Firm Advocacy Strategy: The Role of Issue Selection and Consumer Mobilisation

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Abstract

Advocacy is best known as the public support for or recommendation of a particular cause or policy (Oxford Dictionary 2005) and is most commonly associated with representing the disadvantaged within society (Strolovitch, 2006). In this paper, we propose a term of firm advocacy strategy, whereby an organisation uses its power and influence to engage and mobilise its relationship partners to achieve benefits for both the consumer and the firm. We propose a model of firm based advocacy, mediated by consumer engagement and moderated by organisational type. Importantly, the manuscript also addresses, through a typology and using examples, the scope and range of issues that can form the basis for advocacy strategies.

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Introduction

Throughout history some of the great advocates, such as the Suffragettes, Martin Luther King and Nelson Mandela, have been associated with advancing an iconic social issue. Over time, organisations have also been established to advocate on behalf of their members. The most significant example of this is the American Association of Retired Persons (AARP), which has more than 40 million members and generates $625 million in membership fees. While its core activity is advocacy, the AARP also provides a number of products, services and benefits to its members. In 2003, it generated more than $300 million in revenue from co-branding with companies selling products. Interbrand valued AARP's brand at $6.5 billion. Clearly, the AARP has established a successful business with advocacy as a core component of its strategy. There is less certainty, however, as to whether organisations that have products or services as their core business can implement a firm advocacy strategy that enhances their brand and firm performance. In line with relationship marketing theory and the concept of customer empowerment, advocacy on an issue may mobilise customers, and indeed all stakeholders, to advance the issue and enhance the firm's overall relationship with its customers and the present paper examines this issue.

A Literature Review

Within the field of marketing, there has been little research into customer advocacy. Urban (2004, 2005) was one of the first to investigate customer advocacy, defining it as an organisation becoming a faithful representative of customers' interests by giving them open, honest and complete information about their product or service offerings. The development of a customer advocacy strategy is about the empowerment of the customer. Customers are becoming more powerful due to an increasing availability of choice of brands and access to information on which to judge these brands (Lawer & Knox, 2006; Lawer & Knox, 2007; Urban, 2004, 2005), which has made such strategies more important in recent years.

Given the traditional definition of advocacy, it is surprising existing research into customer advocacy has principally focused on improving relationships with customers and the better provision and use of products, with virtually no incorporation of social improvement or utility, especially as a firm's ethical performance is important in today's environment (Maon, Lindgreen, & Swaen, 2010). Consumers want firms to act in an ethical and responsible manner, live out their brand values and treat their customers fairly and with respect and it seems responsible corporate behaviour is rewarded through greater loyalty (Lichtenstein, Drumwright, & Braig, 2004; Luo & Bhattacharya, 2006). Given this, advocacy, as practiced by the AARP, may be a valuable strategy for other firms to pursue.

Advocacy Issue

If issues that are addressed within a firm advocacy strategy have a social character, the first step is to identify the issues an organisation should choose to pursue. As there are many potential causes a firm may champion, there is value in first defining broad categories of issues to enable a sensible and useful comparison. Corporate Social Responsibility (CSR) can help establish a framework. Carroll (1991) outlined four CSR components (economic, legal, ethical and philanthropic). The economic and legal responsibilities primarily chart how an

organisation should compete and operate in the marketplace, while the ethical and philanthropic components provide a more relevant guide for advocacy, focusing on moral norms and charitable activities. The CSR definition developed by the International Organization for Standardization for the Guidance Standard on Social Responsibility (ISO 26000) provides even more direction by noting that an organisation must take responsibility for the impact its actions have on society and the environment. This is in line with the premise of the Triple Bottom Line (Elkington, 1997), which speaks of a need for organisations to focus on improving economic, environmental and social performance. As an organisation's economic performance has limited relevance for this study, the potential advocacy issues firms might address can be broadly classified as social or environmental.

Secondly, the scope and focus of these issues can range from local to global. Waddock and Boyle (1995) described the changing ways in which firms define their communities; largely driven by the effects of globalisation. No longer can firms operate in, and serve, one community. Global competition means organisations can be located on a variety of sites and have customers in different locations. This makes the definition of an organisation's community complex, and as such, there is value in investigating whether advocacy strategies are impacted by the 'reach' of the issue being addressed.

The final consideration is the relevancy of a potential advocacy issue to the organisation. Du, Bhattacharya and Sen (2007) found the impact of CSR initiatives varied depending on whether the initiatives were in line with the firm's core business strategy. That is, if the initiative is aligned with the organisation values, there is a greater likelihood that the CSR initiatives will have longer-term strategic benefits for the organisation. This view is supported by Lafferty (2007), who found the fit between a brand and a cause must make sense.

Advocacy Strategy and Mobilisation

Urban (2004) and Lawer and Knox (2007) incorporated engagement with customers as part of their advocacy approach. Their view of engagement is aligned with the theory of co-creation suggested by Prahalad and Ramaswamy (2004). They contend that establishing a meaningful level of engagement with the consumer, driven by the organisation, creates value (Ramaswamy, 2009). Much of this work has been product and firm centric, focusing on using co-creation to help build a better product. An alternative view is presented by Vargo and Lusch (2004), who suggested allowing customers to be co-creators of value is a key foundational proposition of service-dominant logic, a view supported by Desai's (2009) research into the value co-created between social marketers and consumers. Like advocacy, co-creation has been enhanced by the emergence of connected, informed, empowered and active consumers. Desai (2009) suggested empowered customers are more likely to be active partners with firms, willingly collaborating and participating in co-creation.
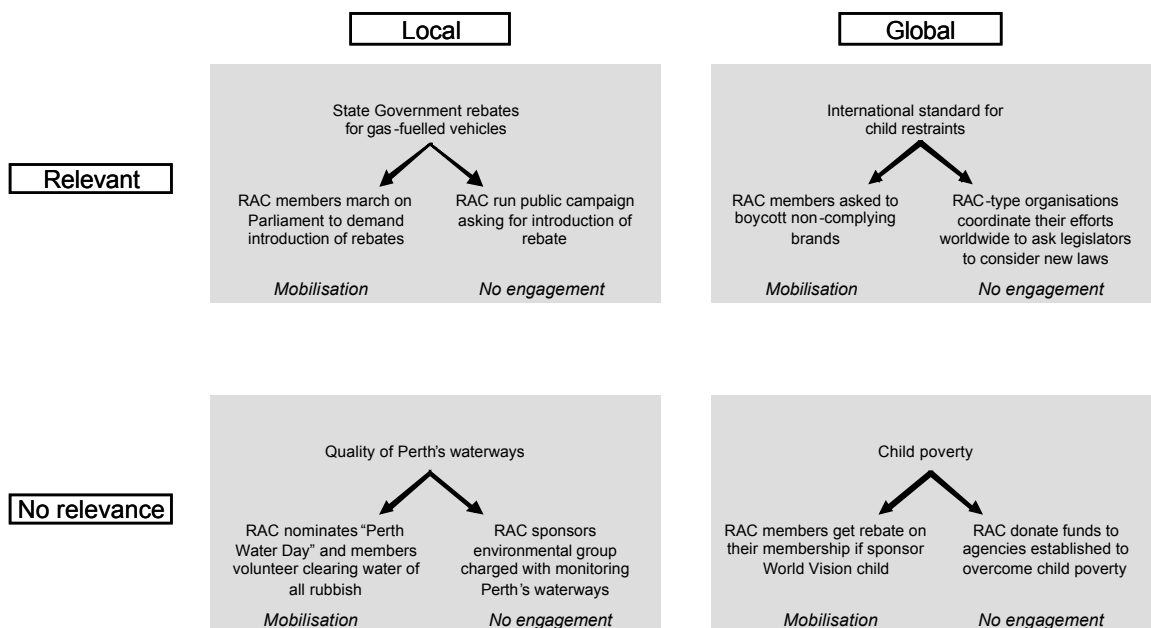
Typology for Advocacy

Based on the literature we are able to develop a new typology for advocacy, principally focusing on the specific characteristics of the issue and how it is addressed by the organisation. To date, research has focussed on the impact cause-related marketing has on consumer attitudes and behaviour (Westberg & Pope, 2005) rather than the actual type of different causes that could be supported. Therefore, this paper presents a typology of advocacy classifications (Table One).

Table One: Typology for Advocacy

Scope	Relevancy	Mobilisation
Local Issue	Related to core strategy	Mobilisation of stakeholders
Global Issue	Non-related to core strategy	No engagement

This approach creates a number of mutually exclusive options that an organisation could develop when implementing an advocacy strategy. Table Two provides an example of the various advocacy issues that an organisation, such as the Royal Automobile Club (RAC) which is used as an example, might pursue.

Table Two: Possible Advocacy Issues for RAC

	Local	Global
Relevant	**State Government rebates for gas-fuelled vehicles** RAC members march on Parliament to demand introduction of rebates (*Mobilisation*) RAC run public campaign asking for introduction of rebate (*No engagement*)	**International standard for child restraints** RAC members asked to boycott non-complying brands (*Mobilisation*) RAC-type organisations coordinate their efforts worldwide to ask legislators to consider new laws (*No engagement*)
No relevance	**Quality of Perth's waterways** RAC nominates "Perth Water Day" and members volunteer clearing water of all rubbish (*Mobilisation*) RAC sponsors environmental group charged with monitoring Perth's waterways (*No engagement*)	**Child poverty** RAC members get rebate on their membership if sponsor World Vision child (*Mobilisation*) RAC donate funds to agencies established to overcome child poverty (*No engagement*)

Organisational Type

Organisational sponsorship of advocacy issues may be scrutinised differently by consumers, depending on the apparent motive of the advocating organisation. A number of studies researching organisational sponsorship of advocacy advertising within the general source credibility literature have found non-profit and government sources are perceived to be more credible than commercial sponsors (Haley, 1996). Further, other studies have found messages were substantially more believable when attributed to a business with a vested interest in the public issue (Haley, 1996). However given the increasing scrutiny all firms face in respect to their ethical performance, it is of value to consider if this advocacy strategy is relevant for all firm types.

Advocacy Strategy and Firm Benefits

CSR and existing advocacy theory provide some guidance about the benefits that are likely to be achieved by implementing an advocacy strategy. Urban (2004) observed that, if a company helps a customer make the best possible choice, the customer will reward the

company with trust, loyalty and subsequent purchases. This view is supported by a number of other studies that have found consumers are likely to reward organisations with strong CSR reputations with greater, more sustained patronage (Lichtenstein et al., 2004; Luo & Bhattacharya, 2006). Indeed Du et al. (2007) found consumers' CSR beliefs were positively associated with increased likelihoods of purchase and other loyalty and advocacy behaviours. Despite this, the issue is still open to debate. Indeed, De los Salmones et al.'s (2005) study of users' perceptions of the economic, legal, ethical and social behaviours of their mobile phone company did not find a direct relationship between perceptions of social responsibility and consumer's loyalty towards their mobile phone company. Clearly more research is needed to better understand the role advocacy might play in any organisation's overall strategy.

Model Development

Firm advocacy strategy can be defined as an organisation's use of its power and influence to engage and mobilise people to achieve benefits for the consumer and the firm, beyond the product. We drew on past research to identify the key factors that should be included in a firm advocacy model, which can be seen in Figure 1 and has four parts, namely:

- The type of advocacy issues acceptable to target consumers.

- The firm's ability to engage and mobilise people around such issues.

- The influence the organisation has (in terms of its goals and industry sector).

- The likely outcomes and benefits a customer advocacy strategy has on a firm's overall performance.

Figure 1: A Firm Advocacy Model
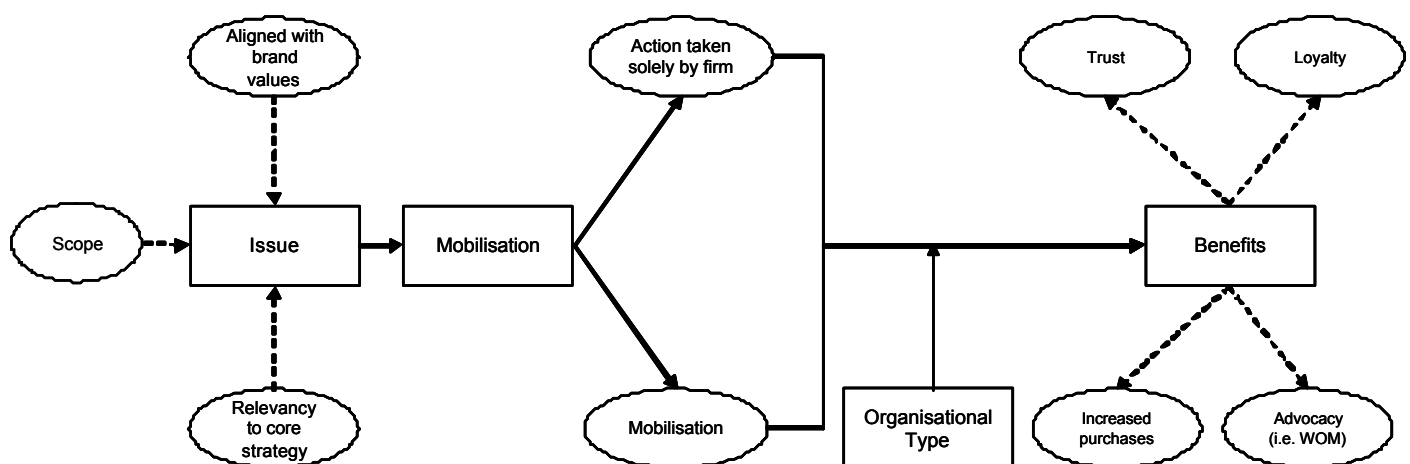
The literature suggests an advocacy strategy will be more accepted by customers if it is in line with its core business, and is not motivated by profit (Bhattacharya & Sen, 2004; Du et al., 2007; Quelch & Jocz, 2009). An not-for-profit example can be found in the Federation Internationale de l'Automobile (FIA), the governing body for world motor sport, which represents more than 100 million motorists worldwide. FIA clubs helped gather a million signatures in support of a proposal to create the first-ever UN road safety summit, which were submitted to UN Secretary General Ban Ki-moon. The United Nations supported the call and the first ever global Ministerial summit on road safety was held in Russia in 2009.

An alternative example of a for-profit organisation advocating for its community can be found in Novo Nordisk. As a manufacturer of pharmaceutical products, the company is a world leader in diabetes care. Novo Nordisk is committed to using its expertise, competence and influence to improve the level of care offered, such as helping establish the World Diabetes Foundation and working with the World Health Organization to improve diabetes care in developing countries. The type of organisation may moderate the influence an advocacy strategy has on performance.

Based on prior research, the model also suggests engaging customers in an advocacy issue will generate greater benefits for the firm. Normann and Ramirez (1993) suggested mobilising customers is a critical component to creating value and that creating customer experiences is less about products and more about the relationships customers have with a total offering. Prior research suggests there is potential to create customer value if a firm can engage their consumers in creating a better product or service (Payne, Storbacka, & Frow, 2008; Prahalad & Ramaswamy, 2004; Ramaswamy, 2010). Arguably, an advocacy strategy can create a greater perception of value if customers have been actively engaged in addressing the advocacy issue. An example can be seen in the AARP. As an advocacy organisation, AARP pursues a number of issues on behalf of their members and regularly engage their members in helping advance these issues. For example, the AARP is urging Congress to pass a Cost-of-Living Adjustment and, to help make this happen, the AARP is asking members to write to their Representatives and Senators in support. Such engagement and mobilisation can enhance an organisation's performance.

Conclusion and Future Research

In the present paper, we have suggested firm advocacy that focuses on mobilising customers can bring benefits to a firm. This extends recent discussions of advocacy that have focused on customer empowerment (through transparency), but is in line with recent research into the co-creation of customer value (including social value). We suggest issue selection and engagement are key issues that will impact on the success of an advocacy strategy. Issue selection includes decisions about the type of issue, its alignment with a firm's underlying values and its relevance to customers. Issue selection may be important to consumers and can enhance outcomes merely through an appropriate communication strategy. However, customer engagement (mobilisation) may help solve the specific issue, as well as leading to better performance. This outcome may, however, be moderated by the type of organisation undertaking the advocacy and the markets in which they operate. Some organisations have advocacy as their core business, while others may be membership based with member-pay services, and not advocacy, as their core business. Others organisations may merely have customers. Future research is needed to test the impact different advocacy approaches have on organisational outcomes, as well as to investigate the heterogeneity inherent in issue selection and engagement across different organisations and different markets.

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