Integrated reporting stimulates strategic communication of corporate social responsibility? A marketing perspective analysis based on Maignan, Ferrell and Ferrell's stakeholder model of corporate social responsibility in marketing

O relato integrado estimula a comunicação estratégica de responsabilidade social corporativa? Uma análise na perspectiva do marketing, baseada no modelo de responsabilidade social corporativa proposto por Maignan, Ferrell e Ferrell

El relato integrado estimula la comunicación estratégica de responsabilidad socialcorporativa? Un análisis en la perspectiva del marketing, basada en el modelo de responsabilidad social corporativa propuesto por Maignan, Ferrell y Ferrell

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Abstract

Integrated reporting brings the promise of a new approach to corporate reporting based on integrated thinking, long-term focus, a broader view of value creation and a better articulation of organizations' strategy and business models and further integration of corporate social responsibility and sustainability in business. Despite the potential of integrated reporting to drastically change the way corporate social responsibility is currently reported, marketing scholars focusing on ethics and social responsibility seem to be alienated from the discussion occurring in academia about integrated reporting. In this article we evaluate if integrated reports, as conceptualized by the International Integrated Reporting Council, may be used as a relevant source of information to operationalize Maignan, Ferrell and Ferrell's stakeholder model of corporate social responsibility. We conclude that integrated reports present some important limitations, mostly related with being exclusively focused on the information needs of investors and not requiring companies to report on the full impact of their activities on other stakeholders. This study contributes to this special issue dedicated to the topic of strategic communication by framing the potential contribution of integrated reporting to strategic communication of corporate social responsibility.

Keywords

Integrated reporting; corporate reporting; strategic communication; corporate social responsibility; marketing

Resumo

O relato integrado promete uma nova abordagem ao reporte corporativo baseada em pensamento integrado, uma visão de longo prazo, uma perspetiva alargada da criação de valor e uma melhor articulação entre a estratégia e os modelos de negócio, bem como uma maior integração da responsabilidade social e sustentabilidade no negócio. Apesar do potencial do relato integrado para alterar de forma significativa a forma como a responsabilidade social é presentemente reportada, os investigadores na área do marketing especializados em ética e responsabilidade social parecem alheados da discussão que ocorre na academia sobre relatório integrado. Neste artigo avaliamos se o relatório integrado conceptualizado pelo *International Integrated Reporting Council* pode ser considerado uma fonte de informação relevante para operacionalizar o modelo de responsabilidade social corporativa desenvolvido por Maignan, Ferrell and Ferrell. Concluímos que os relatórios integrados apresentam importantes limitações, relacionadas sobretudo com o fato de serem exclusivamente focados nas necessidades de informação dos investidores e não requererem às empresas o reporte do impato total das suas actividades sobre outras partes interessadas na empresa. Este estudo contribui para esta edição especial dedicada ao tema da comunicação estratégica pelo enquadramento que faz do contributo potencial do relato integrado para a comunicação estratégica da responsabilidade social corporativa.

Palavras chave

Relato integrado; relato corporativo; comunicação estratégica; responsabilidade social; marketing

Resumen

El relato integrado promete un nuevo enfoque al reporte corporativo basado en el pensamiento integrado, una visión a largo plazo, una perspectiva ampliada de la creación de valor y una mejor articulación entre la estrategia y los modelos de negocio, así como una mayor integración de la responsabilidad social y sostenibilidad en el negocio. A pesar del potencial del relato integrado para alterar de forma significativa la forma en que la responsabilidad social es actualmente reportada, los investigadores en el área del marketing especializados en ética y responsabilidad social parecen ajenos a la discusión que ocurre en la academia sobre relato integrado. En este artículo evaluamos si los relatos integrados conceptualizados por el *International Integrated Reporting Council* pueden considerarse una fuente de información relevante para operacionalizar el modelo de responsabilidad social corporativa desarrollado por Maignan, Ferrell y Ferrell. Concluimos que los relatos integrados presentan importantes limitaciones, relacionadas sobre todo con el hecho de que se centran exclusivamente en las necesidades de información de los inversores y no requieren a las empresas el reporte del impacto total de sus actividades sobre otras partes interesadas en la empresa. Este estudio contribuye a esta edición especial dedicada al tema de la comunicación estratégica por el encuadramiento que hace de la contribución potencial del relato integrado para la comunicación estratégica de la responsabilidad social corporativa.

Palabras clave

Relato integrado; relato corporativo; comunicación estratégica; responsabilidad social; marketing

1. Introduction

The importance of using corporate reports as marketing tools has been highlighted by several authors and is mostly grounded on the principle that all organizational communications should be used as part of an integrated marketing communication strategy (Dumitru, Gușe, Feleagă, Marian, & Feldioreanu, 2015; Jianu, Turlea, & Gusatu, 2016; McKinstry, 1996). In addition, corporate reports tend to be accessible to all stakeholder groups, due to their public availability and receive a higher level of trust from stakeholders than other communication tools (Dumitru et al., 2015).

Integrated reporting has the potential to drastically change the way corporate social responsibility (CSR) is strategically reported by companies. However, judging by the scarce amount of literature, it seems that marketing researchers focusing on CSR and ethics are not participating in the intense discussions occurring in academia concerning this topic. Existing research on integrated reporting is mainly limited to the accounting and financial disciples. In this research it is assumed that marketing scholarship can enrich the current discussion on integrated reporting by analyzing the utility of integrated reports as communication tools. As stressed by Freeman, Harrison, Wicks, Parmar, & Colle (2010), marketing as a discipline tends to be more outwardly focused than the financial/accounting areas. Consequently "marketing is in a strong position to work on problems associated with monitoring and communicating with external stakeholders."(p. 161).

In their acclaimed article "A stakeholder model for implementing social responsibility in marketing" Maignan et al. (2005) introduced a stepwise methodology that may be used to implement CSR from a marketing perspective. As keenly pointed by Juščius, Šneiderienė and Griauslytė (2014), Maignan and associates suggested using CSR reports in three of the eight steps that compose their model. Besides that, we also note how the authors explicitly refer to the use of annual reports in other two steps of the model. From here we can infer that corporate reporting may be instrumental in the application of the model proposed by Maignan et al. (2005). The objective of this article is to evaluate the extent to which integrated reports, as conceptualized by the International Integrated Reporting Council (IIRC), can be useful to operationalize Maignan's et al. (2005) stakeholder model of CSR in marketing.

The publication of the International Integrated Framework (IIRF) by the International Integrated report council (IIIRC) has generated momentum and provides researchers with an opportunity to address how integrate reporting can potentially impact the way companies strategically report CSR. This work responds to a recent call from Perego, Kennedy and Whiteman (2016) for future research on integrated reporting that expands beyond the accounting and finance disciplines, to apply other conceptual perspectives to analyze the transformative function of integrated reporting. Second, this research adds to the literature on corporate social responsibility reporting and communication strategies. According to the current state of knowledge, there is no research, from a marketing and communication perspectives, analyzing the benefits and utility of integrated reports for CSR reporting.

2. Theoretical framework

2.1. CSR strategic communication

The beginning of CSR academic research is decisively marked by the influential work developed by Bowen (1953) focused on the social responsibilities of businessmen and managers to behave morally in their local communities. Carroll changed the focus from manager's actions to corporations' social actions by integrating CSR in strategic management processes and developing the concept of corporate social performance (Carroll, 1979; Carroll, 1999). Since then, CSR has been a topic of intense research and a multitude of scholars have contributed to the development of the concept. During the 80s and the 90s the concept assumed a multidimensional dimension and was approached my several disciples. In 1984, Freeman introduced stakeholder theory and brought attention to different groups of interest within companies and how these different groups have a stake in the success or failure of a business. In the 90s, there was considerable emphasis on including strategic issues, business ethics, governance, and environmental issues under the broader concept of CSR. During this decade important developments occurred with the introduction of the concept of sustainability and the triple bottom line by Elkington (1997), corporate accountability (Zadek, Pruzan, & Evans, 1997) and ethical responsibility (Hopkins, 1999). However, and after more than half a century of research and debate, there is still not a single widely accepted definition of CSR (Freeman et al., 2010). A traditional approach considers that CSR is focused on ex-post profit distribution, based on the notion that companies must give back to society part of the value they have created, for moral, social and also practical reasons, while the integrated view of CSR focuses on value creation instead of profit distribution (Dumitru et al., 2015), a view that is more aligned with IIRC´s (2013) vision of integrated reporting as a concise representation of how organizations demonstrate stewardship and create and sustain value.

Sacconi (2006) suggested a conceptualization of CSR as a model of corporate governance and presented the following definition for CSR: "corporate social responsibility is a model of extended corporate governance whereby a firm (entrepreneurs, directors, and managers) has responsibilities that range from fulfilment of fiduciary duties towards the owners to fulfilment of analogous fiduciary duties towards all the firm's stakeholders" (p. 262). This view of CSR is much in line with stakeholder theory (Freeman et al., 2010). Under this perspective, the firm is understood as a multi-stakeholder organization, where the managers need to exercise a fair discretionary power and to serve the interests of all firm´s stakeholders.

Firms' relationships with key stakeholders through CSR is enhanced by its communication strategies. CSR communication strategies have captured considerable attention from public relations and marketing researchers in recent years. Several studies have provided theoretical grounds on which strategic communication of CSR can be drawn (Lim & Greenwood, 2017; Girard & Sobczak, 2012; Morsing & Schultz, 2006; O'Riordan & Fairbrass, 2014).

The most pervasive type of strategic CSR communication is designated by stakeholder information strategy (Morsing & Schultz, 2006) and consists in promoting what the firm has done for the society in the areas in which the firm has caused harm, as a form of commercial or advertised CSR (Lim & Greenwood, 2017). Theorists argue in favor of new CSR communication strategies, that rely on the principles of stakeholder engagement and bi-directional communication. Under this perspective, companies need to invite their stakeholders into their CSR plans and initiatives and get them engaged and involved in their CSR programs (Girard & Sobczak, 2012; O'Riordan & Fairbrass, 2014; Lim & Greenwood, 2017). Simple one-way processes, from the organization to the stakeholders, in which the firm communicates commercial or advertised CSR are not desirable.

2.2. Integrated Reporting

The disconnection of financial and non-financial information in the current context of separate reporting systems supports an isolated and compartmented view of businesses rather than an integrated and sustainable approach to corporate strategies and processes (Eccles & Krzus, 2010). Integrated reporting, which combines in one report financial and non-financial disclosures of a company's performance has emerged as a new accounting practice to help firms connect both types of information, providing a better view on the process of value creation and a better instrument to communicate this to external stakeholders. Several initiatives have emerged in different regions of the world to trigger integrating reporting. Currently, the two main initiatives are the IIRC and the King Report on Corporate Governance in South Africa.

The King Report on Corporate Governance in South Africa is a national initiative. The South African integrated reporting movement began in 1994 with the release of South Africa's first King Code of Corporate Governance Principles, commonly known as "King I" and named after Mervyn King, originally a justice of the Supreme Court of South Africa. This code was particularly noted for its inclusive stakeholder view of the corporation. The King II report followed in 2002, after Mervyn King, inspired by the Johannesburg Earth Summit, realized that King I needed to be reviewed (Dumay, Bernardi, Guthrie, & Demartini, 2016). The King II report introduced "Integrated Sustainability Reporting" as a concept and had its foundations in the GRI and triple bottom line reporting. The current version emanates from the King Report on

Governance for South Africa – 2009 (King III), which advocates integrated reporting as a holistic and integrated representation of the company's performance in terms of both its finances and its sustainability (Dumay et al., 2016). This code applies exclusively to companies listed on the Johannesburg Stock Exchange. Under this framework, in 2010, the Johannesburg Stock Exchange required listed companies to produce an integrated report instead of their annual financial and sustainability reports, otherwise, they would have to explain the reasons why they are not doing so, in accordance with the 'comply or explain' principle (Sierra-García, Zorio-Grima, & García-Benau, 2015).

The International Integrated Reported Committee was created in 2010 by the Prince´s Accounting for Sustainability Project (A4S), the GRI, and the International Federation of Accountants (IFAC). The International Integrated Reported Committee (renamed International Integrated Reporting Council in 2012) is today a global coalition of regulators, investors, companies, standard setters, accounting professionals, and non governmental organizations. In its inception, the declared objective of the IIRC was to create a globally accepted Integrated Reporting framework which brings together financial, environmental, social and governance information in a clear, concise, consistent and comparable format (IIRC, 2011).

On December 9, 2013, the IIRC released the first internationally recognized integrated reporting framework (International Integrated Reporting Council – IIRC, 2013). The declared objective of this document is to establish guiding principles and key elements that govern the overall content of an integrated report, as well as to explain the fundamental concepts that underpin them. According to this framework, integrated report tends to provide information about i) the external environment affecting the company; ii) the resources and the relationships used and affected by the organization (which are termed "the capitals", and categorized as financial, manufactured, intellectual, human, social and relationship, and natural capital) and; iii) the firm's interaction with the external environment and the capitals used to create value over the short, medium, and long term. An integrated report is thus intended to create an organization's value creation story, by stimulating businesses to think about how they generate value and manage their capitals over the short, medium and long-term horizons (Perego et al., 2016).

Because the extent to which companies adopt and effectively implement integrated reports can vary significantly, the IIRF is likely to standardize the content of integrated reports, leading to an increased level of reliability and comparability. Before 2020, the IIRC aims to achieve mandatory integrated corporate reporting by all listed companies, and other types of organizations of any significance (Eccles & King, 2010). As noted by Flower (2015), in its Discussion Paper, the IIRC proposed initially that integrated reports become organization's primary reports, replacing other existing reporting requirements. However, in the published framework (IIRC, 2013) this proposal has been dropped – an integrated report is said to be either a standalone report or part of another report (paragraph 1.15) or simply refer to other reports (paragraph 1.16). What is abundantly clear is that there is no obligation to present a single integrated report (Flower, 2015, p.5). The European Parliament (2013) has already stated that it supports IIRC's mission to make integrated reporting standards the global norm, rejecting the intention of harmonizing at a European level with specific standards. In parallel, the European Union (2014) has also produced the Directive 2014/95/EU that addresses the disclosure of non-financial and diversity information by certain large undertakings and groups, with the objective of improving the average quality and consistency of CSR reporting across the union countries.

2.3. A stakeholder model for implementing social responsibility in marketing

Building on stakeholder theory (Freeman, 1984), Maignan et al. (2005) propose a step-by-step methodology to implement a CSR program in marketing, which is intended to consolidate, coordinate and integrate existing initiatives at the organizational level. The model comprises the following steps: i) discovering organizational values and norms that impact CSR; ii) identifying the key stakeholders; iii) identifying stakeholders issues; iv) assessing the meaning of CSR; v) auditing current CSR practices; vi) implementing CSR initiatives; vii) promoting CSR and viii) gaining stakeholder feedback.

At the heart of the model proposed by Maignan et al. (2005) is the clear intention to develop a mehotodology that, although serving primarly marketing objectives, encompasses the entire organization, implying an holistic view of the process. Curiosly, this same broader and integrated view is advocated by the proponents of integrated reporting. The most basic promisse of integrating reporting is to integrate elements from the existing financial, governance, sustaintability and CSR reports in to a single document. However, integrated reporting is not simply a new format for the same old information, neither is a summary of information already available in current reports. It requires businesses to adopt integrated thinking, which represents the consideration of the relationships between various operational and functional units of the business, with an aim to break down departmental silos and offer an integrated view of the company (Burke & Clark, 2016). According to the IIRC (2013, paragraph 1.7), the main aim of integrated reports is to explain to providers of financial capital how the organization creates value over time. Integrated reports are supposed to shift the thinking of corporate actors, forcing a long-term focus, a broader view of value creation and further integration of corporate social responsibility and sustainability in business (Adams, 2015).

As noted by Haller and Staden (2014) and also Vaz, Fernandez-Feijoo and Ruiz (2016) the underlying theoretical concept associated with integrated reporting is also stakeholder theory (Freeman, 1984), which itself arises from notions of social contract and can be traced back to political economy theory (Reynolds & Yuthas, 2008). Stakeholder theory understands organizations as a coalition of different interest groups and considers value creation as the result of collective efforts (Freeman, 1984).

Maignan et al. (2005) argue in favor of the new emerging logic of marketing that emphasizes the responsibility of marketers to create meaningful relationships that benefit all key stakeholders. A similar emphasis can be found in the IIRF proposed by the IIRC (2013) - according to paragraph 3.10 "An integrated report should provide insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interests."

3. Research question

Based on the theoretical framework that guides the present research, this study investigates the following research question:

Can integrated reports serve to operationalize Maignan's et al. (2005) model of corporate social responsibility?

Considering that both models, Maignan's et al. (2005) model for implementing social responsibility in marketing and integrated reports (as conceptualized by the IIRC), are grounded on stakeholder theory, sharing some fundamental assumptions concerning the importance of stakeholders in value-creation, this article analyzes if integrated reports can serve strategic CSR communication by analyzing its connection with each of the steps involved in Maignan's et al. (2005) model and by trying to evaluate how integrated reports can potentially contribute to the operationalization of the model.

4. Methodology

The data collection methods involved the retrieval of Maignan's et al. (2005) article and the International <IR> Framework from the IIRC website as well as other documentation concerning integrated reports. In addition, the authors also obtained the integrated reports of several Portuguese companies from corporate websites. Because the implementation of integrated reports can be affected by national regulations and accounting practices, the authors decided to focus the analysis on a single country. To identify the Portuguese companies that have adhere to integrate reporting the authors used the databases from the GRI (available in www.globalreporting.org), from the Corporate Register (assessible in www.corporateregister.com), and the IIRC data base available in www.integratedreporting.org. Based on these the authors identified six Portuguese companies that have produced integrated reports, namely Sonae Sierra, Brisa, José de Mello Saúde, Caixa Geral de Depósitos, Sata and Sumol+Compal. These corporate reports provided a practical perspective on how companies are actually implementing integrated reports.

The data analysis method used was content analysis. Being a qualitative research study analyzing the match between Maignan's et al. (2005) model of CSR and integrated reports, content analysis was applied to explore the relationships between the two frameworks. Nvivo 12, the qualitative data analysis software, was used to code the retrieved documents. The main categories reflected Maignan's et al. (2005) steps to implement a CSR program.

5. Discussion

According to Maignan's et al. (2005) model the purpose of step 1 is to identify the organization norms and values that can impact CSR. As stressed by the authors "relevant existing values and norms are those that specify the stakeholder groups and stakeholder issues that are deemed as most important by the organization."(p.967). Their article suggests various sources of information for this purpose, including corporate reports, mission statements, sales brochures and more informal sources, such as interviews with corporate managers. IIRC´s (2013) integrated reports may fall short on responding to the information needed on step 1 of Maignan´s et al. (2005) model. The IIRF explicitly refers that integrated reports must state the mission and vision of the organization, and provide essential context by identifying the organization's culture, ethics and values (paragraph 4.5). So, the obligation of reporting on values is reflect in the IIRF only in connection with companies' mission and vision statements. José de Mello Saúde is a Portuguese company, from Mello group, that develops businesses in the health care sector. Mello´s integrated report from the year 2017 states that the mission of the company is to promote health care services with the highest levels ok knowledge, respecting the principles of life and the environment, through the organizational development of intellectual capital, in a constant search for excellency" (José de Mello Saúde, 2017, p.5). Mello´s declared corporate vision is to" be the leader of quality health care services supported in an integrated network of units characterized by high levels of performance, in both the public and the private sectors and by growing in selected markets"(p.5). The mission and vision statements of José de Mello Saúde are far from reflecting the full nature of CSR concerns from Mello company. The company also promotes ethics and transparency in its chain value, supports local communities' initiatives, and is interested in promoting lifetime education. In Sata´s integrated report (Sata, 2016), the Portuguese airlines company that operates flights from Azores, declares its mission as the "sustainable development of airlines transportation involving Azores trough an operation with Atlantic vocation supported by trustworthy, hospitable and innovative services". A vision statement is not provided in the integrated report of the company. Although the Satas's mission reflects a concern with sustainability, doesn´t provide extensive information regarding the firm´s CSR concerns. Corporate mission and vision statements are usually concise in nature and, because of that, they may not reflect the full poll of companies' values that influence CSR.

Step 2 of the model consists on identifying key stakeholders and step 3 is intended to capture the main issues of concern to these stakeholders. Taking in consideration firms' limited resources, Maignan et al. (2005) recognize that businesses cannot address all stakeholder issues. They further assert that stakeholder identification and salience is determined based on the following attributes: power, legitimacy and urgency. For the purpose of identifying stakeholders concerns, the proponents of the model recommend marketers to use in-house knowledge, secondary documents published by the key stakeholders and even direct consultation of the stakeholders.

According to the IIFR, integrated reports describe the business model, including key inputs, business activities, outputs and outcomes (paragraph 4.12). Features that can enhance the readability of the description of the business model include, among others "the identification of critical stakeholder and other dependencies (…) affecting the external environment" (paragraph 4.13). On the other hand, the guiding principles of the IIRF express that integrated reports should "provide insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interests". However, the framework does not specify a set of criteria to identify key stakeholders. Most of the integrated reports analyzed comply with this requirement, by identifying key stakeholders. For example, the Sumol+Compal's integrated report (2016) identifies as relevant stakeholders its employees, suppliers and local communities. Considering the main aim of integrated reports, that is to explain to the providers of financial capital how the organization creates value over time (IIRC, 2013, paragraph 1.7), it is possible to infer that key stakeholders would be all of those that can affect the capacity of the company to create value over time. However, value for the investors is not necessarily value for the other stakeholders. Thus, several commentators argue how the IIRC has moved from a sustainability reporting focus to a purely business and investor focus (Dumay et al., 2016). Caixa Geral de Depósitos, a public company operating in the banking and financial sectors, in its integrated report from the year of 2017 (Caixa Geral de Depósitos, 2017) fails to indicate how reducing staff, closing 64 branches and increasing commissions have affected value-creation from the perspective of relevant stakeholders, for example by explaining how the gains and losses resulting from these measures were appropriated by the various key stakeholders (clients, workers, investors, local communities, financing bodies). Yet the "efficiency" and financial effects of these decisions are highlighted in this report, an information that is clearly presented to serve the information needs of investors. The dynamics between value creation and value capture are an important element of CSR and firms can address this by generating specific quantitative measures of value creation and distribution, which can then be analyzed.

The focus of the IIRF on the information needs of investors, was criticized by several authors, including Flower (2015) and Thomson (2015) who argue that the IIRC has abandoned the initial objectives of sustainability reporting. As eloquently stated by Flower (2015), the IIRC's concept of value is now "value for investors" and not "value for society". The primary purpose of integrating reporting is to explain the firm's value creation to the providers of financial capital and hence 'value' needs to be interpreted according to their interests (Flower, 2015). According to Adams (2015) the focus on "value for society" will not happen in integrated reports unless it is seen as being aligned to "value for investors"(Adams, 2015). It is arguable that powerful, legitimate and urgent stakeholders (Maignan et al., 2005) may all have the capacity to affect value creation for investors, but the lack of objective criteria to identify key stakeholders, relegates such task to the free scrutiny of corporate managers. In some circumstances, investors' value creation may be at odds with the interests of the society. As exemplified by Flower (2015), a firm that uses a production process that causes the emission of large quantities of CO2 may argue that the contribution that the individual firm makes to global warming is insignificant, and considering that the reduction of the firm's pollution causes an increase in the firm's costs with no perceptible benefit to the firm, there is no strong incentive to discontinue this practice.

In step 4, Maignan et al. (2005) recommend companies to present a concrete definition of CSR, based on the previous steps. This definition will be used to evaluate current practices (step 5) and establish future action (step 6). The authors suggest that the chosen definition should be formalized in official documents such as annual reports, which obviously would include integrated reports, if companies decide to adhere to this reporting practice. To evaluate current practices the model suggests auditing. This implies the use of objective measures of the achievement of CSR objectives. For larger companies, that confront a large number of issues and have the means to tackle these, the authors suggest that businesses can recur to standardized audits such as the ones offered by the Gobal Reporting Initiative (GRI) and the Social Accountability Institute. In Brisa´s integrated report from the year 2017, the Portuguese company whose core business consists in exploring road concessions, defines it's the company´s CSR in terms of three distinct philosophies: i) *Commit and engage*, which assumes a medium or long-term commitment to some CSR projects; ii) *Act & connect*, which refers to the relationships and collaboration with the benefiting communities or participants based on voluntary programs involving Brisa´s employees and; iii) *Pay and forget*, implying that the company may simply provide monetary resources to some institutions and initiatives. GRI reporting was adopted by Brisa and GRI indicators are included in Brisa´s integrated report. These performance indicators allow the various publics to understand how Brisa´s CSR philosophy was operationalized and can constitute the basis for CSR audit. For example, under the G4-SO1 standard, Brisa indicates the percentage of operations that involving local community engagement, impact assessments, and development programs. Following the disclosure G4-15, the company lists externally developed economic, environmental and social charters, principles and other initiatives subscribed or endorsed by Brisa. Based on the G4-24, G4-25, G4-26 and G4-27 standards of the GRI, Brisa offers an overview of stakeholder engagement activities, including a list of relevant stakeholder groups engaged by the firm, the basis for identification and selection of stakeholders, a report about the organization's approach to stakeholder engagement and how Brisa has responded to key topics and concerns of these stakeholders.

The IIRF does not specify key performance indicators, measurement methods, or the disclosure of individual matters (paragraph 1.10). Consequently, the management must determine which aspects are material and need to be disclosed (Maniora, 2017). However, and according to a memorandum established by the GRI and IIRC (2013), the IIRC also encourages organizations to use the guidelines of the GRI of sustainable reporting. By suggesting the adoption of GRI´s guidelines in this respect, the IIRC has (inadvertently or purposely, we believe the former) open the window for integrated reports to reflect also CSR concerns that are not of the exclusive interest of investors. Comparing IIRC´s framework and the GRI, from the perspective of the materiality principle, Allison-Hope and Morgan (2013), highlighted how the IIRC frames materiality in terms of what will influence assessments made by the primary intended users of integrated reports, namely, the providers of financial capital, while the GRI frames materiality as a combination of issues that will have a significant financial impact on the organization and its future success and are relevant to investors, and also issues that will influence the assessments of other stakeholders. GRI's (2011) guidelines of sustainable reporting emphasize the principle of stakeholder inclusiveness, by which the "The reporting organization should identify its stakeholders and explain in the report how it has responded to their reasonable expectations and interests." These guidelines further defined stakeholders as "...entities or individuals that can reasonably be expected to be significantly affected by the organization's activities, products, and/or services…includes entities or individuals whose rights under law or international conventions provide them with legitimate claims vis-à-vis the organization." In addition, GRI´s guidelines stress that for decisions such as the report scope or boundary of a report, the reasonable expectations and interests of a large range of stakeholder need to be considered, including stakeholders who are unable to articulate their views on a report and stakeholders who choose not to express views on reports because they rely on different means of communication and engagement.

The IIRF does not determine the need for external auditing integrated reports. This same fault is applied to stand alone CSR reports. Despite the obligation of CSR reporting in some countries under specific circumstances (e.g. France, United Kingdom, Denmark, Sweden, the Netherlands, Norway, India, South Africa), stand--alone CSR reporting is not subject to compulsory audit in most legislations, thus firms are not obligated to have their reports assured and while some firms may seek assurance on a voluntary basis, there is the problem of 'cherry picking' the auditors (Maniora, 2017). Even when CSR reporting is an integral part of annual financial reports, in most cases auditors tend to focus audits on financial issues of the report, which are easily verifiable, and not on the validation of CSR information. The GRI (2011) recommends the assurance of CSR reports and make it mandatory for companies that aim to achieve a high the level of compliance. Auditing and assurance of CSR reports is an expanding area of professional practice for consultants, being understood as a crucial component of quality and improved credibility reporting (Sierra-García et al., 2015). It is reasonable to anticipate that a new market of integrated reports assuring or auditing will emerge, probably controlled by the current major financial auditors (Maniora, 2017).

Step 6 of Maignan's et al. (2005) model involves the implementation of CSR activities. Maignan et al. (2005) consider two criteria to define which actions should be prioritized: i) the levels of financial and organizational investments and; ii) the urgency of the activities, which should be based on companies' definition of CSR (step 4) and key stakeholders' pressures. Although not specifically focused on CSR, this call for action can also be observed in the IIRF, which requires firms to report how they deal with key stakeholders needs, including not just their intents but also the actions taken to achieve it (paragraph 3.14). The basic idea is that a firm's integrated report should indicate how the firm, through its activities, has created value, as measured by the increase less the decrease in the value of the capitals used in the process (Flower, 2015). In this regard, Sonae Sierra, an international retail real estate company, with headquarters in Portugal, constitutes a good example. In Sonae´s integrated report the company links the strategic priority of sustainability with value creation, expressed in the form of preserved natural capital, with savings of €24.5 Million trough eco-efficiency measures and €7.9 Million generated through workplace efficiencies. However, the degree to which integrated reports can actually lead to action has been questioned. In a recent qualitative study, conducted by Perego et al. (2016) and based on interviews with three experts and field level entrepreneurs of integrated reporting, the authors stressed how some firms following integrated reporting are disproportionately focused on integrated reporting as an (external) communication toolkit rather than an (internal) managerial process. According to these authors this is epitomized by the mismatch between the frequency of reporting (often annual) and the needs of internal decision-makers and by the fact that several companies retain "functional silos" that separate (external) accountability channels of corporate reporting from (internal) decision-making and value-creation processes.

Step 7 aims to promote CSR, by creating awareness and step 8 is about gaining stakeholder feedback. Maignan et al. (2005) specifically highlight how environmental and social reports can be used to inform shareholders, investment funds, business partners and employees about companies CSR practices. The IIRF does not establish any type of obligation to consult with stakeholders about the content of integrated reports. The IIRF leaves room for multiple understandings of reporting scope and contents, thereby leading to diversity in IR practices and fragmentation across adopters. In Brisa´s integrated report from the year 2017, the company explains how internal stakeholders (employees) expectations were evaluated based on questionnaires and these expectations were made explicit in the report. However, gaining feedback from some stakeholders doesn´t necessary imply stakeholder engagement. Stakeholder engagement would require a two-way symmetrical communication in which listening, understanding and shared responsibility would play prominent roles (Lim & Greenwood, 2017). Ultimately, stakeholder engagement would require managers to invite stakeholders to become an integrant part of the process of elaborating an integrated report.

According to the IIRF the primary customers of integrated reporting are the providers of financial capital. However, the framework refers in paragraph 1.8 that integrated reports benefits all stakeholders interested in an organization's ability to create value over time, which may be employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers. In the framework's paragraphs 2.6-2.8, it is stated that "The ability of an organization to create value for itself is linked to the value that it creates for others... this happens through a wide range of activities, interactions and relationships... When these interactions, activities and relationships are material to the organization's ability to create value for itself, they are included in the integrated report." As noted by Flower (2015), these paragraphs make clear that the IIRC considers that the integrated report should cover "value to others" only in connection to the organization's ability to create value for itself'. Moreover, Flower (2015) asserts that the reference to the information needs of providers of financial capital reinforces the suspicion that "value for itself" should be interpreted as "value for investors". The excessive focus of the IIRF on the providers of financial capital certainly limits the capacity of integrated reports to inform and engage other stakeholders.

6. Conclusions

This article intended to contribute to the discussion surrounding integrated reporting by putting in evidence the extent to which integrated reports may be used as a relevant source of information to operationalize Maignan's et al. (2005) stakeholder model of CSR in marketing. Regarding our research question, we conclude that integrated reports, as conceptualized by the IIRC, present important limitations.

The main limitation of integrated reports consists in being mostly focused on the information needs of the providers of financial capital, affecting its potential value as a source of information for marketers aiming to develop a well-articulated CSR plan. Modern marketing approaches are inclusive and require the consideration of a large spectrum of stakeholder groups. This limitation also affects the capacity of integrated reports to stimulate discussion and to engage other stakeholders in the process of CSR. Consequently, the question arises as to what extent integrated reports, as conceptualized by the IIRC, present clear benefits compared to current CSR isolated reporting documents.

Stakeholder involvement strategies require a continuous dialogue between the firm and its stakeholders. Rather than imposing particular CSR initiatives on stakeholders, CSR involvement invites concurrent negotiation between the firm and its stakeholders to explore their concerns with the company, while also accepting changes when they are important (Morsing & Schultz, 2006). The process of CSR stakeholder engagement encompasses several dimensions including bi-directional communication, operations, as well as getting approval of the stakeholders (O'Riordan & Fairbrass, 2014). Under this perspective, engagement is considered as an organizational learning process between the managers of an organization and its stakeholders and it becomes a necessary condition to improve the firm's impact on its economic, social, and natural environment (Girard & Sobczak, 2012). The trend of stakeholder engagement strategy in CSR is currently reflected in corporate sustainability assessment criteria such as the GRI but is not reflected in IIRC´s integrated reports framework.

The preparation of integrated reports that serve the information needs of an ample group of stakeholders, instead of focusing exclusively on the needs of investors, could facilitate the identification of existing shortcomings in integrating CSR issues into firms' business strategy. This research contradicts the general assumption of the IIRC that integrated reports are a superior mechanism for integrating non-financial issues into the core business model, by putting in evidence the limitations of the framework in respect to CSR reporting and the utility of the reports to infer about companies' CSR. If integrated reporting aims to become a superior mechanism of CSR reporting, there is the need to shift integrated reports from a mono-stakeholder to a multi-stakeholder model and this claims a holistic view of businesses that involve partnership cooperation of all the stakeholders. Value is not created by an isolated organization, but it is generated through the relationships of the organization with the stakeholders, being also influenced by the external environment and depending on companies' resources. A report focused exclusively on financial investors alienates other stakeholders from participating in strategic CSR discussion.

This article relies upon a theoretical and descriptive approach to evaluate how integrated reports can potentially serve as a useful source of information about CSR, from a marketing perspective. The limitations of this article require for cautious interpretation of the conclusions and future research is needed to empirically evaluate how companies that have already adopted integrated reports are actually reporting CSR.

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