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TESIS DOCTORAL

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DOCTORAL DISSERTATION

Las orientaciones al lucro y al propósito de las empresas afectan a la percepción de los clientes y los inversores y a su respectivo grado de confianza en las empresas

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Profit and purpose orientations of firms affect customer and investor perceptions of banking firms as well as perceptions of the trustworthiness of these firms

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RESUMEN

Contar con la confianza de las principales partes implicadas es vital para el éxito de las empresas y, sin embargo, estas partes implicadas constituyen un grupo heterogéneo con una serie de prioridades y perspectivas que resultan difíciles de gestionar para las empresas. Las partes implicadas pueden verse influidas por diversos aspectos de la empresa, incluida su orientación al lucro y el propósito. Una orientación al propósito centrada en la creación de valor social puede suscitar reacciones diferentes que una orientación al lucro centrada en la creación de valor económico, y estas orientaciones pueden ser determinantes a efectos del desarrollo de la confianza. La presente investigación arroja luz sobre esta dinámica al evaluar la satisfacción de los consumidores y los inversores con las instituciones financieras —es decir, bancos y cooperativas de crédito— orientadas al lucro y al propósito, así como otras percepciones de las mismas. La investigación evalúa el efecto de la orientación de la empresa sobre la satisfacción de las partes implicadas y sus percepciones de la fiabilidad, integridad, calidez y competencia de las empresas, así como la medida en que estos factores influyen en su nivel de confianza en la empresa. Se llevaron a cabo tres estudios que demostraron una preferencia significativa por las empresas orientadas a un propósito y mostraron que la confianza en las empresas estaba mediada por la satisfacción de los clientes y las percepciones de fiabilidad, integridad y calidez de las partes implicadas. Se detectan algunas diferencias entre consumidores e inversores —en determinadas condiciones, los inversores favorecen a los bancos y los consumidores a las cooperativas de crédito—, pero también se evidenciaron notables puntos en común, tales como una propensión general a favorecer a las empresas orientadas a un propósito y determinaciones similares de la confianza en las empresas. La investigación ofrece nuevas perspectivas prácticas sobre la diversidad de las partes implicadas, las evaluaciones de la confianza en las empresas y la relevancia de la orientación de las empresas.

ABSTRACT

It is vital to the success of firms that they have the trust of key stakeholders, and yet stakeholders are a heterogeneous group with a range of priorities and perspectives that can be challenging for firms to navigate. Stakeholders may be influenced by various aspects of the firm, including their profit-purpose orientation. A purpose orientation focused on creating social value may elicit different reactions than a profit orientation focused on creating economic value, and these orientations may be germane to the development of trust. The research herein sheds light on these dynamics by assessing consumers and investor satisfaction with, and other perceptions of, profit- and purpose-oriented financial institutions (i.e., banks and credit unions). The research evaluates how the profit-purpose orientation of firms affects customer and investor satisfaction and the perceived reliability, integrity, warmth, and competence of firms, and the extent to which these factors impact their level of trust in the firm. Three studies were undertaken and demonstrate significant favouring of purpose-oriented firms and showed that trust in firms was mediated by customer satisfaction and stakeholder perceptions of reliability, integrity, and warmth. Some differences between consumers and investors are found – under certain conditions, investors favour banks and consumers favour credit unions – but notable commonalities were also evidenced such as a general propensity to favour purpose-oriented firms and similar determinations of trust in firms. The research provides new and actionable insights into stakeholder diversity, assessments of trust in firms and the salience of firm orientation.

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INTRODUCCIÓN

Existe la creencia habitual de que la confianza es un componente valioso en las relaciones, pero puede ser difícil de ganar y fácil de perder. Para las empresas, la confianza de las distintas partes implicadas puede ser vital para su supervivencia y, sin embargo, existen lagunas en lo que sabemos sobre los entresijos de estas relaciones y la dinámica de la confianza y las evaluaciones de la fiabilidad. Para complicar las cosas más si cabe, las partes implicadas son un grupo muy diverso, con diferencias entre segmentos importantes como empleados, clientes, inversores, proveedores y otros, así como en el seno de cada uno de ellos. La orientación de la empresa –si una organización está orientada al lucro o a un propósito– también puede ser relevante para la satisfacción de las partes implicadas, sus percepciones de las empresas y su grado de confianza en una organización. Las motivaciones lucrativas pueden significar cosas diferentes para las distintas partes implicadas, tal como cada persona puede percibir de una manera el imperativo de operar de forma sostenible y crear valor social. Es un reto constante para las empresas determinar dónde gastar los recursos y qué mensajes transmitir. ¿Cómo las percibirán los consumidores y, sobre todo, qué percepciones de una empresa –fiabilidad o integridad, entre otras– son las más relevantes en estas relaciones? Y lo que es más importante, ¿qué influye más en su grado de confianza en la empresa?

Estas áreas son complejas e importantes de entender para las empresas. Este estudio amplía nuestra comprensión de estas relaciones y dinámicas y se guía por la siguiente pregunta de investigación:

¿Cómo interactúan el tipo de parte implicada y la orientación de la empresa a efectos de la satisfacción y las percepciones de una empresa y, en última instancia, a la confianza en ella?

La confianza es clave para unas relaciones productivas, eficaces y duraderas (Barney y Hansen, 1994; Arnott, 2007; Sichtmann, 2007). La confianza y la fiabilidad son evaluaciones dinámicas y personales que pueden ser de gran valor para las partes de una relación. Cuando la confianza está ausente o deteriorada, cabe esperar que las repercusiones negativas sean manifiestas. La confianza y la determinación de la fiabilidad son beneficiosas para las empresas por su influencia positiva en el comportamiento de los consumidores y la fidelidad a la marca (Morgan y Hunt, 1994; Kervyn et al., 2012), y para minimizar la fricción y los costes transaccionales (Barney y Hansen, 1994; Berman et al., 1999; Gundlach y Cannon, 2010). Para los consumidores, la confianza se asocia a una calidad superior y una mayor satisfacción, así como a un grado de comodidad en la toma de decisiones y la selección de marcas (Park y Srinivasan, 1994; Kim et al., 2015). Y, si bien los beneficios se han investigado a fondo, existen límites en nuestra comprensión de la confianza. Por ejemplo, aunque la bibliografía es cada vez más amplia en cuanto a lo que contribuye al desarrollo de la confianza –como la calidez percibida (Portal et al., 2019) y la integridad (Morhart et al., 2015) –, sabemos relativamente poco sobre cómo puede variar esto entre las distintas partes implicadas y en qué medida la percepción individual de las cuestiones que cabría esperar que consolidasen la confianza influye en el grado de confianza final.

Las relaciones con las partes implicadas son vitales para el éxito de cualquier organización. Existen muchas definiciones limitadas y amplias de las partes implicadas, pero incluso las definiciones limitadas –como las que se reducen a clientes, empleados, propietarios y, como mucho, proveedores– presentan una gran diversidad. Dado que hay muy poca investigación que contraste los diversos grupos de partes implicadas en una situación dada, nuestra comprensión de sus preferencias e implicaciones es limitada. La presente investigación se centra en dos grupos de partes implicadas (clientes e inversores) –uno junto al otro en un contexto específico– para ayudar a ampliar nuestra comprensión de sus diferencias y similitudes.

La orientación de la empresa añade más complejidad a las relaciones y percepciones de las partes implicadas sobre las empresas. Algunas organizaciones modelan sus operaciones con un enfoque más holístico para satisfacer las diversas necesidades y expectativas de las partes implicadas. Por ejemplo, las empresas sociales y las cooperativas estructuran sus organizaciones con directrices firmemente orientadas a servir a la sociedad y minimizar el impacto medioambiental, además de alcanzar los niveles de rentabilidad requeridos. Las empresas más tradicionales orientadas al lucro tienen el mandato de generar riqueza, pero también de cumplir importantes iniciativas de sostenibilidad corporativa. La forma en que las distintas partes implicadas perciben la orientación de las empresas, y en particular el contraste de las visiones de lucro y propósito, es un área en la que aún nos queda por aprender. Dada la importante inversión de recursos estratégicos para apoyar una orientación empresarial específica, y las intenciones y expectativas de dicha orientación, se trata de un área que bien podría beneficiarse de una mayor investigación.

La presente investigación pretende ampliar nuestros conocimientos sobre estos ámbitos, las posibles interacciones de la orientación de la empresa y el tipo de partes implicadas, y las percepciones resultantes de las partes implicadas que pueden influir en las evaluaciones de la confianza. En concreto, esta investigación pretende examinar el efecto de la orientación de la empresa al lucro sobre las percepciones de las partes implicadas y la confianza, si los clientes y los inversores varían en sus percepciones y cómo lo hacen, y si el efecto de la orientación de la empresa sobre la confianza está mediado por la satisfacción de las partes implicadas y su percepción de la fiabilidad, integridad, calidez y competencia de las empresas. Para ofrecer ejemplos realistas de las diferentes orientaciones de las empresas, la investigación se llevó a cabo en el contexto de los bancos orientados al lucro y las cooperativas financieras orientadas a un propósito de Norteamérica. En última instancia, esta investigación pretende determinar cómo las decisiones a nivel de empresa de la orientación lucro-propósito interactúan con las partes implicadas para afectar al grado de confianza de las partes implicadas en las organizaciones.

Las contribuciones de esta investigación cubren múltiples lagunas al aportar pruebas y conocimientos sobre cómo se relacionan las partes implicadas con los aspectos de nivel macro de una empresa, cómo varían en determinados contextos la satisfacción de las partes implicadas y sus percepciones de fiabilidad, integridad, calidez y competencia, y cómo influyen estas variables a la hora de determinar la fiabilidad. Las investigaciones realizadas hasta la fecha han contemplado normalmente a las partes implicadas como un único grupo o se han centrado en un tipo de partes implicadas, mientras que esta investigación contrasta dos partes implicadas diferentes en un contexto específico. Además, esta investigación aporta

nuevos conocimientos sobre cómo perciben las partes implicadas la orientación de la empresa y cómo ésta puede diferir entre los distintos tipos de partes implicadas.

Las secciones restantes de esta tesis proporcionarán el contexto y los detalles específicos de este esfuerzo investigador. A continuación, se realiza una revisión bibliográfica de los conceptos clave, como la confianza, las partes implicadas y la orientación de la empresa. Se proporciona un modelo de investigación junto con la metodología de tres estudios y las conclusiones. Los resultados de estos estudios y sus implicaciones se analizan en la sección final, incluyendo la presentación de perspectivas novedosas y efectivas para las organizaciones, así como oportunidades para futuras investigaciones.

INTRODUCTION

It is commonly accepted that trust is an important ingredient in productive relationships, but it can be difficult to gain and easily lost. Stakeholder trust in firms can be critical to their success, however there are gaps in what we know about the intricacies of these relationships and the dynamics of trust and assessments of trustworthiness. Compounding matters, stakeholders are a very diverse group, with differences across and within important segments such as employees, customers, investors, suppliers, and others. Firm orientation – such as a profit or purpose orientation – may be related to customer and investor satisfaction, their perceptions of organizations, and the degree of trust in a firm. Profit motivations may mean different things to different stakeholders, just as a mandate to operate sustainably and to create social value may be perceived in a variety of ways by different people. It can be difficult for firms to effectively allocate resources in such an environment, and to determine optimal communications. For example, how will stakeholders view the firm and what aspects of the firm (e.g., perceived reliability, integrity) are most salient to these relationships? Importantly, what has the greatest impact on their degree of trust in the firm?

These realms are complex and important domains for firms to understand. The present research furthers our understanding of these relationships and dynamics, and is seeks to address the following research question:

How do firm orientation (profit, purpose) and stakeholder type (customer, investor) interact to impact stakeholder satisfaction and certain perceptions of a firm and, finally, their degree of trust in a firm?

Trust is key to productive, efficient, and enduring relationships (Barney & Hansen, 1994; Arnott, 2007; Sichtmann, 2007). Trust and trustworthiness are dynamic, personal assessments that can be very valuable to parties in a relationship. When trust is absent or diminished, the negative repercussions can be expected to be evident. Trust and the determination of trustworthiness are beneficial to businesses through their positive influence on consumer behaviour and brand loyalty (Morgan & Hunt, 1994; Kervyn et al., 2012), and to minimize friction and transactional costs (Barney & Hansen, 1994; Berman et al., 1999; Gundlach & Cannon, 2010). For consumers, trust is associated with better quality and higher satisfaction, and a degree of comfort in decision making and brand selection (Park & Srinivasan, 1994; Kim et al., 2015). And while the benefits have been thoroughly researched, there are limits to our understanding of trust. For example, while the literature is growing in terms of what contributes to the development of trust – such as perceived warmth (Portal et al., 2019) and integrity (Morhart et al., 2015) – we know relatively little regarding how this may vary among different stakeholders and how much the degree of trust is influenced by individual perceptions of matters that might be expected to build trust.

Stakeholder relationships are vital to the success of any organization. There are many narrow and broad definitions of stakeholders, but even narrow definitions –

such as those that are limited to customers, employees, owners and perhaps suppliers – present a significant amount of diversity. As there is very little research that contrasts diverse stakeholder groups in a given situation, our understanding of their preferences and implications is limited. The present research focuses on two stakeholder groups (customers and investors) – side by side in a specific context – to help broaden our understanding of where they differ and where they are similar.

Firm orientation adds further complexity to stakeholder relationships and perceptions of firms. Some organizations model their operations with a more holistic approach to meeting diverse stakeholder needs and expectations. For example, social enterprises and cooperatives structure their organizations with hard-wired purpose-led mandates to serve society and minimize environmental impact in addition to meeting required levels of profitability. More traditional profit-oriented firms have a mandate to generate wealth but also deliver on important corporate sustainability initiatives. How different stakeholders perceive firm orientation, and particularly the contrast of profit and purpose views, is an area where we have more to learn. Given the significant investment of strategic resources to support a specific firm orientation, and the intentions and expectations of such an orientation, this is an area that could benefit from more research.

This research seeks to enhance our understanding of these realms, possible interactions of firm orientation and stakeholder type, and resulting stakeholder perceptions that may influence assessments of trust. Specifically, this research seeks to examine the effect of a firm's profit-purpose orientation on stakeholder perceptions and trust, whether and how customers and investors vary in their perceptions, and whether the effect of firm orientation on trust is mediated by stakeholder satisfaction and their perception of the reliability, integrity, warmth, and

competence of firms. To furnish realistic examples of different firm orientations, the research was undertaken within the context of profit-oriented banks and purpose-oriented financial cooperatives in North America. Ultimately, this research seeks to determine how firm-level decisions of profit-purpose orientation interact with stakeholders to affect the degree of stakeholder trust in organizations.

The contributions of this research address multiple gaps by providing evidence and insights into how stakeholders relate to macro level aspects of a firm, how stakeholder satisfaction and perceptions of reliability, integrity, warmth, and competence vary in certain contexts, and how these variables impact determinations of trustworthiness. Research to date has typically contemplated stakeholders as a single group or focused on one type of stakeholder, whereas this research contrasts two different stakeholders in a specific context. Additionally, this research provides new insights into how stakeholders perceive firm orientation and how this may differ across distinct stakeholder types.

The remaining sections of this dissertation will provide the context and specifics of this research effort. A literature review of the key concepts follows, including trust, stakeholders, and firm orientation. A research model is provided along with the methodology for three studies, and findings. The results of these studies and its implications are discussed in the final section, including presentation of novel and actionable insights for organizations as well as opportunities for further research.

LITERATURE REVIEW

To pursue this research, it is important to understand the contexts of trust and its possible determinants, as well as what is understood regarding stakeholder perceptions of firms and influences of the profit-purpose orientation of firms. Gaps in literature have led to the research question and extant research also supports the central hypothesis: firm type is germane to trust, stakeholder satisfaction and perceptions of reliability, integrity, warmth, and competence are moderated by role type, and these factors affect the degree of trust in a firm. Appraising stakeholder assessments of the firm— and how these assessments vary for profit- and purpose-oriented firms – will provide a helpful context for evaluating the interaction of stakeholder types with firm orientation, and subsequent affects on the assessments of trust in a firm. An overview of each of these variables will be discussed in turn.

Understanding Trust

In their work on relationship marketing, Morgan and Hunt (1994) characterized trust as “existing when one party has confidence in an exchange partner's reliability and integrity” (p. 23). This definition was adopted by Portal et al. (2019) in their research on developing brand trust and will be used for the present research as well. Based on this definition, the related concept of *trustworthiness* would denote those that are worthy of one's confidence in their reliability and integrity. Of note, the conception of trust shared by Morgan and Hunt (1994) and others (Barney & Hansen, 1994; Delgado-Ballester & Munuera-Alemán, 2005)

specifically emphasize confidence as a key aspect of trust. Definitions of trust are also frequently described alongside the concepts it is deemed to contrast, such as opportunism, exploitation, uncertainty, and vulnerabilities (Sichtmann, 2007; Delgado-Ballester & Munuera-Alemán, 2005; Barney & Hansen, 1994). Also important to the consideration of trust, is that it is both founded in the past and forward-looking: individuals use experience to set expectations of future behaviour (Sichtmann, 2007).

Trust is a familiar concept and central to any successful relationship and is thus central to business relationships and marketing (Arnott, 2007). Trust in a relationship has been demonstrated to support cooperation and reduce uncertainty (Morgan & Hunt, 1994; Sichtmann, 2007). In a business context, trust has been shown to bolster loyalty and increase purchase intention (Morgan & Hunt, 1994; Sichtmann, 2007), and support customer satisfaction and higher profits (Arnott, 2007). Trust has also been described as a very effective “lubricant” in relationships (Lorenz, 1988, p. 198) and very effective coordination mechanism (Adler, 2001). It has been suggested that trust can be a competitive advantage for a firm (Barney & Hansen, 1994) and a significant asset (Sichtmann, 2007).

Building on the notion of trust, the concept of brand trust can be envisioned as a belief that a brand will meet expectations (Delgado-Ballester, 2004) and individuals can count on the brand to be “consistent, competent, honest, capable and so on” (Delgado-Ballester & Munuera-Alemán, 2005, p. 188). This reality plays out regularly in the selection of products and services when a commitment and payment often take place early in a transaction and before the customer can benefit from the purchase. It is a powerful concept: research has noted the importance of brand recognition and trust in online transactions where the risks may be higher (Delgado-

Ballester & Munuera-Alemán, 2005; Arnott, 2007; Portal et al., 2019), and study participants that developed a trust-based relationship with a brand were demonstrated to shift loyalty from a market leader to a challenger brand (Du et al., 2011).

Classifying Stakeholders

While relationships are implicit in the notion of trust, expectations of either party can vary greatly. For the present research, the parties under consideration are two key stakeholders of an organization. And while the concept of stakeholders has become common, the term can seem vague and mean different things to different people. In academic literature, a commonly cited definition is by Freeman (1984) who described an organization's stakeholders as, "any group or individual who can affect or is affected by the achievement of the organization's objectives" (p. 46). A two-way relationship is implied between the organization and those with the capacity to affect or be affected by the organization. This can be taken very broadly to include investors, employees, customers, and suppliers, and extended to local communities, the government, and regulators; some also extend this thinking to future generations, nature, and even deities (Laplume et al., 2008; Schwartz, 2006).

In an effort to tighten the scope, some have limited stakeholders to primary or so-called legitimate stakeholder groups including those that have invested something in the firm and therefore bear risk (Mitchell et al., 1997; Clarkson et al., 1994; Phillips et al., 2003) or are deemed close connections of the firm (e.g., owners, employees, customers and suppliers) versus stakeholders that are perhaps important but more removed from the firm (e.g., government, media and advocacy groups) (Laplume et

al., 2008). For the purposes of the present research, a more recent definition by Harrison, Freeman and Abreu (2015) will be used: those that “have an interest in the processes and outcomes of the firm and upon whom the firm depends for the achievement of its goals” (p. 859). Specifically, this research will take a long-term view and will include customers (past, current, and prospective) and shareholders/investors (past, current, and prospective). A longer time horizon in managing stakeholders is deemed appropriate because interactions with these groups can often be relational, rather than transactional, and the relationship develops over time (Harrison et al., 2010). Given the unique roles and relationships represented by these stakeholders, we hope that the research will result in relevant and actionable insights for management that demonstrate what these groups hold in common and where they differ.

Effective management of stakeholders has been demonstrated to be important for revenue and profits (Berman et al., 1999; Barktus & Glassman, 2008); competitive advantage (Barney & Hansen, 1994; Hillman & Keim, 2001); consumer purchase decisions and attracting new customers (Webb & Mohr, 1998; Mohr et al., 2001; Bhattacharya & Sen, 2003); investor decisions (Mohr et al., 2001); employee motivation and performance (Laplume et al., 2008); and lower employee turnover (McWilliams & Siegel, 2001). In sum, positive stakeholder relations are vital to the survival and health of an organization. For some firms it may be a strategic “means to an end” (Berman et al., 1999, p. 491) and for others it may be more holistic; either way, the importance remains.

While there is much potential in strong relationships with stakeholders – and risks inherent in poor stakeholder relations – there is still much we do not know about stakeholder-firm relations. There have been calls to expand stakeholder

research beyond a disproportionate focus on consumers (Smith, 2003). Within and across the unique groups of stakeholders, there is much we need to learn to improve our understanding of their preferences and to predict behaviours more accurately (Laplume et al., 2008). It is important to consider analysis of stakeholders in subsets (e.g., customers, employees) rather than as a homogenous group (Wolfe & Putler, 2002). Understanding the heterogeneity and complexity of stakeholders is challenging for organizations (Hillman & Keim, 2001) and makes it very difficult to effectively prioritize firm activities (McGahan, 2020). It has been demonstrated that there is significant variance between and across these groups (Cordano et al., 2004), and it can be expected that there are notable variances within specific groups (e.g., customers) for different firms and industries (Harrison et al., 2015), and perhaps even for the size of the organization. Dealing with this complexity, heterogeneity and ambiguity is unquestionably challenging for organizations and has been called an “impossible task” (Painter, 2020, p. 2).

With respect to consumers and investors, there is no shortage of complexity, Stakeholders often have more than one role and it would not be unusual for an investor in a company to also support the firm as a consumer. Winn (2001) suggested that we reconsider and evolve the boundaries of stakeholder roles. It has also been suggested that investors, like consumers, are likely to have multiple goals and do not disassociate role-centric decisions from the other aspects of their lives (McQuarrie & Statman, 2015).

The salience of distinct roles is a key factor that is difficult to determine. While there is a case to be made for assessing the heterogeneity across stakeholder groups, it is also important to consider the heterogeneity within groups. It has been found that investors and consumers, for example, may not be as different as was

commonly asserted (Barber et al., 2005): in studying behavioural finance, investors made the same irrational cognitive errors as non-investors when making investment decisions. Wolfe and Putler (2002) have suggested an issue with the “role primacy” approach to stakeholders in contexts where “self-interest does not constitute the primary motivator of individuals’ attitudes and priorities” (p. 65). Others have suggested that the quality of stakeholder relationships are a function of the benefits of the relationship (Bhattacharya et al., 2009) which would suggest the role type may not be a primary consideration.

In other research, it was found that consumers and investors perceived media coverage differently, with consumers responding to tone and investors responding to the volume of coverage (Van Heerde et al., 2015). This is more consistent with the view that stakeholders are relatively homogenous within disparate groups (Freeman, 1984; Jones, 1995). This view is also commonly adopted by firms who adopt different messages and strategies for various stakeholder groups, such as customers, investors, employees, suppliers, and others. The reality is that a consumer often merits different messages than an investor, but we have minimal understanding of how each group perceives firms at a more general level.

And while heterogeneity of stakeholders is an important consideration, there is additional complexity due to inter-relatedness and interdependencies.

Organizations have been described as sets of “interdependent relationships among primary stakeholders” (Hillman & Keim, 2001, p. 127) and the nexus of a “network of stakeholders” (Harrison et al., 2010, p. 60). Treatment of one group has been noted to influence how other groups perceive the firm (Jones, 1995). Done well, managing these diverse groups can result in synergies, efficiencies, innovation, and new opportunities (Harrison et al., 2015; Parmar et al., 2010; Porter & Kramer, 2011).

The challenge now is not in understanding if stakeholder interests are essential to manage and meet (or exceed), but rather it is important that research gets more granular. Firms are constrained by a limited understanding of how stakeholders differ and what should be prioritized (Hillman & Keim, 2001) and how to improve stakeholder-organization relationships for maximum benefits (Bhattacharya & Sen, 2003; Harrison et al., 2010). Indeed, we know very little about causation in these relationships. For example, it has been lamented that “the collective benefits from a broad stakeholder management approach are often not traceable to a particular stakeholder relationship” (Harrison et al., 2010, p. 69). There is a significant opportunity for practical and actionable research in this realm.

Stakeholder Perceptions

While their profit-purpose orientation is largely a macrolevel aspect of a firm, stakeholder perceptions and assessments of the trustworthiness of a firm are ultimately microlevel determinations by individual stakeholders rather than stakeholders as a collective. Stakeholder perceptions of a firm have been demonstrated to affect brand equity (Yoo et al., 2000; Hoeffler & Keller, 2002), brand preference (Chomvilailuk & Butcher, 2010) and assessments of quality (Liu et al., 2014). And yet it is a challenging landscape: a global pandemic, financial market uncertainty, and the rise of misinformation has diminished stakeholder trust in organizations (Edelman, 2021) and this negatively impacts impressions of firms and their activities (Du et al., 2010; Ashforth & Gibbs 1990; Elving 2013). Of note, distrust has been evidenced in situations where stakeholders feel the firm is exaggerating outcomes or taking too much credit (Du et al., 2010; Sen et al., 2006). A myriad of

influences may affect stakeholder perceptions of a firm and given that a connection between stakeholder perception and their behaviour has been evidenced (Marquina & Morales, 2012), it is important for firms to have a more precise and granular understanding of the dynamics.

In considering profit-purpose orientation, there are stakeholders that may believe firms must compromise outputs like profit, service, and quality to deliver on increasingly diverse objectives (Friedman, 1970; Jensen, 2001; Hansen et al., 2013). In contrast to these views, there is research that has shown social and environmental programs can improve performance metrics of firms and have a valuable impact on brand and consumer perception, including driving desired behaviour (Luo & Bhattacharya, 2009; Mohr et al., 2001). In addition, there are purpose-oriented firms – such as Patagonia, TOMS Shoes, Danone North America, and Seventh Generation – that perform as well as their profit-oriented counterparts.

It has been shown that positive impressions of purpose-oriented initiatives, including corporate social and sustainability performance, can improve consumer attitudes towards a company (Lii & Lee, 2012), with the potential of benefiting customer preference and loyalty (Liu et al., 2014), limiting price elasticity of demand (Albuquerque et al., 2012), supporting willingness to pay a premium (Du et al., 2007), and improving purchase intention (Elving, 2013; Sen & Bhattacharya, 2001). Research has also pointed to a positive correlation between sustainability practices and firm performance as measured by customer loyalty (Du et al., 2007), satisfaction (Luo & Bhattacharya, 2006), service recovery (Albus & Ro, 2017), brand resilience and positive word of mouth (Du et al., 2007).

Various factors have been found to impact the salience of firms' purpose-oriented activities to varying degrees and in certain contexts. Behaviours resulting from awareness of a firm's contributions to a cause have been shown to be influenced by stakeholder perceptions of the initiative and/or the firm itself (de Jong & van der Meer, 2017). Fit and motive of social initiatives has been assessed as a moderator of stakeholder perceptions of a firm (Barone et al., 2007). Elving (2013) demonstrated that purpose-driven initiatives do not stand alone, but rather are evaluated in relation to the firm itself. Kim and Ferguson (2019) found that perceptions of programs were affected by the firm's reputation: firms with poor reputations earned better outcomes from social value initiatives than firms with good reputations. It has also been found that consumers react positively to these initiatives only when it is perceived as genuine (Forehand & Grier, 2003). Conversely, poor performance on sustainability measures can negatively impact stakeholder perceptions of firms (Sen & Bhattacharya, 2001; Brown & Dacin, 1997).

Consumer perception of social and sustainability initiatives can affect their brand perception and resulting behaviours (Kolodinsky et al., 2010) and can have a very positive effect on consumer perceptions of whether a brand is trustworthy. For example, Du et al. (2011) found that consumer participation in purpose-driven initiatives could result in the formation of a trust-based relationship with a challenger brand versus a transactional relationship with the market leader. Firms that better understand these dynamics should be better equipped to successfully engage with customers and other important stakeholders.

Antecedents of Trust

There are different views on what builds trust and much common ground. Morgan and Hunt (1994) found that shared value and communication were antecedents of trust. Shared value has been emphasized in other research, which found that consumers were more likely to trust a brand that is aligned with their own personal preferences (Pivato et al., 2008). Brand legitimacy and authenticity have also been put forward as important determinants of trust (Beverland & Farrelly, 2010; Portal et al., 2019). Trust has been envisioned as a multi-dimensional concept, comprised of three components: ability/competency trust, integrity/contractual trust, and benevolence/goodwill trust (Bachmann & Inkpen, 2011; Dowell et al., 2013). In a similar vein, it has been suggested that sound abilities and good intentions are important to the development of trust (Delgado-Ballester, 2004). Dowell et al. (2013) successfully applied the typology of prior research (Bachmann & Inkpen, 2011; Mayer et al., 1995) which suggested that competence, integrity, and benevolence are primary components leading to the development of trust. Sung and Kim (2010) also supported the notion of consumer trust developing from brand integrity. Others have noted there are two key dimensions of trust: functional in terms of behaviour and reliability, and affective with respect to intentions and integrity (Portal et al., 2019). More recently, research has continued to work with variants of ability, integrity, and goodwill, homing in on warmth, intention, and ability/competence as components of brand trust (Aaker et al., 2010; Kervyn et al., 2012; Portal et al., 2019).

Implied in the discussion of trust is that there is a relationship between the two parties that brings relevance to the notion of trust. For example, between a

stakeholder and a firm, the relationship may be brief and transactional or longer and more relational. With respect to consumers, it has been shown that trust has a positive influence on the relationship outcomes and especially in mass market situations (Sichtmann, 2007). It has also been found that consumers are more forgiving of a trusted brand with whom they have positive associations (Tsarenko & Tojib, 2015). In the business-to-business context, as among consumers, buyers use trusted brands to minimize risk (Delgado-Ballester & Munuera-Alemán, 2005). From an intra-firm perspective, employee trust has been shown to engender greater loyalty, commitment, and satisfaction, and to enhance performance of individuals and teams (Adler, 2001; Collins & Porras, 1994). Research is clear that trust – in these situations and others – is context dependent (Gundlach & Cannon, 2010; Klein et al., 2019). For example, consider the degree of trust that might be required when dealing with important matters of personal finance versus using your credit card in a foreign country. Both situations normally involve some assessment of trustworthiness, but ultimately different expectations of trust may be evidenced.

While the benefits are evident and the path to building trust may seem obvious, there are limits to our understanding. There is little research comparing trust across stakeholder groups in certain situations and there is evidence that there are differences (Sichtmann, 2007). For example, cultural differences in levels of trust have been found – based on beliefs and preferences (Naef et al., 2008) – and it is probable this will also be evidenced across stakeholder groups. In addition, it has been found that while integrity may reduce feelings of insecurity and vulnerability, it does not have a causal relationship with trust (Delgado-Ballester & Munuera-Aleman, 2001). And the stakes are high: “building trust is like free mountain climbing

– one slip and you’re dead” (Arnott, 2007, p. 983). Understanding the contextual determinants of trust, including variations across stakeholders, can be critical information for companies seeking to develop, maintain and build trust among their constituents.

Firm Orientation

There are many ways to classify and differentiate among firms: public or private, local or national, independent or franchised, etc. For the present research, firms are distinguished according to their predilection for either a profit- or purpose-oriented mandate (George et al., 2021; Porter & Kramer, 2011; Friedman, 1962; Jensen & Meckling, 1976). A firm with strong *profit* motivations denotes a more traditional firm orientation that is expected to generate wealth for its owners/shareholders as a primary motivation for their operations. In contrast, a *purpose* orientation includes firms whose primary motivation is either community-oriented and/or values-based. In contrast to traditional business models of profit-oriented firms, there are models that seek to integrate sustainability more deeply and embed purpose mandates into their structure. Certain corporate forms embed social and environmental mandates into their business model by using more holistic business practices that go beyond “bolting on” of community programs and providing environmental, social and governance (ESG) reports. Researchers and practitioners have looked to social entrepreneurship and hybrid organizations for proven social and sustainable practices (Dacin et al., 2011; Shaw & de Bruin, 2013), and member-owned community cooperatives typically operate in a similar fashion (Zeuli et al., 2004). These firms function differently from traditional corporations and

entrepreneurs: for social-oriented firms, maximizing social impact is the priority and the pursuit of profits is typically secondary and sometimes may be immaterial (Desa & Basu, 2013). Hybrid organizations – which have been designed to simultaneously deliver profit- and purpose-based missions (Alberti & Garrido, 2017) – are becoming more common. Examples of hybrid organizations include values-driven, community-oriented and benefit corporations, such as Certified B Corporations and cooperatives. These organizations demonstrate how profits and social benefit can be compatible and even mutually supportive, and their stakeholders typically understand that this is “by design”. The vision of these firms is to create a virtuous circle of profit, people, and planet.

Profit- and purpose-oriented business models each have long, respected, and successful histories. The traditional profit orientation is perhaps better known and is rooted in the shareholder primacy ethos that is the cornerstone of many capitalist practices. In addition to the importance of maximizing profits and therefore shareholder wealth, these firms are widely expected to provide societal value as well through philanthropic, social, and environmental initiatives.

When evaluating a firm’s orientation, it can be instructive to consider the firm-stakeholder models developed by Berman et al. (1999). Broadly classified as strategic stakeholder management models and the intrinsic stakeholder commitment model, the former includes stakeholder relationships only in so far as they hold strategic value for the firm and contribute to its financial performance. In the intrinsic model, “managerial relationships with stakeholders are based on normative, moral commitments rather than on a desire to use those stakeholders solely to maximize profits” (Berman et al., 1999, p. 488). More recently, George et al. (2021) applied the

terms goal-based purpose and duty-based purpose which, respectively, are conceptually aligned with the strategic and intrinsic models developed by Berman et al. (1999). Leveraging these perspectives for the present research, traditional banks with their profit mandates are suited to the goal-based strategic stakeholder management model whereas financial cooperatives (e.g., credit unions¹) are purpose-driven and aligned with the duty-based intrinsic stakeholder commitment model.

As an example, a national or multi-national publicly traded bank would be considered profit-oriented, whereas a local or regional member-owned cooperative bank would be considered to have a purpose orientation (Pérez & del Bosque, 2015; Levillain & Segrestin, 2019). Both firms offer comparable services and are expected to have identifiable profit goals, conscientious values, and socially minded practices, but the prioritization and operationalization of these considerations is discernibly distinct across these two types of firms.

¹ In many parts of the world, financial cooperatives are commonly called credit unions. These terms will be used interchangeably in this dissertation.

RESEARCH MODEL & HYPOTHESES

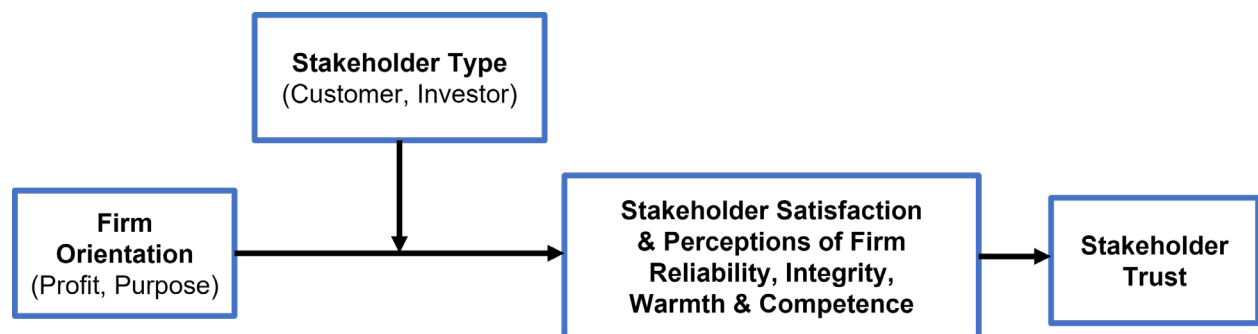
The specific aim of this research is to evaluate how a firm's profit-purpose orientation interacts with stakeholder type to impact stakeholder satisfaction and perceptions of the reliability, integrity, warmth, and competence of a firm², and the overall assessment of the trustworthiness of a firm. The independent variables of interest herein are the type of stakeholder (customer or investor) and the orientation of a firm (profit or purpose). The dependent variables are stakeholder satisfaction and certain assessments of a firm that research indicates may be germane to determining the degree of trust in a firm (reliability, integrity, warmth, and competence), and also the assessments of the trustworthiness of a firm (Bachmann & Inkpen, 2011; Dowell et al., 2013; Portal et al., 2019; Aaker et al., 2010).

It is anticipated that stakeholders will make independent assessments of the organization based on evidence of the firm's profit-purpose orientation, stakeholder type will interact with firm orientation, and that this will affect stakeholder evaluations of the firm, including perceived satisfaction and perceptions of the reliability, integrity, warmth, and competence of the firm. These stakeholder perceptions of a firm are expected to mediate the effect of firm orientation on stakeholder trust (Adler, 2001; Portal et al., 2019; Aaker et al., 2012). The research model in Figure 1 illustrates these relationships.

² Unless otherwise specified, "perceptions" in this dissertation typically refers collectively to the constructs of reliability, integrity, warmth, and competence used in this research.

Figure 1

Research Model



This model depicts stakeholder type interacting with firm orientation to affect certain stakeholder satisfaction and perceptions, and ultimately stakeholder trust. Stakeholder satisfaction and perceptions of reliability, integrity, warmth, and competence – ranging from positive to negative – will mediate the effect of stakeholder type X firm orientation on trust in the firm (from a high degree of trust to a high degree of distrust).

Research has demonstrated that it can be overly simplistic to contemplate stakeholders as homogenous groups (Wolfe & Putler, 2002). There are important variations in cognitive-linguistic determinations by different stakeholders (Crilly et al., 2015), differences between holistic and analytic thinkers (Nisbett et al., 2001; Monga & John, 2007), and variation based on individualistic or collective contexts (Shavitt & Barnes, 2020). Research has also demonstrated improved effectiveness of communications customised for specific subgroups of investors rather than treating them as a homogenous group (Wong et al., 2021). The heterogeneity of

stakeholders, both customers and investors, is therefore expected to interact with firm orientation and also influence stakeholder perceptions of the organization.

There are various factors that may affect stakeholder assessments of the trustworthiness of a firm. For example, the definition of trust notably includes consideration of reliability and integrity (Morgan & Hunt, 1994). Prior research has worked with these constructs and related notions such as warmth and competence (Delgado-Ballester, 2004; Aaker et al., 2010; Portal et al., 2019). These have been demonstrated to be possible antecedents of trust and will be captured in this research as key perception constructs, specifically perceptions of the reliability, integrity, warmth, and competence of firms.

The concept of reliability is key to trust in consumer-brand relationships and capture the expectations that specific performance needs would be met by an organization and brand reliability has been described as, “a starting point for describing brand trust” (Delgado-Ballester, 2004, p. 575). The importance of integrity in assessments of the brand and its authenticity have been shown to be important to consumers (Beverland & Farrelly, 2010). Morhart et al. (2015), referred to perceptions of integrity as the deemed “moral purity and responsibility of the brand (i.e., its adherence to good values and sincere care about the consumer)” (p. 203). The importance of integrity has also been evidenced for purpose-driven organizations, such as non-profits (Venable et al., 2005) with honesty, positive influence, and a commitment to the public good noted as important components of a firm’s integrity. Research by Portal et al. (2019) connected competence and warmth as key aspects in assessments of a firm or individual: “warmth is based on whether one perceives another to have good intentions, and competence on whether one

perceives another to have the ability to carry out those intentions” (p. 717). Warmth is very much related to the tendency of individuals to anthropomorphize the qualities of a firm in terms of their attitudes and behaviours, while competence assessments consider their more technical skills and actual abilities.

As purpose-oriented firms are understood to have a multi-stakeholder orientation and deemed to be more altruistic than profit-oriented firms, stakeholders are likely to have a more positive view of these types of firms (Lii & Lee, 2012; Luo & Bhattacharya, 2006). In contrast, profit-oriented firms may be linked with excessive profits, capitalist greed, and tense stakeholder relations which may negatively impact assessments of a firm’s trustworthiness (Edelman, 2021; Elving, 2013; Du et al., 2010). The first hypothesis reflects the expectation that these patterns will be evidenced in this research:

H1: The profit-purpose orientation of a firm will affect the level of stakeholder trust. Firms with a purpose orientation will be deemed more trustworthy than firms with a profit orientation.

It has been found that customers are inclined to be critical of the exceptionally high earnings reported by some profit-oriented firms (Bhattacharjee et al., 2011) and they are typically very responsive to the purpose-oriented mandate of financial cooperatives (Global Alliance for Banking on Values [GABV], 2019; Canadian Credit Union Association [CCUA], 2017). As such, we expect customer assessments of firms will be more favourable to those with a purpose orientation than those with a

profit orientation. In contrast, investor assessments of firms are anticipated to change based on the purpose or profit orientation of a firm. Investors may expect to make greater financial gains from a profit orientation and may thus have a more positive impression of these types of firms. Conversely, investors may expect lower financial gains from purpose-oriented firm and therefore may not have a positive impression of this type of organization. Investors may thus be found to have more favourable views of profit-oriented firms versus purpose-oriented firms. This expectation is consistent with views espousing the primacy of shareholder profits (Kramer, 2019; Jensen, 2001; Friedman, 1970) and instances of lower-than-expected investments in socially responsible opportunities compared to more traditional investment opportunities (Shkura, 2019; Yan et al., 2019). The second hypothesis is thus:

H2: Stakeholder type (customer, investor) will moderate the impact of firm orientation (profit, purpose) on assessments of trust. Purpose-oriented firms will produce more favorable assessments among consumers than profit-oriented firms. Among investors, firms with a profit orientation will produce more favorable assessments than firms with a purpose orientation.

Research suggests an array of perceptions – from very positive to very negative – may affect a stakeholder's level of trust in an organization and assessments of the trustworthiness of a firm (Adler, 2001; Bachman & Inkpen,

2011). Positive perception of constructs like reliability, integrity, warmth, and competence lead to greater trust and negative perceptions of these constructs may diminish trust (Portal et al., 2019). Specifically, perceptions and trust will be positively correlated, such that positive impressions of a firm will lead to higher levels of trust in a firm and negative impressions of the firm result in lower levels of trust in a firm. This expectation is supported by research that suggests assessments of trustworthiness reflect microlevel determinations by individuals (Bachmann & Inkpen, 2011; Adler, 2001) and perceptions of certain firm attributes, such as competence and warmth, affect the degree of stakeholder trust in a firm (Aaker et al., 2012; Portal et al., 2019). The third and final hypothesis of this research is thus:

H3: The interactive effect of stakeholder type and firm orientation on assessments of trust will be mediated by stakeholder satisfaction and perceptions of the firm's reliability, integrity, warmth, and competence. Positive perceptions of firms will elicit greater assessments of trust; less positive to negative perceptions of firms will result in diminished levels of trust.

While one may anticipate that certain perceptions of stakeholders will result in greater effects on trust than certain others, the literature does not indicate which variable(s) might produce more significant effects than others. Portal et al. (2019), for example, distinguished reliability, integrity, warmth, and competence as key components of trust in brands, but an enhanced and more granular knowledge of the

components and their respective valence could be helpful. There are reasons – both anecdotally and empirically – to believe any of the variables (satisfaction, competence, integrity, warmth, and reliability) could mediate the effect of firm orientation on stakeholder trust (Aaker et al., 2010; Kervyn et al., 2012). However, it is not possible to predict if some or all will result in significant mediation. This research will examine each of these relationships to further our understanding.

These hypotheses demonstrate basic differences in satisfaction and perceptions of a firm by stakeholders that may result from the diverse preferences and interests of a heterogeneous group. Further, the relative impact of their perceptions on stakeholder trust may also vary and can have a range of effects on the firm due to the level of trust and assessments of trustworthiness. Ultimately, it is expected that firm orientation will affect trust and this will be moderated by stakeholder type and mediated by stakeholder perceptions.

METHODOLOGY

This research undertook three studies to test the hypotheses and uncover new insights. The focus was on investors and customers: both types of stakeholders are external to firms and important to the survival of firms but may vary in their priorities and perspectives regarding the firms. To provide for comparable and commonly known types of firms, banking firms were used for the context of this research. Most adults have an ongoing customer relationship with a banking service, and some may also invest in these types of firms.

The specific sample of firms selected is an important aspect of this study: to reflect firms that capture both profit and purpose orientations, the studies leverage two financial services firms that have important and visible differences: credit unions and banks. Both types of firms offer comparable banking services, each is well known and trusted with funds, but vary in their profit-purpose orientation.

Banks are very common, typically shareholder-owned, often listed publicly on stock exchanges, and have a mandate to deliver profits to shareholders. They operate nationally and internationally, with massive employee and customer populations, significant holdings, and consistently sizable earnings. Credit unions, in contrast, are financial co-operatives; they are member-owned, locally focused, and they have a primary mandate to serve the community and their members. Credit unions commonly and collectively refer to their practices as “people over profits” and they note this as a key differentiator vis-à-vis a traditional bank. They typically have deeply entrenched, long-standing social and sustainability practices.

In this research, banks and credit unions respectively signify profit- and purpose-oriented mandates. Like many other firms, both firm types are commonly seen to have important socially responsible and sustainability-minded corporate initiatives. The firms are well established, the relevant data is readily available, and the firms naturally offer a realistic context to contrast firms with purpose and profit orientations.

The first two studies reported here are experiments, followed by a survey. In the first experiment, participants were designated with a stakeholder role – either investor or customer – and asked to assess a credit union and then a bank or a bank and then a credit union, after the details of each were shared. In the second experiment, respondents were again designated as a customer or investor, but were then only asked to assess one of firms and they were not told about the other type of firm in the study. Awareness was limited to one type of firm in an attempt to see if the effects would persist in a situation where attention to the firm's distinct profit-purpose orientation was minimized. The third study involved a survey in which participants were actual stakeholders of banks and credit unions and were asked to evaluate their primary firm as either a customer or investor. Respondents answered questions in each study to capture relative satisfaction, the perceived reliability, integrity, warmth, and competence of the firms, and to assess the trustworthiness of the firm. For the final study (the survey), respondents also answered questions to capture

sociodemographic information and their views regarding purpose and profit orientations of firms³.

The following studies and questionnaires were vetted with the ethics committee at IE Business School before research commenced (Approved 2-Feb-2022, IERC-18-2021-2022).

³ The profit-purpose mandate of firms is generally referred to in this dissertation as their profit-purpose *orientation* (e.g., “profit-oriented” and “purpose-oriented”), which is distinct from the profit-purpose *values/views of stakeholders* which are herein referred to as “profit views” and “purpose views”.

STUDY 1

The first study was an experiment designed to test the first two hypotheses of this research effort. To accomplish this, respondents were each allocated a stakeholder role (investor or customer) and provided with a profile of either a credit union or a bank (see Table 1), and then responded to a series of questions to assess their perceptions of the firm. Participants were then given the other firm profile followed by the same series of questions. This study was a mixed-design 2 (stakeholder type: customer vs. investor; between-subjects) x 2 (firm orientation: bank vs. credit union; within-subjects). Stakeholder satisfaction and perceptions of the reliability, integrity, warmth and competence of the firm and degree of trust in the firm were the dependent variables. The order of presentation of the firm profiles was counterbalanced.

Table 1

Study 1: Firm Profiles

Bank Profile	Credit Union Profile
General Overview: <ul style="list-style-type: none">• The Bank is owned by its shareholders and directs a large portion of its profits to owners and executives• The Bank has a long history of excellence in banking and investments• The Bank is one of the biggest in the country	General Overview: <ul style="list-style-type: none">• As a co-operative, the Credit Union is owned by its customers and improving the financial well-being of customers is its sole purpose• The Credit Union has a long history in banking and investments• The Credit Union is one of the biggest in the country
Corporate Sustainability Performance: <ul style="list-style-type: none">• The Bank reinvests a small portion of profits back into the communities it serves• The Bank is working to minimize its environmental impact• The Bank is working to improve relationships with employees	Corporate Sustainability Performance: <ul style="list-style-type: none">• The Credit Union reinvests a large portion of profits back into the communities it serves• The Credit Union has been carbon neutral since 2018• The Credit Union meets globally recognized targets for employee diversity

After informed consent was confirmed, all participants were randomly assigned to one of the four conditions (1 – bank customer first, credit union customer second; 2 – credit union customer first, bank customer second; 3 – bank investor first, credit union investor second; 4 – credit union investor first, bank investor second) (see Table 2).

Table 2

Study 1: Participant Conditions

<i>Scenario</i>	<i>Role Type</i>	<i>Firm Sequence</i>
1	Customer	Bank - Credit Union
2	Customer	Credit Union - Bank
3	Investor	Bank - Credit Union
4	Investor	Credit Union - Bank

Perception questions (18 in total) were designed to measure satisfaction with the firms profiled (one item) as well as perceptions of the reliability (four items), integrity (three items), warmth (three items), competence (two items) of the firms; final perception questions addressed the degree of trust in the firms (five items) (see Table 3 and Table 4). The perception items for this study were selected from research that evaluated links between stakeholders and brands in terms of perceived reliability, integrity, warmth, competence, trustworthiness, and other factors (Delgado-Ballester, 2004; Venable et al., 2005; Morhart et al., 2015; Portal et al., 2019).

Table 3*Perception Constructs – Study 1*

<i>Construct</i>	<i>Item</i>
Reliability	This firm would meet my expectations
	This firm is reliable and dependable
	I could rely on this firm to solve a problem
	This firm would make effort to satisfy me
Integrity	This firm is true to a set of moral values
	This firm is honest
	This firm has a positive influence
Warmth	This firm is generous
	This firm consistently acts with the public's best interest in mind
	This firm is warm
Competence	This firm is highly competent in its field
	This firm is skilled and effective at achieving its goals

Table 4*Trust Construct – Study 1*

<i>Construct</i>	<i>Item</i>
Trust	<i>Function</i> I would trust this firm with my banking.
	<i>Values</i> I would trust this firm to make decisions in the best interest of society.
	<i>Stakeholder orientation</i> I would trust this firm to make decisions in the best interest of its customers. I would trust this firm to make decisions in the best interest of its investors/shareholders.
	<i>Sustainability</i> I would trust this firm to make decisions in the best interest of the environment.

Each question was validated in prior research and selected for the present research to capture various facets of perceptions that were germane to trust in firms. A 5-point Likert-type scale was used to measure the responses for satisfaction (5 = *highly satisfied*, 4 = *satisfied*, 3 = *neutral*, 2 = *dissatisfied*, 1 = *highly dissatisfied*) and the other perception constructs (5 = *strongly agree*, 4 = *agree*, 3 = *neutral*, 2 = *disagree*, 1 = *strongly disagree*).

Results

In total, 475 responses were recorded. The final sample reflects 436 responses across all four conditions, as 39 participants had not completed dependent variables and were thus removed for data analysis. The sample included adults from the United States recruited through CloudResearch and Amazon MTurk and each was compensated \$0.25 USD.

SCALES

The reliability ratings of the constructs are presented in Table 34. A sufficient level of scale reliability was verified for firm reliability (Cronbach's $\alpha_{cu} = .911$, $\alpha_{bank} = .912$), integrity ($\alpha_{cu} = .872$, $\alpha_{bank} = .884$), warmth ($\alpha_{cu} = .854$, $\alpha_{bank} = .915$), competence ($\alpha_{cu} = .905$, $\alpha_{bank} = .910$), and trust ($\alpha_{cu} = .857$, $\alpha_{bank} = .855$). All scales thus ultimately met the criteria for reliability.

ANALYSIS

Working with the validated scales, a repeated measures analysis was conducted to examine the effects of firm orientation on trust, interactions of firm orientation and stakeholder role affecting trust, the role of satisfaction and the perception variables (e.g., reliability, warmth) on assessments of trust. The analysis initially presented significant main effects of firm orientation on all variables and interactions of stakeholder type and firm orientation affecting two variables. Notably, credit union stakeholders had significantly higher assessments across all perception variables. A discussion of the analysis of each dependent variable follows.

Trust

Analysis of stakeholder trust with the selected firm uncovered a significant main effect of firm orientation on trust ($F_{(1, 434)} = 192.27, p < .001, \eta^2_p = .307$) (see Table 5); trust was higher for credit union stakeholders ($M_{\text{creditunion}} = 4.15, SD = 0.64$) than bank stakeholders ($M_{\text{bank}} = 3.60, SD = 0.79$) (see Table 35). There interaction of firm orientation and role type affecting perceptions of trust was not significant ($F_{(1, 434)} = 0.00, p = .982, \eta^2_p = .000$) (see Table 5).

Table 5

Trust: Repeated Measures ANOVA Results

		<i>F</i>	<i>Sig.</i>	η^2_p
Intercept				
Firm	1	192.27	<.001***	.307
Firm*Role	1	.001	.982	.000
Error	434			

Satisfaction

Analysis of stakeholder satisfaction with the selected firm uncovered a significant main effect of firm orientation on trust ($F_{(1, 434)} = 63.41, p < .001, \eta^2_p = .127$) (see Table 6); satisfaction was higher for credit union stakeholders ($M_{\text{creditunion}} = 4.34, SD = 0.66$) than for bank stakeholders ($M_{\text{bank}} = 3.97, SD = 0.75$) (see Table 36). A significant interaction of role type and firm orientation affecting satisfaction was also found ($F_{(1, 434)} = 16.66, p < .001, \eta^2_p = .037$) (see Table 6). Among bank stakeholders, investors were more satisfied than customers ($M_{\text{investor}} = 4.06, SD = 0.71$ vs. $M_{\text{customer}} = 3.88, SD = 0.79$) whereas among credit union stakeholders,

customers were more satisfied than investors ($M_{\text{investor}} = 4.24$, $SD = 0.74$ vs. $M_{\text{customer}} = 4.44$, $SD = 0.55$) (see Table 6).

Table 6

Satisfaction: Repeated Measures ANOVA Results

		<i>F</i>	<i>Sig.</i>	η^2_p
Intercept				
Firm	1	63.411	<.001***	.127
Firm*Role	1	16.655	<.001***	.037
Error	434			

Reliability

Analysis of stakeholder perceptions of reliability with the selected firm uncovered a significant main effect of firm orientation on perceptions of reliability ($F_{(1, 434)} = 76.97$, $p < .001$, $\eta^2_p = .151$) (see Table 7); firm reliability was perceived to be higher for credit union stakeholders ($M_{\text{creditunion}} = 4.13$, $SD = 0.70$) than for bank stakeholders ($M_{\text{bank}} = 3.76$, $SD = 0.78$) (see Table 37). A significant interaction of role type and firm orientation affecting perceived reliability was also found ($F_{(1, 434)} = 12.86$, $p < .001$, $\eta^2_p = .029$) (see Table 7). Among bank stakeholders, investors rated reliability higher than customers ($M_{\text{investor}} = 3.80$, $SD = 0.77$ vs. $M_{\text{customer}} = 3.71$, $SD = 0.78$) whereas among credit union stakeholders, customers rated reliability higher than investors ($M_{\text{investor}} = 4.02$, $SD = 0.75$ vs. $M_{\text{customer}} = 4.23$, $SD = 0.62$) (see Table 7).

Table 7

Reliability: Repeated Measures ANOVA Results

		<i>F</i>	<i>Sig.</i>	η^2_p
Intercept				
Firm	1	76.969	<.001***	.151
Firm*Role	1	12.855	<.001***	.029
Error	434			

Integrity

Analysis of stakeholder perceptions of integrity of the selected firm uncovered a significant main effect of firm orientation on perceptions of integrity ($F_{(1, 434)} = 200.40, p < .001, \eta^2_p = .316$) (see Table 8); perceived integrity was higher among credit union stakeholders ($M_{\text{creditunion}} = 4.13, SD = 0.70$) than among bank stakeholders ($M_{\text{bank}} = 3.46, SD = 0.88$) (see Table 38). The interaction of role type and firm orientation affecting perceptions of integrity was not significant ($F_{(1, 434)} = 0.55, p = .459, \eta^2_p = .001$) (see Table 8).

Table 8

Integrity: Repeated Measures ANOVA Results

		<i>F</i>	<i>Sig.</i>	η^2_p
Intercept				
Firm	1	200.401	<.001***	.316
Firm*Role	1	.550	.459	.001
Error	434			

Warmth

Analysis of stakeholder perceptions of warmth of the selected firm uncovered a significant main effect of firm orientation on perceptions of warmth ($F_{(1, 434)} = 260.59, p < .001, \eta^2_p = .375$) (see Table 9); perceptions of warmth were higher among credit union stakeholders ($M_{\text{creditunion}} = 4.03, SD = 0.73$) than bank stakeholders ($M_{\text{bank}} = 3.20, SD = 0.98$) (see Table 39). The interaction of role type and firm orientation affecting perceptions of warmth was not significant ($F_{(1, 434)} = 2.07, p = .150, \eta^2_p = .005$) (see Table 9).

Table 9*Warmth: Repeated Measures ANOVA Results*

		<i>F</i>	<i>Sig.</i>	η^2_p
Intercept				
Firm	1	260.591	<.001***	.375
Firm*Role	1	2.075	.150	.005
Error	434			

Competence

Analysis of stakeholder perceptions of competence of the selected firm uncovered a significant main effect of firm orientation on perceptions of competence ($F_{(1, 434)} = 12.41$, $p < .001$, $\eta^2_p = .028$) (see Table 10); competence was perceived to be higher among credit union stakeholders ($M_{\text{creditunion}} = 4.21$, $SD = 0.68$) than bank stakeholders ($M_{\text{bank}} = 4.07$, $SD = 0.76$) (see Table 40). The interaction of role type and firm orientation affecting perceptions of competence was not significant ($F_{(1, 434)} = 1.07$, $p = .301$, $\eta^2_p = .002$) (see Table 10).

Table 10*Competence: Repeated Measures ANOVA Results*

		<i>F</i>	<i>Sig.</i>	η^2_p
Intercept				
Firm	1	12.412	<.001***	.028
Firm*Role	1	1.074	.301	.002
Error	434			

CORRELATIONS WITH TRUST

To assess a relationship between satisfaction, the perception variables, and trust, correlations were measured for each potential relationship. The correlations for credit unions are shown in Table 11. All variables had a moderate to strong positive relationship with trust. The strongest correlations with trust were found for integrity ($r = .82$, $p < .001$) and warmth ($r = .81$, $p < .001$).

Table 11*Pearson Correlations: Credit Unions*

	Trust	Sig. (2-tailed)	N
Satisfaction	.623**	<.001	436
Reliability	.670**	<.001	436
Integrity	.816**	<.001	436
Warmth	.814**	<.001	436
Competence	.724**	<.001	436

** . Correlation is significant at the 0.01 level (2-tailed).

The correlations for banks are shown in Table 12. All variables had a moderate to strong positive relationship with trust. The strongest correlations with trust were found for integrity ($r = .78, p < .001$) followed by warmth ($r = .74, p < .001$) and reliability ($r = .73, p < .001$).

Table 12*Pearson Correlations: Banks*

	Trust	Sig. (2-tailed)	N
Satisfaction	.553**	<.001	436
Reliability	.731**	<.001	436
Integrity	.782**	<.001	436
Warmth	.736**	<.001	436
Competence	.564**	<.001	436

** . Correlation is significant at the 0.01 level (2-tailed).

Discussion

The experiment undertaken in study 1 revealed significant main effects of firm orientation for each dependent variable; the interactions of role type and firm orientation affecting stakeholder satisfaction and perceived reliability of the firms were also significant. Credit unions were thus shown to be significantly and consistently rated higher than their profit-oriented counterparts by the participants in this experiment.

The significant main effects of firm orientation on trust provided support for Hypothesis 1: firm orientation will affect stakeholder trust. In the first study, purpose-oriented firms were deemed to be more trustworthy than firms with a profit orientation. Further, firm orientation had a significant main effect on every other perception variable: credit unions were significantly and consistently assessed higher ratings than banks for satisfaction, reliability, integrity, warmth, and competence. Of note, these results – particularly that purpose-oriented firms were perceived as significantly more trustworthy than banks – was representative of both customers and investors.

Support was not found for Hypothesis 2: stakeholder type would moderate the impact of a firm's profit-purpose orientation on assessments of trust. A significant interaction of stakeholder role and firm orientation was found for satisfaction and perceptions of reliability: investors were more favourable to banks and customers were more favourable to credit unions in terms of stakeholder satisfaction and perceived reliability of the firms. While the hypothesis was not supported, evidence of an interaction of role and firm orientation is nonetheless noteworthy.

The analysis did not test for the mediation anticipated with Hypothesis 3: the effect of firm orientation on trust would be mediated by stakeholder satisfaction and perceptions of the reliability, integrity, warmth, and competence of a firm. However, correlation analysis of study 1 did suggest a relationship between trust and stakeholder perceptions: more favourable assessments across all perception variables corresponded with higher assessments of trust in credit unions; less favourable assessments across all perception variables for banks corresponded with lower assessments of trust in banks. For both banks and credit unions, satisfaction and all perception variables were strongly and positively correlated with trust. The strongest relationships with trust at both types of firms was found for integrity and warmth. Among bank stakeholders, reliability was also found to have one of the strongest correlations with trust.

In general, stakeholders demonstrated greater trust in credit unions as well as higher ratings for satisfaction, reliability, integrity, warmth and competence. Banks had significantly lower perceptions among stakeholders. Perhaps most remarkable was the low level of trust in banks. This seems surprising given that these firms are entrusted with vast amounts of funds and important transactions. A possible explanation may be that individuals trust the banking regulatory environment to keep funds safe and transactions accounted for; outside of that, however, they perhaps do not trust banks.

Also of interest, warmth and trust were among the lowest scores for banks. One could expect that warmth and trust should be high in a service-oriented business, but clearly that was not demonstrated for both types of firms and warmth

was the lowest rating for both. It is possible that trust is mediated by warmth; a relationship can be further assessed in the next study.

Regarding the interactions of firm orientation and stakeholder type, while bank investors showed significantly higher ratings of satisfaction and reliability than bank customers, it is notable that they do not similarly ascribe higher levels of trust in the firms. Perhaps investors are satisfied with their returns and believe they can rely on the firms to continue delivering returns but are nonetheless distrustful of the firm and similarly have low perceptions of the bank's warmth, integrity and competence.

In sum, as expected, study 1 showed support for the first hypothesis. Unexpected, however, was that hypothesis 2 was not supported. And, while a difference between the perceptions of banks and credit unions was expected to a degree, it is noteworthy that banks were consistently rated much lower than their competition. The highest rating for banks – competence – also did not seem to translate into meaningfully positive perceptions of trustworthiness or reliability. Competence and reliability could be viewed as more objective assessments and yet, here too, the credit unions were rated higher. It will be helpful to see if these results are corroborated with additional studies and whether they can lead to additional insights.

While the above results clearly favoured purpose-oriented firms and many significant results were evidenced, the within-subjects aspect of this experiment may have resulted in more pronounced effects as participants were comparing the two firms sequentially when making their assessments. In reality, most individuals would have one primary banking firm and would rarely contrast it side-by-side with another firm unless they are considering making a change in their main banking firm.

However, even in such a scenario, it may be more likely that an individual would compare a bank with a bank and a credit union with a credit union, rather than considering a bank versus a credit union.

The next study will address these limitations. For example, a between-subjects design could focus participants on only one type of firm and allow for more understanding of variances between stakeholder types. Further, a more comprehensive set of perception items capturing the constructs of reliability, integrity, warmth, and competence may help to better assess variances in the perception variables. The second study will also facilitate an opportunity to measure for mediation of trust by stakeholder perceptions, and whether the relationship between perceptions and trust noted in study 1 can be confirmed in a mediation analysis.

STUDY 2

The second study was an experiment designed to further test the hypotheses and seek validation of the findings of study 1. In study 2, participants were again assigned to a stakeholder type but only asked to evaluate one of the two firms, resulting in a 2 (stakeholder type: customer vs. investor) x 2 (firm type: bank vs. credit union) between-subjects design with stakeholder satisfaction, perceptions of the reliability, integrity, warmth and competence of a firm, and degree of trust in the firm as dependent variables. To address opportunities identified in study 1, this scenario limits each participant to evaluating only one firm. This may be more realistic and eliminating the direct contrast may make the differences more subtle and therefore any results may be more compelling.

After confirming informed consent, participants were randomly assigned to one of four scenarios (see Table 13). Participants were shown firm profiles identical to those in study 1, with strong statements to convey differences in firm orientations (see Table 14). They were then asked to assess the firm based on their assigned role. Participants received these questions and all subsequent questions in the same order.

Table 13*Study 2: Participant Conditions*

<i>Condition</i>	<i>Role Type</i>	<i>Firm Type</i>
A	Customer	Bank
B	Investor	Bank
C	Customer	Credit Union
D	Investor	Credit Union

Table 14*Study 2: Firm Profiles*

<i>Conditions</i>	<i>Firm Description</i>
A & B	<p>General Overview:</p> <ul style="list-style-type: none"> • The Bank is owned by its shareholders and directs a large portion of its profits to owners and executives • The Bank has a long history in banking and investments • The Bank is one of the biggest in the country <p>Corporate Sustainability Performance:</p> <ul style="list-style-type: none"> • The Bank reinvests a small portion of profits back into the communities it serves • The Bank is working to minimize its environmental impact • The Bank is working to improve relationships with employees
C & D	<p>General Overview:</p> <ul style="list-style-type: none"> • As a co-operative, the Credit Union is owned by its customers and improving the financial well-being of customers is its sole purpose • The Credit Union has a long history in banking and investments • The Credit Union is one of the biggest in the country <p>Corporate Sustainability Performance:</p> <ul style="list-style-type: none"> • The Credit Union reinvests 5% of profits back into the communities it serves • The Credit Union has been carbon neutral since 2018 • The Credit Union meets globally recognized targets for employee diversity

After reading the firm profiles, participants were asked to rate their satisfaction with the firm and then responded to questions reflecting the perception constructs and assessments of trust. To broaden the data collection from study 1 to study 2, the perception items in the questionnaire were expanded to 35 items across the same six constructs, adding 17 items to the 18 existing items (see Table 15 and Table 16). These items were added from the same sources used for the perception constructs in study 1 (Delgado-Ballester, 2004; Venable et al., 2005; Morhart et al., 2015; Portal et al., 2019). The additional questions were added to determine if there were any peculiarities or granularity that could be gleaned from a larger bank of questions that assessed the same constructs in different ways. All items were assessed with the same 5-point Likert-type scales from the previous study.

Table 15

Perception Constructs – Study 2

<i>Construct</i>	<i>Item</i>
Reliability	This firm would meet my expectations
	This firm is reliable and dependable
	I could rely on this firm to solve a problem
	This firm would make effort to satisfy me
	I would be confident in this firm
	This firm would never disappoint me
	This firm would guarantee satisfaction
	This firm delivers what it promises
Integrity	This firm is true to a set of moral values
	This firm is honest
	This firm has a positive influence
	This firm gives back
	This firm cares about people
	I could believe what this firm says
Warmth	This firm is committed to the public good
	This firm is generous
	This firm consistently acts with the public's best interest in mind
	This firm is warm
	This firm has a kind attitude
Competence	This firm has good intentions toward ordinary people
	This firm is highly competent in its field
	This firm is skilled and effective at achieving its goals
	This firm lacks the ability to implement its intentions

Items added to study 2, in addition to those used in study 1, are noted with bold text.

Table 16*Trust Construct – Study 2*

<i>Construct</i>	<i>Item</i>
Trust	<i>Function</i> I would trust this firm with my day-to-day banking. I would trust this firm with my investments. I would trust this firm with my retirement savings.
	<i>Values</i> I would trust this firm to make decisions in the best interest of society. I would trust this firm to make decisions in my best interest.
	<i>Stakeholder orientation</i> I would trust this firm to make decisions in the best interest of its customers. I would trust this firm to make decisions in the best interest of its investors/owners. I would trust this firm to make decisions in the best interest of its employees. I would trust this firm to make decisions in the best interest of our local community.
	<i>Sustainability</i> I would trust this firm to make decisions in the best interest of the environment. I would trust this firm to make decisions in the best interest of future generations.

Items added to study 2, in addition to those used in study 1, are noted with bold text.

Results

In total, 448 responses were recorded from participants recruited through CloudResearch and Amazon MTurk; each was compensated \$0.25 USD. Fifty-five participants had not completed the dependent variables of the survey and were removed for data analysis resulting in a final dataset of 393 respondents across the four conditions: credit union customer ($n = 99$), credit union investor ($n = 96$), bank customer ($n = 97$) and bank investor ($n = 98$). The sample included adults from the United States.

SCALES

The reliability of the scales for the constructs are presented in Table 41. A sufficient level of scale reliability was verified for firm reliability (Cronbach's $\alpha = .933$), integrity ($\alpha = .954$), warmth ($\alpha = .946$), and trust ($\alpha = .948$). The reliability of competence ($\alpha = .433$) was below the desired threshold ($\alpha = .700$; Churchill, 1979) but items 2 and 3 were highly correlated ($r = .41$, $p < .001$) (see Table 42). Item 1 was removed from analysis and the ultimate scale for competence – comprising of items 2 and 3 – was significantly correlated and had higher reliability ($\alpha = .578$). All scales thus ultimately met the criteria for reliability.

ANALYSIS

Working with the validated scales, analyses of variance were conducted to determine the effects of firm orientation on trust, whether there is an interaction of firm orientation and stakeholder type affecting trust, and whether the effect of firm orientation on trust is mediated by stakeholder perceptions. The analysis presented multiple main effects and several interactions. Credit union stakeholders had

significantly higher assessments of key constructs and in a few instances, role type played a significant role. A discussion of the analysis of each dependent variable follows.

Trust

Analysis of stakeholder trust with the selected firm revealed a significant main effect of firm orientation ($F_{(1, 386)} = 28.32, p < .001, \eta^2_p = .068$) (see Table 17); trust was higher for credit union stakeholders ($M_{\text{creditunion}} = 4.02, SD = 0.65$) than bank stakeholders ($M_{\text{bank}} = 3.63, SD = 0.80$) (see Table 43). The interaction of firm orientation and role type affecting perceptions of trust was found to be insignificant ($F_{(1, 386)} = 0.836, p = .361, \eta^2_p = .002$) and the effect of role type was also insignificant ($F_{(1, 386)} = 0.02, p = .896, \eta^2_p = .000$) (see Table 17).

Table 17

Trust: Repeated Measures ANOVA Results

		M^2	F	$Sig.$	η^2_p
Corrected Model	3	5.135	9.704	<.001***	.070
Firm	1	14.984	28.321	<.001***	.068
Role	1	.009	.017	.896	.000
Firm*Role	1	.442	.836	.361	.002
Error	386	.529			
Total	390				
Corrected Total	389				

Satisfaction

Analysis of stakeholder satisfaction with the selected firm revealed a significant main effect of firm orientation ($F_{(1, 386)} = 11.10, p < .001, \eta^2_p = .028$) (see Table 18); satisfaction was higher for credit union stakeholders ($M_{\text{creditunion}} = 4.16, SD = 0.70$) than for bank stakeholders ($M_{\text{bank}} = 3.89, SD = 0.87$) (see Table 44). The interaction of firm orientation and role type affecting satisfaction not significant ($F_{(1,$

$_{386}) = .55, p = .457, \eta^2_p = .001$) nor was the effect of role type significant ($F_{(1, 386)} = 0.87, p = .351, \eta^2_p = .002$) (see Table 18).

Table 18

Satisfaction: Repeated Measures ANOVA Results

		M^2	F	$Sig.$	η^2_p
Corrected Model	3	2.609	4.162	.006	.031
Firm	1	6.956	11.100	<.001***	.028
Role	1	.545	.870	.351	.002
Firm*Role	1	.347	.553	.457	.001
Error	386	.627			
Total	390				
Corrected Total	389				

Reliability

Analysis of stakeholder perceptions of reliability with the selected firm revealed a significant main effect of firm orientation ($F_{(1, 386)} = 17.35, p < .001, \eta^2_p = .043$) (see Table 19); firm reliability was perceived to be higher for credit union stakeholders ($M_{\text{creditunion}} = 3.88, SD = 0.66$) than bank stakeholders ($M_{\text{bank}} = 3.57, SD = 0.80$) (see Table 45). The interaction of firm orientation and role type affecting reliability was found to be insignificant ($F_{(1, 386)} = .02, p = .878, \eta^2_p = .000$) as well as the main effect of role type ($F_{(1, 386)} = 2.17, p = .141, \eta^2_p = .006$) (see Table 19).

Table 19

Reliability: Repeated Measures ANOVA Results

		M^2	F	$Sig.$	η^2_p
Corrected Model	3	3.470	6.471	<.001	.048
Firm	1	9.300	17.347	<.001***	.043
Role	1	1.166	2.174	.141	.006
Firm*Role	1	.013	.024	.878	.000
Error	386	.536			
Total	390				
Corrected Total	389				

Integrity

Analysis of stakeholder perceptions of integrity of the selected firm revealed a significant main effect of firm orientation ($F_{(1, 386)} = 40.92, p < .001, \eta^2_p = .096$) (see Table 20); perceived integrity was higher among credit union stakeholders ($M_{\text{creditunion}} = 4.07, SD = 0.69$) than among bank stakeholders ($M_{\text{bank}} = 3.55, SD = 0.90$) (see Table 46). There was also a significant main effect of role type ($F_{(1, 386)} = 4.85, p = .028, \eta^2_p = .012$) (see Table 20); investors had significantly higher perceptions of the firms ($M_{\text{investor}} = 3.89, SD = 0.76$) than customers ($M_{\text{customer}} = 3.72, SD = 0.91$) (see Table 46). The interaction of firm orientation and role type affecting integrity was insignificant ($F_{(1, 386)} = .04, p = .834, \eta^2_p = .000$) (see Table 20).

Table 20

Integrity: Repeated Measures ANOVA Results

		M^2	F	$Sig.$	η^2_p
Corrected Model	3	9.714	15.173	<.001	.105
Firm	1	26.199	40.924	<.001***	.096
Role	1	3.104	4.849	.028*	.012
Firm*Role	1	.028	.044	.834	.000
Error	386	.640			
Total	390				
Corrected Total	389				

Warmth

Analysis of stakeholder perceptions of warmth uncovered a significant main effect of firm orientation on perceptions of warmth ($F_{(1, 386)} = 47.28, p < .001, \eta^2_p = .109$) (see Table 21); perceptions of warmth were higher among credit union stakeholders ($M_{\text{creditunion}} = 4.02, SD = 0.69$) than for bank stakeholders ($M_{\text{bank}} = 3.44, SD = 0.96$) (see Table 47). There was also a significant main effect of role type ($F_{(1, 386)} = 4.85, p = .028, \eta^2_p = .012$) (see Table 21); investors had significantly higher perceptions of the firms ($M_{\text{investor}} = 3.89, SD = 0.76$) than customers ($M_{\text{customer}} = 3.72, SD = 0.91$) (see Table 47). The interaction of firm orientation and role type affecting warmth was insignificant ($F_{(1, 386)} = .04, p = .834, \eta^2_p = .000$) (see Table 21).

386) = 5.28, $p = .022$, $\eta^2_p = .013$) (see Table 21); investors had significantly higher perceptions of the firms ($M_{\text{investor}} = 3.82$, $SD = 0.85$) than customers ($M_{\text{customer}} = 3.63$, $SD = 0.91$) (see Table 47). The interaction of firm orientation and role type affecting perceptions of warmth was found to be insignificant ($F_{(1, 386)} = .06$, $p = .813$, $\eta^2_p = .000$) (see Table 21).

Table 21

Warmth: Repeated Measures ANOVA Results

		M^2	F	$Sig.$	η^2_p
Corrected Model	3	12.110	17.427	<.001***	.119
Firm	1	32.857	47.282	<.001***	.109
Role	1	3.666	5.276	.022*	.013
Firm*Role	1	.039	.056	.813	.000
Error	386	.695			
Total	390				
Corrected Total	389				

Competence

Analysis of stakeholder perceptions of competence of the selected firm revealed a significant main effect of role type ($F_{(1, 386)} = 412.54$, $p < .001$, $\eta^2_p = .517$) (see Table 22); perceived competence was higher among customers ($M_{\text{customer}} = 3.91$, $SD = 0.76$) than among investors ($M_{\text{investor}} = 2.36$, $SD = 0.76$) (see Table 48). The interaction of firm orientation and role type affecting competence was found to be significant ($F_{(1, 386)} = 8.19$, $p = .004$, $\eta^2_p = .021$) (see Table 22); among stakeholders, perceptions of competence were higher among customers than investors for banks ($M_{\text{customer}} = 3.83$, $SD = 0.72$ vs. $M_{\text{investor}} = 2.50$, $SD = 0.69$) and for credit unions ($M_{\text{customer}} = 3.98$, $SD = 0.78$ vs. $M_{\text{investor}} = 2.22$, $SD = 0.80$) (see Table 48). There was not a significant main effect of firm orientation affecting perceptions of competence ($F_{(1, 386)} = .69$, $p = .408$, $\eta^2_p = .002$) (see Table 22).

Table 22*Competence: Repeated Measures ANOVA Results*

		M^2	F	$Sig.$	η^2_p
Corrected Model	3	79.482	140.363	<.001***	.522
Firm	1	.389	.687	.408	.002
Role	1	233.608	412.545	<.001***	.517
Firm*Role	1	4.637	8.189	.004**	.021
Error	386	.566			
Total	390				
Corrected Total	389				

TESTING FOR MEDIATION

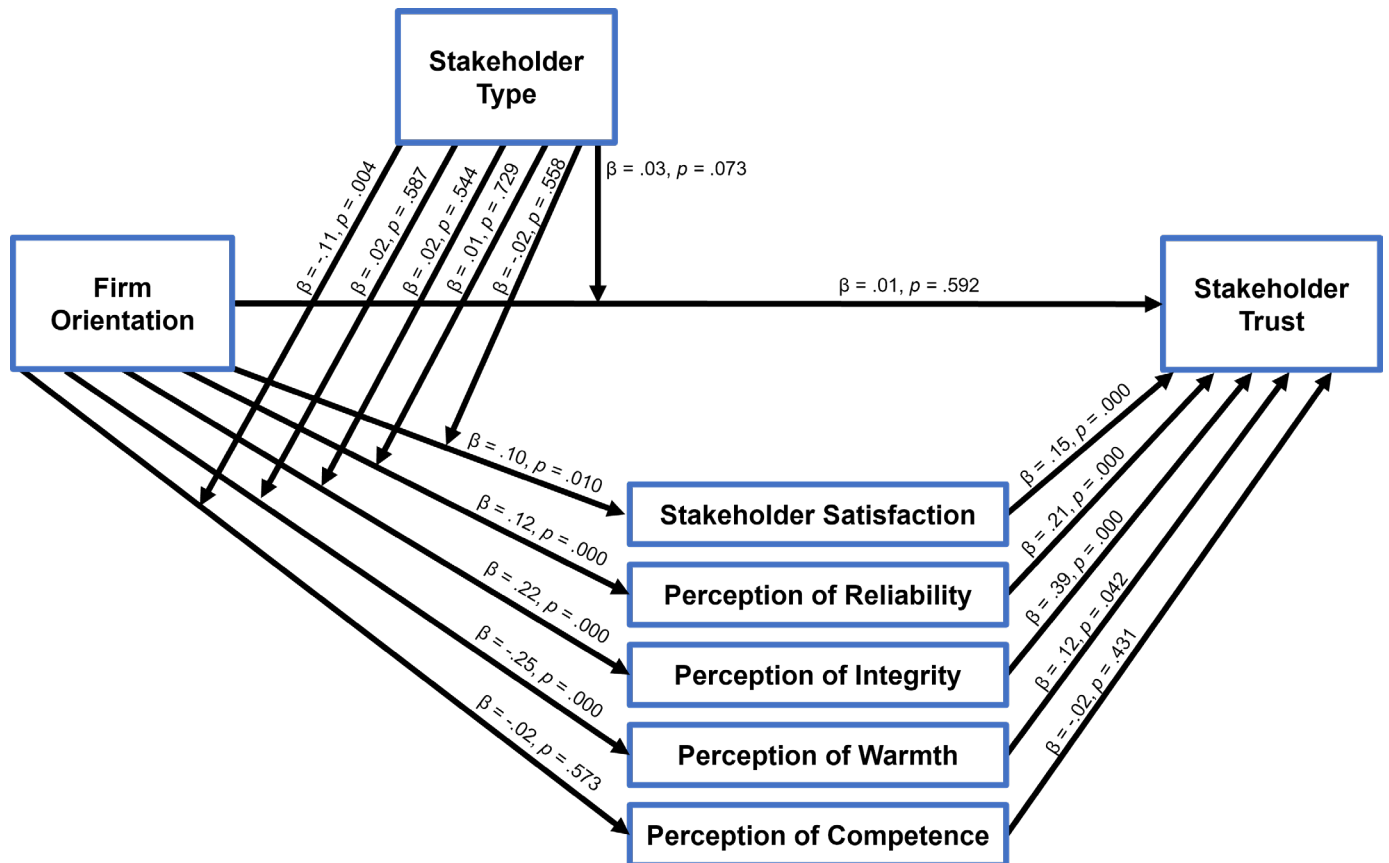
To analyse for mediations, I ran a parallel moderated mediation using Model 8 of Hayes' PROCESS macro in SPSS (Hayes, 2013) with bootstrapping of 5,000 samples. Designating firm orientation as the independent variable, stakeholder type as the moderator, and trust as the dependent variable; satisfaction and perceptions of firm reliability, integrity, warmth, and competence were tested as possible mediators. The results follow. As a robustness check, analysis was also undertaken with Model 7 of Hayes' PROCESS macro in SPSS (Hayes, 2013) and the results were not substantially different.

The direct effect of firm orientation on trust was insignificant ($\beta = .01$, $t_{(389)} = 0.54$, $p = .592$, 95% CI [-0.03, 0.05]). Although the direct effect of firm orientation X stakeholder type on trust was not significant ($\beta = .03$, $t_{(389)} = 1.80$, $p = .073$), the conditional effect of firm orientation on trust was significant for investors ($\beta = -.13$, $t_{(389)} = -2.45$, $p = .015$, 95% CI [-0.24, -0.03]) but did not reach significance for customers ($\beta = .09$, $t_{(389)} = 1.64$, $p = .101$, 95% CI [-0.02, 0.20]).

The effect of firm orientation on each of the mediators, apart from competence (i.e., satisfaction, reliability, integrity, and warmth), was found to be significant. Finally, satisfaction, reliability, integrity, and warmth each had a significant effect on trust. The overall indirect effects were significant and the 95% confidence intervals did not include zero for the mediators reliability, integrity and warmth, and partly for satisfaction which was only significant for customers but not investors. Thus, reliability, integrity and warmth seem to be the underlying constructs connecting firm orientation and trust for both types of stakeholders; for consumers, satisfaction is also mediating the effect of firm orientation on trust. See Figure 2 for an overview of the results. Further details can be found in the Appendix: for the effects of firm orientation on the mediators, see Table 49; for mediation of firm orientation on trust, see Table 50.

Figure 2

Study 2 Results: Parallel Moderated Mediation



Discussion

Results from the experiment in study 2 revealed significant main effects across all dependent variables and a significant interaction of role type and firm orientation affecting perceptions of firm competence. Significant main effects of firm orientation were also found for trust, satisfaction, reliability, integrity, and warmth. Credit unions were significantly and consistently rated more favourably than banks with only one exception (credit unions were perceived to be slightly less competent than banks, but the difference was not significant). Significant main effects of role type on perception variables were also found: investors rated warmth and integrity significantly higher than customers, and rated competence significantly lower than customers.

The analysis provided support for Hypothesis 1: firm orientation will affect stakeholder trust. Firm orientation had a significant effect on stakeholder trust, with credit unions receiving significantly higher assessments of trustworthiness than banks. Similar to study 1, for both customers and investors, firms with a purpose orientation were deemed more trustworthy than firms with a profit orientation.

Support, however, was not found for Hypothesis 2 which anticipated that the stakeholder role would moderate the effect of the firm's orientation on trust such that customers would favour purpose-driven firms and investors would favour profit-driven firms. The interaction of firm orientation and stakeholder role did not have a significant effect on trust. There were, however, interactions of firm orientation and stakeholder role that had a significant effect on other variables. For integrity and warmth, bank investors provided higher assessments of these items than bank

customers, but the reverse was not found for credit unions: at credit unions, investors rated integrity and warmth higher than customers.

These are interesting outcomes to ponder. With respect to warmth, one could speculate that the typically arms-length relationship investors have with a firm would make it difficult to evaluate warmth and yet this variable was rated significantly higher by investors for both types of firms; perhaps customers have less attainable expectations of warmth from these firms that result in lower ratings than investors. Integrity may have benefited from higher investor ratings because it could be of particular interest to investors who are interested in a firm's integrity from a corporate compliance perspective. For competence, customers of credit unions rated this variable higher than credit union investors, but the reverse was not found for banks: at banks, the customers rated competence higher than investors. Investors' perceptions of competence may be diminished by their critical view of the firm's operations and efficiency, versus the customers' perceptions that the firm is competent in managing funds, accounts, and transactions. The effects of role type on trust, satisfaction, and reliability were insignificant, demonstrating that customers and investors did not significantly vary in their assessments of firms with respect to these constructs.

Evidence was found to support Hypothesis 3: the effect of firm orientation on trust was mediated by stakeholder perceptions. For customers and investors, perceptions of reliability, integrity and warmth were found to mediate the degree of trust in credit unions. For customers, satisfaction was also found to mediate the degree of trust in credit unions. Higher perceptions of these variables resulted in greater assessments of trustworthiness for purpose-oriented firms.

These results also provide support for a point surmised in study 1: the effect of firm orientation on trust was mediated by warmth. Competence did not demonstrate a significant mediation and there was no evidence of mediations pertaining to banks. With respect to competence, given the nature of banking, one might expect that competence would be germane to assessments of trust and trustworthiness. And yet, that was not evidenced in this study. If high assessments of competence coincided with these results, one could postulate that competence was expected and consistently evidenced, and so there were in effect “table stakes” for banking and did not affect assessments of trust. However, the ratings for competence in this study were very low for investors. In contrast, other perception variables resulted in more than a half point improvement in trust for each point improvement in their own ratings; this was evidenced for reliability, integrity, warmth and customer satisfaction. These figures clearly demonstrate the potential value of perceptions of reliability, integrity, and warmth for purpose-oriented firms but the same cannot be said for profit-oriented firms.

While there was an interaction of role type and firm orientation in this study for competence the effect was small, and no other interactions were evidenced. The lack of interactions could be a result of the hypothetical nature of this study as well as the previous study. For example, while all participants may be familiar with the role of a customer, they may be less familiar with the role of an investor and how an investor’s needs and assessments of a firm may be different from customers. The small effect sizes in study 2 may be further testament to this possibility. Alternatively, this study could be demonstrating that there is simply more common ground across firms in terms of stakeholder perceptions than was evidenced in the first study.

And yet, while the results showed some variances from study 1, both studies demonstrated some support for hypotheses 1 and 3. However, unexpectedly, and as discussed above, support was not found for hypothesis 2. Also unexpected, was that the mediations of trust were only evidenced in credit unions and with respect to customer satisfaction as well as stakeholder perceptions of reliability, integrity, and warmth. This could be evidence of support for assessments of the trustworthiness of banks being limited to trust in their ability to follow the rules (i.e., to behave consistent with regulations) and therefore other perceptions of the banks (e.g., customer satisfaction, investor perceptions of integrity) would not mediate assessments of trust.

The above results clearly favoured purpose-oriented firms and many significant results were evidenced. As a between-subjects design, where the results were similar, this study validates results from the within-subjects experiment of study 1. There were also some results that could benefit from further study, such as when customers or investors may favour a type of firm. In addition, the two experiments attempted to simulate realistic firms and roles but were clearly controlled and contrived experiments. Asking similar questions of a real sample of stakeholders of banks and credit unions may provide some clarity to insights from these studies, and this will be undertaken in the final study.

STUDY 3

Study 3 involved an online survey in field in February 2022. This study focused on capturing perceptions of financial institutions (banks and credit unions) by actual firm stakeholders (customers and investors). This survey moved from a controlled experiment to a “real world” setting to provide an opportunity to assess and clarify findings from study 1 and study 2. Participants to this survey were almost exclusively from Canada and were recruited through the researcher’s network, rather than through Amazon MTurk. A Canadian study facilitated several important benefits. As the researcher is based in Canada, it was much easier to recruit respondents. The Canadian aspect also provided an opportunity to help understand if any insights were generalizable across North America and potentially to other similar markets. The Canadian market also has some unique characteristics that are a slight contrast from the United States; the Canadian banking sector is very concentrated compared to the U.S. and Canada is more likely to have individuals that actively or passively invest in the financial sector. Each of these aspects are expected to make this survey a valuable study to build on insights from the previous two studies.

After informed consent was confirmed, the participants provided information about their relationship with a specific financial institution (bank customer, bank investor, credit union customer, credit union investor), the name of their primary bank or credit union and the duration of the relationship with the named firm. Participants received these questions and all subsequent questions in the same order.

All participants were instructed to respond as a specific stakeholder in a financial institution they named. If a respondent had two or more roles, they were randomly assigned a specific role and instructed to answer only about that role and firm. An attempt was made to keep the sample balanced across different types of firm and stakeholder. However, because in general more people are stakeholders of banks than credit unions, the conditions were not perfectly balanced. All participants then responded to the full series of perception questions from study 2 (35 items) designed to measure stakeholder satisfaction and perceptions of the reliability, integrity, warmth, competence, and assessments of the trustworthiness of the firm they have a relationship with (see Table 32). 5-point Likert-type scales identical to studies 1 and 2 were used to measure the responses in study 3.

To allow for analysis of factors that may influence survey results, participants completed the survey with a series of questions about themselves. They first responded to questions designed to measure their beliefs and values regarding profit mandates of firms (stakeholder “profit views”) and the purpose/stakeholder orientation of firms (stakeholder “purpose views”) (see Table 23).

Table 23

Personal Beliefs & Values – Profit-purpose orientations of firms: Study 3

<i>Construct</i>	<i>Item</i>
Profit views	Firms exist to generate profits for their owners/shareholders.
	The profitability of a firm is important to me.
Purpose views	A firm’s sense of purpose is important to me.
	It is important to me that a firm is considerate of all its stakeholders.
	It is important to me that a firm provides social value.
	It is important to me that firms operate in a sustainable manner.

At the end of the survey, participants advised if they have ever been employed by the firm or a competitor of the firm (two items) and provided sociodemographic information including gender, education, employment status, age, postal code, and political affiliation (six items) (see Table 33).

Results

In total, 270 responses were recorded. Upon review, 53 participants had not completed assessment of the dependent variables of the survey and were removed from data analysis. The resulting final sample numbered 217 responses across the four conditions: credit union customer ($n = 42$), credit union investor ($n = 38$), bank customer ($n = 68$) and bank investor ($n = 69$). The sample included adult Canadians (58.5% female; $M_{\text{age}} = 52.44$ years, $SD = 13.90$) (see Table 51 and Table 57) with one or more relationships with a bank or credit union. Participants were recruited through outreach by the researcher through direct emails and social media posts (Twitter, Facebook, and LinkedIn).

Participants were geographically diverse, spanning nine provinces of Canada's ten provinces and three territories (see Table 52). The education level was varied across the sample (see Table 53) as well as political affiliations (see Table 54). The vast majority of participants had never been employed by either the selected firm (85.3%) (see Table 55) or a competitor of the firm (77.9%) (see Table 56). The average duration of the relationship with the selected firm was 18.34 years ($SD = 14.18$) (see Table 57) and average satisfaction rating was very high ($M = 4.04$, $SD = .83$) (see Table 62).

SCALES

The constructs in this study were identical to study 2 and thus included a broader set of items than was included in the first study. The reliability of the constructs are presented in Table 58. A sufficient level of scale reliability was verified for firm reliability (Cronbach's $\alpha = .932$), integrity ($\alpha = .954$), warmth ($\alpha = .947$), and trust ($\alpha = .921$). The reliability of competence ($\alpha = .660$) was slightly below the

desired threshold ($\alpha = .700$; Churchill, 1979) but its correlations were found to be significant ($p < .001$) (see Table 59). Reliability of the scale for respondents' purpose views was high ($\alpha = .881$); the two items representing profit views had low scale reliability ($\alpha = .349$) but were significantly correlated ($r = .213, p = .002$) (see Table 60). All scales thus ultimately met the criteria for reliability.

ANALYSIS

Working with the validated scales, analyses of variance were conducted to determine the effects of firm orientation on trust, whether there is an interaction of firm orientation and stakeholder type affecting trust, and whether the effect of firm orientation on trust is mediated by stakeholder perceptions. The analysis presented multiple main effects and several interactions in the data. Credit union stakeholders – both customers and investors – had significantly higher perceptions of key constructs than bank stakeholders had of their firms.

The survey design also included multiple variables that are potentially covariates of the participants' satisfaction and perceptions of the firm (see Table 33), such as the duration of their relationship with the firm ("years"), gender, age and their personal views on the profit-purpose orientation of firms (profit views, purpose views). These variables were added to the analysis to control for any influence. In model 2, controlling for the covariates, the results were relatively consistent across all variables with one exception. In measuring satisfaction, in addition to the interaction of firm orientation and role type that presented in model 1, firm orientation also presented a significant main effect on trust ($F_{(1, 186)} = 5.55, p = .020, \eta^2_p = .029$)

(see Table 25). A discussion of the analysis of each dependent variable follows and details of these analyses are included in Table 24 through to Table 29.

Trust

Analysis of trust of stakeholders in the selected firm revealed a significant effect in the interaction of firm orientation and role type ($F_{(1, 213)} = 4.14, p = .043, \eta^2_p = .019$) (see Table 24); for credit unions, customers rated trust higher than investors ($M_{\text{customer}} = 4.15, SD = 0.73$ vs. $M_{\text{investor}} = 4.00, SD = 0.64$); at banks, investors rated trust higher ($M_{\text{customer}} = 3.45, SD = 0.59$ vs. $M_{\text{investor}} = 3.67, SD = 0.63$) (see Table 61). There was also a significant main effect of firm orientation on trust ($F_{(1, 213)} = 32.87, p < .001, \eta^2_p = .134$) (see Table 24); trust was higher for credit union stakeholders ($M_{\text{creditunion}} = 4.07, SD = 0.68$) than bank stakeholders ($M_{\text{bank}} = 3.56, SD = 0.62$) (see Table 61). The effect of role type was insignificant ($F_{(1, 213)} = 0.16, p = .688, \eta^2_p = .001$) (see Table 24).

Table 24

Trust: Repeated Measures ANOVA Results

Source	df	Model 1					df	Model 2				
		M^2	F	Sig.	η^2_p			M^2	F	Sig.	η^2_p	
Corrected Model	3	5.104	12.480	<.001	.149		10	2.497	7.280	<.001***	.281	
Firm	1	13.445	32.872	<.001***	.134		1	12.343	35.989	<.001***	.162	
Role	1	.066	.161	.688	.001		1	.027	.079	.779	.000	
Firm*Role	1	1.692	4.137	.043*	.019		1	2.357	6.873	.009**	.036	
Years							1	.197	.575	.449	.003	
Age							1	.013	.037	.847	.000	
Gender							1	.033	.098	.755	.001	
Employee							1	.004	.010	.919	.000	
Competitor							1	.019	.054	.816	.000	
Profit Views							1	3.022	8.812	.003***	.045	
Purpose Views							1	3.822	11.144	.001***	.057	
Error	213	.409					186	.343				
Total	217						197					
Corrected Total	216						196					

Satisfaction

Analysis of stakeholder satisfaction with the selected firm revealed a significant interaction of firm orientation and role type affecting satisfaction ($F_{(1, 213)} = 9.87, p = .002, \eta^2_p = .044$) (see Table 25). Credit union customers had significantly higher satisfaction ($M_{\text{customer}} = 4.34, SD = 0.71$) than bank customers ($M_{\text{customer}} = 3.87, SD = 0.84$); bank investors had significantly higher satisfaction ($M_{\text{investor}} = 4.13, SD = 0.86$) than credit union investors ($M_{\text{investor}} = 3.88, SD = 0.80$) (see Table 62). There was no significant main effect of firm orientation ($F_{(1, 213)} = 0.95, p = .330, \eta^2_p = .004$) or role type ($F_{(1, 213)} = 0.74, p = .390, \eta^2_p = .003$) (see Table 25).

Table 25

Satisfaction: Repeated Measures ANOVA Results

Source	df	M^2	Model 1			df	M^2	Model 2		
			F	Sig.	η^2_p			F	Sig.	η^2_p
Corrected Model	3	2.371	3.542	.016	.048	10	1.500	2.521	.007**	.119
Firm	1	.638	.953	.330	.004	1	3.300	5.546	.020*	.029
Role	1	.496	.741	.390	.003	1	.438	.736	.392	.004
Firm*Role	1	6.607	9.869	.002**	.044	1	5.981	10.052	.002**	.051
Years	1					1	.023	.039	.843	.000
Age	1					1	.135	.226	.635	.001
Gender	1					1	.029	.049	.826	.000
Employee	1					1	.048	.081	.777	.000
Competitor	1					1	.034	.058	.810	.000
Profit Views	1					1	4.680	7.865	.006**	.041
Purpose Views	1					1	.035	.058	.810	.000
Error	213	.669				186	.595			
Total	217					197				
Corrected Total	216					196				

Reliability

Analysis of stakeholder perceptions of reliability of the selected firms revealed only a significant main effect of firm orientation on perceived reliability ($F_{(1, 213)} = 16.82, p < .001, \eta^2_p = .073$) (see Table 26). Credit union stakeholders had significantly higher perceptions of reliability ($M_{\text{creditunion}} = 4.05, SD = 0.71$) than bank

stakeholders ($M_{\text{bank}} = 3.67$, $SD = 0.63$) (see Table 63). The effect role type was insignificant ($F_{(1, 213)} = 2.23$, $p = .865$, $\eta^2_p = .000$) and the interaction of firm orientation and role type was not found to be significant ($F_{(1, 213)} = 2.23$, $p = .137$, $\eta^2_p = .010$) (see Table 26).

Table 26

Reliability: Repeated Measures ANOVA Results

Source	df	Model 1				df	Model 2			
		M^2	F	Sig.	η^2_p		M^2	F	Sig.	η^2_p
Corrected Model	3	2.792	6.367	<.001	.082	10	1.485	3.936	<.001***	.175
Firm	1	7.375	16.820	<.001***	.073	1	8.380	22.217	<.001***	.107
Role	1	.013	.029	.865	.000	1	.068	.181	.671	.001
Firm*Role	1	.979	2.233	.137	.010	1	1.036	2.748	.099	.015
Years	1					1	.029	.078	.781	.000
Age	1					1	.729	1.932	.166	.010
Gender	1					1	.102	.270	.604	.001
Employee	1					1	.205	.544	.462	.003
Competitor	1					1	.013	.034	.855	.000
Profit Views	1					1	2.547	6.753	.010**	.035
Purpose Views	1					1	.526	1.395	.239	.007
Error	213	.438				186	.377			
Total	217					197				
Corrected Total	216					196				

Integrity

Analysis of stakeholder perceptions of the integrity of the selected firms revealed only a significant main effect of firm orientation on perceived integrity ($F_{(1, 213)} = 83.39$, $p < .001$, $\eta^2_p = 0.281$) (see Table 27). Credit union stakeholders had significantly higher perceptions of integrity ($M_{\text{creditunion}} = 4.29$, $SD = 0.72$) than bank stakeholders ($M_{\text{bank}} = 3.38$, $SD = 0.71$) (see Table 64). The effect role type was insignificant ($F_{(1, 213)} = 0.19$, $p = .657$, $\eta^2_p = .001$) and the interaction of firm orientation and role type was found to be insignificant ($F_{(1, 213)} = 2.11$, $p = .148$, $\eta^2_p = .010$) (see Table 27).

Table 27*Integrity: Repeated Measures ANOVA Results*

Source	df	Model 1				df	Model 2			
		M^2	F	Sig.	η^2_p		M^2	F	Sig.	η^2_p
Corrected Model	3	14.266	28.233	<.001	.285	10	5.307	13.235	<.001***	.416
Firm	1	42.135	83.385	<.001***	.281	1	32.588	81.269	<.001***	.304
Role	1	.100	.198	.657	.001	1	.550	1.372	.243	.007
Firm*Role	1	1.066	2.109	.148	.010	1	1.362	3.397	.067	.018
Years						1	.276	.687	.408	.004
Age						1	1.525	3.803	.053	.020
Gender						1	.036	.090	.765	.000
Employee						1	.298	.743	.390	.004
Competitor						1	.046	.116	.734	.001
Profit Views						1	2.243	5.593	.019*	.029
Purpose Views						1	3.082	7.687	.006**	.040
Error	213	.505				186	.401			
Total	217					197				
Corrected Total	216					196				

Warmth

Analysis of stakeholder perceptions of warmth of the selected firms revealed only a significant main effect of firm orientation on warmth ($F_{(1, 212)} = 111.24, p < .001, \eta^2_p = .344$) (see Table 28). Credit union stakeholders had significantly higher perceptions of warmth ($M_{\text{creditunion}} = 4.25, SD = 0.69$) than bank stakeholders ($M_{\text{bank}} = 3.15, SD = 0.78$) (see Table 65). The effect role type was insignificant ($F_{(1, 212)} = 2.19, p = .305, \eta^2_p = .005$) and the interaction of firm orientation and role type was not found to be significant ($F_{(1, 212)} = 2.19, p = .141, \eta^2_p = .010$) (see Table 28).

Table 28*Warmth: Repeated Measures ANOVA Results*

Source	df	Model 1				df	Model 2			
		M^2	F	Sig.	η^2_p		M^2	F	Sig.	η^2_p
Corrected Model	3	20.743	37.554	<.001	.347	10	6.649	13.922	<.001***	.429
Firm	1	61.443	111.238	<.001***	.344	1	40.124	84.006	<.001***	.312
Role	1	.585	1.058	.305	.005	1	.936	1.959	.163	.010
Firm*Role	1	1.207	2.186	.141	.010	1	1.589	3.326	.070	.018
Years						1	.376	.787	.376	.004
Age						1	1.038	2.174	.142	.012
Gender						1	.005	.010	.922	.000
Employee						1	.106	.222	.638	.001
Competitor						1	.015	.032	.857	.000
Profit Views						1	.518	1.084	.299	.006
Purpose Views						1	3.135	6.564	.011*	.034
Error	212	.552				185	.478			
Total	216					196				
Corrected Total	215					195				

Competence

Analysis of stakeholder perceptions of competence of the selected firms revealed no significant main effect of firm orientation ($F_{(1, 212)} = 0.53$, $p = .465$, $\eta^2_p = .003$) or role type ($F_{(1, 212)} = 0.02$, $p = .900$, $\eta^2_p = .000$) on competence; the interaction of firm orientation and role type also found to be insignificant ($F_{(1, 212)} = 0.35$, $p = .552$, $\eta^2_p = .002$) (see Table 29).

Table 29*Competence: Repeated Measures ANOVA Results*

Source	df	M ²	Model 1			df	M ²	Model 2		
			F	Sig.	η^2_p			F	Sig.	η^2_p
Corrected Model	3	.145	.320	.811	.005	10	.475	1.018	.430	.052
Firm	1	.243	.535	.465	.003	1	.204	.438	.509	.002
Role	1	.007	.016	.900	.000	1	.019	.041	.839	.000
Firm*Role	1	.161	.355	.552	.002	1	.020	.043	.835	.000
Years						1	.018	.039	.843	.000
Age						1	.034	.074	.786	.000
Gender						1	.140	.300	.585	.002
Employee						1	.135	.289	.592	.002
Competitor						1	.043	.092	.761	.000
Profit Views						1	.954	2.048	.154	.011
Purpose Views						1	2.685	5.761	.017*	.030
Error	212	.454				185	.466			
Total	216					196				
Corrected Total	215					195				

TESTING FOR MEDIATION

To analyse the mediation, I ran a parallel moderated mediation using Model 8 of Hayes' PROCESS macro in SPSS (Hayes, 2013) with bootstrapping of 5,000 samples. Designating firm orientation as the independent variable, stakeholder type as the moderator, and trust as the dependent variable; satisfaction and perceptions of firm reliability, integrity, warmth, and competence were tested as possible mediators. These aspects were identical to the parallel moderated mediation analysis applied in study 2.

Covariates in study 3 were specified as whether the respondent has been employed by the firm or a competitor of the firm, the duration of their relationship with the firm, their age, gender, education level, employment status, and personal views about profit-purpose orientations of firms. The results follow and were consistent when run without covariates. To check for robustness, analysis was also undertaken

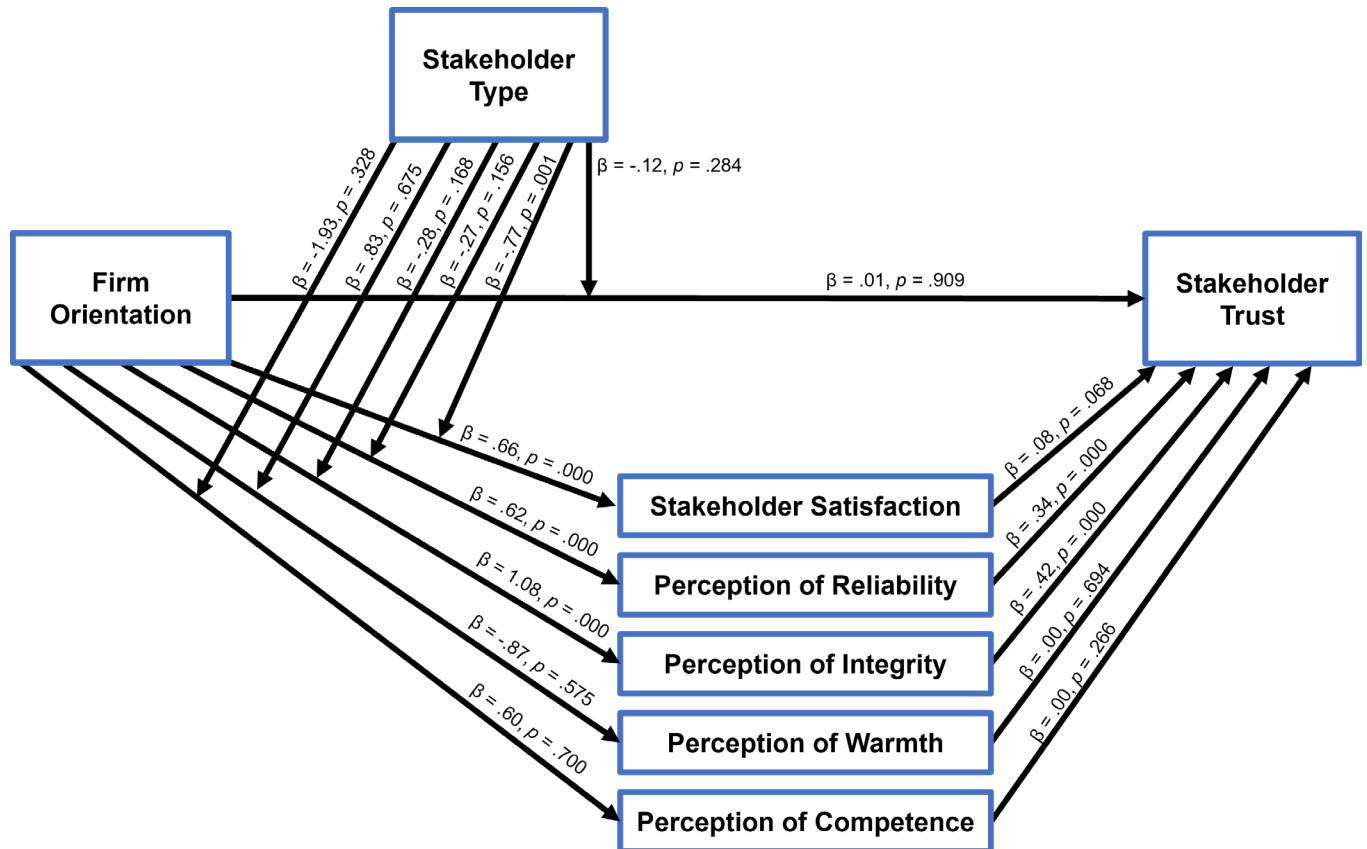
with Model 7 of Hayes' PROCESS macro in SPSS (Hayes, 2013) (with and without covariates) and there was not a substantial difference in the results.

The direct effect of firm orientation on trust was insignificant ($\beta = .01$, $t_{(217)} = 0.11$, $p = .909$, 95% CI [-0.18, 0.20]). The direct effect of firm orientation X stakeholder type on trust was not significant ($\beta = -.12$, $t_{(217)} = -1.07$, $p = .284$, 95% CI [-0.34, 0.10]), nor was the conditional effect of firm orientation on trust significant for investors ($\beta = -.11$, $t_{(217)} = -1.29$, $p = .199$, 95% CI [-0.28, 0.06]) or customers ($\beta = .01$, $t_{(217)} = 0.11$, $p = .909$, 95% CI [-0.18, 0.20]).

Apart from warmth and competence, there was a significant effect of firm orientation on the mediators (i.e., satisfaction, reliability and integrity). Finally, reliability and integrity each had a significant effect on trust. The overall indirect effects were significant and the 95% confidence intervals did not include zero for the mediators reliability and integrity. Thus, similar to study 2, reliability and integrity seem to be the underlying constructs connecting firm orientation and trust for credit unions. See Figure 3 for an overview of the results. Further details can be found in the Appendix: for the effects of firm orientation on the mediators, see Table 67; for mediation of firm orientation on trust, see Table 68.

Figure 3

Study 3 Results: Parallel Moderated Mediation



Discussion

Study 3 revealed multiple significant main effects of firm orientation favouring credit unions and significant interactions of role type and firm orientation affecting both trust and satisfaction. Mediations of trust were also evidenced in the analysis.

The study provides support for the first hypothesis: firms with a purpose orientation were perceived more trustworthy than firms with a profit orientation. Further, credit unions were rated higher than banks on every variable measured; the effects were significant for trust as well as for reliability, warmth and integrity. These results are consistent with the first two studies. All three studies demonstrated a significantly higher degree of trust in credit unions and, indeed, consistently and significantly more favourable assessments of credit unions on multiple measures.

Support was also found for hypothesis 2: stakeholder type moderated the effect of a firm's orientation on the degree of stakeholder trust in a firm. Assessments of trust were higher among customers of purpose-driven firms; for profit-driven firms, investors associated higher levels of trust with the firm. Similar to studies 1 and 2, an interaction of stakeholder type and firm orientation was also evidenced for another variable. Satisfaction ratings were higher among customers of purpose-driven firms; for profit-driven firms, investors rated their satisfaction higher than customers. In addition, a significant main effect of firm orientation on reliability, integrity and warmth evidenced that customers at credit unions rated the firm higher than investors; however, this was not found among bank investors (i.e., investors did not perceive reliability, integrity and warmth to be significantly higher than consumers).

Evidence was also found to support Hypothesis 3: the effect of firm orientation on trust was mediated by stakeholder perceptions. At credit unions, stakeholder trust – for both customers and investors – was mediated by reliability and integrity; customer trust at credit unions was mediated by satisfaction. None of the significant results pertained to banks nor did assessments of competence reflect any significant results. With respect to mediations and support for the third hypothesis, study 3 was consistent with study 2 with one exception: in the second study, warmth was also found to mediate the effect of firm orientation on stakeholder trust but that was not evidenced in study 3.

The largest main effects were for firm orientation on perceived warmth and integrity of the firms, with credit unions rated almost a full point higher on a 5-point Likert-type scale. These were also the highest ratings for credit unions in study 2 and, conversely, the lowest ratings for the banks. The next largest main effect was for firm orientation on degree of trust, with credit unions rated a half point higher than banks. Apart from investor satisfaction, all bank ratings were below four. As service-oriented businesses responsible for sizable and important assets, these results are positive for credit unions and should be of concern to banks.

Consistent with studies 1 and 2, banks generally did not perform very well again in the final study. Their highest rating was for satisfaction, and it was their only mean rating above four on the 5-point scale; it was only their second rating above four across all three studies. Warmth was their lowest rating in this study and, conversely, the second highest for credit unions. Competence ratings in this study were consistently low for both types of firms and stakeholder roles. Given the

important role of these firms and the presumed expectation of competence, this assessment is quite remarkable and unexpected.

The above results clearly favoured purpose-oriented firms and many significant results were evidenced, and in many regards the results were consistent with the first two studies. In using real stakeholders assessing firms they had actual relationships with, this study further validates observations from studies 1 and 2. To the extent study 3 echoes results from the experiments in studies 1 and 2, it appears that the experiments were quite realistic and consistent with a “real world” study of a similar nature. Importantly, this final study reflects strong results and support of all three hypotheses.

ANALISIS GENERAL

A través de esta investigación, se llevaron a cabo tres estudios –dos experimentos y una encuesta– para poner a prueba tres hipótesis de forma colectiva. La primera hipótesis afirmaba que la orientación de la empresa afectará a la confianza de las partes implicadas en una empresa; esta hipótesis se vio fuertemente respaldada. En los tres estudios las empresas orientadas a un propósito se percibieron de forma sistemática y significativa como más dignas de confianza que las orientadas al lucro. La segunda hipótesis proponía que el tipo de parte implicada (consumidor o inversor) moderaría el efecto de la orientación de la empresa sobre la confianza de las partes implicadas. El apoyo a la segunda hipótesis se encontró en el estudio 3: con una muestra de partes implicadas reales de la empresa, se descubrió que los clientes veían a las cooperativas de crédito como más dignas de confianza y los inversores veían a los bancos como más dignos de confianza. Si bien la segunda hipótesis no se vio respaldada en los dos primeros estudios, el análisis de los tres evidenció múltiples interacciones del tipo de parte implicada y la orientación de la empresa que afectaban a otras variables de percepción.

También se encontró apoyo para la hipótesis final, que afirmaba que el efecto interactivo de la orientación de la empresa y el tipo de partes implicadas sobre la confianza estaría mediado por la satisfacción de las partes implicadas y las percepciones de la empresa. En los tres estudios, las percepciones positivas se asociaron a una mayor confianza y las percepciones menos positivas a una menor confianza. La confianza se correlacionó de forma consistente y positiva con las

percepciones en el primer estudio y en los dos últimos pudimos medir el efecto de la orientación de la empresa sobre la confianza y la mediación de este efecto. En las cooperativas de crédito, el efecto de la orientación de la empresa sobre la confianza de las partes implicadas –tanto clientes como inversores– se vio mediado por la fiabilidad y la integridad; el efecto de la orientación de la empresa sobre la confianza de los clientes se vio mediado por la satisfacción.

No se determinó que la competencia mediara la confianza en las cooperativas de crédito. Cabe destacar que tampoco hubo indicios claros de mediaciones de la confianza en los bancos. Las percepciones de la fiabilidad de los bancos fueron bajas en todos los estudios, y ni la satisfacción de las partes implicadas ni las percepciones medidas tuvieron un efecto significativo en el nivel de confianza en los bancos por parte de ninguno de los dos tipos de partes implicadas.

La mediación del efecto de la orientación de la empresa sobre la confianza tanto por la fiabilidad como por la integridad añade credibilidad a la definición de confianza mencionada al principio de esta tesis: Morgan y Hunt (1994) habían caracterizado la confianza como “existente cuando una parte confía en la fiabilidad e integridad de un socio de intercambio” (p. 23). Esta definición también se ha adoptado en otras investigaciones, como la de Portal et al. (2019), que habían esbozado las dimensiones de la confianza como funcional (comportamiento y fiabilidad) y afectiva (intenciones e integridad). La presente investigación respalda estas nociones en lo que respecta a las empresas orientadas a un propósito. El hecho de que estos resultados no sean representativos de las empresas orientadas al lucro es notable y podría significar un nivel de apatía que atenúa los efectos que de otro modo cabría esperar ver.

Sabemos que la confianza y la fiabilidad son fundamentales para las relaciones productivas y duraderas entre las empresas y sus partes implicadas (Arnott, 2007; Morgan y Hunt, 1994). La presente investigación añade tanto validación como matices a nuestra comprensión y, por tanto, realiza una serie de importantes contribuciones. La investigación sugiere que la confianza de los consumidores está asociada a una mayor satisfacción (Park y Srinivasan, 1994; Kim et al., 2015; Arnott, 2007) y esta noción se vio respaldada en estos estudios; además, esta investigación enriqueció nuestra comprensión al demostrar que esta asociación también es evidente entre los inversores. La investigación respaldó la definición de confianza que incluye las percepciones de fiabilidad e integridad (Morgan y Hunt, 1994; Portal et al., 2019). Los estudios mostraron apoyo a las investigaciones que sugerían que la calidez contribuía al grado de confianza (Portal et al., 2019; Morhart et al., 2015), así como a investigaciones anteriores que constataron que la integridad generaba confianza entre los consumidores (Sung y Kim, 2010; Beverland y Farrelly, 2010). Una valiosa contribución de la presente investigación es que apoyó estos estudios y amplió nuestra comprensión al evidenciar que la calidez y la integridad también contribuyen a aumentar el grado de confianza entre los inversores. También aprendimos que la competencia percibida de una empresa no medió en el efecto de la orientación de la empresa sobre la confianza en ninguna de ellas. Esto contradice las investigaciones que sugerían que la capacidad/competencia es uno de los tres componentes que conducen al desarrollo de la confianza (Bachmann e Inkpen, 2011; Dowell et al., 2013; Mayer et al., 1995).

Otra contribución importante de esta investigación es que las diferencias en los niveles de confianza entre clientes e inversores no fueron significativas. Esto

contradice las investigaciones que sugerían que puede haber variaciones entre las partes implicadas (Sichtman, 2007; Cordano et al., 2004). La presente investigación demostró claramente que existen excepciones, y los estudios estaban en línea con la investigación que sugiere que los inversores y los consumidores pueden no ser tan disímiles como se creía (Barber et al., 2005). Estos estudios también respaldan otras explicaciones: la confianza refleja las determinaciones a micronivel de los individuos (Adler, 2001; Bachmann e Inkpen, 2011) y las partes implicadas no disocian las decisiones centradas en la función de otros aspectos de sus vidas (McQuarrie y Statman, 2015). También podría haber otras explicaciones: por ejemplo, quizá lo relevante no sea su función, sino sus creencias y preferencias (Naef et al., 2008) o quizá la evaluación sea más una cuestión de confianza frente a desconfianza (es decir, binaria), en lugar de grados de confianza (es decir, un espectro). En resumen, contamos con pruebas de que las variaciones en las partes implicadas no parecen ajustarse a un modelo preciso.

Si bien existen pruebas anecdóticas y una amplia investigación que sugieren que la confianza importa (Arnott 2007; Sichtman, 2007; Barney y Hansen, 1994), el grado de confianza necesario para una relación es quizá menor de lo esperado. En las relaciones evaluadas en esta investigación, la confianza parece tener poca influencia en el éxito de las empresas. Esto indica que, o bien un nivel básico de confianza es un requisito fácilmente alcanzable para las empresas establecidas, o tal vez que hay otras variables más importantes, tales como el tamaño o la ubicación de la empresa, la solidez del entorno, la confianza en las organizaciones pertinentes (por ejemplo, los reguladores) o en las personas (por ejemplo, su representante en la empresa). Puede que no sea el nivel de confianza lo que importe tanto como el hecho de que simplemente esté presente o no. Tal vez sea

realmente algo binario –digno de confianza o no digno de confianza– y por lo demás la posición relativa en un espectro de fiabilidad es intrascendente. Si esto es cierto, entonces la confianza sería más un requisito mínimo que una ventaja competitiva, como se ha sugerido (Barney y Hansen, 1994).

La orientación de las empresas –desde las motivaciones basadas en el propósito hasta las motivaciones basadas en el lucro– está cada vez más en el radar de las partes implicadas a medida que asistimos a un aumento de las empresas B y sociales. La presente investigación pretendía ayudarnos a comprender mejor cómo se perciben estas empresas. Descubrimos que las empresas orientadas a un propósito gozan de percepciones significativamente más favorables tanto entre los clientes como entre los inversores. Las investigaciones han sugerido que las iniciativas orientadas a un propósito están correlacionadas con la satisfacción del cliente (Luo y Bhattacharya, 2006) y esta noción se vio respaldada en la presente investigación, que también sugiere resultados similares en lo tocante a los inversores. Los resultados también respaldan las investigaciones que sugieren que las percepciones de los consumidores sobre las empresas orientadas a un propósito pueden afectar positivamente a sus opiniones sobre una empresa (Lii y Lee, 2012); este efecto positivo se ha evidenciado aquí entre los clientes, pero también entre los inversores. Estas investigaciones también apoyan la idea de que una orientación al lucro afectará negativamente a las percepciones de las partes implicadas (Elving, 2013; Du et al., 2010; Edelman, 2021). Por el contrario, estos estudios refutan la idea de que los inversores tendrán una visión más positiva de las empresas orientadas al lucro y que quizás la “primacía de los beneficios” no sea tan dominante después de todo (Kramer, 2019; Jensen, 2001; Friedman, 1970). Estas ideas sobre la percepción que tienen los inversores de las

empresas orientadas al lucro son contribuciones significativas a la bibliografía y a la industria.

Esta investigación demostró que –en múltiples medidores– los clientes y los inversores ven a los bancos como inferiores en comparación con sus competidores orientados a un propósito. A pesar de estas percepciones, anecdóticamente, la realidad es que a los bancos les va extremadamente bien según los indicadores comunes de éxito (por ejemplo, número de clientes, activos totales, beneficios). Las conclusiones de estos estudios junto con las pruebas anecdóticas plantean la siguiente cuestión: si los bancos se perciben de forma tan negativa en comparación con las cooperativas de crédito, ¿por qué son tan populares cuando existe una alternativa viable? ¿Qué hay en los bancos que apoye su tamaño y crecimiento cuando estos resultados sugieren que son una opción inferior? A los bancos parece irles bien incluso con bajos niveles de confianza de las partes implicadas, lo que sugiere que quizá otras variables sean más importantes que la confianza. Por ejemplo, tal vez la ubicación del banco o el tamaño de la empresa pesen en las preferencias de las partes implicadas; puede que la comodidad desempeñe un papel importante (por ejemplo, el número de sucursales o la proximidad de las mismas) o el tamaño realmente importe (es decir, cuanto más grande, mejor). Y si a los bancos les va tan bien en ausencia de altos grados de confianza, ¿es realmente la confianza un activo tan importante (Sichtmann, 2007)? O quizá haya contextos en los que baste con un mínimo de confianza, por ejemplo, en un sector muy regulado como el bancario. La investigación en este ámbito puede aportar ideas valiosas para ayudar a las cooperativas de crédito y a otras empresas orientadas a un propósito a aumentar su cuota de mercado frente a las grandes empresas orientadas al lucro.

El rendimiento general de las cooperativas de crédito orientadas a un propósito también nos ofrece una historia interesante en ese sentido. La investigación ha demostrado que los consumidores son más indulgentes con una marca de confianza (Tsarenko y Tojib, 2015) y puede que exista un círculo virtuoso de positividad que esté beneficiando a las cooperativas de crédito. Morgan y Hunt (1994) descubrieron que el valor compartido era un antecedente de la confianza, lo que también podría explicar las altas valoraciones de las cooperativas de crédito si estas partes implicadas sentían que sus valores estaban más alineados con las cooperativas de crédito que con los bancos. Del mismo modo, Delgado-Ballester (2004) descubrió que las capacidades sólidas y las buenas intenciones son importantes para el desarrollo de la confianza. Esto podría explicar el alto grado de confianza en las cooperativas de crédito y –teniendo en cuenta las bajas puntuaciones de competencia de los bancos– explicar el bajo grado de confianza en los bancos.

Con respecto a la diversidad de las partes implicadas, esta investigación sólo presentó indicios modestos de que existe variación entre las percepciones de los clientes y los inversores. De hecho, en los contextos de estos estudios, no parecen tan diferentes. Se trata de una contribución importante que respalda la investigación que señala los puntos en común entre los grupos de partes implicadas (Barber et al., 2005), así como la investigación que sugiere que existen factores distintos de la función que pueden ser la influencia principal en las percepciones y los comportamientos de las partes implicadas (Shavitt y Barnes, 2020; Wolfe y Putler, 2002; Bhattacharya et al., 2009). Una investigación adicional podría ampliar nuestra comprensión de cuándo y cómo difieren las partes implicadas y si estas diferencias

son importantes para las empresas en términos de cómo gestionan estas relaciones y se comunican con estas partes implicadas. Dicho esto, las similitudes entre los grupos de partes implicadas descubiertas en esta investigación también son de interés. Esta investigación demostró que el modelo orientado a un propósito parece ser favorecido tanto por los clientes como por los inversores. Se trata de una importante contribución a la bibliografía y de un resultado positivo para las empresas que intentan compartir sus iniciativas marcadas por un propósito con ambos grupos de partes implicadas, y de hecho debería minimizar la inquietud de que los inversores –en general– se preocupen por las actividades que se apartan de los motivos orientados al lucro.

GENERAL DISCUSSION

Through this research, three studies were undertaken – two experiments and one survey – to collectively test three hypotheses. The first hypothesis stated that firm orientation will affect stakeholder trust in a firm; this hypothesis was strongly supported. Across the three studies, firms with a purpose orientation were consistently and significantly assessed to be more trustworthy than firms with a profit orientation. The second hypothesis proposed that stakeholder type (consumer or investor) would moderate the effect of a firm's orientation on the degree of stakeholder trust. Support for hypothesis two was found in study 3: with a sample of actual firm stakeholders, it was found that customers viewed credit unions as more trustworthy and investors viewed banks as more trustworthy. While the second hypothesis was not supported in the first two studies, analysis of all three studies evidenced multiple interactions of stakeholder type and firm orientation affecting other perception variables. It is possible that asking participants in studies 1 and 2 to imagine being investors was not enough to make them think like investors. In study 3, with actual investors, the differences between the two stakeholder types became more apparent.

Support was also found for the final hypothesis, which stated that the interactive effect of firm orientation and stakeholder type on trust would be mediated by stakeholder satisfaction and perceptions of the firm. Across all three studies, positive perceptions were associated with greater trust and less positive perceptions were associated with diminished trust. Trust was consistently and positively correlated with perceptions in the first study and in the final two studies we were able

to measure the effect of firm orientation on trust and the mediation of this effect. In credit unions, the effect of firm orientation on stakeholder trust (both customers and investors) was mediated by reliability and integrity; the effect of firm orientation on customer trust was found to be mediated by satisfaction.

It was not determined that competence mediated trust in credit unions. Of note, there was also no clear indication of mediations of trust in banks. Perceptions of the trustworthiness of banks was low in each study, and neither stakeholder satisfaction nor the perceptions measured had a significant effect on the level of trust in banks by either stakeholder type.

The mediation of the effect of firm orientation on trust by both reliability and integrity adds credence to the definition of trust referenced at the start of this dissertation: Morgan and Hunt (1994) had characterized trust as “existing when one party has confidence in an exchange partner's reliability and integrity” (p. 23). This definition has been adopted in other research as well, including by Portal et al. (2019) who had outlined the dimensions of trust as functional (behaviour and reliability) and affective (intentions and integrity). The research herein supports these notions with regards to purpose-oriented firms. That these results are not representative of profit-oriented firms is notable and could signify a level of apathy that diminishes effects one could otherwise expect to see.

Trust and perceptions of trustworthiness are central to enduring and productive relationships between firms and their many stakeholders (Arnott, 2007; Morgan & Hunt, 1994). The present research adds both validation and nuance to our understanding and thus makes a number of important contributions. Research suggests that consumer trust is associated with higher satisfaction (Park &

Srinivasan, 1994; Kim et al., 2015; Arnott, 2007) and this notion was supported in these studies; further, this research added to our understanding by demonstrating that this association is evident among investors as well. The research supported the definition of trust that includes perceptions of reliability and integrity (Morgan & Hunt, 1994; Portal et al., 2019). The studies showed support for research that suggested warmth contributed to the degree of trust (Portal et al., 2019; Morhart et al., 2015) as well as past research which found integrity generated trust among consumers (Sung & Kim, 2010; Beverland & Farrelly, 2010). A valuable contribution of the present research is that it supported these studies and extended our understanding by evidencing that warmth and integrity also contribute to higher degrees of trust among investors. We also learned that perceived competence of a firm did not mediate the effect of firm orientation on trust in either firm. This is contrary to research that suggested ability/competency is one of three components leading to the development of trust (Bachmann & Inkpen, 2011; Dowell et al., 2013; Mayer et al., 1995).

Another important contribution of this research is that differences in the levels of trust across customers and investors was inconsequential. This is contrary to research that suggested there may be a variance across stakeholders (Sichtman, 2007; Cordano et al., 2004). The present research clearly demonstrated that there are exceptions, and the studies were consistent with research suggesting investors and consumers may not be as dissimilar as had been believed (Barber et al., 2005). These studies lend support to other explanations as well: trust indeed seems to reflect microlevel determinations of individuals (Adler, 2001; Bachmann & Inkpen, 2011) and stakeholders do not disassociate role-centric decisions from other aspects of their lives (McQuarrie & Statman, 2015). There could also be other explanations –

for example, perhaps it is not their role that is germane, but rather their beliefs and preferences (Naef et al., 2008) or perhaps the assessment is more a question of trust versus distrust (i.e., binary), rather than degrees of trust (i.e., a spectrum). In sum, we have evidence that variations in stakeholders do not seem to fit a precise template.

While there is anecdotal evidence and ample research suggesting that trust matters (Arnott 2007; Sichtman, 2007; Barney & Hansen, 1994), the degree of trust required for a relationship is perhaps lower than expected. In the relationships assessed in this research, trust seems to have little bearing on the success of firms. This suggests either a basic level of trust is a readily achievable requirement for established firms or perhaps that other variables are more important, such as the size or location of the firm, the soundness of the environment, trust in relevant organizations (e.g., banking regulators) or individuals (e.g., your representative with the firm). It may be that it is not the level of trust that matters as much as whether it is simply present or not. Perhaps it is indeed binary – trustworthy or not trustworthy – and otherwise relative position on a spectrum of trustworthiness is inconsequential. If this is true, then trust would be more of a minimum requirement rather than a competitive advantage as has been suggested (Barney & Hansen, 1994).

The orientation of firms – from profit-driven to purposeful motivations – are on the radars of their stakeholders as we see a rise in benefit corporations and social enterprises. The present research sought to help us better understand how these firms are perceived. We learned that purpose-oriented firms have significantly more favourable perceptions among customers and investors alike. Research has suggested that purpose-driven initiatives are correlated with customer satisfaction

(Luo & Bhattacharya, 2006) and this notion was supported in the present research which also suggests similar findings for investors. The findings also support research that suggest consumer perceptions of purpose-oriented firms can positively affect their views of a firm (Lii & Lee, 2012); this positive effect has herein been evidenced among customers but also among investors. This research also demonstrates support for the notion that a profit orientation will adversely affect stakeholder perceptions (Elving, 2013; Du et al., 2010; Edelman, 2021). Conversely, these studies refute the notion that investors will have a more positive view of profit-oriented firms and that perhaps the 'primacy of profits' is not so dominant after all (Kramer, 2019; Jensen, 2001; Friedman, 1970). These insights into investor perceptions of profit-oriented firms are significant contributions to the literature and to industry.

This research demonstrated that – across multiple measures – customers and investors view banks as inferior compared to their purpose-oriented competitors. Despite these insights, anecdotally, the reality is that banks do extremely well by common indicators of success (e.g., number of customers, total assets, profits). The findings of these studies along with anecdotal evidence prompts a question: if banks are perceived to be inferior to credit unions, why are they so dominant when there is a more favourable option? What merits the size and growth of banks when the findings of this research suggest they are an inferior choice? Banks seem to do well even with low levels of stakeholder trust, which suggests that perhaps other variables are more important than trust. For example, perhaps bank location or the size of the firm weighs into stakeholder preferences – convenience perhaps plays a major role (e.g., number of branches or branch proximity) or size really does matter (i.e., the bigger, the better). And if banks do so well in the absence of high degrees

of trust, is trust really such a significant asset (Sichtmann, 2007)? Or perhaps there are contexts where minimal trust is sufficient – for example, in a highly regulated industry such as banking. Further research may provide valuable insights to support credit unions and other purpose-oriented firms to grow their market share in the face of much larger profit-oriented firms.

The overall performance of purpose-driven credit unions is an interesting story here as well. Research has shown consumers are more forgiving of a trusted brand (Tsarenko & Tjib, 2015) and it may be that there is a virtuous circle of positivity that is benefiting credit unions. Morgan and Hunt (1994) found that shared value was an antecedent of trust, which could also explain the high ratings for credit unions if these stakeholders felt their values were more aligned with the credit unions than the banks. Similarly, Delgado-Ballester (2004) found that sound abilities and good intentions are important to the development of trust. This could explain the high degree of trust in credit unions and – in consideration of the low competence scores of banks – explain the low degree of trust in banks.

With respect to stakeholder heterogeneity, this research found only modest indications that perceptions of customers and investors vary in a material way. Rather, in the contexts of these three studies, customers and investors do not seem to be very different. This is an important contribution supporting research that points to commonalities across stakeholder groups (Barber et al., 2005) as well as research that suggests there are factors other than role that may be the primary influence in stakeholder perceptions and behaviours (Shavitt & Barnes, 2020; Wolfe & Putler, 2002; Bhattacharya et al., 2009). More research could further our understanding of when and how firm stakeholders vary in their assessments of the firms, and whether

these variations are material in terms of how firms communicate with these stakeholders and manage these relationships. And yet, the similarities across stakeholder groups uncovered in this research are nonetheless of interest. This research evidenced that the purpose-oriented model is favoured by both investors and customers. This is an important contribution to the literature and an encouraging outcome for firms that wish to share their purposeful initiatives with both customer and investor groups, and should lessen concerns that investors would be concerned by initiatives that stray from profit-driven motives.

Conclusión

Al estudiar a los clientes y a los inversores de empresas orientadas al lucro y a un propósito en contextos similares a través de tres estudios, la presente investigación ayuda a enriquecer nuestra comprensión de las percepciones de las partes implicadas sobre estas empresas. Me propuse estudiar la siguiente pregunta de investigación: *¿Cómo interactúan el tipo de parte implicada y la orientación de la empresa a efectos de la satisfacción y las percepciones de una empresa y, en última instancia, a la confianza en ella?* A través del análisis de tres estudios, descubrí que, entre los clientes y los inversores, la orientación de la empresa tiene un gran efecto en las percepciones de las partes implicadas sobre las empresas. En cuanto a la confianza, se descubrió que estaba mediada –en las empresas orientadas a un propósito– por la satisfacción del cliente, así como por las percepciones de fiabilidad, integridad y calidez de las partes implicadas. La confianza en las empresas orientadas al lucro resultó ser sistemáticamente baja y no estuvo mediada por la satisfacción de las partes implicadas ni por las variables de percepción medidas en estos estudios.

Las variaciones mínimas entre clientes e inversores fueron inesperadas y contrarias a las investigaciones recientes. Este punto por sí solo es una contribución muy importante a la bibliografía y es especialmente valioso porque estos estudios analizaron ambas partes implicadas con el mismo método y en el mismo contexto. El estudio final sí demostró cierta alineación de los clientes con las empresas orientadas a un propósito y de los inversores con las empresas orientadas al lucro (es decir, en apoyo de la segunda hipótesis). Es plausible que los efectos no fueran

fuertes en los dos primeros estudios (es decir, los experimentos) porque a los participantes se les asignó un papel hipotético (cliente o inversor) mientras que en el estudio final eran inversores y clientes reales. Es posible que las partes implicadas "reales" encuestadas en el estudio final fueran más sensibles a la dinámica de su función y a los atributos de la empresa, por lo que la interacción entre el tipo de función y la orientación de la empresa fue más pronunciada. Existen otras posibles explicaciones, como que las empresas evaluadas en el estudio final –empresas reales y con nombre– dieron lugar a efectos más fuertes. Los resultados de estos estudios y las preguntas que suscitan sugieren que es necesario seguir explorando para determinar cuándo y cómo difieren las partes implicadas. Además, sería útil comprender si estas diferencias son importantes para las empresas en términos de cómo gestionan estas relaciones y se comunican con estas partes implicadas.

La evidencia de que el modelo orientado a un propósito es favorecido tanto por los consumidores como por los inversores es un resultado positivo para las empresas que buscan compartir sus iniciativas orientadas a un propósito con ambos grupos de partes implicadas, y de hecho debería minimizar la inquietud de que los inversores –en general– se preocupen por las actividades que se alejan de los motivos orientados al lucro. Una mayor conciencia, comprensión y apreciación de los tipos de empresas orientadas a un propósito podría ayudar a aumentar su cuota de mercado, impulsando más mandatos orientados a un propósito en lugar de sus homólogas orientadas al lucro. Una mayor validación de los méritos de una orientación al propósito también podría apoyar la toma de decisiones de las empresas. Las empresas impulsadas por un propósito pueden redoblar sus esfuerzos y tal vez perseguir designaciones (por ejemplo, empresa B, Empleador de Salario Digno) para legitimar y promover su orientación hacia un propósito. Del

mismo modo, las empresas orientadas al lucro pueden ver más valor en perseguir y promover iniciativas adicionales orientadas a un propósito para mejorar las percepciones de las partes implicadas y aumentar los niveles de confianza entre los constituyentes importantes.

Esta investigación ofrece un resultado de “el propósito gana” que resulta significativo. En cuanto a las percepciones de las partes implicadas y las evaluaciones de la confianza, las empresas impulsadas por un propósito van por buen camino y se sitúan claramente por delante de las empresas orientadas al lucro. Y, sin embargo, estas empresas suelen ser más pequeñas y menos comunes. Aunque no es necesariamente un problema en sí mismo, esta realidad da lugar a un menor impacto del que sería posible si las empresas fueran más grandes y comunes, lo que daría lugar a un mayor impacto de sus mandatos de valor social.

La evidencia de una fuerte alineación de las percepciones de los clientes y los inversores sobre las empresas es también un resultado notable de esta investigación. En los tres estudios eran más similares de lo que se preveía. Lo más llamativo fue que se mostraron sistemática y significativamente más favorables a las empresas orientadas a un propósito que a las orientadas al lucro, y las consideraron más dignas de confianza.

La orientación propósito-lucro de las empresas interesa cada vez más tanto a las empresas como a las partes implicadas, y es un espacio en evolución. Las relaciones con las partes implicadas también son vitales para el éxito de las empresas y una mayor comprensión de sus percepciones de las empresas –y de lo que puede o no influir en las evaluaciones de la fiabilidad– es importante para las

iniciativas de las empresas, incluidas las comunicaciones, que estén diseñadas para mejorar las relaciones con las partes implicadas y el valor que pueden aportar.

Con los cambios globales y generacionales, desde el cambio climático y la sostenibilidad hasta la igualdad y la inclusión, y la polarización política, la sensibilidad hacia estos asuntos posiblemente nunca ha sido tan alta. Cualquier contribución para mejorar estas cuestiones es un esfuerzo importante y es de esperar que pueda conducir a avances aún mayores. El objetivo de esta investigación es formar parte de ese esfuerzo y proporcionar unas bases sólidas para seguir indagando en estas dinámicas, sus características y su evolución.

Conclusion

In studying customers and investors of profit- and purpose-oriented firms in similar contexts across three studies, this research furthers our understanding of stakeholder perceptions of these firms. I set out to study the following research question: *How do firm orientation (profit, purpose) and stakeholder type (customer, investor) interact to impact stakeholder satisfaction and certain perceptions of a firm and, finally, their degree of trust in a firm?* Through analysis of three studies, I found that among both customers and investors, firm orientation has a large affect on stakeholder perceptions of firms. Regarding trust, it was found to be mediated – in purpose-oriented firms – by customer satisfaction as well as stakeholder perceptions of reliability, integrity and warmth. Trust in profit-oriented firms proved to be consistently low and was not mediated by stakeholder satisfaction or the perception variables measured in these studies.

Minimal variances across customers and investors were unexpected and contrary to recent research. This point alone is a very important contribution to the literature and is especially valuable because these studies studied both stakeholders with the same method and in the same context. The final study did demonstrate some alignment of customers with purpose-oriented firms and investors with profit-oriented firms (i.e., in support of the second hypothesis). It is plausible that the effects were not strong in the first two studies (i.e., the experiments) because participants were allocated to hypothetical roles whereas in the final study they were actual investors and customers. The “real” stakeholders surveyed in the final study may have been more sensitive to the dynamics of their role and the attributes of the

firm, and thus an interaction of role type and firm orientation was more pronounced. There are other possible explanations, such as that the firms assessed in the final study – real, named firms – resulted in the stronger effects. The results of these studies and the questions they elicit suggest further exploration would help to determine variances among stakeholders. In addition, it would be helpful to understand whether these variations are material to how firms communicate with stakeholders and manage these relationships.

Evidence that the purpose-oriented model is favoured by both investors and customers is an encouraging outcome for firms who wish to share their purposeful activities with both customers and investors, and indeed should lessen concerns that investors will be critical of initiatives that stray from profit-driven motives. Greater awareness, understanding and appreciation of purpose-driven firms could help to grow their market share, and fuel more purposeful mandates in the place of profit-oriented firms. Further validation in the merits of a purpose orientation could also support firm decision making. Purpose driven firms may further their efforts and perhaps pursue designations (e.g., B Corp, Living Wage Employer) to legitimize and promote their purpose orientation. Similarly, profit-driven firms may see more value in pursuing and promoting additional purpose-led initiatives to improve stakeholder perceptions and increase levels of trust among important constituents.

This research demonstrates a significant “purpose wins” outcome. With regards to stakeholder perceptions and determinations of trustworthiness, purpose-driven firms are clearly favoured over profit-oriented firms. That said, these firms are less common and typically smaller than banks. This reality does suggest that more positive impacts from these firms would be realized if the firms were more common

and generally larger, resulting in more significant impacts generated from their social value mandates.

Evidence of a strong alignment of customer and investor perceptions of firms is also a notable outcome of this research. In all three studies, they were more similar than was anticipated. Most pronounced, was that both customers and investors were consistently and significantly more favourable to purpose-oriented firms than profit-oriented firms and deemed them to be more trustworthy.

The profit-purpose orientation of firms is increasingly visible – and of interest – to both firms and stakeholders, and the space is evolving. Stakeholder relations are also vital to the success of firms and a greater understanding of their perceptions of firms – and what may or may not impact assessments of trustworthiness – is important to firm initiatives, including communications, that are designed to enhance relationships with stakeholders and the value they can provide.

With generational and global changes, from inclusion and equity to sustainability, climate change and polarizing political landscapes, awareness to these matters has perhaps never been higher. Research contributions that can positively impact social value creation is an important effort that can ultimately lead to even greater contributions. This research aims to be part of that effort, providing strong foundations for further research into these dynamics and their evolution.

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APPENDIX

Questionnaire Design

Table 30

Credit Union Profile: Study 1 & 2

Please carefully read the following information about a **Credit Union** (i.e., Financial Cooperative). Once you have considered this information, please evaluate the firm in the questions to follow.

General Overview:

- **As a co-operative, the Credit Union is owned by its customers and improving the financial well-being of customers is its sole purpose**
- **The Credit Union has a long history in banking and investments**
- **The Credit Union is one of the biggest in the country**

Corporate Sustainability Performance:

- **The Credit Union reinvests a large portion of profits back into the communities it serves**
- **The Credit Union has been carbon neutral since 2018**
- **The Credit Union meets globally recognized targets for employee diversity**

Table 31

Bank Profile: Study 1 & 2

Please carefully read the following information about a **bank**. Once you have considered this information, please evaluate the firm in the questions to follow.

General Overview:

- **The Bank is owned by its shareholders and directs a large portion of its profits to owners and executives**
- **The Bank has a long history of excellence in banking and investments**
- **The Bank is one of the biggest banks in the country**

Corporate Sustainability Performance:

- **The Bank reinvests a small portion of profits back into the communities it serves**
- **The Bank is working to minimize its environmental impact**
- **The Bank is working to improve relationships with employees**

Table 32**Constructs - Perception Variables & Trust – Studies 2 & 3**

<i>Construct</i>	<i>Item</i>
Reliability	This firm would meet my expectations
	This firm is reliable and dependable
	I could rely on this firm to solve a problem
	This firm would make effort to satisfy me
	I would be confident in this firm
	This firm would never disappoint me
	This firm would guarantee satisfaction
	This firm delivers what it promises
Integrity	This firm is true to a set of moral values
	This firm is honest
	This firm has a positive influence
	This firm gives back
	This firm cares about people
	I could believe what this firm says
	This firm is committed to the public good
Warmth	This firm is generous
	This firm consistently acts with the public's best interest in mind
	This firm is warm
	This firm has a kind attitude
	This firm has good intentions toward ordinary people
Competence	This firm is highly competent in its field
	This firm is skilled and effective at achieving its goals
	This firm lacks the ability to implement its intentions
Trust	<i>Function</i>
	I would trust this firm with my day-to-day banking.
	I would trust this firm with my investments.
	I would trust this firm with my retirement savings.
	<i>Values</i>
	I would trust this firm to make decisions in the best interest of society.
	I would trust this firm to make decisions in my best interest.
	<i>Stakeholder orientation</i>
	I would trust this firm to make decisions in the best interest of its customers.
	I would trust this firm to make decisions in the best interest of its investors/owners.
	I would trust this firm to make decisions in the best interest of its employees.
	I would trust this firm to make decisions in the best interest of our local community.
	<i>Sustainability</i>
	I would trust this firm to make decisions in the best interest of the environment.
	I would trust this firm to make decisions in the best interest of future generations.

Table 33*Sociodemographic Questions: Study 3*

<i>Construct</i>	<i>Item</i>
Duration	How long have you been a [stakeholder type] with this firm?
Employment with the firm	Have you ever been employed by this firm?
Employment with a competitor	Have you ever been employed by this firm?
Age	What is your age?
Education level	Highest level of education completed?
Employment status	Employment status?
Gender	What is your gender?
Location / postal code	Your postal code?
Political affiliation	Which political party do you most identify with?

Study 1

Table 34

Scale Reliability – Study 1

Construct	Item	Cronbach's alpha (α)	
		Credit Unions	Banks
Reliability	This firm would meet my expectations	.911	.912
	This firm is reliable and dependable		
	I could rely on this firm to solve a problem		
	This firm would make effort to satisfy me		
Integrity	This firm is true to a set of moral values	.872	.884
	This firm is honest		
	This firm has a positive influence		
Warmth	This firm is generous	.854	.915
	This firm consistently acts with the public's best interest in mind		
	This firm is warm		
Competence	This firm is highly competent in its field	.905	.910
	This firm is skilled and effective at achieving its goals		
Trust	<i>Function</i> I would trust this firm with my banking.	.857	.855
	<i>Values</i> I would trust this firm to make decisions in the best interest of society.		
	<i>Stakeholder orientation</i> I would trust this firm to make decisions in the best interest of its customers. I would trust this firm to make decisions in the best interest of its investors/shareholders.		
	<i>Sustainability</i> I would trust this firm to make decisions in the best interest of the environment.		

Table 35

Descriptive Statistics: Trust

	Role	Mean	Std. Deviation	N
CU trust	Customer	4.1670	.58366	218
	Investor	4.1321	.69453	218
	Total	4.1495	.64099	436
Bank trust	Customer	3.6174	.81477	218
	Investor	3.5807	.76886	218
	Total	3.5991	.79145	436

Table 36*Descriptive Statistics: Satisfaction*

	Role	Mean	Std. Deviation	N
CU satisfaction	Customer	4.4404	.55034	218
	Investor	4.2385	.73615	218
	Total	4.3394	.65699	436
Bank satisfaction	Customer	3.8853	.78621	218
	Investor	4.0596	.70621	218
	Total	3.9725	.75150	436

Table 37*Descriptive Statistics: Reliability*

	Role	Mean	Std. Deviation	N
CU reliability	Customer	4.2339	.62520	218
	Investor	4.0229	.75291	218
	Total	4.1284	.69923	436
Bank reliability	Customer	3.7122	.78104	218
	Investor	3.8039	.77379	218
	Total	3.7580	.77789	436

Table 38*Descriptive Statistics: Integrity*

	Role	Mean	Std. Deviation	N
CU integrity	Customer	4.1957	.61424	218
	Investor	4.0719	.77296	218
	Total	4.1338	.70007	436
Bank integrity	Customer	3.4893	.85338	218
	Investor	3.4358	.90411	218
	Total	3.4625	.87851	436

Table 39*Descriptive Statistics: Warmth*

	Role	Mean	Std. Deviation	N
CU warmth	Customer	4.0719	.65382	218
	Investor	3.9954	.79841	218
	Total	4.0336	.72987	436
Bank warmth	Customer	3.1667	.98751	218
	Investor	3.2385	.96439	218
	Total	3.2026	.97555	436

Table 40*Descriptive Statistics: Competence*

	Role	Mean	Std. Deviation	N
CU competence	Customer	4.2362	.62801	218
	Investor	4.1812	.72192	218
	Total	4.2087	.67638	436
Bank competence	Customer	4.0596	.77169	218
	Investor	4.0849	.74728	218
	Total	4.0722	.75882	436

Study 2

Table 41

Constructs - Perception Variables & Trust - Study 2

<i>Construct</i>	<i>Item</i>	<i>Cronbach's alpha (α)</i>
Reliability	This firm would meet my expectations	.933
	This firm is reliable and dependable	
	I could rely on this firm to solve a problem	
	This firm would make effort to satisfy me	
	I would be confident in this firm	
	This firm would never disappoint me	
	This firm would guarantee satisfaction	
	This firm delivers what it promises	
Integrity	This firm is true to a set of moral values	.954
	This firm is honest	
	This firm has a positive influence	
	This firm gives back	
	This firm cares about people	
	I could believe what this firm says	
	This firm is committed to the public good	
Warmth	This firm is generous	.946
	This firm consistently acts with the public's best interest in mind	
	This firm is warm	
	This firm has a kind attitude	
	This firm has good intentions toward ordinary people	
Competence	This firm is highly competent in its field	.433
	This firm is skilled and effective at achieving its goals	
	This firm lacks the ability to implement its intentions	
Trust	<i>Function</i> I would trust this firm with my day-to-day banking. I would trust this firm with my investments. I would trust this firm with my retirement savings.	.911
	<i>Values</i> I would trust this firm to make decisions in the best interest of society. I would trust this firm to make decisions in my best interest.	.883
	<i>Stakeholder orientation</i> I would trust this firm to make decisions in the best interest of its customers. I would trust this firm to make decisions in the best interest of its investors/owners. I would trust this firm to make decisions in the best interest of its employees. I would trust this firm to make decisions in the best interest of our local community.	.827
	<i>Sustainability</i> I would trust this firm to make decisions in the best interest of the environment. I would trust this firm to make decisions in the best interest of future generations.	.921
	<i>All trust dimensions combined</i>	.948

Table 42*Competence: Correlations*

		Comp - 1	Comp - 2	Comp - 3
Competence – 1	Pearson Correlation	1	.116*	-.008
	Sig. (2-tailed)		.022	.868
	N	393	393	393
Competence - 2	Pearson Correlation	.116*	1	.409**
	Sig. (2-tailed)	.022		<.001
	N	393	393	393
Competence - 3	Pearson Correlation	-.008	.409**	1
	Sig. (2-tailed)	.868	<.001	
	N	393	393	393

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Table 43*Descriptive Statistics: Trust*

Dependent Variable: Trust

Firm Type	RoleAssign	Mean	Std. Deviation	N
Bank	Customer	3.65	.782	97
	Investor	3.60	.817	98
	Total	3.63	.798	195
Credit Union	Customer	3.98	.661	99
	Investor	4.06	.632	96
	Total	4.02	.646	195
Total	Customer	3.82	.740	196
	Investor	3.82	.765	194
	Total	3.82	.751	390

Table 44*Descriptive Statistics: Satisfaction*

Dependent Variable: Satisfaction

Firm Type	RoleAssign	Mean	Std. Deviation	N
Bank	Customer	3.82	.817	97
	Investor	3.96	.919	98
	Total	3.89	.870	195
Credit Union	Customer	4.15	.774	99
	Investor	4.17	.627	96
	Total	4.16	.704	195
Total	Customer	3.99	.810	196
	Investor	4.06	.793	194
	Total	4.03	.801	390

Table 45*Descriptive Statistics: Reliability*

Dependent Variable: Reliability

Firm Type	RoleAssign	Mean	Std. Deviation	N
Bank	Customer	3.52	.822	97
	Investor	3.62	.784	98
	Total	3.57	.803	195
Credit Union	Customer	3.82	.708	99
	Investor	3.94	.593	96
	Total	3.88	.655	195
Total	Customer	3.67	.779	196
	Investor	3.78	.712	194
	Total	3.73	.748	390

Table 46*Descriptive Statistics: Integrity*

Dependent Variable: Integrity

Firm Type	Role Type	Mean	Std. Deviation	N
Bank	Customer	3.47	.962	97
	Investor	3.63	.830	98
	Total	3.55	.900	195
Credit Union	Customer	3.97	.781	99
	Investor	4.17	.577	96
	Total	4.07	.693	195
Total	Customer	3.72	.909	196
	Investor	3.89	.763	194
	Total	3.81	.843	390

Table 47*Descriptive Statistics: Warmth*

Dependent Variable: Warmth

Firm Type	Role Type	Mean	Std. Deviation	N
Bank	Customer	3.35	.972	97
	Investor	3.52	.954	98
	Total	3.44	.964	195
Credit Union	Customer	3.91	.759	99
	Investor	4.12	.588	96
	Total	4.02	.687	195
Total	Customer	3.63	.913	196
	Investor	3.82	.847	194
	Total	3.73	.885	390

Table 48*Descriptive Statistics: Competence*

Dependent Variable: Competence

Firm	Role	Mean	Std. Deviation	N
Bank	Customer	3.83	.725	97
	Investor	2.50	.692	98
	Total	3.16	.972	195
Credit Union	Customer	3.98	.784	99
	Investor	2.22	.804	96
	Total	3.12	1.188	195
Total	Customer	3.91	.757	196
	Investor	2.36	.761	194
	Total	3.14	1.084	390

Table 49*Model Output: Firm Orientation -> Mediators*

Model	Variables	B	SE	t	p	LLCI	ULCI
DV: Satisfaction	Firm	.0976	.0377	2.5867	.0101	.0234	.1718
	Role	-.0010	.0372	-.0266	.9788	-.0741	.0722
	Firm x Role	-.0217	.0370	-.5861	.5582	-.0944	.0510
DV: Reliability	Firm	.1216	.0332	3.6601	.0003	.0563	.1870
	Role	.0133	.0328	.4049	.6858	-.0512	.0777
	Firm x Role	.0113	.0326	.3465	.7292	-.0528	.0753
DV: Integrity	Firm	.2167	.0356	6.0912	.0000	.1467	.2866
	Role	.0381	.0351	1.0857	.2783	-.0309	.1070
	Firm x Role	.0211	.0349	.6065	.5445	-.0474	.0897
DV: Warmth	Firm	.2492	.0375	6.6492	.0000	.1755	.3229
	Role	.0481	.0370	1.3013	.1939	-.0246	.1208
	Firm x Role	.0200	.0367	.5432	.5873	-.0523	.0922
DV: Competence	Firm	-.0222	.0393	-.5636	.5734	-.0994	.0551
	Role	-.7677	.0388	-19.8097	.0000	-.8439	-.6915
	Firm x Role	-.1126	.0385	-2.9229	.0037	-.1884	-.0369

Table 50*Model Output: Firm Orientation -> Mediators -> Trust*

<i>Predictor Variable</i>	<i>Role</i>	<i>β</i>	<i>SE</i>	<i>LLCI</i>	<i>ULCI</i>
Satisfaction	Customer	.0176	.0090	.0020	.0373
	Investor	.0112	.0083	-.0039	.0289
Reliability	Customer	.0227	.0134	.0020	.0543
	Investor	.0274	.0139	.0060	.0603
Integrity	Customer	.0771	.0249	.0323	.1294
	Investor	.0938	.0250	.0483	.1464
Warmth	Customer	.0270	.0162	-.0009	.0622
	Investor	.0317	.0185	-.0011	.0731
Competence	Customer	-.0017	.0027	-.0084	.0026
	Investor	.0025	.0034	-.0038	.0102

Study 3

Table 51

Gender

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	85	39.2	40.1	40.1
	Female	127	58.5	59.9	100.0
	Total	212	97.7	100.0	
Missing	System	5	2.3		
Total		217	100.0		

Table 52

Province of Residence

		Frequency	Percent
Valid	Nova Scotia	53	24.4
	Prince Edward Island	17	7.8
	New Brunswick	1	.5
	Quebec	3	1.4
	Ontario	96	44.2
	Manitoba	3	1.4
	Saskatchewan	4	1.8
	Alberta	3	1.4
	British Columbia	17	7.8
	Total	197	90.8
Missing	System	20	9.2
Total		217	100.0

Table 53*Highest Level of Education Completed*

		Frequency	Percent
Valid	High School	8	3.7
	College Diploma	27	12.4
	Bachelor's Degree	93	42.9
	Master's Degree	72	33.2
	Doctorate	10	4.6
	Total	210	96.8
Missing	System	7	3.2
Total		217	100.0

Table 54*Political Affiliation*

		Frequency	Percent
Valid	Liberal Party	94	43.3
	New Democratic Party	25	11.5
	Conservative Party	32	14.7
	Green Party of Canada	3	1.4
	Other	6	2.8
	Total	160	73.7
Missing		57	26.3
Total		217	100.0

Table 55*Employment with Selected Firm*

		Frequency	Percent
Valid	Not Employee	185	85.3
	Employee	31	14.3
	Total	216	99.5
Missing	System	1	.5
Total		217	100.0

Table 56*Employment with Competitor*

		Frequency	Percent
Valid	Not Employee	169	77.9
	Employee	38	17.5
	Total	207	95.4
Missing	System	10	4.6
Total		217	100.0

Table 57*Population Descriptive Statistics*

	N	Mean	Std. Deviation	Variance
Age	212	52.443	13.897	193.134
Relationship Duration	216	18.347	14.181	201.097
Valid N (listwise)	211			

Table 58

Reliability of Scales

<i>Construct</i>	<i>Item</i>	<i>Cronbach's alpha (α)</i>
Reliability	This firm would meet my expectations	.932
	This firm is reliable and dependable	
	I could rely on this firm to solve a problem	
	This firm would make effort to satisfy me	
	I would be confident in this firm	
	This firm would never disappoint me	
	This firm would guarantee satisfaction	
	This firm delivers what it promises	
Integrity	This firm is true to a set of moral values	.954
	This firm is honest	
	This firm has a positive influence	
	This firm gives back	
	This firm cares about people	
	I could believe what this firm says	
	This firm is committed to the public good	
Warmth	This firm is generous	.947
	This firm consistently acts with the public's best interest in mind	
	This firm is warm	
	This firm has a kind attitude	
	This firm has good intentions toward ordinary people	
Competence	This firm is highly competent in its field	.660
	This firm is skilled and effective at achieving its goals	
	This firm lacks the ability to implement its intentions	
Trust	<i>Function</i> I would trust this firm with my day-to-day banking. I would trust this firm with my investments. I would trust this firm with my retirement savings.	.841
	<i>Values</i> I would trust this firm to make decisions in the best interest of society. I would trust this firm to make decisions in my best interest.	.836
	<i>Stakeholder orientation</i> I would trust this firm to make decisions in the best interest of its customers. I would trust this firm to make decisions in the best interest of its investors/owners. I would trust this firm to make decisions in the best interest of its employees. I would trust this firm to make decisions in the best interest of our local community.	.851
	<i>Sustainability</i> I would trust this firm to make decisions in the best interest of the environment. I would trust this firm to make decisions in the best interest of future generations.	.920
	<i>All trust dimensions combined</i>	.921

Table 59*Descriptive Statistics and Correlations: Competence*

	Me an	Std. Deviation	N	1	2	3
1. Competence - 1	4.1 1	.726	216	1.000		
2. Competence - 2	4.0 8	.708	216	.798**	1.000	
3. Competence - 3	2.7 7	1.113	216	.285**	.318**	1.000

** . Correlation is significant at the 0.01 level (2-tailed).

Table 60*Descriptive Statistics and Correlations: Profit Views*

	Mean	Std. Deviation	N	1.	2.
1. Profits	3.98	1.014	217	1.000	
2. Profitability	3.71	.895	217	.213**	1.000
Sig. (2-tailed)				.002	

** . Correlation is significant at the 0.01 level (2-tailed).

Table 61*Descriptive Statistics: Trust*

Dependent Variable: Trust

Firm Type	Stakeholder Type	Mean	Std. Deviation	N
Bank	Customer	3.4481	.59482	68
	Investor	3.6675	.63180	69
	Total	3.5586	.62129	137
Credit Union	Customer	4.1477	.72502	38
	Investor	4.0007	.64054	42
	Total	4.0705	.68160	80
Total	Customer	3.6989	.72430	106
	Investor	3.7935	.65271	111
	Total	3.7473	.68864	217

Table 62*Descriptive Statistics: Satisfaction*

Dependent Variable: Satisfaction

Firm Type	Stakeholder Type	Mean	Std. Deviation	N
Bank	Customer	3.87	.845	68
	Investor	4.13	.856	69
	Total	4.00	.857	137
Credit Union	Customer	4.34	.708	38
	Investor	3.88	.803	42
	Total	4.10	.789	80
Total	Customer	4.04	.827	106
	Investor	4.04	.841	111
	Total	4.04	.833	217

Table 63*Descriptive Statistics: Reliability*

Dependent Variable: Reliability

Firm Type	Stakeholder Type	Mean	Std. Deviation	N
Bank	Customer	3.5966	.62996	68
	Investor	3.7518	.63138	69
	Total	3.6748	.63316	137
Credit Union	Customer	4.1184	.69806	38
	Investor	3.9949	.72703	42
	Total	4.0536	.71162	80
Total	Customer	3.7837	.69867	106
	Investor	3.8438	.67637	111
	Total	3.8144	.68642	217

Table 64*Descriptive Statistics: Integrity*

Dependent Variable: Integrity

Firm Type	Stakeholder Type	Mean	Std. Deviation	N
Bank	Customer	3.3277	.62248	68
	Investor	3.4286	.78284	69
	Total	3.3785	.70702	137
Credit Union	Customer	4.3872	.79775	38
	Investor	4.1973	.63336	42
	Total	4.2875	.71789	80
Total	Customer	3.7075	.85564	106
	Investor	3.7194	.81769	111
	Total	3.7136	.83452	217

Table 65*Descriptive Statistics: Warmth*

Dependent Variable: Warmth

Firm Type	Stakeholder Type	Mean	Std. Deviation	N
Bank	Customer	3.1239	.72380	67
	Investor	3.1710	.82909	69
	Total	3.1478	.77648	136
Credit Union	Customer	4.3842	.72093	38
	Investor	4.1214	.63535	42
	Total	4.2463	.68583	80
Total	Customer	3.5800	.94219	105
	Investor	3.5306	.88870	111
	Total	3.5546	.91329	216

Table 66*Descriptive Statistics: Competence*

Dependent Variable: Competence

Firm Type	Stakeholder Type	Mean	Std. Deviation	N
Bank	Customer	3.5931	.65877	68
	Investor	3.6618	.62691	68
	Total	3.6275	.64158	136
Credit Union	Customer	3.7193	.74142	38
	Investor	3.6746	.70802	42
	Total	3.6958	.71981	80
Total	Customer	3.6384	.68871	106
	Investor	3.6667	.65588	110
	Total	3.6528	.67077	216

Table 67*Model Output: Firm Orientation -> Mediators*

<i>Model</i>	<i>Variables</i>	<i>β</i>	<i>SE</i>	<i>t</i>	<i>p</i>	<i>LLCI</i>	<i>ULCI</i>
DV: Satisfaction	Firm	.6662	.1833	3.6346	.0004	.3048	1.0277
	Role	.2903	.1498	1.9374	.0541	-.0051	.5858
	Firm x Role	-.7736	.2327	-3.3241	.0011	-1.2324	-.3147
DV: Reliability	Firm	.6220	.1503	4.1384	.0001	.3256	.9183
	Role	.1360	.1229	1.1073	.2695	-.1062	.3783
	Firm x Role	-.2716	.1908	-1.4233	.1562	-.6478	.1046
DV: Integrity	Firm	1.0849	.1588	6.8317	.0000	.7718	1.3979
	Role	.0841	.1298	.6479	.5178	-.1718	.3401
	Firm x Role	-.2786	.2016	-1.3821	.1685	-.6761	.1189
DV: Warmth	Firm	-.8689	1.5469	-.5617	.5749	-3.9187	2.1810
	Role	-.9093	1.2645	-.7191	.4729	-3.4025	1.5839
	Firm x Role	.8258	1.9638	.4205	.6746	-3.0462	4.6978
DV: Competence	Firm	.5981	1.5483	.3863	.6997	-2.4546	3.6508
	Role	1.8330	1.2657	1.4483	.1491	-.6625	4.3285
	Firm x Role	-1.9285	1.9656	-.9811	.3277	-5.8041	1.9470

Table 68*Model Output: Firm Orientation -> Mediators -> Trust*

<i>Predictor Variable</i>	<i>Role</i>	<i>β</i>	<i>SE</i>	<i>LLCI</i>	<i>ULCI</i>
Satisfaction	Customer	.0567	.0388	-.0074	.1409
	Investor	-.0091	.0170	-.0466	.0250
Reliability	Customer	.2119	.0699	.0714	.3411
	Investor	.1194	.0526	.0197	.2227
Integrity	Customer	.4567	.1103	.1886	.6176
	Investor	.3394	.0886	.1341	.4841
Warmth	Customer	.0013	.0913	-.0032	.2914
	Investor	.0001	.0665	-.0016	.2115
Competence	Customer	-.0026	.0228	-.0152	.0705
	Investor	.0058	.0148	-.0220	.0438