both pragmatically and morally legitimized as long as consumers agree with the moral and political stand. They cognitively de-legitimized the phenomenon due to an assumed "money making motive" for money's sake. Because of moral and pragmatic legitimation of the phenomenon, the phenomenon as such was in general perceived as legitimate.

5.2 Characteristics of the research phenomenon's credibility gap

5.2.1 Consumer awareness

What we would like to start with in this part of the conclusion, is that companies should never underestimate consumers ability to see through marketing schemes, especially those which aims at gaining moral legitimacy. This was evident in our empirical study since all of our respondents often used logics that relied on the cognitive assumption that the example commercials capitalized on “good” trends and social movements. Without knowing about the concept, their logic was similar to that of co-optation, which is explained in section 2.1.3.2., by referring to the theories of Thompson and Coskuner-Balli (2007).

It confirms Holt’s (2002) argument, found in section 2.1.4, that consumers increasingly are getting aware of marketing schemes and resist the symbolic meanings that marketers are imposing on consumers and have to align brand meanings with company operations. This resistance also confirms the loss of pragmatic legitimacy that Palazzo and Scherer (2006) argue are becoming more prominent in contemporary time and our theoretical investigation contributes to a better understanding of why pragmatic legitimacy is in decline. Based on our theoretical investigation together with our empirical findings, we conclude that this is one of the most important aspects affecting the credibility gap concerning our research phenomenon.

In our findings we identified six more logics and dimensions that affected the width of the credibility gap which we will now present.

5.2.2 Perceived size of company

The perceived size of the company behind the message played a role in the legitimization process of our phenomenon. The bigger the company, the more it suffered from the loss of cognitive legitimacy that Scherer and Palazzo (2011) argue for in their theories, found in section 2.2.6 of this thesis. Further, communication in general was perceived more negative from large multinational corporations, and especially when using moral argumentation, due to their perceived ability to affect public opinion. This highlights a paradox to the moral legitimization of the phenomenon mentioned in section 5.1.2 of this chapter, namely that companies perceived ability to influence moral values within society can be seen as both negative and positive. The implications this might have will be speculated upon in section 5.6.

5.2.3 Distance to cause

Another dimension that was prominent in our findings was the perceived distance between the moral stand and the business operations of the company behind the message, as well as the perceived level of self-interested motivation. Drumwright’s (1996) and Ellen, Webb and Mohr’s (2006) theories on the matter, found in section 2.2.2, were confirmed by our empirical study. If the cause was perceived as close to the company’s operations, the problems associated with the cause often appeared in the evaluative process, which caused them to associate the problems with the company’s negative social and environmental externalities.

On the other hand, if the cause was perceived as distant from the company’s operations, it caused a dissonance in the evaluative process. However, unlike the conclusions from other researchers (Du, Bhattacharya & Sen, 2010) found in section 2.2.1, the positive moral evaluation of using advertising space to promote good values, seemed to be greater than the dissonance and thus create a positive overall evaluation of the research phenomenon.

The conclusion from Drumwright (1996) to balance the company – cause relationship was still confirmed by our findings. An interesting finding from our empirical study was that the company – cause relationship not necessarily had to be connected to the core-business of the company as other researchers suggests (Du, Bhattacharya & Sen, 2010). Instead a connection to key-people within the company, such as owners or CEO's, was desired from our respondents to cope with the dissonance.

5.2.4 Congruency between saying and doing

Another important dimension we identified in our findings was that taking a moral or political stand needs to be backed up by actions. We argue that this highlights the importance for companies to align their business operations with their brands, which Holt (2002) argues is key for success in the post-postmodern branding paradigm explained in section 2.1.4 of this thesis. This requires companies to be transparent and allow consumers to take part in the "backstage of business" and align meaning with company operations to prove their right to take a stand.

5.2.5 Degrees of freedom

Degrees of freedom and longevity, explained in section 2.2.2 by referring to Drumwright's (1996) theories, was also prominent in our findings. The example commercial by ICA, which we used in our empirical study, highlighted the importance of moral consistency in marketing activities. Our respondents often expected ICA's commercials to take moral stands, which granted the commercial a high level of legitimacy. The heated debate on ICA's social media channels concerning the commercial, as mentioned in the very beginning of this thesis, might partly be explained by the an aspect identified in the next dimension.

5.2.6 Likability of company and the moral/political stand

The level of likability of both company and the moral stand played a significant role in the evaluation process, as researchers have suggested for successful CSR-communication (Sen & Bhattacharya, 2001). To connect to the previous paragraph, the heated debate might very well have been influenced by the fact that not everybody agreed with ICA's moral stand. The likability of the company also positively affected the level of legitimacy the company possessed, which, by building on the outcomes of legitimacy according to Suchman (1995), affected the credibility of the message and thus the outcome of the evaluative process concerning our research phenomenon. In other words, the more likable the company and the cause, the narrower the credibility gap will be.

5.2.7 Organizational context

Finally, the organizational context of the company behind the message seemed to play a big role in the legitimization process of the phenomenon. Even though it was outside the scope of this thesis, by using a commercial by Systembolaget (explained in section 3.8.5) in some of our interviews to provoke deeper answers, we found that companies that are perceived as government institutions are more welcomed by consumers to publicly declare a relevant moral stand and thus enjoy a smaller credibility gap. This was due to the high level of cognitive legitimacy that Systembolaget appeared to posses in the “moral domain”. However and as mentioned, this conclusion is somewhat outside the scope of this thesis and should therefore be approach with caution, which is why we will suggest further research on the topic in section 5.5.

5.3 Managerial implications

As we have concluded in the previous section, there are many dimensions to consider when a company decides to enter the moral domain by taking a moral or political stand. To start with, the cognitive aspects of the business need to be examined since consumers connect moral claims with cognitive aspects of legitimacy. Factors to take into account are the size of the company, the business model, the industry's reputation, ownership and governance. If the company suffers from a low level of cognitive legitimacy in any of these aspects, it will be more difficult to convince the consumers about the sincerity of the moral argumentation.

When deciding on a moral cause, it is preferable to choose one that is neither too attached to nor detached from the core business. Consumers may find it offensive or exploitive if the cause it too close and if the cause is too detached, dissonance can affect the outcome negatively. It is also important to remember to do what you say. Consumers are intelligent and easily see through any incongruence between claims and actions. The communication strategy will greatly benefit if the company already benefits from a high level of pragmatic legitimacy within the target audience and if the moral stands is perceived as relevant and likeable.

Another aspect to consider is the risk of being accused of co-opting a phenomenon for the financial benefit of the firm instead of the well being of society. Even though consumers seem to encourage bold moral and even political actions they will take notice when they are insincere. The study also confirms that it is easier and more trustworthy for companies that already enjoy the freedom of expression from past advertising and communication within the moral domain, to gain from this communication strategy. It is therefore a long-term commitment since the study finds that it takes time to gain credibility in this area.

To conclude, we can encourage companies to take a stand if they also take necessary actions to support the claims. Remember that customers are smarter than one might think, so be original, authentic and transparent and, if possible, do it out of understandable altruistic conviction, by linking it to public company figures, for example.

5.4 Limitations

This thesis has studied how consumers legitimized or de-legitimized business communication that take a moral and political stand and if consumers want companies to enter this domain. We have conducted the empirical study by showing a diverse group of Swedish respondents a number of examples found in Swedish consumer advertising and an open letter to the public. This research is thus limited to the Swedish cultural context and other conclusions might be drawn in other cultural contexts. It would be interesting to conduct similar studies in a variety of cultural context since MNC's are in the greatest need of moral legitimacy (Scherer & Palazzo, 2011).

Another limitation of our empirical study was that the companies behind the example commercials, as well as the moral and political stands made, were more or less supported by our respondents. To use moral/political stands that evoke moral indignation among respondents and companies which suffer from lower levels of cognitive legitimacy would be interesting, such as actors within the fossil fuel or gambling industry.

Further, in this thesis we have relied heavily on a few authors, such as Palazzo, Scherer, Holt and Suchman to build an understanding of the phenomenon. To use another or a broader theoretical background could provide further insights in other empirical investigations.

Our conclusion concerning consumers desire for a connection to key-people within the company, such as owners or CEO's, rather than core business, is based on one example used in our study. A limitation of this conclusion is thus that this is concerning one single cause, namely gay-rights. To validate the conclusion further, studies with a distant cause - company relationship with various causes is necessary.

5.5 Future research

An interesting perspective on the legitimacy aspect arose when we compared privately owned companies to the Swedish alcohol retail chain Systembolaget, which is a government owned monopoly. In our empirical study we could see that the respondents generally ascribed

Systembolaget a high level of cognitive legitimacy in the moral domain due to the fact that they do not prioritize profit, which is the main message of the studied commercial. In other words, they have a higher purpose than profit maximization. Therefore, they can take a convincible moral stand by claiming to save 2000 lives per year from the prevention of alcohol related deaths.

Systembolaget's main problem is instead that of pragmatic legitimacy. They have to convince the consumer that they can serve them better than private alternatives could through a wider assortment and better knowledge, thus making up for the inconvenience attributed to restricted opening hours and a limited number of outlets. This comparison between government and for-profit companies in relation to legitimacy would be interesting to conduct in a more validated manner.

Another interesting arena to investigate the above would be the relatively newly privatized sectors of public services, such as health care, children's day care, homes for the elderly, etc. One could only speculate that some of these companies could suffer from low levels of all three forms of legitimacy making it difficult for them to communicate in the moral and political domain in which they arguably exist.

Consumers still seem to regard pragmatic legitimacy as their most valued form of compensation, as seen in our analysis. This is probably due to the fact that people first and foremost seem to act out of self-interest. This would help explain the fact that companies such as Ryanair remain highly profitable even though most consumers probably would attribute them low levels of both cognitive and moral legitimacy (Farrell & Topham, 2015). On the other side of the spectrum we might find companies with very high levels of cognitive and moral legitimacy, struggling due to problems with gaining enough pragmatic legitimacy. An empirical study that investigate the importance that consumers prescribe to the different forms of legitimacy in various industries, for example, could shed better light on the perceived importance of CSR for consumers.

Another interesting sector to study further would be rapidly growing tech startups. They often seek to disrupt current industries by offering superior consumer friendly services that will make the life of the consumer better off. In other words, their main focus is to gain pragmatic legitimacy, which companies like Uber is a good example of. If they are soaring in pragmatic legitimacy, problems with their cognitive and moral legitimacy seem to arise as they increase in size and financial evaluation, and sometimes even run into legal problems. What happens with legitimacy when startups swiftly go from inventive underdogs to large multinational corporations with approximately the same financial market evaluation as H&M? Do they suffer from the same loss in pragmatic and cognitive legitimacy as older MNC's? (Newcomer, 2015; Forbes.com, 2016; Palazzo & Scherer, 2006; Scherer & Palazzo, 2011).

Lastly, we would like to suggest a case study of one or more successful profit-driven companies, with active supporters, which declare a moral or political stand. How do these active supports legitimize their support of the company's stand? This might help practitioners and academics to better understand how to overcome the credibility gap concerning our research phenomenon.

5.6 Speculations

Building on Holt’s (2002) thesis concerning why the postmodern branding paradigm has come to a dead end, namely an inflation in marketing schemes as a consequence of consumer awareness about these efforts. We speculate that inflation in moral and political stands can lead to undesirable consequences. If the “moral domain” becomes crowded with companies taking moral and political stands, the need to penetrate the “noise” might make companies resort to more politically controversial issues in attempts to stand out from the “crowd”.

The reason why this might be an undesirable consequence is that it might accelerate the polarization within and between social environments due to the potential persuasive force advertising entails. The political landscape that the current presidential candidate campaigns in the US arguably have created might be seen as an example of such polarization. This coupled by concrete actions from business, required to back up the communication in the post-postmodern branding paradigm (Holt, 2002), might lead to undesirable or even dangerous actions. This is of course a speculative forecast and its intent is to provoke a healthy debate concerning the possible outcomes of a communicative landscape, which increasingly aims at gaining moral legitimacy to overcome the credibility gap (Castelló & Lozano, 2011).

A more likely outcome in the near future, however, seems to be communication that aims at moral legitimacy by taking a politically correct moral stand. Arguably due to the anonymous ownerships of many corporations, taking bold political stands still appears to be a rare phenomenon. A lack of visionary leadership and ownership beyond profit-maximization seem to be absent in such anonymously owned corporations. As a consequence, communicative efforts might enforce the established moral convictions of the social environment through persuasive techniques and thus hinder progressivity of moral convictions leading to stagnant political correctness as noted by Solomon et al. (2006).

5.7 Summary

The most important conclusions, drawn from our empirical findings coupled with theory, is that consumers generally legitimize our research phenomenon but that there is a credibility gap concerning the assumed money making nature of business for money’s sake. To sum up, we conclude with a quote from one of our respondents:

Sara: *“If their purpose isn’t to make a profit it would be authentic for me. That their purpose would be something else.”*

To paraphrase the famous quote attributed to Milton Friedman, “The business of business is business”, we instead find that when companies are searching for moral legitimacy by taking a stand, “The problem for business is business”.

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7 Appendix

Interview guide

________________ **About the respondent**

- Tell us about yourself, age, occupation, where you grew up etc.
- How would others describe you?
- What role do you take in a group?
- Would you say that you affect other or that others affect you more?
- Do you like shopping? Why?
- Do you care about brands?
- What brands do you have on you right now?
- What do you know about these brands social responsibility?
- Is corporate social responsibility important for you?
- Have you ever boycotted or buycotted a brand because of a lack of social responsibility?

__________________ **About H&M**

- What do you think about H&M? What is your relationship with H&M?
- Would you say that H&M is a “good” company? Why/why not? Is it a responsible company? Why/why not?
- Is it a good company for society?

___________________Show the commercial

- What do you think about the commercial? Does it leave a positive or negative feeling? Why/why not?
- Does it make a moral statement? Why/ why not?
- Is the commercial good for H&M?
- Is the commercial good for you? Why/why not?
- Is the commercial good for society? Why/why not?
- Can H&M stand for the statement? Why/why not?
- Does it feel authentic? Why/why not?
- Have your image of H&M changed in any way after you have seen this commercial?

- What do you think about that H&M use this form of moral argumentation? Why/why not?

__________________ **About ICA**

- What do you think about ICA? What is your relationship with ICA?
- Would you say that ICA is a "good" company? Why/why not? Is it a responsible company? Why/why not?
- Is it a good company for society?

__________________ Show the commercial

- What do you think about the commercial? Does it leave a positive or negative feeling? Why/why not?
- Does it make a moral statement? Why/ why not?
- Does it take a political stand? Why/ why not?
- Is the commercial good for ICA? Why/ why not?
- Is the commercial good for you? Why/why not?
- Is the commercial good for society? Why/why not?
- Can ICA stand for the statement? Why/why not?
- Does it feel authentic? Why/why not?
- Have your image of ICA changed in any way after you have seen this commercial?
- What do you think about that ICA use this form of moral argumentation? Why/why not?

_____________________ **About Spotify**

- What do you think about Spotify? What is your relationship with Spotify?
- Would you say that Spotify is a "good" company? Why/why not? Is it a responsible company? Why/why not?

_____________________ Tell about Spotify's open letter

- What do you think about that Spotify goes out with such an open letter in this manner? Why?
- Is the commercial good for ICA? Why/ why not?
- Is the commercial good for you? Why/why not?
- Is the commercial good for society? Why/why not?
- Have your image of Spotify changed in any way after you have seen this commercial? Why/ why not?
- Is it better that they say this than when a politician says it? Why/ why not?

_________________ **Show the Björn Borg Commercial**

- What do you think about the commercial? Does it leave a positive or negative feeling? Why/why not?
- Does it make a moral statement? Why/ why not?
- Does it take a political stand? Why/ why not?
- Is the commercial good for Björn Borg? Why/ why not?
- Is the commercial good for you? Why/why not?
- Is the commercial good for society? Why/why not?
- Can Björn Borg stand for the statement? Why/why not?
- Does it feel authentic? Why/why not?
- What do you think about that Björn Borg use this form of moral argumentation? Why/why not?
- Does it trouble you that the cause is disconnected from the company? Why/ why not?
- Have your image of Björn Borg changed in any way after you have seen this commercial?

_______________ **General questions about the research phenomenon**

- What is the role of corporations in society? Why?
- What social responsibilities do companies have in society? Why?
- Does a company have more than legal and economic responsibilities? Why/ why not?
- Should companies enter the moral or political debate publicly? Why/ why not?