ABSTRACT. Just as socially irresponsible organizational behavior leaves a punitive legacy on society, socially responsible organizations can foster curative change. This article examines whether small organizations can foster societal change toward more sustainable modes of living. We contend that consumption is deeply intertwined with social relations and norms, thus making individual behavioral change toward sustainability a matter of facilitating change in individual behavior, as well as in social norms and relations between organizations and consumers. We argue that it is in this facilitation process that small firms can play a major role, by adopting upstream and downstream approaches to diffuse behavioral change. By synthesizing four key strands of literature – small businesses and corporate social responsibility, ethical consumption, community social marketing, and the diffusion of innovation – and using the exemplar case of Modbury, the iconic “plastic bag-free” town, we demonstrate how responsible small firms can influence communities, and the individuals therein, to encourage environmentally sustainable practice to diffuse and support change in society.

KEY WORDS: community, CSR, small business, social marketing, sustainability

Introduction

Corporate behavior is increasingly under the scrutiny of informed, critical consumers and shareholders, and as a result of increasing public pressure, firms have turned to Corporate Social Responsibility (CSR henceforth). CSR has been used by firms as a means to maintain and/or improve corporate reputation among a range of internal and external stakeholder groups (Maignan et al., 2005), and the growing interest in CSR is reflected in the extant literature (Maignan and Ferrell, 2004; Vaaland et al., 2008). Traditionally, CSR discourse has been centered upon multinational corporations, but more recently there has been a burgeoning stream of literature giving attention to the relevance of small businesses and family firms in the CSR debate (Jamali et al., 2009; Niehm et al., 2008). In this article we use the example of the “no plastic bag” campaign implemented by traders in the UK town of Modbury to critically examine and further shed light on the distinctive orientations of small firms in the context of CSR and collective change. Just as socially irresponsible organizational behavior leaves a punitive legacy on society, socially responsible organizations can foster curative change. Therefore, our article seeks to address the following question: “can responsible small and medium sized enterprises (SMEs) help change society?” Specifically, we are interested in examining whether small organizations can foster societal change toward more sustainable and environment-friendly modes of living. Interest in CSR is a reflection of the manner in which issues around sustainability have moved up the public policy agenda in the UK and elsewhere, and an indication of how consumer boycotting (Friedman, 1996) has increased substantially over the past years. In a fragmented and often homogeneous marketplace, the ability to edit consumer choices with markers of discernment and differentiation such as CSR are prized corporate and brand assets (Bendell and Kleanthous, 2007) for companies both large and small.

Ethical and environmental concern exists to a greater or lesser extent, and in various forms, within most countries (Carrigan and de Pelsmacker, 2009).
For instance, the latest Ethical Consumerist Report (The Co-operative Bank, 2008) suggests that, despite the economic downturn, the total UK ethical market in 2007 was worth $58.3 billion, which represents a 15% increase from $50 billion in the previous year. Fairtrade now sells over 4,500 products in over 20 countries, reaching international sales of $2.25 billion (Fairtrade Foundation, 2009a). A recent Nielsen Global Survey of 28,253 online consumers found that 98% of respondents in Latin America expected companies to engage in programs that either protect the environment or society, as did 90% of respondents in other emerging markets (EEMEA) and Asia Pacific, and 85% of consumers in Europe (Nielsen, 2008). Notably, the increased availability and convenience of green and ethical alternatives has had a major impact on the sales of such products in recent years (Mintel, 2005, 2007; The Co-operative Bank, 2008). Earlier studies (Boulstridge and Carrigan, 2000; Carrigan and Attalla, 2001) suggest that price, value, quality, brand familiarity, and convenience play key roles in green and ethical purchasing considerations. Retailers recognize the need to make green options more accessible and affordable (Carrigan and de Pelsmacker, 2009; Mintel, 2007), employing strategies such as Tesco UK’s commitment to tackle energy consumption through reduced prices for low energy bulbs. These widening consumption desires and increased concerns about sustainability (Newholm, 2005) are, of course, likely to involve excess consumption in the name of the environment and, thus, what consumer researchers have portrayed as inconsistent behavior.

Nevertheless, some have problematized the appropriateness of assigning consumers co-responsibility for environmental reform (cf. Connolly and Prothero, 2008). Indeed, policy makers and social marketers are still calling for reduced levels of consumption as a step toward sustainability, and as a means to address environmental issues (cf. Peattie and Peattie, 2009). Consumers, in turn, are expected to regulate their consumption in an instrumental manner (Connolly and Prothero, 2008), and the existing gap between consumers’ positive attitudes toward sustainability and their inconsistent and often conflicting consumption behavior – what Boulstridge and Carrigan (2000) have called the attitude–behavior gap – remains a concern. Following Connolly and Prothero (2008) and Warde (2005), we view consumers as people engaged in meaningful and socially embedded everyday practices, sustainable or otherwise, which involve the (symbolic) consumption (purchase, usage, and/or disposal) of material goods in one way or another. This stance, therefore, suggests a view of consumption as deeply intertwined with social relations and norms, thus making individual behavioral change toward sustainability a matter of facilitating change in individual behavior, as well as in social norms and relations between organizations and consumers (Jackson, 2005). We contend that it is in this facilitation process that small organizations can play a major role, by adopting upstream and downstream (Verplanken and Wood, 2006) approaches to diffuse behavioral change.

Successful habit change interventions involve disrupting the environmental factors that automatically cue habitual behavior. Verplanken and Wood (2006) define “downstream” interventions as those that provide informational inputs at points when habits are vulnerable to change; for example, point-of-purchase advertisements that exhort the benefits of washing clothes at lower temperatures when and where consumers are shopping for laundry detergents. However, the everyday lifestyles of individuals can limit the effectiveness of downstream interventions that do not address the performance contexts and socio-structural factors that maintain habits. As an alternative, McKinlay (1975, 1993) suggests “upstream” environmental interventions designed to prevent undesired outcomes. Upstream interventions take place before habit performance, and disrupt old environmental cues and establish new ones. In the case described later, small retail store owners can act as the catalysts for implementing upstream interventions that “target social norms and contextual supports for the desired action” (Verplanken and Wood, 2006, p. 91).

We pursue answers to the question presented above through an examination of four key streams of literature. The first concerns CSR in the context of SMEs, the role of the owner-manager as champions of responsible behavior in local communities, and how SMEs can be supported to fulfill their environmental performance potential. The second literature stream concerns behavioral change, as well as the incentives and barriers affecting