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ETHICAL CONSUMPTION (IN)DECISIONS

**Social and Self-Benefit Attributes, Two Competing Rights for the Same
Choice**

by:

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*To my children,
Maria, Lourenço, and João*

Education is the most powerful weapon which you can use to change the world.

Nelson Mandela (1918-2013)

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I have always thirsted for knowledge, I have always been full of questions.

Herman Hesse (Siddhartha, 19)

ABSTRACT

Consumers' indecisions about the ethical value of their choices are amongst the highest concerns regarding ethical products' purchasing. This is especially true for Fair Trade certified products where the ethical attribute information provided by the packaging is often unacknowledged by consumers. While well-informed consumers are likely to generate positive consumer reactions to ethical products and increase its ethical consumption, less knowledgeable buyers show different purchasing patterns. In such circumstances, decisions are often driven by socio-cultural beliefs about the low functional performance of ethical or sustainable attributes. For instance, products more congruent with sustainability (e.g., produce) are considered to be simpler but less tasty than less sustainable products. Less sustainable products instead, are considered to be more sophisticated and to provide consumers with more hedonic pleasures (e.g., chocolate mousse).

The extent that ethicality is linked with experiences that provide consumers with more pain than pleasure is also manifested in pro-social social behaviors. More specifically through conspicuous self-sacrificial consumption experiences like running for charity in marathons with wide public exposure. The willingness of consumers to engage in such costly initiatives is moderated by gender differences and further, mediated by the chronic productivity orientation of some individuals to use time in a productive manner.

Using experimental design studies, I show that consumers (1) use a set of affective and cognitive associations with on-package elements to interpret ethical attributes, (2) implicitly associate ethicality with simplicity, and that (3) men versus women show different preferences in their forms of contribution to pro-social causes.

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CHAPTER 1

INTRODUCTION

Relativity applies to physics, not ethics.

Albert Einstein (1879-1955)

Which one should I choose? The green or the joyful red one? What will others think if I take the costly but green alternative instead? These are some of the trade-offs consumers face when choosing between products with social and self-benefit concerns.

Across generations consumers have been puzzled with these types of questions when faced with ethical consumption decisions. Though, goods and events framed with ethical attributes reflect sacred values and moral principles (Baron and Spranca 1997), these are also considered emotion-laden. That is, ethical attributes may cause cognitive dissonance in situations where the chosen ethical alternative can possibly question consumers' preferences (Ehrich and Irwin 2005; Irwin and Baron 2001). As a consequence, consumers react to the principle of ethicality (commonly called sustainability in industry practice), showing inconsistencies between intentions and actual purchasing behaviors (Baron and Spranca 1997). According to social psychologists, ethical decision-making comprises difficult trade-offs between altruistic versus egoistic motives. A dichotomous situation reflecting the common attitude-behavior gap that shows consumers' good intentions to act in a socially responsible manner but also the traditional marketplace utility approach of fulfilling individual desires (Baron and Spranca 1997; Irwin 1999).

Ethical, social and environmental or sustainable consumption in turn, is broadly defined as a form of sustainable development that aims at doing more with less natural resources while minimizing waste and pollution over the lifecycle of services and products (SCP Clearinghouse 2013). It guarantees that social and environmental solutions are created so that

the wellbeing of future generations is protected (OECD 2008). This is especially relevant for developing nations since it ensures that jobs and new market opportunities are created but also that sustainable trade and tourism solutions are implemented (Prothero et al. 2011).

In line with this reasoning many firms have been engaging in *corporate social responsibility* (CSR) to address societal and stakeholders' interests and incorporating them in corporate obligations while building ethical reputation (Luo and Bhattacharya 2006). CSR can take various forms that range from: social and environmental protection, fair treatment of staff and suppliers, conspicuously philanthropic donations and cause related marketing initiatives intending to promote pro-social causes (Ellen, Webb, and Mohr 2006). Though these initiatives comprise valuable corporate ethics' efforts to foster more ethical businesses, the attitude-behavior gap underlying the final decision-maker – the consumer, is far from being resolved.

It seems then relevant to examine the attitude-behavior gap underlying consumers' ethical consumption behaviors as well as, the driving force underlying their decisions so that ethical promotion solutions can be implemented more effectively across the marketplace.

Motivation for research

But, *why* and *how* do some marketplace situations succeed in captivating consumers' interests to engage in ethical consumption while in other, similarly noble intents are ignored? The answer to part of this golden question is what this research tries to answer. More specifically, this research attempts to extend the previous literature on the influence of CSR in a consumer's expression of ethical or pro-social behavior.

For instance, in more socially conscious markets due to governments and firms' efforts that promote ethical consumption, consumers are more aware of the existence of CSR partnerships with familiar brands during the evaluation of products. Also, consumers are more exigent about the utility of these types of goods on their health (e.g., effects of pollution

and production processes on health effects) and sense of pleasure (OECD 2008; Raghunathan, Naylor, and Hoyer 2006). But in less mature markets, where consumer CSR expertise is lower, there are still a number of marketplace obstacles that make consumers' ethical decisions difficult.

For example, literature examining assortment and consideration set formation demonstrates that novices differ from experts in their approaches to select and evaluate product attributes (Irwin and Walker-Naylor, 2009). Products that were once only available in niche markets and that benefited from direct customer service assistance with the elucidation process have become mass distributed. As a consequence, more weight has been put on product labels and novice consumers are faced with ethical attribute information for which they have no expertise to decipher (Obermiller 2009). Consumers must now rely on certification marks and other labeling information such as nutrition facts (Kiesel and Villas-Boas 2007). This is occurring within an already constrained space – the label. The communication of information through product labels is inhibiting information processing and challenging ethical decision-making. This the focus of chapter 2, where the role of Fair Trade labels is examined in a context of already established familiar versus low familiar brands in empirical experimental settings where the awareness of Fair Trade varies. Since consumers' prior knowledge about ethical production and certifications can have an influence on their choices, we test the impact of Fair Trade certification across three different markets with different ethicality knowledge.

Due to the fact that difficulties in involving consumers in ethical decisions persist in the marketplace it seems important to assess further whether there are other more efficient ways to reduce the ethical attitude-behavior gap (Bettman, Luce, and Payne 2008; Carrington, Neville, and Whitwell 2010).

Converging evidence suggests that though human nature is bounded to both pleasure and pain principles, consumers are likely to engage in consumption experiences that offer them more pleasure than pain (Alba and Williams 2013). Though consumers value ethicality, the extent that a product's appeal is influenced by ethical or other product attributes depends on the type of benefit sought from a product/ service category (Luchs et al. 2010). In line with this, the role of ethical attribute information on the enjoyment of *food and beverage* categories with higher / lower sustainability congruency is the focus of research of chapter 3. This research indicates that in spite that consumers value ethicality and related sustainable products, when a hedonic goal is activated they are not willing to compromise on hedonic enjoyment such as in situations that may threaten their consumption expectancies. The underlying propositions are examined and tested in empirical settings involving experiments in and outside lab and including products' tastings.

Further, and building on these studies involving sources and determinants of pleasure and pain, in chapter 4 we follow a rather unexplored stream of research that acknowledges that consumers are also likely to trade-off positive for negative experiences involving sacrifice and pain (Ariely and Norton 2009). The question of why people freely engage and objectively enjoy negative experiences such as *running for charity* in events like the ING NYC marathon with wide public exposure is examined in the context of both the conspicuous consumption literature and the literature examining the role of gender differences in pro-social behavior (Andreoni, Brown, and Rischall, 2003; Veblen 1899).

The conspicuous consumption literature not only provides a seemly way to understand the motivations by which individuals consume goods and experiences to enjoy the utility benefits provided by their consumptions; but also, to reap the societal recognition benefits of displaying costly signals to others (Grafen 1990; Griskevicius, Tybur, and Van der Bergh 2010; Zahavi 1975).

Our findings are in line with some of this previous works on altruism and evolutionary behavior (Trivers 1971) that suggests that men are more likely than women to resolve disputes involving distant kin. By going back to our ancestral origins this prior literature shows how our male ancestors hunt and competed for the survival of their communities (Foley 1997). Possibly due to this evolutionary grounded mechanism, men tend show a natural tendency towards sports-related activities and thus, prefer to donate to pro-social causes involving physical activities. Women on the other hand, show to be equalitarians in their form of giving to charity (Andreoni and Vesterlund 2001). Additionally, we examine the role of a rather unique individual difference variable that is related to the need of individuals to use time in a productively manner, known as *chronic productivity orientation – CPO* (Keinan and Kivetz 2011). This variable is tested as both a mediator and a covariate in the relationship between conspicuous self-sacrificial consumption and pro-social behavior. Interestingly, CPO shows to be a resourceful characteristic of some individuals in response pro-social behavior appeals that require a high level of involvement such as fundraising.

Taken together this thesis adds to the marketing literature and more specifically to theories of pro-social marketing by unveiling relevant factors that impact how consumers evaluate products, brands and services with socially and environmentally responsible concerns. Most importantly, this research provides a rather comprehensive evaluation of the distinct trade-off processes surrounding people’s decisions and consumption habits and correspondingly, some of the viable tactics that suggest how more ethical behaviors and sustainable lifestyles can be implemented.

DISSERTATION OVERVIEW

This dissertation is structured in the following way. In chapter 2, the first empirical article – “*Because it looks right*” *A Cross-Cultural Analysis of the Influence of Ethical*

Certification Marks on Consumers' Choices,” examines the moderating role of brand familiarity in the impact of Fair Trade certifications on consumers' evaluations of product package information. This research tests the idea that the impact of Fair Trade certifications on consumers' choices can be moderated by the level of consumers' knowledge about ethical certification and by the level of familiarity with the brand exhibiting those certifications. Across three experimental design studies we varied the Fair Trade certifications and the familiarity with a brand across subjects in three different market settings with different levels of a priori Fair Trade knowledge, in Portugal (study 1, $N = 159$), the US (study 2, $N = 97$) and globally across Western and Eastern Europe, North and South America, Africa and Asia (study 3, $N = 750$). Additionally, we tested for moderated-mediation using consumers' perceived ethicality of the familiar (high versus low) brands partnering with Fair Trade (Brunk 2010; 2012) as an ethical reasoning indicator behind consumers' judgments to purchase Fair Trade-certified products. Findings suggest that in low Fair Trade knowledge markets consumers seldom pay attention to these ethical certifications but once the level of awareness increases, a pattern of associations between product quality and ethicality are likely to occur mostly for low familiar brands. The results of the three experiments demonstrate the importance of consumer knowledge on Fair Trade consumption demand and the corporate behavior of brands handling CSR initiatives.

In chapter 3, the second empirical article - *“Is it Sexy to be Sustainable? The impact of ethical claims and product congruency,”* analyzes the extent to which is always worth advertising products with social and environmental concerns. Despite previous research evidence that increasing the ethicality dimension of products and services favors consumers' evaluations, the present findings indicate that is not always the case. Across four experimental studies (study 1, $N = 36$; study 2, $N = 214$; study 3, $N = 104$; study 4, $N = 104$) this research examines how high versus low ethical claims are effective when used to

promote simple versus sophisticated products and services. Additionally, we test both the moderating role of product category as the mediating effect of enjoyment perceptions in this relationship. Results show that when higher (versus lower) ethical claims are presented, the simpler and natural (versus more sophisticated and sexy) the product or service is portrayed to be, (1) the better is its perceived quality (2) the greater its enjoyment, and (3) the higher consumers' willingness to pay in situations that increase health-giving (versus hedonic) goals. Therefore, this research shows that there are circumstances where consumers do not wish to chew on sustainable missions and that businesses are likely to suffer if too much pressure is exerted on society to act responsibly in situations that ask for indulgence and pleasure.

In chapter 4, the third empirical article "Running the Extra Mile for the Sake of Others or Myself? The Role of Gender on Conspicuous Self-Sacrificial Consumption Choices" analyses the moderating role of gender differences on consumers' overall enjoyment perceptions and likelihood of men versus women choosing physical versus material conspicuous consumption experiences framed with charitable donation appeals. Across two experimental studies (study 1, $N = 97$; study 2, $N = 104$) this research examines the interaction between conspicuous self-sacrificial consumption and gender differences on pro-social behavior. Findings indicate that men are more likely to choose charity incentives when paired with physical consumption experiences (e.g., running in marathons), whereas women show no differential preferences when charity incentives are paired with either material (e.g., sunglasses' purchases) or physical consumption experiences. The willingness of consumers to engage in financial solicitation strategies that benefit public welfare is tested by analyzing the mediating effect of chronic productivity orientation - an individual difference variable described as consumers' willingness to use time in a productive manner (Keinan and Kivetz 2011). Results show that indeed the willingness to run the extra mile is dependent on whether

individuals have chronic productivity orientation mindsets. Together these experiments show the importance of individual difference factors in harnessing reciprocal altruism.

In chapter 5, a summary of the findings of this thesis is presented along with theoretical and practical implications for marketers, non-profits, and social entrepreneurs and most important for the consumer. It concludes with a synopsis of the limitations from the three empirical articles presented and lures some future directions for research that may invite other researchers to join the understanding of consumers' ethical decision-making.

CHAPTER 2

BECAUSE IT LOOKS RIGHT?

A CROSS-CULTURAL ANALYSIS OF THE INFLUENCE OF ETHICAL CERTIFICATION MARKS ON CONSUMERS' CHOICES.

Imagine a consumer walking through the aisle of chocolates in a supermarket. She suddenly realizes that some packages have a black and white mark (e.g., buckle boy seal) certifying that those products respect Fair Trade. To what extent will this mark influence which chocolate she will buy? The present research aims to answer to what extent consumers' prior knowledge about ethical initiatives and level of familiarity with the brands can moderate the relationship between ethical certifications and products' choice.

Ethical consumption behavior is guided by personal moral beliefs and individual ethical standards (Baron and Spranca 1997). This includes the purchase of products that embrace a concern for ethical issues and that benefit both the environment and society, as is the case of Fair Trade-certified products (Grankvist, Lekedal, and Marmendal 2007). Products carrying a Fair Trade certification offer the opportunity for consumers to express their concerns towards society through their purchasing behavior, also called *ethical consumption behavior* (De Pelsmacker, Driesden, and Rayp 2005). However, if consumers do not have sufficient knowledge about this relationship, it is likely that they will be less prone to engage in ethical consumption decisions, simply because they do not understand the benefits of choosing a specific product versus another. Additionally, the gap between consumers' attitudes and their ethical consumption patterns is still large with consumers often not behaving as they declare they would when in presence of ethical cues (White, McDonnell, and Ellard 2012). For instance, a study performed at worldwide scale to assess consumers' ethical consumption behaviors indicated that although 53% of the inquired consumers cared about environmental

and/or Corporate Social Responsibility (CSR) issues, they were not willing to take action at the stores (BBMG, Globescan, and Sustainability 2012). This behavior-ethical concerns' gap is argued to be a consequence of the lack of understanding about the ethical issues and the associated high prices with ethical products and services (WBCSD 2008).

Despite this apparent evidence that consumers do not often behave in accordance with their supposed ethical standards, many brands invest in Fair Trade products as part of their global strategy. That is, without making any distinction between markets where ethical knowledge is high versus low, assuming instead that the benefits extracted will be similar across markets (e.g., Ben and Jerry's and Cadbury's). However, the reduced quality of information about brands associated with corporate responsibility as well as, impaired knowledge about ethical issues are in fact, some of the appointed reasons behind the lack of adequate attitude formation towards Fair Trade and ethicality in general (Hunt and Vitell, 1986; Shaw and Clarke, 1999; Shaw and Shiu, 2002, 2003). This highlights the importance of including in one integrated framework of analysis, the market and individuals' characteristics to better understand the impact of including Fair Trade certifications on consumers' decisions.

The aim of the present research is then, to analyze to what extent the impact of Fair Trade certifications on consumers' choices are moderated by the level of familiarity with the brand exhibiting those certifications and the corresponding knowledge level about ethical certification. Across three experimental studies we assess the effectiveness of Fair Trade certification as a communication vehicle on packages, in markets with low/ high Fair Trade knowledge and across brands with which consumers have high versus low familiarity. In study 1, a market with generalized low Fair Trade knowledge is analyzed. In study 2 we focused on a sample with high Fair Trade knowledge, analyzing how consumers made use of this type of ethical certification on low/ high familiar brands, simultaneously assessing

consumers' willingness to pay, Finally, in study 3 we tested our hypotheses on a sample comprising participants with low and high Fair Trade knowledge examining how the Fair Trade knowledge of participants interacts with the evaluation of Fair Trade certifications for low versus high familiar brands.

Across all studies, we perform a moderation-mediation analysis (Hayes 2012) where we examine consumers' product evaluations and willingness to pay for Fair Trade-certified products through the mediating effect of consumers' perceived ethicality, and the moderating role of brand familiarity on this relationship.

ETHICAL CERTIFICATIONS AND CONSUMER BEHAVIOR

According to De Pelsmacker and Janssens (2007, 366) "more and better information should lead to more positive attitudes and buying behavior," but the reality is that information provided by the packaging is many times the only instrument on which consumers base their ethical purchasing decisions. Especially in markets with low ethicality knowledge, the ability of consumers to recognize and use ethical certifications such as Fair Trade among other on-package elements is likely to be limited. This means that, companies such as Ben and Jerry's and Cadbury's may be working on their goodwill alone, not extracting nor giving away the societal benefits of adopting this type of certification in these markets. In such circumstances, consumers are likely to be driven by a number of cognitive and affective associations with other more familiar elements on the package, namely the brand, affecting purchasing decisions.

In the present research we follow the third-party certification literature (see Kamins and Marks; Parkison 1975) examining the factors that maximize/ undermine the use of information in attitudes and purchasing intentions towards ethically certified products and brands, from two major perspectives. First, both Shaw and Shiu (2002; 2003) and De

Pelsmacker and Janssens (2007) revealed the important role of knowledge resulting from information and experience with an ethical issue on the determination of beliefs, attitudes and buying behavior. Second, we also build our theoretical approach on a recent stream of research which examined consumers' perceptions about the (un)ethical behavior of businesses on corporate, brand and product ethicality evaluations, referred as consumer perceived ethicality - CPE (Brunk 2010; 2012; Shea 2010; Singh, Iglesias, and Batista-Foguet 2012), providing important insights on how brands and associated products are judged from the perspective of consumers, and how these perceptions will ultimately impact their purchasing behavior. For example, Brunk (2012) operationalized four dimensions related to corporate brand reputation and ethical conduct and the resulting consumers' perceptions towards its associated brands/ products. Furthermore, Singh and colleagues (2012) investigated the link between consumers' perceived ethicality and brand loyalty taking into consideration two mediating variables related with both affective (e.g., product brand affect) and cognitive components (e.g., product brand trust).

We explore a complementary approach, analyzing the mediating role of consumers' ethicality perceptions about the brands to show that these perceptions mediate the impact of Fair Trade certifications on affective, cognitive and behavioral dimensions such as consumers' brand attitudes and willingness to pay for Fair Trade-certified products.

THEORY AND HYPOTHESES

While walking down the aisles at supermarkets, one can find dozens of products holding a Fair Trade certification mark (e.g., tea, cocoa, sugar, honey, fruit juices, rice, bananas and wine), with coffee being the most widely known and distributed Fair Trade product around the globe (Hainmuller, Hiscox, and Sequeira 2010). A Fair Trade certification guarantees that products meet ethical principles such as economic, social, and environmental

standards that are set in accordance to the requirements issued by the International Social and Environmental Accreditation and Labeling Alliance organization (FLO 2011a). The underlying economic principle is that Fair Trade producers earn at least a *Fair Trade minimum price* in order to cover the cost of production (FLO 2011b; Loureiro and Lotade 2005). This premium paid by consumers allows then the investment of funds in social, economic and environmental developments (e.g., building new schools, housing and equipment; FLO 2011b).

Fair Trade-certified products feature most of the times the ethical attribute information on their labeling, such as the placement of a certification symbol on a package (De Pelsmacker et al. 2005). Not only Fair Trade certifications aim to transmit differentiation and ethical assurance to products that bear the symbol, but also are a communication tool used by brands to transmit CSR initiatives to the consumer. Yet, as highlighted by De Pelsmacker and colleagues (2005) Fair Trade certifications have often a tough role standing out in light of other on-package elements like the brand name, nutrition and ingredient information, or price. Contributing to this fact is also the broad offer of other ethical third-party certification marks competing in the market (e.g., Rainforest Alliance Certified, Fair Trade Certified, Fairly Traded, Certified Local Sustainable, Slow Food Snail; see appendix 1.A), which are likely to make consumers confused about their meaning and relevance (Nilsson, Tunçer, and Thidell 2004; Salzhauer 1991; Teisl, Roe, and Levy 1999).

Previous work on ethical consumption has paid special attention to the role of Fair Trade information on consumers' preferences and purchase intention towards Fair Trade (Carrigan and Atalla 2001; Howard and Allen 2010; Poelman et al. 2008), on the quality and quantity of information (De Pelsmacker and Janssens 2007), and resultant misperceptions about Fair Trade (Maignan and Ferrell, 2004; Nilsson et al. 2004; Roberts 1996; Wessels, Johnston, and Donath 1999). However, despite the relevance of these studies, most of them

were performed in markets where beliefs about CSR are well internalized and adequate amounts of Fair Trade information and communication are delivered (De Pelsmacker and Janssens 2007; Titus and Bradford 1996). However, the reality is that the conditions under which consumers evaluate Fair Trade-certified products are not invariably the same in markets with different levels of information, communication and knowledge about this type of CSR initiative. The resulting knowledge disparities concerning Fair Trade certification are therefore likely to generate different attitudes and decision-making criteria across markets. Understanding how consumers recognize and use product information featuring Fair Trade certifications in markets with low/ high ethicality knowledge and the pro social relevance of certifications on brands with which consumers face daily and that motivate (or prevent) ethical consumption deserves then a closer look.

In order to develop our set of hypotheses, we evaluate the influence of brand familiarity and consumer ethicality knowledge on products' evaluations and analyze the circumstances under which consumers pay more or less attention to the ethical certification on a package. These include showing the boundary conditions where the perceived value of ethicality is offset by (i) information processing mechanisms that make certain product attributes more salient than others on a package; and (ii) whether familiarity with the brand increases the positive/ negative impact of the Fair Trade certification on the evaluation of products.

Brand Familiarity and Consumer Expertise

In a shopping situation, consumers make use of relevant information previously stored in memory (e.g., prior knowledge) and compare it against external information search sources that are encountered at the point of purchase, such as: packaging, advertisements and in-store promotions (Underwood, Klein, and Burke 2001). The relationship between the

attention mechanisms devoted to the external appearance of products and that relate to affective-based processing and more deliberate ones that are cognition-based and related to functional attributes (e.g., quality) are said to be at the core of consumers' deliberations when faced with product attribute information that is difficult to process (Chernev and Carpenter 2001; Kahneman 2003). If the consumer possesses information that is stored in memory and is relevant for the product under consideration, it is expected that consumer will engage in less external information search. That is, consumers will rely on the immediate associations with more familiar attributes that are on the package. The extent that consumers process all or part of the information contained on a package will depend on their ability to recognize and interpret numerous attributes (Brucks 1985; Campbell and Keller 2003; Sujan 1985). This includes the evaluation of on-package certifications for which knowledge about its meaning and relevance varies among consumers (Kamins and Marks 1991).

The successful performance of the search task requires more than one type of knowledge, also referred in the literature as consumer *expertise* (Alba and Hutchinson 1987; Sujan 1985). Evidence from the third party certification and packaging literature suggests that experts and novices differ in their approaches to select and evaluate product attributes (Alba and Hutchinson 1987, Hoogland, Boer, and Boersema 2007; Kamins and Marks 1991). Among high knowledge consumers the most important reported criteria for selecting Fair Trade-certified products are the brand name, the products' quality perceptions (e.g., its taste, healthfulness) and the presence of a Fair Trade certification (De Pelsmacker and Janssens 2007). Whether this criteria applies to markets with reduced information about ethical consumption and the type of brands associated with corporate responsibility remains to be assessed empirically.

In this present research we propose that different levels of consumer expertise or knowledge about Fair Trade certification may determine the products' evaluation process and therefore, its likelihood of being chosen.

Since in low knowledge markets, consumers are expected to have a more limited cognitive ability to recognize and evaluate ethical certifications, reading and interpretation of ethical attribute information becomes difficult to process (Gommersal and Wang 2012; Hoogland, et al. 2007). In such cases, since the ethical symbol may not be completely understood, information processing will involve a more simplistic and peripheral mode of operation (Campbell and Keller 2003; Petty and Cacioppo 1987). Consequently, and in order to expedite search it is common for consumers to use anchors, namely brand *familiarity* to expedite the overall interpretation of on-package information cues (Kamins and Marks 1991; Parkinson 1975). We propose then, under these circumstances, product evaluations will be driven by the most familiar element on a package like the brand name, with Fair Trade certification not playing a significant role. This leads to our first hypothesis:

H₁: In markets with overall low Fair Trade knowledge, Fair Trade certifications will not affect consumers' decision-making processes for low and high familiar brands.

Nevertheless, in more mature markets such as those with high Fair Trade knowledge, consumers have more developed cognitive structures and are therefore able to comprehend and evaluate the meaning of attribute information more analytically (e.g., its fairness, justice and trustworthiness) using a more instrumental and cognitive reasoning or central processing route (Campbell and Keller 2003; Petty and Cacioppo 1987; Singh et al. 2012). Previous studies in this domain suggest that as long as consumers are well informed about the overall concept of Fair Trade and its associated standards their attitudes towards Fair Trade

purchasing become more positive (De Pelsmacker and Janssens 2007). This positive effect originates from a better consumer understanding about the ethical attribute information listed on a product (see Andorfer and Liebe 2011).

This prior research on Fair Trade awareness provides valuable evidence about the positive influence of Fair Trade certifications on general product evaluations when there is high ethicality knowledge (Grankvist et al. 2007; Poelman 2008). Nonetheless, what is the added value of including Fair Trade certifications on branded products besides its ethical information nature? We go one step further in the Fair Trade literature and propose that Fair Trade certifications may also play a special role on the evaluation of branded products for which there is less / more familiarity. Besides eliciting more deliberate information processing mechanisms when consumers are more aware of the Fair Trade concept, Fair Trade certifications may also work as a visual recognition cue on packages for low familiar branded products.

Previous literature assessing the effects of package communication on attention mechanisms has demonstrated the positive effect of having visual cues (e.g., images) placed on the packaging for low familiar brands (Richardson 1994). For instance, Underwood and colleagues (2001) suggest that the use of familiar pictures on brands with low consumer recognition may be a viable communication tactic to get consumers' attention to products since it expedites the overall product evaluation process. Using the same reasoning from these prior literatures on ethicality knowledge and cue utilization theory, we predict that consumers with higher/ lower Fair Trade knowledge will value more the Fair Trade certifications on products but this effect will be enhanced for low familiar brands, in particular. This leads to our second hypothesis:

H_{2a}: Compared with markets with low Fair Trade knowledge, markets with higher Fair Trade

knowledge will value more Fair Trade-certified products;

H_{2b}: This effect will be especially enhanced for low than for high familiar brands.

Consumer Perceived Ethicality

One last aspect that is worth mentioning is related with the possible impact of consumers' perceived ethicality of brands holding Fair Trade certifications on its products.

Anecdotal evidence suggests that the extent to which ethical attributes in a product make a positive (versus negative) impact on the decision-making task extends also to the ethical reasoning behind the brands' engagement in CSR (Sen and Bhattacharya 2001). Prior literature on CSR has examined the influence of corporate ethics along a wide scope of research from business performance (Luo and Bhattacharya 2006), corporate brand reputation (Balmer and Gray 2003), and moral evaluations (Bromley 2001). Also, on corporate and brand associations (Berens, Van Riel, and Van Bruggen 2005; Brown and Dacin 1997; Sen and Bhattacharya 2001). This prior research has focused mostly on the link between corporate, product and brand evaluations from a business perspective. Some consumers' considerations have been taken into account to examine reactions to specific CSR initiatives (Du, Bhattacharya, and Sen 2007; Ellen, Webb, and Mohr 2006; Sen and Bhattacharya 2001). However, only recently has research begun to explore the aggregate perspective of consumers about the ethicality of businesses and its associated brands and products (Brunk 2010; 2012; Shea 2010; Singh et al. 2012). This aggregate measure, *consumer perceived ethicality* (CPE) is defined as a consumer's cumulative perception of an entity's ethical conduct such as a "company, a brand, a product or a service" (Brunk and Bluemelhuber 2011, 134). Whether positive or negative, the CPE reflects a consumer's long-term impression of a brand's ethical behavior.

For example, brands like Starbuck's, Ben and Jerry's or Toyota Prius are probably immediately associated by consumers with holding CSR practices due to its strong marketplace positioning such as those "positioned as a CSR brand" (Du et al., 226). However, there might be circumstances whereby consumers do not have perfect knowledge about the brand's CSR record and are likely to be driven by their overall long-term knowledge about the brand than with specific CSR actions taken at a given point in time. Therefore, whatever previous knowledge consumers hold about a brand and has entered into their perception formation will likely influence attitudes and then future purchasing behavior towards that brand (Brunk 2010; 2012). This process is the result of a set of heuristics set by the presence of a number of affective and cognitive associations that become salient in consumers' minds, affecting purchasing decisions in distinct ways (Singh et al. 2012; Shea 2010).

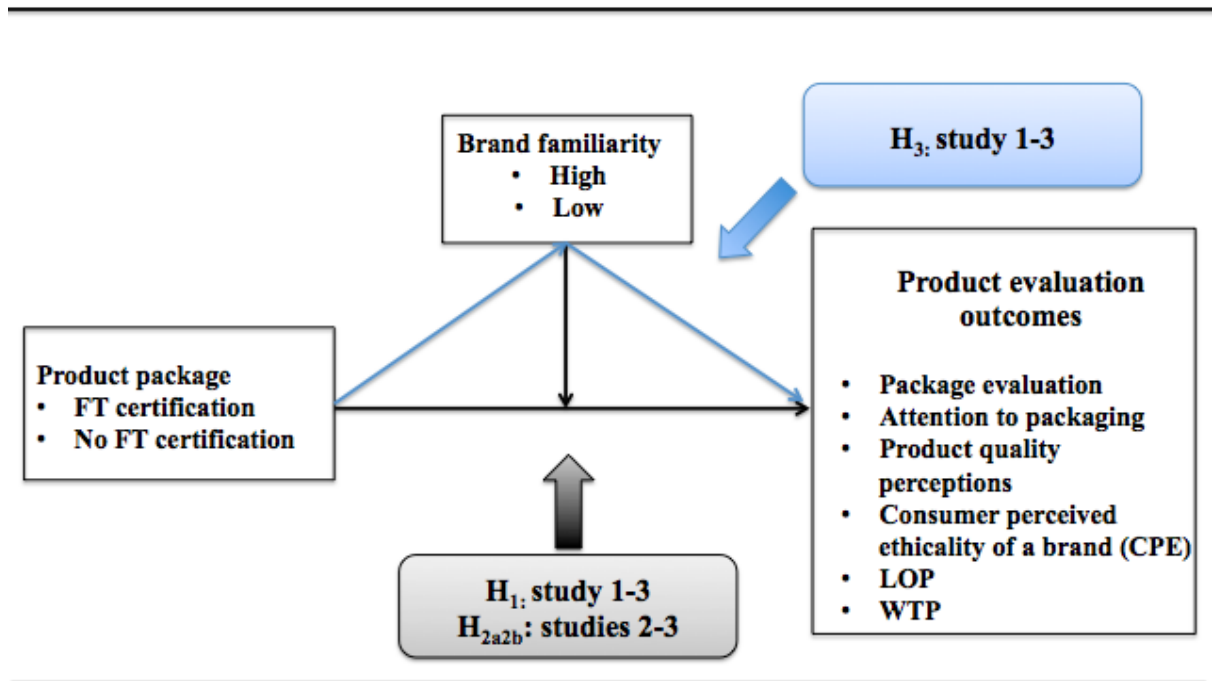
Since in real choice settings consumers are likely to rely on their subjective knowledge about a brand's overall conduct, *consumer perceived ethicality* (CPE) is thus, a suitable measure to examine whether these prior associations with a brand affects perceptions, attitudes and purchasing decisions towards that brand and the associated ethical certifications (Brunk and Bluemelhuber 2011). We contend, though, that this type of brand-ethical certification association is likely to be more predominant in markets with higher CSR proliferation practices, where there is higher awareness about the brands that usually engage/not engage in Fair Trade.

This leads to the following hypothesis:

H₃: In high/ low Fair Trade knowledge markets, the overall product evaluation will be mediated by consumers' perceived ethicality and moderated by brand familiarity.

Our propositions lead then to the conceptual framework presented in Figure 2.1.

Figure 2.1. Conceptual Framework: The Impact of Fair Trade certifications on Product Evaluation Outcomes.



The conceptual framework illustrates the moderating role of brand familiarity on consumers' evaluation of product packages with and without Fair Trade certifications (H_1 and $H_{2a}H_{2b}$). Further, we propose that this moderating relationship is mediated by consumers' perceived ethicality of the brands partnering with Fair Trade initiatives and moderated by brand familiarity (H_3).

Our hypotheses are tested in three studies.

STUDY 1: THE IMPACT OF FAIR TRADE MARKS ON A LOW ETHICALITY KNOWLEDGE MARKET

Study 1 examines how consumers in markets with low Fair Trade knowledge recognize, evaluate, and use Fair Trade certification in the context of high familiar versus low familiar brands, testing our H₁.

Design, Stimuli and Procedure

One hundred and fifty nine subjects (110 female and 49 male, mean age range = 35 - 44) from a large academic database participated voluntarily in an online experiment simulation via a Qualtrics interface. This study tested the hypothesized impact of Fair Trade certification along with the moderating effect of brand familiarity on consumers' affective and cognitive responses to a set of products (Bloch 1995) while measuring the likelihood of purchase, in a market with low levels of pro-social behavior (OECD 2011) and where Fair Trade communication has only begun to be explored: the Portuguese market (Fairtrade Iberica 2013).

This study followed a 2 (Fair Trade certification: yes, no) x 2 (brand familiarity: high, low) within - between-subjects design, where brand familiarity and Fair Trade certification were manipulated. Fair Trade was manipulated on the package by including/ excluding the Fair Trade symbol on the packages of the targeted brands. No advertising statements about Fair Trade were mentioned in our manipulations since we wanted to provide participants with a setting scenario as real as possible to what they are exposed on a daily basis in their shopping decisions (e.g., without emphasis on Fair Trade promotion).

Participants were first asked to imagine themselves in a grocery store in front of a shelf that supplied a product they were considering to buy. Each participant was presented then

with four products (one each time) and asked to complete a set of questions about each product package (products used: fruit juice, ice cream, coffee and chocolate bar). Products were randomized in order to assure no presentation order-effect could influence the results. All packages featured the main differentiating graphical elements like ingredients' information, and the brand name. Each participant was asked to evaluate a total of four stimuli (high familiar brand with and without Fair Trade certification, low familiar brand with and without Fair Trade certification). Each observation was treated independently from one another rendering a total of 636 product evaluations.

After completing the products' evaluation task and since we wanted to get the overall level of ethicality knowledge of the sample we asked participants to complete a multiple-choice questionnaire concerning the Fair Trade symbol identification among other various certification marks. Towards the end of the study as an additional and explanatory measure participants were asked about whether they had bought Fair Trade-certified products in the past and whether they were aware of any form of advertising promoting Fair Trade products. Finally, participants responded to some funnel debriefing queries and were debriefed.

Dependent Measures

Manipulation checks. In order to assess if the brand familiarity manipulation was effective, participants were asked to indicate their level of familiarity with the brand (7-points scale; 1= not at all, 7 = very much), after each stimulus' presentation. The Fair Trade certification manipulation was tested by asking participants to indicate the likelihood of the products presented containing ingredients sourced in a responsible manner (7-points scale; 1 = very unlikely, 7 = very likely).

The overall *Fair Trade knowledge* of the sample was assessed through the Fair Trade certification identification task, which asked participants to correctly identify the Fair Trade

symbol among other types of certifications, such as the organic and the panda's World Wildlife Fund (WWF) marks. Correct identification of the Fair Trade logo was coded as one and all other responses were coded as zero. As expected, score of the sample confirmed its *overall low Fair Trade knowledge* ($M = .40$, $SD = .50$, $Min = .00$, $Max = 1.00$), which allowed us to pursue our analysis with confidence. This is also supported by the lack of adequate information and communication about this type of CSR initiative in the market, namely advertising ($M = .23$, $SD = .17$, $Min = .00$, $Max = 1.00$) also revealing that less than the sample's average had bought Fair Trade products in the past ($M = 3.00$, $SD = 1.77$, $Min = .00$, $Max = 7.00$).

All the dependent variables were assessed on 7-points scales. After exposure to the products stimuli, participants were presented with a set of questions that measured their affective reaction to the products' packages.

Package evaluation was assessed by asking participants to provide an overall evaluation of the package (3 items bipolar scales, "does not confer quality–confers quality," $\alpha = .90$), adapted from Schoormans and Robben (1996).

Attention to packaging was measured by asking participants to indicate the likelihood of each package getting their attention while they shopped (1 = very unlikely, 7 = very likely).

The cognitive measures were presented next.

Product quality perceptions. This measure was assessed by asking participants to complete six items concerning the product's intrinsic quality properties (e.g., it's healthy/unhealthy, 1 = very unlikely, 7 = very likely, $\alpha = .70$), adapted from Kamins and Marks (1991) and Luchs et al. (2010).

Consumers' perceived ethicality towards the brand (CPE), was assessed by asking participants to indicate their level of agreement with four statements about the brand (e.g.,

“the brand respects moral norms,” 1 = strongly disagree, 7 = strongly agree, $\alpha = .95$) adapted from Brunk (2012).

Likelihood of purchasing the product (LOP). This last measure asked participants whether they would purchase the product if it was available at a local supermarket (1 = very unlikely, 7 = very likely), adapted from Obermiller (2009), (see appendix 1.B. for more detail).

Results

Analysis of the *manipulation checks* indicated that both our manipulations were successful, with participants indicating brands to be more familiar in the *high familiarity* versus *low familiarity* condition ($M_{\text{HighFam}} = 5.83$ vs. $M_{\text{LowFam}} = 1.28$; $F(1, 634) = 1683.5, p < .001$) and indicating in the *Fair Trade condition* more products to contain ingredients sourced in a responsible manner than participants in *non-FT certification condition* ($M_{\text{FT}} = 5.21$ vs. $M_{\text{NFT}} = 4.33$; $F(1, 634) = 63.0, p < .001$).

To test H_1 , where we predicted that in low ethicality knowledge markets consumer evaluations would essentially be based on brand familiarity and Fair Trade would not play a significant role, we ran a multivariate analysis of variance (MANOVA) on the five dependent variables. Regarding brand familiarity, significant main effects were obtained on all the dependent variables, namely on affective responses and cognitive responses (all $F_s > 16.44$, see table 2.1. for results). These significant brand familiarity main effects were qualified by high familiar brands being more positively rated than less familiar ones, on package evaluation ($M_{\text{HighFam}} = 5.46$ vs. $M_{\text{LowFam}} = 4.05$; $t(634) = 13.38, p < .001$), attention to packaging ($M_{\text{HighFam}} = 5.32$ vs. $M_{\text{LowFam}} = 3.71$; $t(634) = 12.09, p < .001$), product quality perceptions ($M_{\text{HighFam}} = 4.65$ vs. $M_{\text{LowFam}} = 3.45$; $t(634) = 12.09, p < .001$), CPE of brands

($M_{\text{HighFam}} = 5.02$ vs. $M_{\text{LowFam}} = 4.15$; $t(634) = 13.57$, $p < .001$), and likelihood of purchase ($M_{\text{HighFam}} = 4.44$ vs. $M_{\text{LowFam}} = 3.08$; $t(634) = 9.13$, $p < .001$).

A marginally significant Fair Trade certification main effect was observed on product quality perceptions, ($F(1, 635) = 3.42$, $p = .06$), and on CPE of brands, ($F(1, 635) = 12.62$, $p < .001$), revealing that despite the low Fair Trade knowledge, when consumers are led specifically to think about ethical issues they generate beliefs about its impact on the quality of products ($M_{\text{FT}} = 4.57$ vs. $M_{\text{NFT}} = 4.43$; $t(634) = 1.85$, $p = .06$) as well as about the brands engaging in corporate responsibility, CPE ($M_{\text{FT}} = 4.70$ vs. $M_{\text{NFT}} = 4.47$; $t(634) = 3.17$, $p < .01$).

Supporting our H₁, no significant interaction effects were found (all $F_s < 1.7$, p 's > 1.00 , see table 2.1. for results) revealing the importance of brand name familiarity over the ethical certification when there is overall low ethicality knowledge.

Table 2.1. The Impact of Fair Trade Certifications on a Low Fair Trade Knowledge Market: Study 1

	High familiar		Low familiar		FT main effect	Brand familiarity main effect	FT x Brand familiarity
	FT (n=39)	NFT (n=41)	FT (n=39)	NFT (n=40)	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 1: Low FT-Knowledge (<i>N</i> = 159)							
Package evaluation	5.53 (1.1)	5.38 (1.2)	4.12 (1.5)	3.98 (1.5)	2.02	178.97***	.00
Attention to packaging	5.39 (1.4)	5.24 (1.7)	3.72 (1.8)	3.70 (1.8)	.393	145.63***	.22
Product quality perceptions	4.67 (.9)	4.63 (.92)	4.47 (.9)	4.23 (.9)	3.42+	16.44***	1.65
Consumer Perceived Ethicality (CPE)	5.12 (.9)	4.92 (.82)	4.28 (.8)	4.02 (.7)	12.62***	186.91***	.16
Likelihood of Purchasing (LOP)	4.57 (1.9)	4.29 (2.1)	3.06 (1.7)	3.11 (1.7)	.590	83.13***	1.22

Note: *** $p < .001$, ** $p < .01$, * $p < .05$, + $p \leq .1$; standard deviations are presented between parentheses.

Moderated-mediation. We further tested whether the CPE towards the brands mediated the Fair Trade certification main effect on consumers' product evaluations on low versus high familiar brands using a moderated-mediation model (Hayes 2012, Model 8). Fair Trade certification was included as the predictor, the CPE as the mediating variable, brand familiarity as the moderator and all other dependent variables as the outcome variables. No significant moderated-mediation effects were observed. In order to find out if there were any other alternative explanations for the results obtained we conducted a simple mediation analysis. Bootstrap analysis (Preacher and Hayes 2008; 2012, Model 4) revealed that CPE mediated the effect of Fair Trade certification on product evaluations, independent of level familiarity with the brand. Both the impact of Fair Trade certification on CPE ($b = .23$, $SE = .07$, $p < .001$) and the impact of CPE on package evaluation ($b = .74$, $SE = .06$, $p < .001$) were significant, but when both Fair Trade certification and CPE were entered into the regression, the effect of Fair Trade certification was no longer significant ($b = .02$, $SE = .11$, $p = .88$). Subsequent testing of the conditional indirect effect (based on 5,000 bootstraps) revealed that the effect of CPE mediated the effect of Fair Trade certifications on package evaluations. Zero did fall outside the interval (95% CI: 0.0672 and 0.27939), providing statistical significance of full mediation. We conducted the same mediation process on the other dependent variables and found similar mediation results. The CPE scores mediated the effect of Fair Trade certifications on the attention to packaging measure (95% CI: 0.0736-0.3227), on product quality perceptions (95% CI: 0.0340-0.1552), and on the likelihood of purchasing the products presented (95% CI: 0.0840-0.3470). Our results indicate that despite the low level of Fair Trade knowledge of the sample, perceptions about the ethicality of brands were still taken into consideration during the overall product evaluation process, but

this effect occurred outside the brand-ethicality certification consumers' associations, not providing evidence consistent with H₃.

Discussion

Results from this study indicate that our sample had an overall low knowledge and expertise about Fair Trade certification. A fact that provides theoretical support of our H₁ that, in low Fair Trade knowledge markets, Fair Trade certification does not play a significant role in the evaluation of low versus high familiar brands. Yet, the impact of Fair Trade certification on the evaluation of products shows to be mediated by ethical considerations made with the brands presented, independent of their level of familiarity. This finding provides an indication towards the assumption that in markets with higher Fair Trade expertise, consumers may instead generate a number of associations with the brands that usually engage (versus not) in Fair Trade. The next study focuses on a market where consumers are expected to show a high level of Fair Trade knowledge: the US market.

STUDY 2: THE IMPACT OF FAIR TRADE MARKS ON A HIGH ETHICALITY KNOWLEDGE MARKET

Using a methodology similar to study 1, the study was performed using a Qualtrics interface and distributed using an academic database from a Western US university, where supposedly inhabitants hold a higher knowledge about Fair Trade (Hainmuller, Hiscox, and Sequeira 2010), compared with sample of study 1 .

Design, Stimuli and Procedure

One hundred and three individuals (56 female, 47 male, mean age range = 35 - 44) were randomly allocated to each condition and were asked to evaluate two products, rendering a total of 206 product evaluations, which were treated as independent observations. The study followed a mixed design with a 2 (Fair Trade certification: yes, no) x 2 (brand familiarity: high, low) within-between-subjects design. Brand familiarity and FT certification were experimentally manipulated on the package. This time chocolate and tea were used, since these are products with a high level of Fair Trade penetration in the US market. Since there were no significant differences between product s evaluations, we collapsed the sample, rendering a total of 206 product evaluations. In a similar vein as study 1, the Fair Trade knowledge of the sample was assessed by asking participants to identify the Fair Trade certification among other certification types.

Dependent Measures

We used the same variables as in study 1. The only exception was likelihood of purchase, since this time we opted to use a *willingness to pay measure* (WTP). This measure is strongly correlated with actual paying behaviors being therefore an appropriate measure to assess the overall level of interest in the products.

Results

A multivariate outlier analysis was performed to identify outliers (Tabachnick and Fidell 2001), having identified 7 potential outliers who were withdrawn from the initial sample. This left a usable sample of 96 (53 female, 43 male) participants.

Once again, *manipulation checks* worked as expected both for brand familiarity ($M_{\text{HighFam}} = 6.34$ and $M_{\text{LowFam}} = 1.34$; $F(1, 190) = 1300.5$, $p < .001$), and Fair Trade

recognition ($M_{FT} = 4.51$ vs. $M_{NFT} = 3.63$; $F(1, 190) = 27.0, p < .001$). Also, the *overall Fair Trade knowledge* mean score of the sample ($M = .83, SD = .37, Min = .00, Max = 1.00$) was significantly above the scale midpoint ($M = .50$) indicating a sample with higher Fair Trade knowledge compared with the sample in Study 1.

To test our H_{2a} and H_{2b} where we predict that in markets with high/ low Fair Trade knowledge consumers will value more/ less FT-certified products on low/ high familiar brands we conducted a MANOVA on the five dependent variables (see table 2.2). Results revealed a significant brand familiarity main effect on the affective measures, such as package evaluation ($F(1, 188) = 15.02, p < .001$) and attention to packaging ($F(1, 188) = 42.0, p < .001$). Also on the cognitive measures, namely on product quality perceptions ($F(1, 188) = 4.96, p < .001$) and on CPE of brands ($F(1, 188) = 25.45, p < .001$). Results show that high familiarity brands were rated more positively than low familiar ones, on package evaluation ($M_{HighFam} = 4.61$ vs. $M_{LowFam} = 3.86$; $t(190) = 3.83, p < .001$), attention to packaging ($M_{HighFam} = 5.02$ vs. $M_{LowFam} = 3.58$; $t(190) = 6.43, p < .001$), on product quality perceptions ($M_{HighFam} = 4.56$ vs. $M_{LowFam} = 4.23$; $t(190) = 2.19, p < .05$), and on CPE of brands ($M_{HighFam} = 4.76$ vs. $M_{LowFam} = 4.17$; $t(190) = 4.88, p < .001$). No significant brand familiarity main effect was obtained for the *willingness to pay* measure. A significant Fair Trade certification main effect was also obtained on CPE of brands ($F(1, 192) = 4.46, p < .05$). Although marginally significant, participants reported higher CPE of the brands when in presence of Fair Trade-certified products compared to non-Fair Trade-certified products ($M_{FT} = 4.58$ vs. $M_{NFT} = 4.36$; $t(190) = 1.69, p = .09$), indicating that participants relied on a set of cognitive associations between the Fair Trade certifications and the brands.

Most importantly, a significant Fair Trade certification x brand familiarity interaction effect was found on the *willingness to pay* measure ($F(1, 188) = 4.9, p < .05$). Participants reported higher willingness to pay for low familiarity brand packages certified with Fair

Trade than when the certification was placed on high familiarity brand packages ($M_{\text{LowFam, FT}} = 2.76$ vs. $M_{\text{HighFam, FT}} = 2.17$; $t(94) = 2.08$, $p < .05$), providing evidence consistent with H_{2a} and H_{2b} that in high Fair trade knowledge markets, consumers pay more attention to Fair Trade certified products than in low Fair trade knowledge markets (study 1), and that Fair Trade certifications enhance the evaluation of low familiar brands, in particular (see table 2.2. for detailed results).

Table 2.2. The Impact of Fair Trade Certifications on a High Fair Trade Knowledge Market: Study 2

	High familiar		Low familiar		FT main effect	Brand familiarity main effect	FT x Brand familiarity
	FT (n=22)	NFT (n=26)	FT (n=26)	NFT (n=22)	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 2: High FT-Knowledge (<i>N</i> = 96)							
Package evaluation	4.64 (1.2)	4.58 (1.3)	3.99 (1.4)	3.72 (1.4)	.75	15.02***	.26
Attention to packaging	5.02 (1.5)	5.02 (1.4)	3.78 (1.7)	3.36 (1.6)	.93	42.00***	.91
Product quality perceptions	4.57 (1.1)	4.56 (1.1)	4.34 (1.1)	4.10 (1.0)	.64	4.96*	.56
Consumer Perceived Ethicality (CPE)	4.83 (.8)	4.71 (.9)	4.35 (.9)	3.97 (.6)	4.46*	25.45***	1.21
Willingness to pay (WTP)	2.17 (1.3)	2.68 (1.5)	2.76 (1.6)	2.39 (1.1)	.11	.58	4.9*

Note: *** $p < .001$, ** $p < .01$, * $p < .05$, ⁺ $p \leq .1$; standard deviations are presented between parentheses.

Moderated-mediation via consumers' perceived ethicality of the brands – CPE and brand familiarity. To test H₃ where we predict that in high Fair Trade knowledge markets the evaluation of products through the mediation of CPE is dependent on the level of familiarity with the brands we conducted moderated-mediation model (Hayes 2012; Model 8). According to the moderation-mediation literature when mediation is moderated, the indirect effect through which a predictor exerts its effect on an outcome variable depends on the value of one or more moderators (Hayes 2012). Bootstrap analysis (Preacher and Hayes 2004; 2008; 2012, Model 4) revealed that CPE of brands indeed mediated the effect of Fair Trade certification on product evaluations but that this effect was significant for low but not for high familiar brands. That is, both the impact of Fair Trade certification on CPE ($b = .39$, $SE = .15$, $p < .05$) and the impact of CPE on package evaluation ($b = .94$, $SE = .17$, $p < .001$) were significant, and when both Fair Trade certification and CPE were entered into the regression, the effect of Fair Trade certification was no longer significant ($b = -.10$, $SE = .26$, $p = .72$). Subsequent testing of conditional indirect effects (based on 5,000 bootstraps) revealed that CPE mediated the effect of Fair Trade certification on package evaluation for the low familiar brands (95% CI: 0.1005 and 0.7580) but not for the high familiar ones (95% CI: - 0.1507 and 0.3741). A similar pattern of results emerged for the other dependent variables. The CPE of brands mediated the effect of Fair Trade certification on attention to packaging (95% CI: 0.0894 and 0.7531), product quality perceptions (95% CI: 0.0997 and 0.5943) and willingness to pay (95% CI: 0.0378 and 0.4856) for low familiar brands but not for high familiar brands on attention to packaging (95% CI: - 0.1225 and 0.3115), product quality perceptions (95% CI: -0.1513 and 0.2616), and willingness to pay (95% CI: - 0.0478 and 0.1650), providing statistical evidence that the overall products' evaluation is mediated

by ethicality perceptions about the brands engaging (versus not) in Fair Trade, especially for low familiar ones.

Discussion

Findings from this study indicate that our sample has high Fair Trade knowledge as demonstrated by the overall high mean score obtained in the participants' certification identification task. Additionally, the sample indicated to have been exposed to Fair Trade advertising ($M = .51$, $SD = .22$, $Min = .00$, $Max = 1.00$), and bought Fair Trade-certified products frequently in the past ($M = 4.16$, $SD = 1.89$, $Min = .00$, $Max = 7.00$) than our sample from previous study. These results provide evidence that the more knowledgeable markets are about Fair Trade the greater the differential impact of Fair Trade certification on products as manifested by participants' willingness to pay for Fair Trade-certified products. As predicted, this was mostly visible for low familiar brands. However, when both the Fair Trade certification and brand attributes are considered together, consumers seem to underestimate the value of the ethical certification on high familiar brands compared with the effect on low familiarity brands, supporting H_{2a2b} and H_3 . This result can be of extreme relevance for managers since it indicates the circumstances under which Fair Trade certification does not bring added value to brands. Instead, results indicate that it is when consumers are exposed to low familiar products that the relevance of the Fair Trade certification becomes salient and perceived as something positive, contributing to a higher evaluation of the product. In study 3 we examine our hypotheses in a study comprised of a heterogeneous sample originating from markets with low/ high Fair Trade knowledge.

STUDY 3: THE IMPACT OF FAIR TRADE MARKS ON LOW VERSUS HIGH ETHICALITY KNOWLEDGE MARKETS

We hypothesized that the ability of consumers to recognize Fair Trade certifications on low/ high familiar brand products is higher for experts/ novices and that CPE of brands plays a determinant role mediating this relationship. Study 1 and study 2 tested the underlying assumptions on both low and high Fair Trade knowledge markets, respectively. In study 3 we combined participants from both low and high Fair Trade knowledge markets in one single study to examine both the moderating influence of Fair Trade knowledge and the mediating effect of CPE on consumers' product evaluations and willingness to pay for low versus high familiar brands.

Design, Stimuli and Procedure

Following a procedure similar to the previous studies we tested our hypotheses on a sample comprising participants from 31 countries (Western and Eastern Europe, North and South America, Africa and Asia). Seven hundred and fifty graduate students participated in an online experiment simulation in exchange for course credit (female = 404, male = 346, mean age range = 19 - 24). Each participant was randomly allocated to each condition and was asked to evaluate two products rendering a total of 1500 product evaluations, which were treated as independent observations. This time, however, we used a 2 (Fair Trade certification) x 2 (brand familiarity) x 2 (Fair Trade knowledge) within-between-subjects design where we manipulated both Fair Trade and brand familiarity, while measuring Fair Trade knowledge. Once more, since we wanted to create a scenario as real as possible we included well-known international brands such as Cadbury's milk chocolate and Kleenex facial tissue along with other less well-known brands, that usually engage (versus not) in Fair

trade (e.g., Teekanne; Valor) to test the impact of our manipulations on participants' evaluations.

Dependent Measures

The *overall Fair Trade-knowledge* of the sample was again obtained from the correct identification of Fair Trade certification symbol at the end of the study (0 = null FT-knowledge, 1 = FT-knowledge).

Regarding the *dependent variables* we used exactly the same variables as in study 2.

Results

Again, the analysis of the *manipulation checks* indicated that both our manipulations worked as expected. Participants correctly identified packages that featured a *high* versus *low familiar brands* ($M_{\text{HighFam}} = 3.31$ and $M_{\text{LowFam}} = 3.05$; $F(1, 1499) = 4.39$, $p < .05$), also reporting more products containing CSR ingredients in the *Fair Trade condition*, compared with participants in *non-Fair Trade certification condition* ($M_{\text{FT}} = 4.52$ vs. $M_{\text{NFT}} = 4.47$; $F(1, 1499) = 4.32$, $p < .05$). The *overall Fair Trade knowledge* of the sample ($M = .68$, $SD = .47$, $\text{Min} = 0$, $\text{Max} = 1.00$) was slightly above the midpoint scale ($M = .50$) indicating that we were in presence of a heterogeneous sample. Using a median split we then obtained our binary coding measure of Fair Trade knowledge (0 = low knowledge; 1 = high knowledge) ending up with a total of 238 novices and 512 experts.

To test our hypotheses, we ran again a multivariate analysis of variance (MANOVA). Our H_1 predicts that in markets with low Fair Trade knowledge, the impact of Fair Trade certification on a product does not have a significant impact. However, our H_{2a} and H_{2b} , suggests that in markets with higher lower Fair Trade knowledge, consumers value more products with a Fair Trade certification, especially for low familiar brands.

In line with our predictions, the MANOVA results revealed a significant two-way Fair Trade certification x brand familiarity interaction effect on package evaluation ($F(1, 1499) = 6.18, p < .05$), on attention to packaging ($F(1, 1499) = 6.57, p < .05$), on product quality perceptions ($F(1, 1499) = 5.40, p < .05$), and on CPE of brands ($F(1, 1499) = 12.37, p < .001$). More importantly, a significant three-way Fair Trade certification x brand familiarity x Fair Trade knowledge interaction effect was found on three dependent variables, namely on one of our affective measures, attention to packaging ($F(1, 1499) = 3.85, p = .05$) and on both cognitive measures, product quality perceptions ($F(1, 1499) = 8.34, p < .01$), and CPE of brands ($F(1, 1499) = 4.23, p < .05$). We further analyzed this three-way interaction by conducting separate 2 (Fair Trade certification) x 2 (brand familiarity) MANOVAs within each Fair Trade knowledge condition (see table 2.3. for detailed results).

In the low Fair Trade knowledge condition, the MANOVA analysis did not yield any significant effects (F 's $< .80, p$'s > 1.11 , see table 2.4.) besides a significant familiarity main effect on attention to packaging ($F(1, 475) = 5.02, p < .05$). However, it indicated that there were no significant differences on the attention aroused by packages from low versus high familiar brands ($M_{\text{LowFam, FT}} = 4.33$ vs. $M_{\text{HighFam, FT}} = 4.63; t(236) = 1.38, NS$), providing evidence that the impact of Fair Trade certification on the evaluation of brand packages is not significant and consistent with H_1 .

In the high Fair Trade knowledge condition, however, results showed a significant brand familiarity main effect on the willingness to pay dependent variable ($F(1, 1499) = 6.02, p < .05$) indicating that participants were willing to pay more for low familiar than high familiar brands ($M_{\text{LowFam}} = 2.67$ vs. $M_{\text{HighFam}} = 2.37; t(1022) = 2.47, p < .05$). We also obtained a Fair Trade certification main effect on both CPE ($F(1, 1499) = 3.82, p = .05$) and willingness to pay ($F(1, 1499) = 4.15, p < .05$) dependent variables, showing that participants were willing to pay more for Fair Trade rather than non-Fair Trade-certified products ($M_{\text{FT}} =$

2.64 vs. $M_{\text{NFT}} = 2.39$; $t(1022) = 2.06$, $p < .05$). Although marginally significant, the CPE of brands was also higher for Fair Trade rather than non-Fair Trade-certified products ($M_{\text{FT}} = 4.65$ vs. $M_{\text{NFT}} = 4.53$; $t(1022) = 1.92$, $p = .06$). More importantly, these main effects were qualified by a significant Fair Trade certification x brand familiarity interaction on all our dependent variables. In line with H_{2a}, participants paid attention to and evaluated Fair Trade-certified products more positively than participants in the low Fair Trade knowledge condition. Specifically, on the affective measures (package evaluation ($F(1, 1023) = 13.20$, $p < .001$), and attention to packaging ($F(1, 1023) = 16.69$, $p < .001$)), on the cognitive measures (product quality perceptions ($F(1, 1023) = 21.90$, $p < .001$) and CPE of brands ($F(1, 1023) = 24.25$, $p < .001$)), and a marginally significant interaction effect on willingness to pay ($F(1, 1023) = 2.79$, $p = .09$) – (see table 2.4.). Follow up tests were conducted to test the conditions where Fair Trade certification would positively versus negatively impact participants' responses to high versus low familiarity brands. In line with H_{2b}, those participants exposed to low rather than high familiar brand indicated higher evaluation ratings, namely on package evaluation ($M_{\text{LowFam, FT}} = 4.59$ vs. $M_{\text{HighFam, FT}} = 4.37$; $t(510) = 1.82$, $p = .07$) and attention to packaging ($M_{\text{LowFam, FT}} = 4.50$ vs. $M_{\text{HighFam, FT}} = 4.16$; $t(510) = 2.35$, $p < .05$), respectively. A similar pattern of results was obtained for our measure concerned with the products' quality perceptions ($M_{\text{LowFam, FT}} = 4.78$ vs. $M_{\text{HighFam, FT}} = 4.39$; $t(510) = 4.22$, $p < .001$), and CPE of brands ($M_{\text{LowFam, FT}} = 4.77$ vs. $M_{\text{HighFam, FT}} = 4.52$; $t(510) = 4.22$, $p < .001$) revealing that the Fair Trade certification was perceived to enhance both the products' quality and consumers' ethicality perceptions for low rather than high familiar brands. Essentially, participants were also willing to pay more for low familiar brands certified with Fair Trade ($M_{\text{LowFam, FT}} = 2.88$ vs. $M_{\text{HighFam, FT}} = 2.39$; $t(510) = 4.22$, $p < .001$).

Table 2.3. Results from a Three-Way Interaction in an heterogeneous FT knowledge Sample: Study 3

	FT Main effect	Brand familiarity main effect	FT Knowledge	FT x Brand familiarity	FT x FT Knowledge	Brand familiarity x FT Knowledge	FT x Brand familiarity x FT Knowledge
	<i>F test</i>	<i>F test</i>	<i>F test</i>	<i>F test</i>	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 3 (<i>N</i> = 750)							
Package evaluation	.52	3.31 ⁺	.30	6.18*	1.33	.44	2.44
Attention to packaging	1.94	5.49*	.07	6.57*	1.91	2.22	3.85*
Product quality perceptions	1.40	.24	.00	5.40*	.17	.43	8.34**
Consumer Perceived Ethicality (CPE)	5.79*	.17	13.71***	12.37***	.04	.17	4.23*
Willingness to pay (WTP)	5.05*	1.79	.69	1.48	.003	2.06	.45

Note: *** $p < .001$, ** $p < .01$, * $p < .05$, ⁺ $p \leq .1$

Table 2.4. The Impact of Fair Trade Certifications on Low versus High Fair Trade Knowledge Markets: Study 3

	High familiar		Low familiar		FT main effect	Brand familiarity main effect	FT x Brand familiarity
	FT	NFT	FT	NFT	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 3							
Low FT-Knowledge (<i>N</i> = 238)	(n=62)	(n=57)	(n=57)	(n=62)			
Package evaluation	4.59 (1.4)	4.46 (1.5)	4.51 (1.4)	4.25 (1.4)	1.24	2.16	.29
Attention to packaging	4.63 (1.6)	4.33 (1.7)	4.43 (1.7)	4.02 (1.8)	2.64	5.02*	.12
Product quality perceptions	4.63 (1.1)	4.59 (1.1)	4.50 (1.1)	4.52 (1.1)	.89	.01	.11
Consumer Perceived Ethicality (CPE)	4.42 (.9)	4.50 (.9)	4.36 (.8)	4.29 (1.0)	2.53	.00	.80
Willingness to Pay (WTP)	2.52 (2.0)	2.57 (1.8)	2.35 (1.9)	2.28 (1.8)	1.79	.00	.11
High FT-Knowledge (<i>N</i> = 512)	(n=126)	(n=130)	(n=130)	(n=126)			
Package evaluation	4.37 (1.4)	4.59 (1.3)	4.71 (1.4)	4.31 (1.4)	.15	1.08	13.20***
Attention to packaging	4.16 (1.6)	4.50 (1.6)	4.58 (1.6)	4.08 (1.6)	.00	.59	16.69***
Product quality perceptions	4.39 (1.1)	4.78 (1.1)	4.66 (1.0)	4.41 (1.2)	.48	1.06	21.90***
Consumer Perceived Ethicality (CPE)	4.52 (.8)	4.77 (.9)	4.70 (1.0)	4.36 (1.1)	3.82*	.53	24.25***
Willingness to pay (WTP)	2.39 (1.7)	2.88 (1.1)	2.35 (2.2)	2.44 (1.2)	4.15*	6.02*	2.79 ⁺

Note: *** $p < .001$, ** $p < .01$, * $p < .05$, ⁺ $p \leq .1$; standard deviations are presented between parentheses.

Moderated-mediation via consumer's perceived ethicality of brands and brand familiarity was once again tested but this time we also included Fair Trade knowledge in the model since we wanted to have an overall appreciation of the moderated-mediation effects at both levels of Fair Trade knowledge (Hayes, Model 12). In the model we included Fair Trade certification as the predictor, the CPE of brands as the mediating variable, brand familiarity and Fair Trade knowledge as the moderators and all other dependent variables as the outcome variables. Testing of the conditional indirect effects (based on 5,000 bootstraps) confirmed that the mediating effect of Fair Trade certification on package evaluation through CPE of the brands was moderated by Fair Trade knowledge and brand familiarity. Zero did indeed fall outside the interval (95% CI: -0.5174 and -0.0245) and the index of moderated-mediation was negative, providing not only statistical evidence of successful moderated-mediation, but that the CPE of brands decreased as the level of knowledge with Fair Trade and brand familiarity increased. That is, at low levels of Fair Trade knowledge the CPE mediating effects at both low/ high brand familiarity levels was non-significant corroborating with Study 1 results. But, when Fair Trade knowledge was high, the CPE mediating effect between Fair Trade certification and the evaluation of packages was positive at low brand familiarity levels (95% CI: 0.1413 and 0.3644). However, this pattern reversed when both brand familiarity and Fair Trade knowledge were high as the indirect effect became negative (95% CI: -0.1957 and -0.0201). We found similar results for the remaining outcome variables, namely on attention to packaging (95% CI: -0.5131 and -0.0138), product quality perceptions (95% CI: -0.3532 and -0.0080) and willingness to pay (95% CI: -0.1408 and -0.0007) providing statistical evidence consistent with H₃ that in markets with high Fair Trade knowledge, the overall product evaluation looks to be mediated by consumers' perceived ethicality of the brands, especially for low familiar ones.

Discussion

Results from study 3 provide evidence of the differential impact of Fair Trade in markets with low/ high expertise with this form of CSR. From the overall sample, those with low Fair Trade knowledge indicated to have had low exposure to advertising about Fair Trade ($M = .38$, $SD = .47$, $Min = .00$, $Max = 1.00$) and a low purchasing experience with Fair Trade products ($M = 2.61$, $SD = 1.63$, $Min = .00$, $Max = 7.00$), compared with those with high Fair Trade knowledge ($M = .62$, $SD = .47$, $Min = .00$, $Max = 1.00$) and average purchasing experience ($M = 4.01$, $SD = 1.68$, $Min = .00$, $Max = 7.00$). These findings provide evidence consistent with previous work acknowledging the importance of consumers' perceptions about the quantity and quality of information about CSR initiatives and expertise with associated Fair Trade-brands, which affect the formation of attitudes and purchasing intentions towards Fair Trade products. These results also support our propositions that, although Fair Trade may be a value in of itself, as demonstrated by participants' greater attention, evaluation and willingness to pay for Fair Trade-certified products from low familiar brands, previously held (ethical) associations and anchoring effects with brands they are more familiar with may inhibit them from selecting Fair Trade goods. Additionally, it provides an insight for managers about when it is worth advertising this type of certification. This doesn't mean that pro social causes such as Fair Trade should stop being company-sponsored. Instead it highlights that in some markets, and depending on the level of familiarity with the brand, perhaps it is worth not displaying Fair Trade certifications on the front of the package just "because it looks right."

GENERAL DISCUSSION

The research objective of this paper was to investigate empirically the role that a Fair Trade label may have on the probability of buying a product among the many familiar and less familiar brands available. We tested the role of a Fair Trade label in a context of already established and familiar brands versus low familiar brands and we also tested the role of Fair Trade labels vis a vis brand familiarity in empirical settings where the awareness of Fair Trade varied. To do so, we implemented an experimental survey based treatment design, where we varied the Fair Trade label and the familiarity with a brand across subjects in three different market settings with different levels of a priori Fair Trade knowledge. Our results indicate that in low prior Fair Trade knowledge markets consumers do not significantly pay attention to the Fair Trade label but once the level of prior Fair Trade knowledge increases to high levels, a pattern of associations between product quality and brand ethicality perceptions significantly occurs. This is an indication of the significant impact that companies' ethical practices have on consumers' decisions and the factors determining when and how consumers make use of Fair Trade certification in their product decisions.

Theoretical Contributions

Our research complements the work on third-party certification and ethical consumption literatures in different ways. We build on the previous literature exploring the impact of information and knowledge on the formation of attitudes and purchasing intentions towards products with an ethical dimension (De Pelsmacker and Janssens 2007; Nilsson et al. 2004; Teisl et al. 1999). However, we provide new evidence to the literature, which is the differential role of low/ high knowledge has on consumers' attitudes and purchasing intentions with support from different markets where this is happening. Across our studies we

show how and when the lack/ existence of information and communication about CSR initiatives has a direct impact on brand evaluations and willingness to pay. Additionally, our findings also reveal that the underlying criteria for selecting and evaluating products are different from markets with lower/ higher ethicality knowledge, which allow us to gather valuable insights for product managers. Accordingly, we show the boundary conditions under which ethical attributes are offset by the relative power of other on-package attributes (e.g., familiar brand name) that become more salient in consumers' minds when analyzing product information that is more difficult to process (study 1). When there is higher ethicality knowledge, the processing of information is less peripheral as suggested by the pattern of positive/ negative cognitive associations with the product that follow (product quality perceptions, CPE), indicating that more deliberate modes of information processing significantly occurs (study 2 and study 3; see Dick, Chakravarti, and Biehal 1990; Hoogland, et al. 2007; Sujan 1985).

Further, we provide empirical support of the mediating role of consumers' ethicality perceptions with the brands engaging in CSR by showing that the relationship between ethical certifications and purchasing intentions are greatly affected about how ethical and unethical a brand is perceived to be overall. We extend the previous literature concerning the consumers' attributions about intrinsic and extrinsic motives for a company engaging in CSR (Ellen et al. 2006; Du, Bhattacharya, and Sen 2007) and, more recent research exploring the impact of CPE beliefs on corporate brand trust and loyalty and product evaluations (Brunk 2012; Shea 2010; Singh et al. 2012). Yet, we present a new perspective by verifying the existence of a moderated-mediating relationship between ethical certifications and product evaluations through consumers' perceived ethicality of brands with which they are less versus more familiar. To the best of our knowledge we are among the first researchers to bridge the knowledge consumers hold about ethical certifications and the ethical knowledge

(CPE) consumers hold about brands. As it stands out, we may have reason to believe that the often mentioned skepticism towards Fair Trade (De Pelsmacker and Janssens 2007) and consumers' attributions of pro social brand motives for engaging in pro social actions (see Bower and Grau 2009; Rifon et al. 2004) need to be better clarified by corporations and associated brands as they are likely to be affecting their credibility and trust on the part of consumers. The results obtained in Studies 2 and 3 show that, when consumers are more knowledgeable about Fair Trade they also show to be less influenced by ethical certifications on familiar brands. This proves that consumer perceptions about brands' ethical conduct goes beyond specific CSR actions taken occasionally at a certain point in time but instead, consumers rely on their associations with brand's overall ethical performance.

Practical Implications

Our studies presented a global perspective about how consumers evaluate Fair Trade-certified products that are regularly available in the marketplace. Contrary to previous research in this domain, we did not emphasize Fair Trade through any advertising statements in particular, since we wanted to replicate as much as possible real life situations to better understand consumers' genuine behavior. The images used were from existing products in the market as also the Fair Trade certification was placed next to other on-package information elements such as the brand name, ingredients information resembling as much as possible current marketing practices. Our findings provide insights to corporations and NGOs about the importance of acknowledging marketplace conditions and consumers' specifications before launching products with particular ethical concerns as most likely this attribute information will not be taken into account during consumers' purchasing decisions. We also advise public policy makers of the urgency of targeting communication efforts towards delivering more and better information about Fair Trade and other certification

systems of this kind so that knowledge disparities are reduced across markets. Additionally, we advise companies wanting to communicate CSR efforts through product labeling about the role of the ethical attributes in enhancing or decrementing the evaluation of on-package information and how brand perceptions affect consumers' behavior.

This research provides evidence that at specific levels of consumer expertise there are untapped market opportunities for Fair Trade-certified products. Our findings can help marketers identify the circumstances under which ethicality plays a role. For instance, in low Fair Trade knowledge markets there is a lack of awareness about the Fair Trade concept and its connection with companies' CSR practices (Study 1). This provides therefore opportunities to establish a range of public policy and consumer advertising campaigns both in the media and on-site locations such as grocery and specialty stores, schools, and other privileged sites. In more mature markets or in markets with higher Fair Trade awareness our findings indicate that consumers indeed care about Fair Trade issues but derive greater benefits of the certification on less familiar brands. This scenario is largely supported by our Study 2 and Study 3 results. This research then provides some insights on how companies can expand their business and find efficient ways to maximize the use of the ethical certification in existing products or start fresh, by taking advantage of the Fair Trade labeling on unknown brands.

Limitations and Further Research

We acknowledge the fact that more research is needed to evaluate the implications of our findings in markets with distinct pro-social levels. Although in Study 2 and Study 3 the mean score of our Fair Trade knowledge sample was high, it seems that there is an opportunity to test our propositions in more homogeneous markets where internal values and CSR actions are standard priorities across the population such as in the Scandinavian

markets. Alternatively, it would also be interesting to examine how the findings obtained in our studies would extend to specific consumer segments such as those “green consumers” that have high expertise with ethical and green products (e.g., organic products) and where the ethical attribute information is tied into the brand’s equity. Also, the mean age of the target population in our studies varied considerably, opening an avenue for research about whether younger consumers (Study 2 and Study 3) may be better educated towards CSR practices and thus, more prone to look beyond the familiarity of a brand package to recognize ethicality in a product.

Our findings are also likely to generate a number of future research opportunities. First, at the corporate level, to address the relative potential of turning brands’ CSR positioning into the mainstream by letting the ethical reputation to co-exist subtly in the background at the core of the business positioning rather than reinforcing it through extensive advertising.

Second, at the certification level, to extend the product ethicality literature that addresses how consumers often trade-off ethical attributes with self-interest performance attributes (Du, Bhattacharya, and Sen 2007; Luchs et al. 2010; Pelozo, White, and Shang 2013; Sen et al. 2001; White et al. 2012). For instance, to explore whether ethical certification that is positioned on other contexts such as high-end products and services like classy hotels, restaurants (e.g., gourmet food) and clothing stores constitutes a better shopping aid that signals uniqueness and thus, represents added value for the consumer while benefiting society as well.

Finally, more research is needed to help brands and marketing researchers examining what information cues consumers look into to and what inferences they make to lead them saying: I will buy this product because it looks right!

CHAPTER 3

IS IT SEXY TO BE SUSTAINABLE? THE IMPACT OF ETHICAL CLAIMS AND PRODUCT CONGRUENCY.

The person who has lived the most is not the one with the most years but the one with the richest experiences.

Jean-Jacques Rousseau (1712-1778)

A great portion of ethical consumption research attention has been devoted to understand the kind of trade-offs consumers engage when making decisions, to explain the attitude-behavior gap underlying ethical consumption. Previous literature in this domain has focused on ethical appeals (Peloza, White, and Shang 2013), self-benefit product interests (Obermiller 2009; Shavitt 1990) and the use of explicit strength guarantees to overcome the lack of product performance perceptions (Luchs et al. 2010). Findings from this previous literature reveals that despite that ethicality is regarded positively, products characterized by its ethical attributes are not always associated with taste nor drive product preference (Obermiller 2009).

While sustainable products may be associated with having natural and simpler attributes (e.g., fruits and vegetables) that provide consumers with healthy experiences, high caloric and processed products (e.g., sodas) on the other hand, may be less associated with sustainability. Instead, this type of products are characterized as having more sophisticated-related attributes that provide consumers with hedonic pleasures (Deng and Srinivasan 2013).

Since human nature is bounded to maximize pleasure and to avoid the pain associated with less fortunate events (Kahneman and Sudgen 2005), the focus on personal benefits is a vital aspect to promote ethical consumption. In order to stimulate positive consumer attitudes

towards social and environmentally friendly products and services (e.g., organic products, local sourcing, sustainable dining), it becomes then important to examine the trade-off mechanisms used by consumers when deciding to consume/ not consume an ethical product. This will allow us to ultimately understand how personal versus social and environmental interests are weighed in order to fulfill other consumption interests, namely enjoyment.

The present research extends prior work that evaluated the relationship between ethicality and product performance (Luchs et al. 2010), unhealthiness and taste intuitions (Raghunathan, Naylor, and Hoyer 2006). Also, on brand-cause fit perceptions (Strahilevitz and Meyers 1998; Strahilevitz 1999) and the purchasing of ethical products through guilt manifestations (White, McDonnell, and Ellard 2012; Zhang, Winterich, and Mittal 2010). Despite all this previous work on the topic of ethical consumption no studies have addressed to our knowledge the analysis of the impact of ethical claims' strength on the promotion of food products of different nature. We suggest that consumers will derive a greater ethical advertising benefit from simple products and related services high on natural properties that may deliver health-giving experiences (e.g., breakfast bars). On the other hand, less ethical advertising claims will benefit more sexy and sophisticated products and related services when consumers' ultimate goal is hedonic enjoyment (e.g., happy hour bars). Specifically, we argue that the perceived value of ethicality on a given product category is dependent on consumption expectancies of different nature and this relationship is mediated by enjoyment perceptions.

ETHICAL CONSUMPTION CONTRIBUTIONS

The present research makes two important contributions to the marketing literature and the research on ethical consumption. First, we propose a framework that endorses how ethical claims may influence perceptions of quality, enjoyment and affect the actual taste of products. We examine these constructs in the context of goal striving. That is, when simple versus sophisticated consumption goals are activated. For instance, simple and more natural products free of pesticides and sourced locally have been generating a great interest on consumers who are increasingly more concerned about the positive health benefits that these types of products deliver. At the stores, ethical-related including organic labeling schemes are often used by brands to promote and sell certain types of products on the basis of these and other perceptual benefits positioned on quality, taste and external appeal benefits, with wide consumer acceptance (Grankvist, Lekedal, and Marmendal 2007).

Yet, on the other side of the consumption spectrum there is a range of products and related services that communicate the possibility of individuals to engage in more fun and exciting experiences, and for which they may be reluctant to compromise on hedonic enjoyment. Therefore, it is reasonable to assume that for more elaborated and to a certain extent more sophisticated products, using ethical claims to promote this type of goods may be detrimental. Instead of having a positive impact, the ethical claims may instead generate a set of inference bias towards its consumption. We extend the literature on lay beliefs and inference-making (see Broniarczyk and Alba 1994; Sujan and Dekleva 1987) by examining across four experimental studies how consumers subscribe to the notion that “mixing

business with pleasure” may not always be the right strategy when trying to promote ethical consumption.

THEORY AND HYPOTHESES

Ethical decision-making involves trade-offs between moral beliefs and less noble goals that serve a traditional marketplace utility approach of fulfilling individual desires (Baron and Spranca 1997). As a result, when confronted with other attributes such as quality or price, consumers often neglect ethical attributes (Batson, Thompson, and Chen, 2002). Social psychologists describe the phenomenon of ethical decision making as a dichotomous situation where people claim they are committed to the principle of ethicality (here also referred to as sustainability) but their attitudes and decisions suggest otherwise (Ehrich and Irwin 2005). Unlike traditional decision making contexts, consumers’ expressed attitudes often do not match their purchase intention, suggesting contradicting behaviors between ethical values and actual choices (Ehrich and Irwin 2005). The attitude-behavior gap is therefore, a prevailing theme among the ethical decision-making literature.

How consumers judge products based on its ethicality benefits is of utmost importance to many retailers and distributors whose investment in products with corporate responsibility concerns may mainly satisfy a segment of consumers perceived as ethical consumers (Bezawada and Pauwels 2013). The focus of this research is in understanding how the mainstream consumer (e.g., the type of consumer who is usually less informed about the ethical constituency of products) reacts and infers meaning from these ethically advertised products. This is relevant since ethical consumers are mainly represented by a small set of shoppers who are highly informed about the latest trends on health and wellness. More important, these consumers are aware of the ethical benefits of products typically found in

eco and organic-labeled food product categories (Bezawada and Pauwels 2013; Galarraga and Markandya 2004; Zanolini and Naspetti 2002). Exploring how these ethicality benefits impact the product evaluation process of mainstream consumers and may enhance their wellbeing becomes important to be assessed.

Perceived trade-off benefits between ethical and conventional attributes

Prior literature examining consumers' ethical decision-making focused primarily on the positive spillover effects of ethical attributes on consumers' product reactions leading to subsequent ethical consumption decisions (Brown and Dacin 1997). More recent research however, suggested the existence of boundary conditions to these assumptions (Nan and Heo 2007; Sen, Sankar, and Bhattacharya 2001). This recent ethical decision-making literature proposed instead that, consumers' reactions to ethical attribute information are not always linearly explained but are dependent on, (1) a set heuristics made with credence attributes of this type that are not directly observable (Raghunathan et al. 2006; Singh, Iglesias, and Batista-Foguet 2012); and on (2) a set of inferential processes about how ethical attributes interfere with the most valued benefit for the product category in question (Luchs et al 2010).

According to lay theories about missing and available attribute information cue utilization in product evaluation involves making inferences about characteristics of the product that are not available at the moment of making a purchasing decision (Broniarczyk and Alba 1994). The nature of inferences made, in turn, is driven by consumers' beliefs generated internally, through personal experience or externally, through socio-cultural beliefs (Raghunathan et al. 2006).

Ethical attributes are examples of credence quality cues pertaining to the product's ethical attributes (e.g., its authenticity) that are not visible even after experiencing the product but that have an impact on perceptions about the functionality of products (Singh et al. 2012). For instance, research evaluating the impact of ethicality on product performance revealed

how lay beliefs about ethicality issues are likely to interact with consumers' evaluations of other self-benefit product interests driving choices (Peloza et al. 2013). Also, Luchs and colleagues (2010) showed that ethical products are often perceived as less efficient in product categories where strength is especially valued (e.g., hand sanitizers, car shampoo). However, in categories where gentleness is valued more (e.g., baby shampoo) ethicality is considered an advantage. Because ethicality is related with feelings of compassion and sacrifice for others, consumers often perceive companies engaging in social and environmental practices to be more condescending and generous. Thus, more likely to sacrifice functional performance attributes (Sen et al. 2001). The lay theory proposed is the existence of an inverted correlation between ethicality and product strength.

Concurrently, research examining the influence of congruency on brand and corporate social responsibility (CSR) positioning (Du, Bhattacharya, and Sen 2007; Ellen, Webb, and Mohr 2006; Obermiller 2009), suggest the importance of brand – cause fit on consumers' perceptions and acceptance of products with social and environmental concerns (Barone, Norman, and Miyazaki 2007; Dacin and Brown 2002; Pracejus and Olsen 2004; Strahilevitz and Meyers 1998, Strahilevitz 1999). Also, retailers and brands may benefit from promoting ethical labels (e.g., eco and organic labeling) on products more in line with sustainability issues like natural and minimally processed food products - typically found in produce, dairy and poultry (Bezawada and Pauwels 2013; Davies, Titterington, and Cochrane 1995; Grankvist et al. 2007). Following the Rokeach's value theory (1968), researchers in this domain suggest that consumers' adoption of ethically-labeled products is largely motivated by its association to its virtuous (e.g., wholesomeness) benefits. Whereas less ethical products are associated with holding more vicious (e.g., hedonic) benefits (Chernev and Gal 2010; Dhar and Wertenbroch 2000; Wertenbroch 1998).

The importance of food product evaluations on consumption motivations has also been documented in research examining the sensory implications of the perceived attractiveness of foods on hunger and taste (Imram 1999; Vartanian, Herman, and Wansink 2008). While until the 1960's it was believed that food intake was regulated essentially by internal physiological signals (e.g., people ate when they were hungry and stopped when they were satiated). Today, research findings provide alternative explanations for people's food intake (Vartanian et al. 2008). These include for example the influence of sensorial perceptions set by associations with product attributes about the (un)pleasantness of the food (Ariely and Norton 2009).

According to Deng and Srinivasan (2013) while plain foods are usually less appealing yet consumed essentially for health-giving goals, more sophisticated foods are visually more appealing and likely to cause indulgence. Researchers in this domain even suggest that consumers implicitly associate unhealthy foods with more fun and exciting attributes whereas healthy foods are associated more with more salubrious and serious attributes (Raghunathan et al. 2006).

The inferential mechanisms set by consumers' implicit associations with ethical products and related services that offers them more versus less pleasure is the basis of the present research. Despite all this prior valuable research having assessed consumption decisions in regard to healthful and/or ethical concerns, to best of our knowledge there is still a gap in the marketing literature that looks into the efficiency of ethical claims in enhancing consumers' quality and enjoyment perceptions. Also, how consumers are willing to pay a premium for products and services of different nature.

We therefore propose that the impact of promoting ethical claims on food and beverage categories that are more (versus less) congruent with sustainability is worth being explored as it is likely to have a direct influence on consumption decisions as consumers are bounded to

maximize the utility of their choices. Using the same reasoning from the aforementioned literatures we add that while ethical products/ services may be associated with having more natural and simple attributes, less ethical products/ services will be judged as having more “sophisticated and sexy” attributes, and consumption deliberations will vary based on this ethicality congruence factor (Luchs et al., 29).

Thus, our first hypothesis is:

H_{1a}: Compared with less ethical products/ services, high ethical products/ services will be linked more with simple and natural attributes.

H_{1b}: Compared with high ethical products/ services, less ethical products/ services will be linked more with sophisticated and exciting attributes.

The influence of ethical claims on consumption expectancies

The extent that ethical claims succeed in getting people’s attention, the acceptance and choice of products that carry ethical attributes depends on whether these personally satisfy consumers. In the context of food consumption, research has shown that product-choice decisions vary as a function of the type of goal that is activated (Bettman, Luce, and Payne 1998). Similarly, research on ethical consumption has shown that the core value of ethical goods lies in the increased level of “perceived healthfulness, hedonism, environmental friendliness and food safety” (Bezawada and Pauwels 2013, 33). This suggests that the influence of ethical attribute information on consumers’ expectancies is the result of prior experience and/or the influence of goal striving on the willingness to experiment a product (Ariely and Norton 2009).

The impact of consumption expectancies has been documented in various research streams (see Fiske and Taylor 2008), including the impact of health labeling information and

appearance on enjoyment expectancies (Levin and Gaeth 1988; Wansink and Park 2002). For instance, in a study performed by Raghunathan et al. (2006), who assessed the impact of consumers' enjoyment perceptions and actual taste in the context of high-and-low food calorie appearance, when consumers were exposed to food that was portrayed as less healthy, their intuitions led them to believe that the food tasted better as opposed to the food that was presented as healthy. In the same study, when participants were asked to select between two alternatives that were more versus less healthy, those foods that were perceived as less healthy were preferred more as the hedonic appeal appeared to be more salient. The hedonic consumption literature (Alba and Williams 2013) even suggests that the impact of consumer expectancies on perceptions is almost more powerful than the actual consumption of products or services as individuals look to confirm their beliefs even without having experience with a product in the first place (Ariely and Norton 2009).

In a similar line of argumentation, the information framing literature (see Levin 1987; Levin and Gaeth 1988) documents cases where the exposure to ads that precedes firsthand experience has a significant impact on product evaluations (see Hoch and Ha 1986) since the impact of an information frame is reduced when consumers already have experience with a product (Anderson 1981; Shanteau 1988; Troutman and Shanteau 1976).

In the context of ethical or sustainable advertising, the use of ethical appeals to convince consumers to choose consciously has also been documented in research assessing on self-standards accountability (Stone and Cooper 2001; Pelozo et al. 2013;) and anticipated guilt manifestations (Cotte, Coulter, and Moore 2005; Strahilevitz and Meyers 1998; White et al. 2012; Zhang et al. 2010). These studies analyzed consumers' cognitive and affective responses towards products promoted through high versus low ethical appeals (Auger, Louviere, and Burke, 2008; Pelozo et al. 2013). Findings revealed that rather than just focusing on social norms (e.g., CSR), communicating ethical appeals that subtly activate

internal norms and values are likely to generate more positive reactions and sense of personal obligation towards ethically certified products. On the other hand, increasing the level of persuasiveness of ethical appeals can also lead to negative consumer reactions (e.g., annoyance) to the advertised communication message (Brehm 1966; Brehm and Brehm 1981) and consequently, less guilt for not acting in an ethical manner (Coulter and Pinto 2005).

The present research is closely related with this prior research in that we also examine how the perceived value of low versus high ethical claims may interfere with other valuable attributes in a product category (e.g., simple versus sophisticated-related attributes) and how the attractiveness of healthy (versus unhealthy) food options affects quality perceptions, enjoyment and, consequently, consumers' willingness to pay for an ethical alternative.

However, we propose a new facet that enhances consumer responses to products promoted using ethical appeals, which is the extent to which the interpretation consumers hold about a product or event will ultimately motivate their consumption experience. As referred before, since some consumers may not have perfect knowledge about ethical or sustainability issues, they are likely to infer meaning (Broniarczyk and Alba 1994) from products/services that carry ethical attributes. Making in turn, positive or negative associations with other attribute information that may/ may not favor their anticipated experience (Alba and Williams 2013; Kahneman and Sudgen 2005). According to evolutionary psychologists there is also evidence that social and environmental products are associated with less enhanced taste, unsweetened and less salty palates. However, more elaborated and sophisticated attributes have been associated with more fatty and sweetened foods, such that "doughnuts taste better and elicit more pleasure than spinach" (Griskevicius, Cantú, and van Vugt 2012, 116).

Following this reasoning, we argue that as long as hedonic food options are easily available and affordable, ethical claims may cause more harm than good as consumers may not be willing to be involved in ethical deliberations in circumstances whereby they anticipate fun and enjoyment (Raghunathan et al. 2006). Specifically, we argue that in circumstances that favor more healthful pursuits, the perceived product-ethicality congruency is enhanced but in circumstances that favor pure indulgence or entertainment, the value of ethicality is mitigated to a point where in some circumstances consumers are even willing to pay more for less ethical options. This leads to the following hypotheses:

H_{2a}: Products/ services promoted through ethical claims have: higher quality perceptions, higher enjoyment, higher willingness to pay, but this relationship is stronger when simple-related attributes are valued.

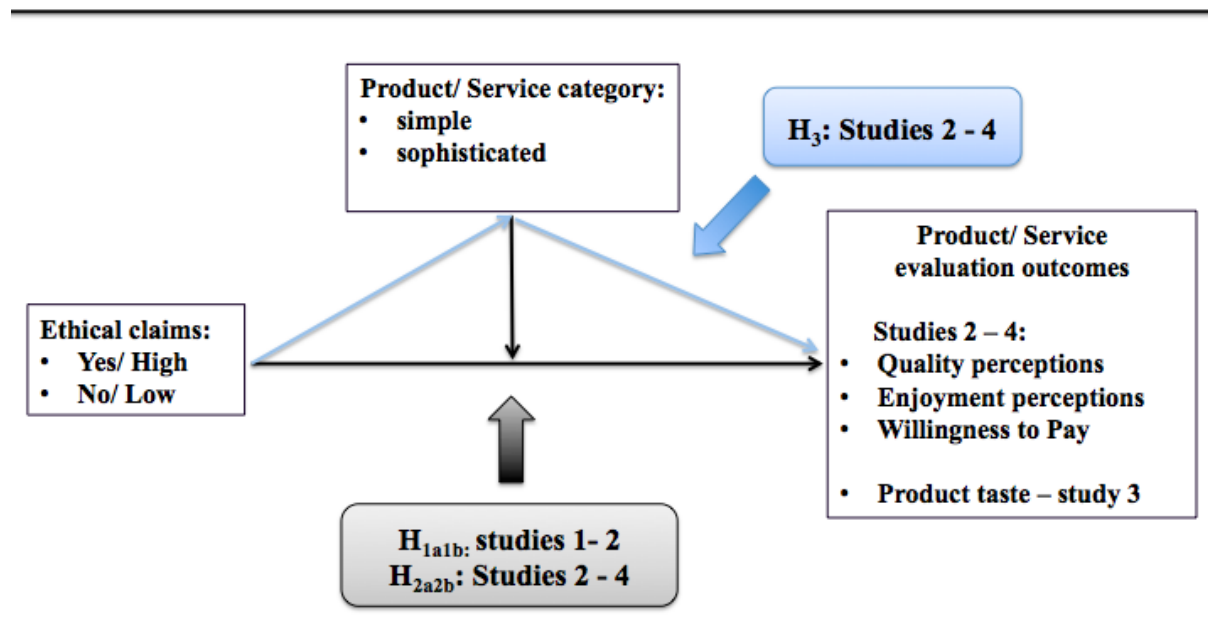
H_{2b}: When sophisticated-related attributes are valued, the benefit of advertising ethical claims on product/ service evaluations is mitigated, to a point where consumers may be willing to pay more for less ethical products/ services.

We expect that the theorized effects in the previous hypotheses H_{2a} and H_{2b} are also impacted by the enjoyment expectancies. Specifically, we predict that the impact of promoting ethical claims on products of different nature will be mediated by consumers' enjoyment perceptions, which too is used as a mediator:

H₃: The above-mentioned effects will be mediated by enjoyment perceptions.

This leads then to the conceptual framework presented in Figure 3.1.

Figure 3.1. Conceptual Framework: The Impact of Ethical Claims on Simple versus Sophisticated-related *Product/ Service* Categories.



The conceptual framework presented above proposes that the advertising impact of ethical claims on general products/ services’ evaluations will be moderated product/ service category (H_{1ab} and H_{2ab}) and further mediated by enjoyment perceptions (H₃).

Our hypotheses are tested across four studies. Our preliminary first study assesses consumers’ categorization of products and services that vary in simplicity – sophistication and its congruency with sustainability. The three studies that follow examine how advertising ethical (versus less ethical) claims on simple versus sophisticated *food & beverage* categories, impact the dependent variables of interest, namely: quality and enjoyment perceptions, willingness to pay (study 2-4) and actual taste (study 3).

STUDY 1: CATEGORIZATION OF PRODUCTS

The purpose of this preliminary first study was to examine participants' perceptions of product category types that have a greater (versus lower) congruency with ethicality issues and to examine how the simplicity – sophistication dyadic categorization of products/services would support the assumptions underlying our hypotheses.

Design, Stimuli and Procedure

Thirty six graduate students (27 female, 9 male, mean age range = 19 – 24) participated in an online experiment simulation via a Qualtrics interface for course credit. We started by providing students with brief definitions about the simplicity and sophistication constructs. Participants read the following descriptions:

Simplicity is the state or quality of being simple. It is often referred as the freedom from complexity. In some uses, simplicity can be used to imply purity or clarity. Based on natural principles.

Sophistication on the other hand, is the state of lacking natural simplicity. To make the natural more complex and inclusive. Sophistication may also be referred to the appeal of the senses and is related to experimentation, enthusiasm and emotional gratification.

Then participants were then asked to categorize words and statements according to their perceptions about the simplicity (versus sophistication) dimensions as they appeared on the screen. We used 24 attributes adapted from Obermiller (2009) and Luchs et al. (2010) related to simplicity and sophistication dimensions, namely (i) words and statements related to more/less sustainable firms (“small local firms”, “large national and international firms”, “socially responsible firms”, “self centered firms”, “sustainable development,”) (ii.) words

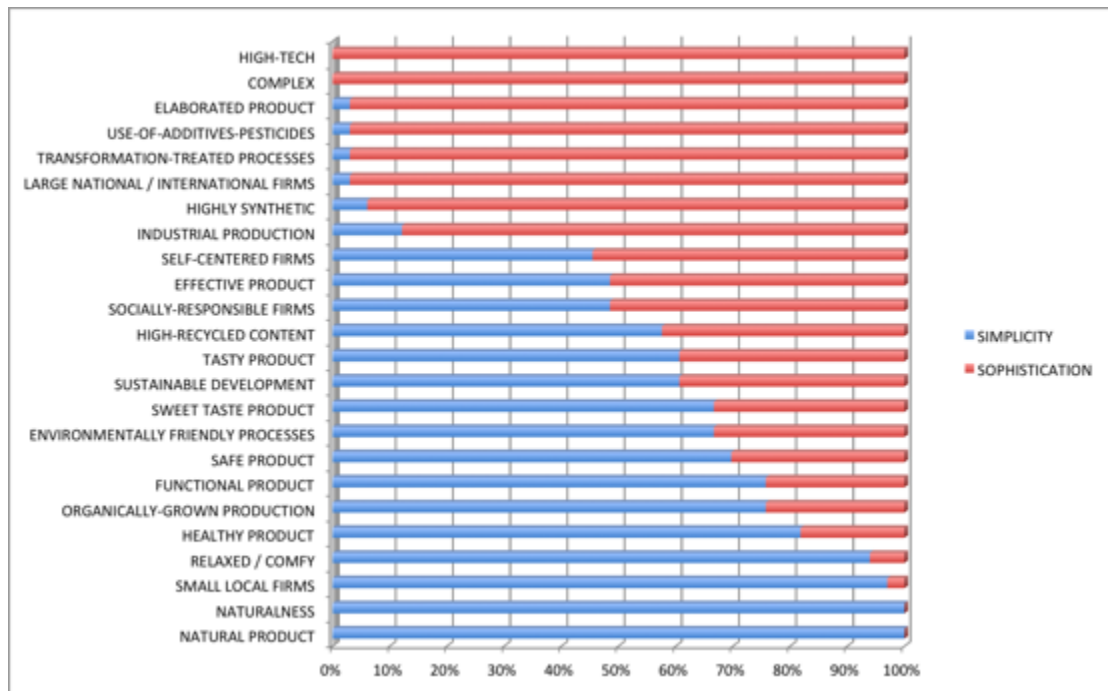
and statements related to more/less sustainable production processes (“industrial production,” “organically-grown production,” “environmentally friendly processes,” transformation and treated processes,” “use of additives and pesticides,”) (iii) words and statements related to more/less sustainable product types (“functional product,” “tasty product,” “safe product,” “effective product,” “healthy product,” “sweet taste product,” “natural product,” “elaborated product,”) (iv) words and statements related to more/less sustainable adjectives (“high-recycled content,” “highly synthetic,” “naturalness,” “complex,” “relaxed-comfy,” and “high-tech,”). We then computed the mean scores for each word or statement according to the category they were assigned.

Next, participants were asked to classify a total of 20 macro product and service categories by asking them “overall, how do you rate these goods and services in terms of its simplicity and sophistication attributes?” on a 7-point rating scale adapted from Coelho do Vale and Duarte (2013), (1 = very simple, 7 = very sophisticated). These included groceries, clothing and personal care products, hospitality services and other, which for the purposes of the current research we will only refer to food products and service types.

Results

As seen in Figure 3.2. the words and statements that were more in line with participants’ perceptions about the simplicity factor were “natural product,” “naturalness,” “small local firms,” “relaxed/comfy,” “healthy product,” “organically-grown production,” “functional product,” “safe product,” “environmentally-friendly processes,” and “sweet taste product.” For the sophistication dimension the words and statements that were more in line with consumers’ perceptions this factor were “high-tech,” “complex,” “elaborated product,” “use of additives and pesticides,” “transformation/treated processes,” “large national and international firms,” “highly synthetic,” “industrial production.”

Figure 3.2. Participants' Perceptions about Simplicity and Sophistication Dimensions.



Regarding the dyadic simplicity-sophistication categorization of products and services, results indicate that for groceries, tea ($M = 3.42$, $SD = 1.58$) was considered the simplest product. Chocolate ($M = 4.27$, $SD = 1.55$) and cola beverages ($M = 4.79$, $SD = 1.56$) were amongst the most sophisticated ones. Regarding the assessment evaluation of hospitality services ratings were almost identical with breakfast bars ($M = 4.55$, $SD = 1.42$) rated as the simplest of the three hotel bar types assessed, followed by snack bars ($M = 4.76$, $SD = 1.35$) and happy hour bars ($M = 5.91$, $SD = 1.01$) as the most sophisticated one.

Discussion

The results from the first preliminary study indicate that more natural, comfortable and functional type of products sourced from small local firms are considered simpler and healthier than products that are more elaborated, processed and sourced from large national

and international firms, which in turn, are considered more sophisticated. Along with the dyadic simplicity - sophistication product and service categorization these results provided us with enough support for selecting our products in study 2.

STUDY 2: THE IMPACT OF ETHICAL CLAIMS ON PRODUCT CATEGORIES FEATURING SIMPLE AND SOPHISTICATED-RELATED ATTRIBUTES

The objective of study 2 was to assess the impact of ethical (versus less ethical) claims on product categories that vary in their level of simplicity and sophistication. In order to test the underlying premises we gathered participants' responses to beverage products identified in the preliminary study 1 ($N = 36$) as being simple and sophisticated.

Design, Stimuli and Procedure

Two hundred and fourteen graduate students (133 female, 81 male, mean age range = 19 - 24) were invited to participate in an online experiment simulation via a Qualtrics interface in exchange of course credit. The study followed a 2 (ethical claim: yes, no) x 2 (product category: simple versus sophisticated) within - between subjects design. The hypothesized impact of the ethical claims along with the moderating effect of product category type was tested on three dependent variables: product quality perceptions, enjoyment perceptions and willingness to pay. These were our three dependent variables. Participants were first given the information that an advertising agency was running a local campaign for a large distributor of goods and wanted their feedback concerning the print ads that was developing. Ads for beverage products were shown and participants were asked to review them carefully. We selected tea and a regular cola beverage as the stimuli products

since these were the ones previously identified in the preliminary study as being simpler and more sophisticated respectively. All advertising layouts were identical containing a message appeal specifically positioning products on ethical versus regular attributes (our control condition). The ethical claim was experimentally manipulated on the ad as well as product category, which included images of the products developed by fictitious brands. Each participant was exposed to both a simple and a sophisticated product with and without an ethical claim. After that, participants were asked to answer series of questions related with our dependent measures. Since order of presentation of the stimuli was random, we treated each product evaluation as an independent observations, leading to a total of 428 evaluations.

Dependent Measures

Manipulation checks. In order to manipulate ethical claims (yes, no) we borrowed a procedure from Luchs et al. (2010), using verbal labels that described beverages as being certified by a (fictional) standard called the social, environmental and trade certification (SET). Information about this certification was said to be attributable to business that carried in their set of practices social, environmental and trade concerns such as the fair trade treatment of staff, sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community. Additionally, the ethical claim referred that by consuming the advertised product participants would be actively involved in helping developing communities in need (see appendix 2.A. for a description of stimuli). For our control condition, the framing enhanced self-benefit product characteristics, a manipulation borrowed from Pelozo et al. (2013).

All the variables were assessed using a 7-points scale. After exposure to each ad we asked participants to rate the products they had just seen.

Product quality perception was assessed by asking participants to provide an overall quality evaluation of the products' intrinsic and extrinsic characteristics (5 items bipolar scales, "unsophistication – sophistication," "unnatural – natural," "low priced – high priced," "low taste – high taste," "low quality – high quality," $\alpha = .88$) adapted from Kamins and Marks (1991) and Luchs et al. (2010).

Overall enjoyment perceptions. After the product quality evaluation this task we asked participants about how much they expected to enjoy the products presented using two items ("How tasty do you think this product to be?" and "How much do you think you would enjoy this product?" 1 = not at all, 7 = very much, $r = .85$), adapted from Raghunathan et al. (2006).

Willingness to pay. Our third dependent variable was *willingness to pay measure* (WTP) that is strongly correlated with actual paying behaviors, being therefore an appropriate measure to assess the overall level of interest of participants in products promoted using ethical claims.

Results

Analysis of the *manipulation checks* indicated that both our manipulations were successful, with participants in the ethical claim condition identifying products to be more sustainable than participants in the no ethical claim condition ($M_{\text{ethical_claim}} = 4.63$ vs. $M_{\text{no-ethical_claim}} = 3.17$; $t(427) = 11.629$, $p < .001$).

In order to re-test H_{1a} and H_{1b} , and using the control condition (no ethical claim) to check if consumers associate ethical products with simple (versus more sophisticated-related) attributes and that less ethical products are linked with more sophisticated (versus simple-related) attributes, we conducted a t-test analysis. Results revealed that participants rated the tea, to be more sustainable than the cola beverage ($M_{\text{simple}} = 4.31$ vs. $M_{\text{sophisticated}} = 3.46$; $t(427) = 5.89$, $p < .001$), providing statistical evidence consistent with H_{1a} and H_{1b} , respectively.

In order to test H_{2a} and H_{2b} we conducted a multivariate analysis of variance (MANOVA) on our three dependent variables. Our H_{2a} predicts that ethical claims will have a particular enhancement effect on products carrying simple-related versus sophisticated-related attributes. Conversely, H_{2b} predicts that when sophisticated-related attributes are valued, the benefit of advertising ethical claims on products is neutralized. In some situations consumers are even willing to pay more for less ethical products.

Results revealed an ethical claim main effect on both product quality perceptions ($F(1, 428) = 106.76, p < .001$) and WTP ($F(1, 428) = 26.48, p < .001$), with participants rating products promoted through ethical claims more favorably than without (product quality perceptions: $M_{\text{ethical-claim}} = 4.25$ vs. $M_{\text{no-ethical-claim}} = 3.24; t(427) = 13.62, p < .001$), WTP: $M_{\text{ethical-claim}} = 3.70$ vs. $M_{\text{no-ethical-claim}} = 2.94; t(423) = 4.52, p < .001$). We also obtained a significant product category main effect on the three dependent variables - on product quality perceptions ($F(1, 428) = 282.19, p < .001$), on enjoyment perceptions ($F(1, 428) = 48.22, p < .001$) and on WTP ($F(1, 428) = 5.59, p < .05$). Results revealed that overall, simple beverage products such as tea were more positively evaluated than more sophisticated ones like cola on product quality perceptions ($M_{\text{simple}} = 4.56$ vs. $M_{\text{sophisticated}} = 2.97; t(427) = 15.28, p < .001$), on enjoyment perceptions ($M_{\text{simple}} = 3.96$ vs. $M_{\text{sophisticated}} = 3.12; t(427) = 6.58, p < .001$), and on WTP ($M_{\text{sophisticated}} = 3.49$ vs. $M_{\text{simple}} = 3.08; t(423) = 2.39, p < .05$).

More importantly a significant ethical claim x product category interaction effect was also observed for all the three dependent variables, on product quality perceptions ($F(1, 427) = 4.04, p < .001$), on enjoyment perceptions ($F(1, 428) = 16.92, p < .001$) and again on WTP ($F(1, 428) = 35.10, p < .001$). Findings corroborated with our H_{2a} predictions revealing that participants rated the tea framed with the ethical claim more positively than when no ethical claim was used (product quality perceptions: $M_{\text{simple, ethical-claim}} = 4.97$ vs. $M_{\text{simple, no-ethical-claim}} = 4.19, SD = 1.52; t(201) = 5.38, p < .001$), enjoyment perceptions: $M_{\text{simple, ethical-claim}} = 4.22$ vs.

$M_{\text{simple, no-ethical-claim}} = 3.72$; $t(201) = 8.46$, $p < .01$, WTP: $M_{\text{simple, ethical-claim}} = 4.00$ vs. $M_{\text{simple, no-ethical-claim}} = 2.21$; $t(197) = 7.95$, $p < .001$).

However, when we tested H_{2b}, findings showed unexpected results. Analysis of the results obtained from the product quality perceptions' dependent variable showed that participants' ratings of the cola beverage promoted with an ethical claim was also considered to more positive than when no ethical claim was used ($M_{\text{sophisticated, ethical-claim}} = 3.59$ vs. $M_{\text{sophisticated, no-ethical-claim}} = 2.44$; $t(224) = 9.31$, $p < .001$) not supporting therefore our H_{2b} that predicts that ethical claims do not benefit sophisticated products. Yet, for the remaining dependent variables results showed to be consistent with H_{2b} predictions. That is, participants perceived the cola beverage promoted without the ethical claim as being more enjoyable than when an ethical claim was present (enjoyment perceptions: $M_{\text{sophisticated, no-ethical-claim}} = 3.36$ vs. $M_{\text{sophisticated, ethical-claim}} = 2.83$; $t(224) = 2.92$, $p < .01$). The ethical claim benefit was also mitigated to a point where no significant differences were observed in participants' willingness to pay for the cola beverages promoted with or without the ethical claim (WTP: $M_{\text{sophisticated, ethical-claim}} = 3.42$ vs. $M_{\text{sophisticated, no-ethical-claim}} = 3.55$; $t(224) = -.55$, NS), supporting therefore H_{2b} (see table 3.1. for detailed results).

Table 3.1. The Impact of Ethical Claims on Simple versus Sophisticated *Product* Categories' Evaluations: Study 2

	ethical claim		no ethical claim		ethical claim main effect	Product category main effect	ethical claim x product category
	Simple (n = 50)	Sophisticated (n = 52)	Simple (n = 51)	Sophisticated (n = 61)	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 2: (N = 214)							
Product quality perceptions	4.97 (.8)	3.59 (1.0)	4.19 (.8)	2.44 (1.2)	106.76***	282.19***	4.04*
Enjoyment perceptions	4.22 (1.1)	2.83 (1.2)	3.72 (1.3)	3.36 (1.5)	.016	48.22***	16.92***
WTP	4.00 (1.8)	3.42 (1.6)	2.21 (1.4)	3.55 (1.8)	26.48***	5.59*	35.10***

Note: *** $p < .001$, ** $p < .01$, * $p < .05$, + $p \leq .1$; standard deviations are presented between parentheses.

Mediation. We tested for simple mediation (Hayes 2012, Model 4) to examine hypothesis 3, the mediating effects of enjoyment perceptions on consumers' judgments of products promoted with and without ethical claims, namely on product quality perceptions and WTP. We included ethical claims (yes vs. no) as the predictor variable in the model, followed by enjoyment perceptions as the mediating variable, and product quality perceptions as the outcome variable. When we tested for the conditional indirect effects (based on 5,000 bootstraps) the relationship between the ethical claims and our outcome variables through the mediator did not yield any significant results. Similar results were encountered when we included the WTP as the outcome variable. Further tests were conducted and interestingly when we used a moderated-mediation model (Hayes 2012, Model 8) to test the mediating effects of enjoyment perceptions on the relationship between ethical claims and product quality perceptions at both levels of the moderator - product category, we obtained significant results. According to the moderated-mediation literature when mediation is moderated, the indirect effect through which a predictor exerts its effect on an outcome variable depends on the value of one or more moderators (Hayes 2012). In the model we included the ethical claim as the predictor, enjoyment perceptions as the mediating variable, product category (simple vs. sophisticated) as the moderator and the product quality perception dependent variable as the outcome variable. Testing of the conditional indirect effects (based on 5,000 bootstraps) confirmed that the mediating effect between ethical claims and product quality perceptions through enjoyment perceptions was moderated by product category. Zero did indeed fall outside the interval ($\beta = -.28$, $SE = .07$, 95% confidence interval (CI): -0.4216 and -0.1646) and the index of moderated-mediation was negative, providing not only statistical evidence of successful moderated-mediation, but also that enjoyment perceptions

decreased as the level of sophistication for that the product category increased. That is, participants perceived to have higher enjoyment when ethical claims were used to promote the tea than the cola. We found similar results for the WTP outcome variable ($\beta = -.32$, $SE = .09$, 95% confidence interval (CI): -0.5223 and -0.1697), not providing evidence consistent with H₃ but confirming our assumptions that when the level of sophistication increases on a product the ethicality benefit may instead be seen as a disadvantage as chances that it will compromise the products' ratings.

Discussion

This second study tested how consumers' judgments vary as a function of the ethical claims and the moderating role of product category in that relationship. Results provide interesting findings and directions since the ethical claims enhanced participants' quality perceptions of both tea and cola beverages. Yet, when enjoyment perceptions were at stake, participants showed to be more sensitive to the effects of the ethical claims on the cola than on the tea. The moderated-mediation role of product category and enjoyment perceptions corroborated our predictions. In circumstances that favored simplicity, the ethical claim seemed to enhance enjoyment perceptions of those product categories high in simple-related attributes such as in the case of tea products. Conversely, in circumstances that asked for more excitement, the ethical benefit of the claim decreased to a point where participants perceived to enjoy more the cola beverage without the ethical claim. This pattern was also reflected in participants' behaviors. Though not as salient as in perceptions about enjoyment, the ethical benefit was reduced to a point where no significant differences in participants willingness to pay for the cola beverage with and without the ethical claims. These findings provide us with valuable insights concerning the level of persuasive tactics that can be or should be avoided when trying to reach consumers and the kind of heuristics used when

exposed to ethical consumption campaigns. Study 3 explores the extent which altering the strength of ethical claims on a given product category affects consumers' evaluations and behavior towards the advertised product.

STUDY 3: THE IMPACT OF HIGH/LOW ETHICAL CLAIMS ON PRODUCT CATEGORIES FEATURING SIMPLE VERSUS SOPHISTICATED-RELATED ATTRIBUTES

In study 3 we build on the results obtained in the previous study but this time assessing how the usage of ethical claims with different strength levels (high vs. low) affects products' evaluations (simple vs. sophisticated). We included a new behavioral measure, product taste, to assess the extent that pre-exposure to different message claims influences consumers' actual taste experience. According to the ethical consumption literature consumers tend to hold *a priori* beliefs about the taste of sustainable products (Ottman 1998). Products that are more sustainable are considered healthier (unhealthier) but implicitly associated to be less tasty (more tasty) which often are likely to influence the perceived taste experience, namely enjoyment (Raghunathan et al. 2006). Building on this argument we suggest that the extent that ethical claims will exert a negative influence on consumers' impressions about taste is likely to be valid for sophisticated-related product categories only. That is, for product categories where there is less sustainability congruency and where hedonic enjoyment is a major decision criteria. Consequently, consumers are likely to be influenced by an initial taste inference bias (given by the ethical claim) before consuming the product. However, when the actual tasting takes place these "initial biasing" inferences may be overridden by simply experimenting the products (Obermiller 2009, 164). A fact that is best explained by the

literature examining the gap between consumers' perceptions and actual consumption experiences (Ariely and Norton 2009; Obermiller 2009). Following then the literature on actual consumption experiences we hypothesize that the negative inferences given by ethical claims on sophisticated-related product categories will be reduced when the actual tasting takes place. Thus our fourth hypothesis is as follows:

H₄: The initial taste inference bias of high (versus low) ethical claims on enjoyment perceptions will be reduced when the actual tasting takes place for sophisticated-related product categories, but not for simple-related products.

Design, Stimuli and Procedure

One hundred and four graduate students (female = 57, male = 47, mean age range = 19-24) participated in a lab experiment in exchange for course credit, being participants randomly allocated to each condition. The study followed a 2 (ethical claim: high versus low) x 2 (product category: simple versus sophisticated) within-between-subjects design.

Participants were presented with two stimuli featuring pictures of beverages high on simple (e.g., tea and water) or sophisticated-related attributes (e.g., regular cola and blue energy drink) and which were promoted using a high (versus low) ethical claim. After responding to the product evaluation questions such as their perceptions about the quality, enjoyment and their willingness to pay for the products shown, participants were asked to perform a tasting task. Next to the computer, were two cups identified as product A and product B (following the same product order from the previous task). Participants were asked to first taste product A and then product B and some tasting assessment questions followed. In total, participants tasted two beverages each.

Dependent Measures

Manipulation checks. The ethicality manipulation was performed on the promotional coupon used to advertise products. In the *high* ethical claim condition, the brand was labeled as having a SET certification score of 10 (maximum) whereas in the low ethical claim condition, a rating score of 5 (average) was attributed to a regular brand. Overall, brands were thus, manipulated as carrying in their set of practices either a high or low sustainability concerns.

We used the same dependent variables from study 2 - *product quality* and *enjoyment perceptions*, *willingness to pay* (WTP) and an additional measure that tested the actual taste of the products.

Product taste. This variable was assessed by asking participants to rate the beverages based on 6 items related with tasting (e.g., “I like the taste,” “I like the texture and consistency,” “It tastes better than expected,” “I like the appearance,” “I feel good (healthy) when I drink it,” “ It cheers me up,” 7 points-scale, $\alpha = .80$), a adapted from Wansink and Park (2002).

Results

We excluded four participants from the analysis for having failed the manipulation check, a procedure used by Luchs et al. (2010). This rendered us a final sample of 100 participants (female = 54, male = 46, mean age range = 19-24).

Our *ethical claim manipulation* worked as intended. When participants were exposed to the promotional coupon framed with the high ethical claim, they rated products as being more sustainable than when exposed to the products frames with the low ethical claim manipulation ($M_{\text{high-ethical}} = 4.63$, $SD = 1.65$ vs. $M_{\text{low-ethical}} = 3.73$, $SD = 1.16$; $t(198) = 4.61$, $p < .001$).

Similarly to study 2, in order to test H_{2a} and H_{2b} we also conducted a multivariate analysis of variance (MANOVA), on the three dependent variables. An ethical claim main effect was observed for the product quality perceptions dependent variable only ($F(1, 199) = 23.65, p < .001$), revealing that participants perceived products framed with high ethical claims to have more quality ($M_{\text{high-ethical}} = 4.31$ vs. $M_{\text{low-ethical}} = 3.54; t(198) = 4.63, p < .001$) than when framed with low ethical claims. A significant product category main effect was observed on all the three dependent variables (product quality perceptions: $F(1, 199) = 18.19, p < .001$), enjoyment perceptions: $F(1, 199) = 23.23, p < .001$), and on WTP: $F(1, 199) = 9.44, p < .001$), revealing that simpler beverages such as tea and water were more positively regarded than more sophisticated beverages like the cola and energy drinks (product quality perceptions: $M_{\text{simple}} = 4.30$ vs. $M_{\text{sophisticated}} = 3.60; t(198) = 4.19, p < .001$, enjoyment perceptions: $M_{\text{simple}} = 3.95$ vs. $M_{\text{sophisticated}} = 3.50; t(198) = 2.70, p < .01$), WTP: $M_{\text{simple}} = 1.72$ vs. $M_{\text{sophisticated}} = 1.26; t(198) = 3.11, p < .001$).

More importantly a significant ethical claim x product category interaction effect was observed for two of the dependent variables, namely on participants' product quality perceptions ($F(1, 199) = 6.49, p < .001$), and on enjoyment perceptions ($F(1, 199) = 8.39, p < .05$). Results indicate that participants perceived the tea and water framed with a high (versus low) ethical claim to have more quality (product quality: $M_{\text{simple, high-ethical}} = 4.85$ vs. $M_{\text{simple, low-ethical}} = 3.68; t(96) = 5.65, p < .001$), and to provide them with higher enjoyment (enjoyment perceptions: $M_{\text{simple, high-ethical}} = 4.20$ vs. $M_{\text{simple, low-ethical}} = 3.67; t(96) = 2.12, p < .05$) corroborating with the assumption that ethical products high in simple-related attributes are perceived to have more quality and to be more enjoyable when high (versus low) ethical claims are used to promote them, fully supporting H_{2a}.

In line with our H_{2b} predictions, no significant differences were found in participants' quality perceptions when exposed to the cola and energy drink promoted using high (versus

low) ethical claims ($M_{\text{sophisticated, high-ethical}} = 3.78$ vs. $M_{\text{sophisticated, low-ethical}} = 3.41$; $t(100) = 1.54$, *NS*). The biasing effect of the high ethical claim was even more salient for the products' enjoyment perceptions. That is, the benefit of advertising the ethical claim on the cola and energy drink was mitigated to a point where participants' even perceived to enjoy more these beverages when promoted with a lower than higher ethical claim ($M_{\text{sophisticated, low-ethical}} = 3.72$ vs. $M_{\text{sophisticated, high-ethical}} = 3.30$; $t(96) = 1.96$, $p = .05$), providing evidence consistent with H_{2b}.

In order to test H₄ where we predict that the initial taste inference bias of high ethical claims on enjoyment perceptions is reduced when the actual tasting takes place for sophisticated-related product categories, we conducted an analysis of variance (ANOVA).

We obtained a product category main effect ($F(1, 199) = 24.08$, $p < .001$), revealing that overall the simple products were more favorably rated than the sophisticated ($M_{\text{simple}} = 4.91$ vs. $M_{\text{sophisticated}} = 4.17$; $t(198) = 4.98$, $p < .01$). The significant ethical claim x product category interaction ($F(1, 199) = 4.13$, $p < .05$) confirmed our assumptions. While in the simple-related products' category there weren't any inference bias effects of the high ethical claim neither on enjoyment perceptions nor on the actual taste of tea and water as these continued to be more favorably rated when the high than low ethical claim was used ($M_{\text{simple, high-ethical}} = 5.11$ vs. $M_{\text{simple, low-ethical}} = 4.70$; $t(94) = 2.02$, $p < .05$); in the sophisticated-related product category, the initial inference bias effects of the high ethical claim on enjoyment perceptions was neutralized when participants tasted the products. That is, no significant differences in taste were observed for the sophisticated products when promoted with either the high or low ethical claims ($M_{\text{sophisticated, high-ethical}} = 4.07$ vs. $M_{\text{sophisticated, low-ethical}} = 4.27$; $t(100) = -.37$, *NS*), providing support for H₄ (see table 3.2. for results).

Table 3.2. The Impact of Ethical Claims' Intensity on Simple versus Sophisticated *Product* Categories' Evaluations: Study 3

	High ethical claim		Low ethical claim		ethical claim main effect	Product category main effect	ethical claim x product category
	Simple (n= 26)	Sophisticated (n= 26)	Simple (n= 23)	Sophisticated (n= 25)	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 3: (N = 100)							
Product quality perceptions	4.85 (1.0)	3.78 (1.2)	3.68 (1.1)	3.41 (1.2)	23.65***	18.19***	6.49*
Enjoyment perceptions	4.20 (1.4)	3.30 (.9)	3.67 (1.1)	3.72 (1.3)	.11	23.23***	8.39**
WTP	1.77 (1.3)	1.21 (.6)	1.68 (1.3)	1.31 (.9)	.00	9.44**	.36
Product taste	5.11 (1.0)	4.07 (1.1)	4.70 (.9)	4.27 (1.1)	.51	24.08***	4.13*

Note: *** $p < .001$, ** $p < .01$, * $p < .05$, [†] $p \leq .1$; standard deviations are presented between parentheses.

Mediation. Once again we performed a simple mediation analysis (Hayes 2012, Model 4) without yielding any significant results. We then used a moderated-mediation model (Hayes 2012, Model 8) to test the mediating effects of enjoyment perceptions on the relationship between ethical advertising claims and product quality perceptions at both levels of the moderator - product category. Results show that participants' enjoyment perceptions significantly mediated the indirect effect of ethical advertising claims on product quality perceptions at both levels of the product category. Zero did indeed fall outside the confidence interval ($\beta = -.39$, $SE = .15$, 95% confidence interval ((CI): -0.7202 and - 0.1354)) and the index of moderated-mediation was again negative. This result provides not only statistical evidence of successful moderated-mediation, but also that enjoyment perceptions decreased as the level of sophistication in the product category, increased. We found similar results for the remaining outcome variables, namely WTP ($\beta = -.26$, $SE = .11$, 95% confidence interval ((CI): -0.5187 and - 0.0882)), and actual taste ($\beta = -.20$, $SE = .09$, 95% confidence interval ((CI): - 0.4406 and - 0.06) not providing evidence consistent with H₃ as initially assumed but instead confirming a moderated-mediation situation.

Discussion

Findings extend main results of study 2 in numerous ways. First, we show that by increasing the strength of ethical claims on simple-related product categories, it boosts product quality and enjoyment evaluations. Most importantly it also matches the products' actual taste. On the other hand, our findings reveal that by increasing the strength of the ethical claims on products where sophistication is valued more, the benefit of ethicality may decrement product enjoyment perceptions to a point where products are evaluated more favorably when less ethical claims are used to promote them, a fact also explained by the

successful moderated-mediation model used. The negative inference effect of ethical claims on enjoyment perceptions is a plausible explanation for the resulting evaluation effects, which tends to be reduced when the actual tasting takes place. This finding provides valuable information for brands and marketers wanting to capitalize on the ethical benefits of products by showing that sometimes it is better to have consumers taste products before initiating communicating strategies that have a strong focus on ethicality. Most likely consumers will perceive to have less enjoyment with products that are less congruent with sustainability issues. Additionally, our findings provide evidence that consumers' evaluations are indeed mediated by enjoyable perceptions and moderated by the products' nature, and that the benefit of ethicality is mitigated in circumstances that asks for more sophistication and indulgence. Our set of assumptions is then tested again in a study performed in the context of *food & beverage* services (study 4).

STUDY 4: THE IMPACT OF HIGH/LOW ETHICAL CLAIMS ON SERVICE CATEGORIES FEATURING SIMPLE VERSUS SOPHISTICATED-RELATED ATTRIBUTES

In study 4 we build on the results obtained in study 2 and 3 but this time we test the effects of using high/ low ethical claims on simple versus sophisticated *food & beverage* service categories. The *food & beverage* (F&B) service industry has been less explored within the ethical decision-making literature and it is worth exploring since ethicality is no longer just a phenomenon related with the consumption of fast-moving consumer goods (FMCG), and the demand for more sustainable service practices is a trend among many consumers primarily motivated by heart-healthy lifestyle goals (Bezawada and Pauwels

2013). Additionally, the F&B sector provides a suitable assessment of consumers' *utility* function underlying anticipated pleasures or displeasures with high-involvement environments that offer moments of relaxation or excitement depending on goal that is being pursued (Kahneman 2003; Prothero et al. 2011). In this regard, our research examines the impact of using ethical claims to promote services for which there are greater propensity to engage in (un)healthier goals.

We build on the set of propositions presented and test how consumers' judgments vary when exposed to advertising messages that use high versus low ethical claims and the moderating role of service category. In this study since no actual product tastings take place, H₄ is not examined.

Design, Stimuli and Procedure

One hundred and four participants (67 female, 37 male, mean age range = 25-34) were recruited using Mechanical Turk web services and participated in the experiment in exchange for a monetary compensation.

Participants were randomly assigned to a condition using a 2 (ethical claim: high versus low) x 2 (service category: simple versus sophisticated) between-subjects design. Again, the hypothesized impact of ethical claim along with the moderating effect of service category type was tested on product quality perceptions, enjoyment perceptions and *willingness to pay* (WTP).

Subjects were first informed that a *food & beverage* city guide based in San Francisco was promoting a recently opened bar and wanted to get their perceptions regarding this bar. Participants either saw a promotional coupon for a breakfast bar or a happy hour bar, a simple and a sophisticated service, respectively. All advertising layouts were identical, yet the ethical claim manipulations differed on the ethicality claim's level – high versus low. In the

high ethical claim condition, the bars were certified by an independent agency that rated these establishments as having the highest sustainability concerns in its business practices (e.g., high sensitivity about energy and water consumption and sourcing from local suppliers - organic products). Whereas in the low ethical claim condition, the bars were certified as carrying average sustainability concerns.

In total, four manipulation conditions were used: simple service (e.g., breakfast bar) framed with a high (versus low) ethical claim, and a sophisticated service (e.g., happy hour bar) framed with a high (versus low) ethical claim.

Dependent Measures

Manipulation checks. The ethicality manipulation used the (fictional) *social, environmental and tourism certification* (SET) adapted from Luchs et al. (2010) which for the high ethical claim condition the maximum score attributed was 10 and for the low ethical claim condition the score attributed was 5 (see appendix 2.A.).

We used the same variables as in study 2 and 3 except for the product taste variable.

Results

Once more the *ethicality manipulation* worked as expected. Participants evaluated the services promoted using high ethical claims as being more sustainable ($M_{\text{high-ethical}} = 5.64$, $SD = 1.45$) than those promoted using the low ethical claims ($M_{\text{low-ethical}} = 3.65$, $SD = 1.14$; $t(102) = 7.82$, $p < .001$).

Following the same procedure from the previous two studies, to test H_{2a} and H_{2b} we run a MANOVA on the three dependent variables. Results indicated a significant ethical claim main effect on two dependent variables only. On product quality ($F(1, 103) = 43.26$, $p < .001$, $M_{\text{high-ethical}} = 5.61$ vs. $M_{\text{low-ethical}} = 4.36$; $t(102) = 6.50$, $p < .001$), and enjoyment perceptions ($F(1, 103) = 9.99$, $p < .01$, $M_{\text{high-ethical}} = 4.47$ vs. $M_{\text{low-ethical}} = 3.60$; $t(102) = 3.095$, $p < .01$),

revealing that participants rated the bars promoted through high than low ethical claims to have more quality and as to be more enjoyable.

A significant ethical claim x service category interaction effect was obtained on all the three dependent variables, on product quality perceptions ($F(1, 103) = 3.81, p = .05$), on enjoyment perceptions ($F(1, 103) = 5.55, p < .05$) and on WTP ($F(1, 103) = 14.39, p < .001$) – (see table 3.3. for results). Consistent with H_{2a}, the breakfast bars promoted using the higher ethical claims were rated by participants as having more quality (product quality perceptions: $M_{\text{simple, high-ethical}} = 5.89$ vs. $M_{\text{simple, low-ethical}} = 4.27; t(51) = 6.26, p < .001$), in providing more enjoyment (enjoyment perceptions: $M_{\text{simple, high-ethical}} = 4.96$ vs. $M_{\text{simple, low-ethical}} = 3.43; t(51) = 4.60, p < .001$) and showed a greater WTP towards this high sustainable bars (WTP: $M_{\text{simple, high-ethical}} = 3.20$ vs. $M_{\text{simple, low-ethical}} = 2.10; t(51) = 3.35, p < .001$). Contrary to our predictions, and following a similar pattern of results found in study 2, the sophisticated bars promoted using the high ethical claims were perceived as having more quality ($M_{\text{sophisticated, high-ethical}} = 5.34$ vs. $M_{\text{sophisticated, low-ethical}} = 4.47; t(49) = 3.15, p < .001$), providing evidence that high ethical claims indeed induce higher quality perceptions than low ethical claims, not providing support for H_{2b}. Nonetheless, when enjoyment considerations were made, the ethicality claim benefit was reduced to a point where there were no significant differences in consumers' enjoyment perceptions between both high and low ethical claim conditions ($M_{\text{sophisticated, high-ethical}} = 4.00$ vs. $M_{\text{sophisticated, low-ethical}} = 3.78; t(49) = .50, NS$). More interestingly however, the high ethicality benefit even showed to be disadvantage as participants showed to have a higher WTP for a drink at the sophisticated bars promoted using the low than high ethical claims ($M_{\text{sophisticated, high-ethical}} = 3.13$ vs. $M_{\text{sophisticated, low-ethical}} = 2.35; t(49) = 2.09, p < .05$), offering evidence consistent with H_{2b}. These findings reveal that the benefit of stressing too much the ethicality aspect of certain types of services may be a disadvantage when all consumers want is to have fun and pleasurable experiences (see table 3.3 for results).

Table 3.3. The Impact of Ethical Claims' Intensity on Simple versus Sophisticated *Service Categories'* Evaluations: Study 4

	High ethical claim		Low ethical claim		ethical claim main effect	Product category main effect	ethical claim x product category
	Simple (n= 23)	Sophisticated (n= 24)	Simple (n= 30)	Sophisticated (n= 27)	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 4: (<i>N</i> = 104)							
Product quality perceptions	5.89 (.6)	5.34 (.9)	4.27 (1.1)	4.47 (1.0)	43.26***	.86	3.81*
Enjoyment perceptions	4.96 (1.2)	4.00 (1.7)	3.43 (1.2)	3.78 (1.5)	9.99**	1.23	5.55*
WTP	3.20 (1.3)	2.35 (.9)	2.10 (1.1)	3.13 (1.6)	.42	.12	14.39***

Note: *** $p < .001$, ** $p < .01$, * $p < .05$, [†] $p \leq .1$; standard deviations are presented between parentheses.

Mediation. We performed once more a simple mediation analysis (Hayes 2012, Model 4) to test hypothesis 3. Similarly to the previous studies, no simple mediation effects were encountered. Nonetheless, we proceeded our analysis using the moderated-mediation model from studies 2 and 3 (Hayes 2012, Model 8), including the ethical claim as the predictor, enjoyment perceptions as the mediating variable, service category as the moderator and the product quality perception dependent variable as the outcome variable. Testing of the conditional indirect effects (based on 5,000 bootstraps) confirmed that the mediating effect between ethical claims and product quality perceptions through enjoyment perceptions was moderated by product category. Zero did indeed fall outside the interval ($\beta = -.45$, $SE = .19$, 95% confidence interval (CI): - 0.8969 and - 0.1270) and the index of moderated-mediation was negative. Once more evidence of a successful moderated-mediation was observed, showing that enjoyment perceptions also decreased when the level of sophistication for that the product category increased. A similar pattern of results was observed for the WTP dependent variable ($\beta = -.32$, $SE = .18$, 95% confidence interval (CI): - 0.7688 and -0.0563), not providing support for simple mediation as initially predicted in H₃ but instead confirming a moderated-mediation case.

Discussion

This study showed that higher ethical claims work better when used to promote services that are characterized as holding simple-related attributes. Though in more sophisticated environments consumers tend to be touched by the effect of high ethical claims as seen by their superior quality observations, when monetary decisions are involved, they also perceive to derive greater enjoyment and willingness to pay for services that are associated with less ethical concerns. The moderated-mediation role of enjoyment

perceptions on the relationship between ethical claims and service category evaluations corroborated our predictions and seems to be an important factor taken into consideration during the decision-making process. Despite the fact that consumers value ethical and environmental issues, not all of them are willing to be remembered about sustainable issues when enjoyment expectancies are at play. Consequently, businesses are likely to suffer if too much pro-social and environmental pressure is exerted on society.

GENERAL DISCUSSION

In this article we examine the impact of advertising ethical claims across products and service categories that vary in simple versus sophisticated-related attributes. We extend prior literature identifying the most valuable ethical attributes in a product category (Luchs et al. 2010), focusing our research on food consumption and enjoyment. Findings suggest that consumers link ethical products with more simple-related attributes whereas less ethical products are associated with holding more elaborated and sophisticated-related attributes (study 1). Additionally findings from studies 2-3 show that changing the nature of advertising claims, from regular self-benefit product claims to ethical and high ethical claims, has a special positive impact on consumer's quality perceptions across simple beverage categories like tea and water, as also on sophisticated soft and energy drinks. However, when the focus is on enjoyment the high ethicality impact that is exerted on the dependent variables of interest is mitigated to point where being highly sustainable is considered a disadvantage, especially in the case of more sophisticated-related product categories. Our findings show that consumers perceived to enjoy more elaborated (soft and energy) drinks when framed with less ethical appeals. Interestingly this effect was reduced when consumers actually

tasted the drinks showing that whatever inferences they held about the negative effect of high ethicality benefits on consumption expectancies were reduced by simply experimenting the products (study 3).

The generalizability of our findings extends also into other domains that go beyond the consumption of products, namely into the context of services that provide consumers with more versus less pleasurable experiences. Findings from study 4 indicate that consumers' quality evaluations of both simple (breakfast bars) and sophisticated-related (happy hour bars) services were also more favorably rated when high ethical claims were used to promote them. But the ethicality benefit of the claims on enjoyment perceptions was mitigated as well. Though no differential results were observed in participants' enjoyment perceptions for the sophisticated bars framed with high/low ethicality claims, this study provided us with an even more relevant finding which is the fact that participants were willing to pay more for a drink at the happy hour bar with the least ethical concerns. Showing that, when enjoyment expectancies are at stake, people are unwilling to trade-off pleasure with ethics. This is further supported by the successful moderated-mediation results obtained across studies 2-4 that shows how sophistication may be inversely correlated with sustainability when the ultimate goal is hedonic enjoyment. These results support previous research that suggests that when ethics are involved, consumers seem to engage in a trade-off factor that goes beyond the one-way processes referred in the literature of halo effects (Asch 1946; Luchs et al. 2010; Nisbett and Wilson 1977; Thorndike 1920), and compensatory strategies of inference-making (Chernev and Carpenter 2001) when in presence of credence attributes that are not directly observable.

The trade-off relationship that we propose consumers engage in, results from the inferential role of ethicality in enhancing/ decrementing the consumption experience utility. In circumstances more congruent with sustainability issues the value of ethicality is

considered a benefit and becomes salient, but in other situations the value of ethicality is decremented and may even be considered a disadvantage when the ultimate goal is hedonic pleasure. This article is also a contribution to research examining consumers' responses to high versus low ethical advertising appeals through guilt manifestations.

Prior research suggests that the subtle activation of people's internal norms and values (Stone and Cooper 2001; Pelozo et al. 2013) through guilt manifestations (White et al. 2012; Zhang, et. al 2010) encourages positive responses to products positioned on the basis of their ethical attributes. Pelozo and colleagues (2013) even propose that, when communicating ethical appeals on hedonic product categories, in which the activation of guilt is already heightened, consumers are more likely to become more motivated to consume ethical products.

We propose an alternate explanation by demonstrating that consumer reactions to ethical appeals go beyond the consideration of hedonic product categories in which the activation of guilt is already heightened, as consumers' evaluations depend on whether they are pursuing a simplistic or sophisticated goal. Also that, there are circumstances whereby increasing ethical appeals on hedonic product categories may indeed rebound as consumers are unwilling to compromise on hedonic enjoyment (Raghunathan et al. 2006). Accordingly, this research is also a contribution to the literature on hedonic consumption and consumption expectancies (Alba and Williams 2013; Ariely and Norton 2009; Hirschman and Holbrook 1982; Holbrook and Hirschman 1982) by demonstrating that the consumers' perceptions about products or services are often miscalibrated when the actual tasting take place (study 3). That is, participants from study 3 specifically perceived to enjoy more the cola and energy drink framed with the low (high) ethical claim, but when they actually tasted the beverages no differential results were observed between conditions. More research is needed to evaluate consumer changes in awareness and behavior before and after pursuing consumption opening

an avenue for research assessing the effective tactics and strategies to increasing education and societal knowledge about the benefits of ethical consumption.

Practical implications

Our research provides a number of practical implications for marketers wanting to implement successful marketing communication campaigns for brands and businesses developing products/ services with social and environmental concerns. First and foremost, we advise marketers to invest in a number of field activities to assess consumers' opinions relative to the taste of to-be-launched products that are not traditionally associated with sustainability issues. At the same time, to develop communication materials with a focus on taste suggestiveness such as information-framing claims that emphasize the sensorial aspects of products (e.g., "improved taste") to overcome any negative inferences about the influence of ethical attributes on taste perceptions (Obermiller 2009). For instance, Starbucks has recently announced the intention to expand the business into areas (e.g., pastry and snacks) that cater other than just health-conscious consumers. The company's cross-marketing efforts to overcome previously held consumers' beliefs that Starbucks' food "is not much better than cardboard" (Strom 2013) may want to pay special attention to these product assortment categories where tastiness is especially valued. In addition, to provide consumers with attractive in store-communications and packaging options that emphasize the products' taste. Additionally, it should also consider how consumers may value communication statements that advocate pro-environmental concerns such as emphasizing the freshness of its ingredients, or its source.

The reality is that although consumers are increasingly more exigent about companies' responsible behavior towards society, they may derive greater benefit from statements advocating the benefits of ethical attributes on personal interests such as their health.

Research examining ancestral tendency behavior has long shown that human nature has an innate tendency for self-interest (Griskevicius et al. 2012). Thus, as long social entrepreneurs, marketers and policy makers engage in promotional activities that take consumers' self-benefit interests into consideration most likely will consumers be more motivated to engage in green behaviors. It does not mean that consumers do not care about the environment or society in general, but altruism motives are nevertheless also driven by egoistic concerns (Dawkins 1976).

Limitations and future research

We acknowledge that more research is needed to demonstrate the generalizability of our findings into other product categories that go beyond F&B products and services. Also, to consider other contexts where simplicity and sophistication are especially valued. In the present research context we associated sophisticated products with having more processed and complex attributes but that delivered hedonic benefits. It would be interesting to examine contrasting views such as the extent to which sustainable products are considered fashionable in that the simplicity in its attributes is precisely what makes them more sophisticated (e.g., ethical apparel fashions, cosmetics). From an information framing perspective it would be interesting to evaluate the effect of using high versus low ethical frames.

From a branding perspective, we excluded the use of familiar brands such as Coca-Cola and Gatorade in our studies as we wanted to rule out any potential confounds with brand name familiarity. Yet, future research could extend the work on anchoring effects and evaluate how the taste of high versus low familiar brands promoted using (high versus low) ethical claims would influence perceptions and actual taste.

CHAPTER 4

RUNNING THE EXTRA MILE FOR THE SAKE OF OTHERS OR MYSELF? THE ROLE OF GENDER ON CONSPICUOUS SELF-SACRIFICIAL CONSUMPTION CHOICES.

Pain is inevitable. Suffering is optional.

Haruki Murakami (What I Talk About When I Talk About Running)

The increasing public interest for negative experiences that involve sacrifice and pain such as the ING NYC and the Virgin London marathon is gathering millions to embrace social causes. More than 850 thousand runners have been participating at each of these (and other) events since its start in 1970 and 1981, respectively. At the present time approximately three quarters of all the marathoners at Virgin London now *run for charity* supporting in this way more than 750 associated charities in the UK. At ING NYC marathon more than 300 charities are associated to the event (NYRR 2013; Virgin London Marathon 2013). Since 2010 both events combined raised more than \$350m for official charities making them some of the largest fundraising events in the world. This form of charitable giving is one among the many types of pro-social behaviors available for participation to the general public and by far one of the most profitable. However, it is also one type of activity that is reportedly unpleasant as it involves a high level of personal sacrifice in order to benefit distant others (Alba and Williams 2013).

Consistent with this idea, in the present research we try to understand: Why do people freely engage in pro-social behavior that is associated with self-sacrificial acts and painful experiences?

Interestingly, the consumption of negative experiences of this kind is particularly evident in public events or in circumstances where others are around to witness it, but that involve a fairly amount of sacrifice and commitment in preparation for the competition, sometimes physically and financially (Nolan 2013). For example, people who *run for charity* in large-scale public events such as the ones aforementioned, differ from other regular marathon runners, as they volunteer and commit to raise funds for a pro-social cause of their choice through a variety of marketing actions often referred to as cause-related marketing (CRM) campaigns.

However, the visibility of one's behavior and the competitive reputation status that is built before and during the event to help distant kin is a benefit that is best recognized by the evolutionary behavior psychologists as *conspicuous self-sacrificial pro-social behavior* (McAndrew 2012) and with origins in both the *cost signaling* and *competitive altruism* literatures (Boone 1998; Griskevicius, Tybur, and Van der Bergh 2010; Hawkes 1993; Van Vugt, Roberts, and Harry 2007). Whether these acts are demonstrations of pure altruism or driven by self-interested motivations is an issue that the social psychology literature examining altruism and altruistic behaviors has long raged to answer (Andreoni 1990; Batson et al. 1997; Cialdini et al. 1997). So have economists questioning the usefulness of such deliberations (Ariely and Norton 2007; Fehr and Schmidt 1999). Though it is not the object of this research to evaluate the grounded evolutionary mechanisms affecting reciprocal altruism, our view is that turning conspicuous self-sacrificial consumption habits into pro-social behaviors can be positive. However, independent of the range of natural motivations for that consumption as long as these motivations are not dishonest or proven to end in immoral acts.

Following the works by Griskevicius et al. (2010) that bridge the cost signaling literature and research on *competitive altruism* we argue that status achievement through

public self-sacrificial acts may be a viable tactic to elicit reciprocal altruism and thus, the propensity of individuals to engage in pro social behavior.

Another important aspect to consider is the implication of gender differences in pro-social behavior, namely how men versus women react to different forms charitable giving. For instance, approximately 61% of the runners at the 2013 ING NYC marathon were male while the remaining 39% were female, a gender difference that has been observed since the marathon inception in 1896 (AIMS 2013). This leads to the second question: Are men more charitable-oriented individuals than women? Or, are women rather keener towards other forms of charitable giving?

This is the aim of the present research. To understand to what extent the combination of conspicuity and gender differences affects the type of pro-social behavior. While men may be more prone to engage in conspicuous consumption involving physical activities that benefit others, women may be more likely to engage in conspicuous consumption demonstrations through CRM campaigns tied to material purchases.

Many of the forms of charitable giving include also the possibility of “running the extra mile” to actively engage in fundraising acts. For instance, CRM campaigns typically encourage consumers to make donations through specific product or event purchases to a pro-social cause supported by a sponsoring firm (Varadarajan and Menon 1988; Davidson 1997). Yet, consumers also have the option to start fundraising by using a number of online (e.g., web sites of their own creation; Facebook posts) and offline (e.g., text messages, events) tools usually available through fundraising sites such as the *run for charity* or *crowdrise*. In the US, the *crowdrise* fundraising site co-founded by actor Edward Norton, Shauna Robertson and Robert and Jeffro Wolfe, became popular during its launch in 2009. This occurred when *crowdrise* raised \$1.2 million for the Maasai Wilderness Conservation Trust in less than a couple of months before the ING NYC marathon (Crowdrise 2013). The active

role of its fundraisers responsible for getting multiple donations from small donors made this fundraising site one of the top fundraising success stories of the ING NYC marathon. Today is considered a top 10 fundraising site by Forbes magazine (Forbes 2013).

We suggest then, that the propensity of individuals running the extra mile may be explained further by their *chronic productivity orientation*, an individual difference variable common to the gender. This variable refers to the desire of some individuals to be constantly productive and involved in efficient-related activities that build remarkable experiences (see Keinan and Kivetz 2011).

Across two studies, we show that men (versus women) are more willing to engage in conspicuous pro-social behavior via acts that are more physically costly, versus materially costly. Moreover, our findings reveal that CPO acts both as a mediator and as a covariate as consumers' involvement in solicitation strategies such as fundraising becomes more demanding. Based on these findings, theoretical implications advancing research in pro-social behavior, namely charitable giving, CRM communications and gender differences in altruism are provided. This article offers practical implications for all the non-profits, social entrepreneurs and public policy makers intending to create efficient solicitation strategies to encourage all men and women out there to reciprocate.

PRO-SOCIAL BEHAVIOR

Pro-social or voluntary behavior consists of acts of goodwill that intend to service others for the sake of human welfare while sacrificing one's wellbeing (Griskevicius et al. 2010). Pro-social behavior via charitable giving is made possible everyday through its various forms (Varadarajan and Menon 1988). It is available in the market through the shopping of products and events with corporate social responsibility (CSR) concerns, by

volunteering or cooperating in leisure activities with specific missions (e.g., such as bicycling, walking and even online through fundraising acts). Pro-social behavior through charitable giving provides also the opportunity for people to engage in the consumption of negative experiences that involve sacrifice and pain for the sake of public welfare (Ariely and Norton 2009). Some of these pro-social behaviors involve public exposure, such as running for charity at public events like the ING NYC or the Virgin London marathon where people can embrace specific causes they relate themselves with. Others, involve the engagement in pro-social behaviors in settings with less public exposure. Like giving a donation to a pro-social cause in exchange for a product tied to CRM campaign or even in private by providing volunteering companionship to the elderly at home (Reed, Aquino, and Levy 2007).

The present research aims to analyze the motivations that lead some of us to prefer to engage in specific pro-social behaviors. In particular, to understand the extent to which conspicuous self-sacrificial consumption (public acts) can enhance gender preferences and solicitation strategies for such charity-related activities.

THEORY AND HYPOTHESES

While intrinsically caring for the wellbeing of others and the planet is among the most appointed empathic motives for engaging in pro-social behavior, evidence suggests that people engage in such noble acts also driven by self-purpose' conspicuous motivations (Andreoni 1990; Batson et al. 1997; Cialdini et al. 1997). That is, to communicate to others his/ her ability to incur costs for a distant kin at the expense of sacrificing one's life and wallet (Bird and Smith 2005; Miller 2009). From Prius car owners who report that one of the main reasons for purchasing such an expensive car is the reputational statement conferred by this type of acquisition, to the conspicuous charity donations made by celebrities such as Leonardo di Caprio who raised \$38M at a Christies' auction to fund global conservation.

The underlying premise is that, wasteful behaviors may function as a reliable signal of desirable individual qualities such as social status recognition, a concept called *conspicuous consumption* (Nelissen and Meijers 2011, Young, Nunes, and Drèze 2010).

The human desire to be seen distinctively and unique by others via the consumption of expendable resources has been witnessed for centuries (Griskevicius, Cantú, and van Vugt 2012). From the Egyptian pharaohs to the courts of Louis XIV of France this type of demonstrative behavior was also criticized by anthropologists and economists such as in Thorstein Veblen's classic treatise - *Theory of the Leisure Class* (1899). Veblen previewed that the "social class consumerism" evidenced by the wealth and economic status from those who want to be socially admired would proceed into the modern era. With the emergence of the middle class in the 20th century and the increasing living standards, the conspicuous consumption phenomenon soon spread over households and individual consumers (De Botton 2004; McKendrick, Brewer, and Plumb 1983). Consequently a large stake of consumers today is driven by a desire to maintain and gain social status through purchasing power and spending behavior (Eastman, Goldsmith, and Flynn 1999; Griskevicius, Cialdini, and Kenrick 2006; Young, Nunes, and Drèze 2010; Lee and Shrum 2011).

Conspicuous self-sacrificial consumption

The evolutionary route by which people engage in such cost-signaling acts with the purpose of promoting personal characteristics that enhance status and social reputation is described in the cost signaling theory (Zahavi and Zahavi 1997). According to this literature, people who turn conspicuous consumption habits into "doing good" behaviors that display costly signals are also driven by a competitive desire to gain social status. This is achieved through purchasing power that acknowledges one's effort and ability to sustain costs, a

concept also known as *competitive altruism* (Boone 1998; Griskevicius et al. 2010 Hawkes 1993; Van Vugt, Roberts, and Harry 2007).

This type of behavior that is particularly made evident in public or in circumstances where others are around to witness shows to be an important motivational factor in harnessing cooperation among individuals (Griskevicius et al. 2012). We suggest that this type of behavior is not only visible in physical activities like running in marathons but it also manifests through material purchases available in the consumer goods market.

To illustrate, the red campaign launched by popular singers Bono and Bobby Shriver have succeeded in sensitizing consumers to the importance of their power in donating to causes such as the Global Fund against HIV/ Aids (Kljajic 2009). This corporate sponsorship initiative that partners with brands such as Apple and The Gap, elicits consumers to make donations through specific purchases that range from electronics to apparel and accessories such as watches and iPad cases. An agreed % of the retail price of goods then goes to the sponsored cause (Grau, Garretson, and Prisch 2007).

The aforementioned cases are examples of public circumstances where people cooperate with others with whom they do not have a direct relationship and from whom they cannot get returned favors. A phenomenon described in the indirect reciprocity literature as *reciprocal altruism* (Nowak and Sigmund 2005). Reciprocal altruism implies however, that individuals engage in acts of cooperation to reap the benefits of repaying courtesies. Though not directly from the charities' beneficiaries but instead through society that confers them hierarchal status and social recognition (Trivers 1971). Taking both the cost signaling and reciprocal altruism together, these theories imply that consuming the social reputation status from self-sacrificial experiences that are physically and materially visible to others is a form of competitive altruism that we refer in this article as *conspicuous self-sacrificial consumption*.

Whether gender differences affect preferences for pro-social behavior that is materially costly versus the physically costly remains to be addressed. Pro-social behavior via the conspicuous consumption of self-sacrificial experiences looks to be a hot topic among many male and female consumers who engage in competitive acts such as the ones aforementioned for the sake of public welfare but most probably to also reap the benefits of repaying courtesies. For example, Griskevicius and colleagues (2010) showed that eliciting conspicuous consumption motives through the activation of status results in increased willingness to engage in environmental conservation. However, little empirical investigation has yet examined why people freely engage in negative experiences involving physical versus material conspicuous consumption to benefit distant kin. Also, how conspicuity interacts with gender differences on pro-social behavior.

We suggest that consumers' engagement in negative experiences may be a viable tactic to turn wasteful habits into more sustainable and good behaviors when there is the possibility to benefit both society and the individual. Besides, we look at a set of inherently driven characteristics of the human nature that are likely to influence how men versus women feel motivated to cooperate in specific situations involving pleasure and pain.

Gender differences on pro-social behavior

Previous research examining gender differences in charitable giving suggests the existence of different responses regarding which side of sex is more altruistic. Economic researchers provide empirical evidence that males and females hold different motivations and favor different forms of charitable giving (Andreoni and Vesterlund 2001). While some studies report that overall women are more likely to give (Andreoni, Brown, and Rischall 2003; Bekkers and Wiepking 2011), they are also more empathic to pro-social causes involving self and family-related issues such as causes supporting breast cancer awareness

and children's diseases (Andreoni et al. 2003; Meyers-Levy 1988; Wiepking and Bekkers 2012). In experiments involving ultimatum and dictator games it is suggested that men are more likely to be price sensitive when it comes to the size of the donation. However, are more generous than women when the price of the donation decreases (Andreoni and Vesterlund 2001). Moreover, men versus women are more likely to show contradicting altruistic behaviors in that "men are more likely to be either perfectly selfish or perfectly selfless, whereas women tend to be *"equalitarians* who prefer to share evenly" (Andreoni and Vesterlund 2001, 293). A finding that implies gender differences in the personality and type of roles developed early during social development (Chodorow 1974).

As explained by this latter literature investigating gender differences in early social development, the fact that women naturally possess higher offspring obligations (e.g., responsible to give birth and nurse) is reflected in the type of education given across generations. These include activities related to their inner world such as caring for and nurture the family (see Aquino, Reed, and Levy 2002; Griskevicius et al. 2012). Therefore, during infancy girls also engage in the kind of games that are typically less competitive and more oriented towards teamwork and family oriented topics (Piaget 1932). Boys instead, have been traditionally educated to develop an identity towards individualization and initiating processes involving separation from their mothers. A reflection of that behavior is shown in the type of masculinity activities that are chosen most often by boys (Chodorow 1974; Lever 1976).

This reasoning suggests that the duration and the type of leisure activity typically chosen by the male gender during childhood is congruent with the type of physical preparation and psychological skill needed to resolve disputes that arise during the course of a competition with strangers (Chodorow 1974). This characteristic of individuals to engage in competitive acts involving distant kin and nonkin is often referred in the *reciprocal altruism*

literature (Griskevicius et al. 2012; Nowak and Sigmund 2005; Trivers 1971). This prior literature exemplifies the type of heroic disputes involving distant kin by going back to history and pointing out how our male ancestors hunt and competed for the survival of their communities (Foley 1997).

This suggests that, if brave acts involving physical self-sacrifices are a particular motivating force for men (McAndrew 2012), then pairing a charitable donation with a conspicuous consumption experience involving a physical challenge may be an effective pro-social strategy. That is, it may be a powerful tactic to elicit reciprocal altruism among males. Such reasoning also suggests a similar but contrasting motive for women to engage in charitable giving via conspicuous self-sacrificial consumption. Rather than just trying to get them “ahead of the Joneses,” we propose that since women are more receptive to appeals for altruism involving her habitual routines then, a greater solicitation strategy for women would be to pair a charitable donation with material purchases. The following hypothesis test this assumption:

H₁: The extent that conspicuous self-sacrificial consumption motivates consumers to engage in pro-social behaviors will be moderated by gender differences, so that:

- a) Men are more likely to enjoy and choose charity incentives when paired with physical than material self-sacrificial consumption experiences; whereas,
- b) Women are more likely to enjoy and choose material consumption than physical self-sacrificial experiences when charity incentives are used to promote pro-social behavior.

Chronic productivity orientation implications on pro-social behavior

Academic research evaluating the impact of solicitation strategies involving donations to charity has documented how consumers respond to CRM campaigns through various perspectives. For instance, Schlegelmilch, Love, and Diamantopoulos (1997) focused on consumers' attitudes towards the non-profit organization co-sponsoring the campaign. Whereas, consumers' image perception of the sponsoring firm was evaluated by Creyer and Ross (1997). The influence of individual difference consumer characteristics (e.g., donation information processing, egoistic versus altruistic motivations) on helping behavior has been investigated by Bendapudi and colleagues (1996).

More in line with the present research is the literature examining consumers' reactions to the strategic configuration of the CRM campaign developed by the sponsoring firm (Grau, et al. 2007). Studies in this domain explain how the amount and size of the donation is calculated in relation to the final retail price, and how consumers respond to these solicitation strategies intending to promote the campaign. For example, the Yoplait Save the Lids campaign was among the first brands to involve consumers in CRM initiatives promoting breast cancer awareness through the sale of food products (Bower and Grau 2009). This hands-on campaign differed from other rather simpler CRM campaigns involving donations to charity. It required consumers to collect lids from yoghurt containers over a pre-determined period of time and mail them back to the brand. Additionally, consumers were encouraged to visit the brand's website on a regular basis to check the results of the campaign, and cooperate by giving testimonies about their personal experiences with the campaign to the overall public. Yoplait in return, promised to make ten cent donation to the women' breast cancer foundation for every lid sent and a final total contribution of \$750,000 (Yoplait 2013).

Despite that the aforementioned case is one of the most relevant and frequent examples given by the CRM literature, still little empirical research has examined the ability of some consumers to cooperate and reciprocate in cases that involve self-sacrifice. That is, why some individuals are more willing than others to engage in charitable donation appeals that require greater pro-social involvement.

Chronic productivity orientation

Recent work evaluating consumer behavior trends that favor the consumption of extraordinary experiences (e.g., sleeping in ice hotels, eating bitter chocolate with spices, watching horror movies) has documented how consumers are willing to forgo positive for negative experiences that brings them a sense of purpose (Alba and Williams 2013; Andrade and Cohen 2007; Belk 1988; 1995).

Keinan and Kivetz (2011) go even a step further and report how individual differences in human desire to occupy time in a productive manner influence how consumers self-sacrifice behavior, a concept called *chronic productivity orientation - CPO*. According to these authors, consumers with such an individual characteristic tend to be led by a productive mindset even when they are consuming. For example, one of their studies checked how participants' watches were set ahead and used this as an indicator of how worried they were about using time to complete tasks in a productive manner. When the same participants were asked about whether they preferred staying at a familiar and comfortable hotel in Florida versus sleeping at an ice hotel in Quebec, the last option was the one selected by these participants who first had their watches set ahead of time.

Though unrelated to vocational events, the productivity orientation mindset that is shown in the type of preferences and choices made by consumers lies in the psychological benefits they derive from collecting unusual experiences, which ultimately affect their sense of achievement and self-worth (Keinan and Kivetz 2011). It also distances from the

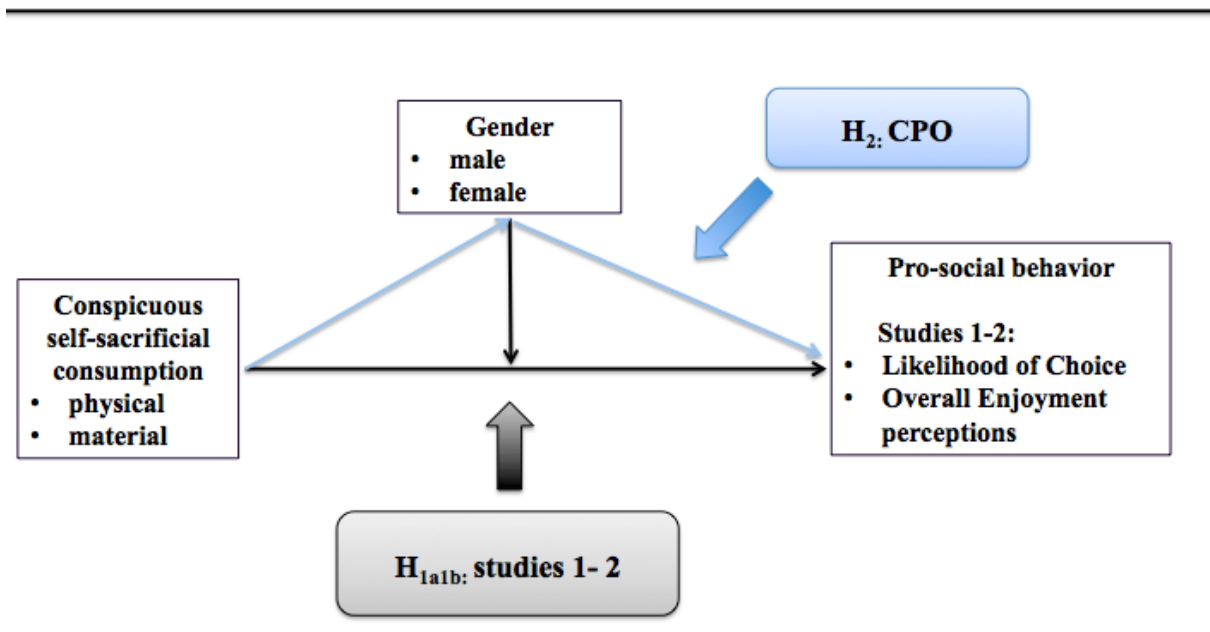
theoretical explanations given by both the sensation and variety seeking literature (e.g., short sight consumers' motivations and irrational behaviors) when confronted about the *whys* humans engage in such extraordinary behaviors (Maimaran and Kahn 2008).

In this article we build on the chronic productivity orientation literature by making an additional contribution. We suggest that the collection of unusual experiences is also led by self-sacrificial behavior from which consumers derive utility and find purpose. Just as conspicuous self-sacrificial behavior leads consumers to cooperate with distant kin while reaping the benefits of building social reputation, we propose that the extent that some consumers possess the need for using time productively will work as a motivational enhancement for engaging in CRM solicitation strategies, which occurs independently from gender differences. Following this reasoning, we argue that the extent to which some individuals (men and women) are more likely to become ambassadors of cause-related events and are willing to engage in acts of fundraising will be mediated by whether they possess an inherently driven chronic productivity orientation mindset. Thus our second hypothesis is:

H₂: The higher the level of conspicuous self-sacrificial consumption, the higher the consumers' motivation to engage in pro-social behaviors, being this relationship mediated by their chronic productivity orientation characteristics.

These propositions lead to the conceptual framework presented in Figure 4.1.

Figure 4.1. Conceptual Framework: Gender Differences and CPO on Conspicuous Self-Sacrificial Consumption Choices.



The conceptual framework described above proposes that gender differences are likely to account for the moderating effects between the consumption of conspicuous self-sacrificial experiences and pro-social behavior (H_{1a1b}). Further, this relationship is mediated by the *chronic productivity orientation* of individuals (H₂).

These hypotheses are tested in study 1 and study 2.

STUDY 1: THE ROLE OF GENDER DIFFERENCES ON CONSPICUOUS SELF-SACRIFICIAL CONSUMPTION

The goal of this study is to assess the moderating role of gender differences between conspicuous self-sacrificial consumption experiences and pro-social behavior. Specifically, we wanted to assess how men versus women are more likely to engage in different charitable giving initiatives.

Design, Stimuli and Procedure

Ninety-seven participants (49 male, 48 female, mean age range = 25-34) were recruited using Mechanical Turk web services and participated in the experiment in exchange for a monetary compensation.

Participants were randomly assigned to a condition using a 2 (conspicuous self-sacrificial consumption: physical versus material) x 2 (gender differences: male versus female) between-subjects design.

The hypothesized impact of conspicuous self-sacrificial consumption was tested on participants' overall enjoyment perceptions and likelihood of choosing a physical or a material experience tied to a charitable donation appeal. Participants were asked to imagine that they were given the opportunity to purchase (participate in either) one of the two products (marathons) described in the text. They saw a scenario either featuring the description of two pairs of sunglasses (material) or two marathon (physical) participation types. In each scenario, participants were provided with two options: the products (marathons) were either paired with/ without a charitable donation appeal. To elicit a conspicuous self-sacrificial consumption experience we described that the option featuring the charitable donation appeal as being slightly lower on one of the expected attributes. However, by purchasing (participating in) that product (marathon), participants would be contributing with \$10 to the "Leukemia and Lymphoma Society." A non-profit organization that supported blood cancer medical research, a cause that was strongly supported by celebrities from the arts & film industry worldwide. Additionally, participants were informed that among other promotional materials, the sunglasses (marathon) provided them with the following benefits: the sunglasses were personalized with a "L&LS" logo on the outside of the sunglasses' frames (the marathon organizers provided them with a personalized running

vest with their name and the name of the charity they were endorsing, so that cheerers could not miss them and were able to support them along the race).

The option without the charitable donation appeal stated that the referred product contained all the desirable attributes they looked for in a pair of sunglasses such as style, fit, shade and lenses quality (versus this marathon was a fit and fun type of event for the sake of having a social interaction experience that promoted fit and healthy habits). Towards the end of the study and using a self-report measure of chronic productivity orientation, consumers were asked about their concerns about the need of being productive. Participants were thus exposed to one condition involving either a material/ physical consumption experience framed with a charitable and a non-charitable donation appeal. Thus, rendering a total of 97 observations, which were treated as independent from one another.

At the conclusion of the study and after having responded to some demographics, some funnel debriefing question were applied, which asked them whether they suspected about what the goal of the study was and whether any of the tasks affected any subsequent responses, which none guessed what the real purpose of the study was.

Dependent Measures

All the variables were assessed using a 7-points scale.

Likelihood of choice. After exposure to the product/ marathon scenarios we asked participants how likely would they choose the option involving the charitable donation (1 = not at all, 7 = very much).

Overall enjoyment perceptions. After completing the likelihood of choice task, participants were asked about their overall perceptions of the consumption experience, (“How much do you think you would enjoy this product/ experience?” “How proud would you feel about purchasing this product/ by engaging in this experience?” and “How likely

would you recommend this product/ experience to others?" 1 = not at all, 7 = very much, $\alpha = .92$), adapted from Raghunathan, Walker Naylor and Hoyer (2006). Since the three items were highly correlated we averaged the them to perform an overall enjoyment perceptions' index, our second dependent variable.

Mediator. Chronic productivity orientation (CPO) was applied as a self-report measure using four items ("I get restless and annoyed when I feel I am wasting time," "Getting on in life is important to me," "I am an ambitious person," "I have always worked hard in order to be among the best in my own line." 1 = strongly disagree, 7 = strongly agree, $\alpha = .75$), adapted from Keinan and Kivetz (2011).

Results

Our H₁ suggests that the extent to which conspicuous self-sacrificial consumption enhances consumers' pro-social behaviors will be moderated by gender differences, so that, a) men are more likely to donate to charity incentives via physically- costly activities, whereas, b) women are more likely to choose charity incentives via materially-costly purchases.

In order to test these assumptions we conducted a multivariate analysis of variance (MANOVA) on both of our dependent variables, likelihood of choice and overall enjoyment perceptions. A significant conspicuous self-sacrificial consumption main effect was observed on participants' overall enjoyment perceptions ($F(1, 95) = 4.90, p < .05, M_{\text{marathon}} = 5.55$ vs. $M_{\text{product}} = 4.97; t(95) = 2.16, p < .05$), where physically-costly (marathon participation) activities were more highly rated than materially-costly activities (sunglasses). No other significant main effects were observed.

More importantly, a significant conspicuous self-sacrificial consumption x gender interaction effect was observed on both the likelihood of choice ($F(1, 96) = 4.71, p < .05$) and overall enjoyment perceptions dependent variables ($F(1, 96) = 4.73, p < .05$). Our male

participants were more likely to choose and enjoy more the conspicuous consumption of the physically-costly than the materially-costly activities (likelihood of choice: $M \hat{\sigma}_{\text{marathon, donation appeal}} = 6.04$ vs. $M \hat{\sigma}_{\text{product, donation appeal}} = 4.85$; $t(47) = 3.98$, $p < .01$), overall enjoyment perceptions: $M \hat{\sigma}_{\text{marathon, donation appeal}} = 5.96$ vs. $M \hat{\sigma}_{\text{product, donation appeal}} = 4.78$; $t(47) = 3.52$, $p < .001$), providing evidence consistent with H_{1a} .

However, when we examined the data concerning our female participants' responses, no specific preferences were observed in donating to charity through physically-costly nor materially-costly activities (likelihood of choice: $M \hat{\sigma}_{\text{product, donation appeal}} = 5.09$ vs. $M \hat{\sigma}_{\text{marathon, donation appeal}} = 4.88$; $t(46) = .40$, *NS*), and overall enjoyment perceptions : $M \hat{\sigma}_{\text{product, donation appeal}} = 5.18$ vs. $M \hat{\sigma}_{\text{marathon, donation appeal}} = 5.19$; $t(46) = .03$, *NS*). That is, women showed an equal preference for either forms of charitable giving, not providing support for our H_{1b} (see table 4.1. for results).

Alternate explanations. Further tests were conducted to examine differences in gender preferences to donate to charity through conspicuous consumption activities. T-test analysis of the likelihood of men versus women choosing a conspicuous consumption experience involving a physical self-sacrifice was in line with our predictions. Men indicated to be more likely to donate to a pro-social cause tied to a physical activity than women (likelihood of choice: $M \hat{\sigma}_{\text{marathon, donation appeal}} = 6.04$ vs. $M \hat{\sigma}_{\text{marathon, donation appeal}} = 4.88$; $t(47) = 2.78$, $p < .01$). Also, men were more likely to enjoy more the physically-costly activity than women (overall enjoyment perception: $M \hat{\sigma}_{\text{marathon, donation appeal}} = 5.96$ vs. $M \hat{\sigma}_{\text{marathon, donation appeal}} = 5.19$; $t(47) = 2.24$, $p < .05$).

However, no differences in the likelihood of choice and overall enjoyment perceptions of materially-costly activities were observed between men and women (likelihood of choice: $M \hat{\sigma}_{\text{product, donation appeal}} = 4.85$ vs. $M \hat{\sigma}_{\text{product, donation appeal}} = 5.09$; $t(47) = -.49$, *NS*; overall enjoyment perception: $M \hat{\sigma}_{\text{product, donation appeal}} = 4.78$ vs. $M \hat{\sigma}_{\text{product, donation appeal}} = 5.18$; $t(47) = -$

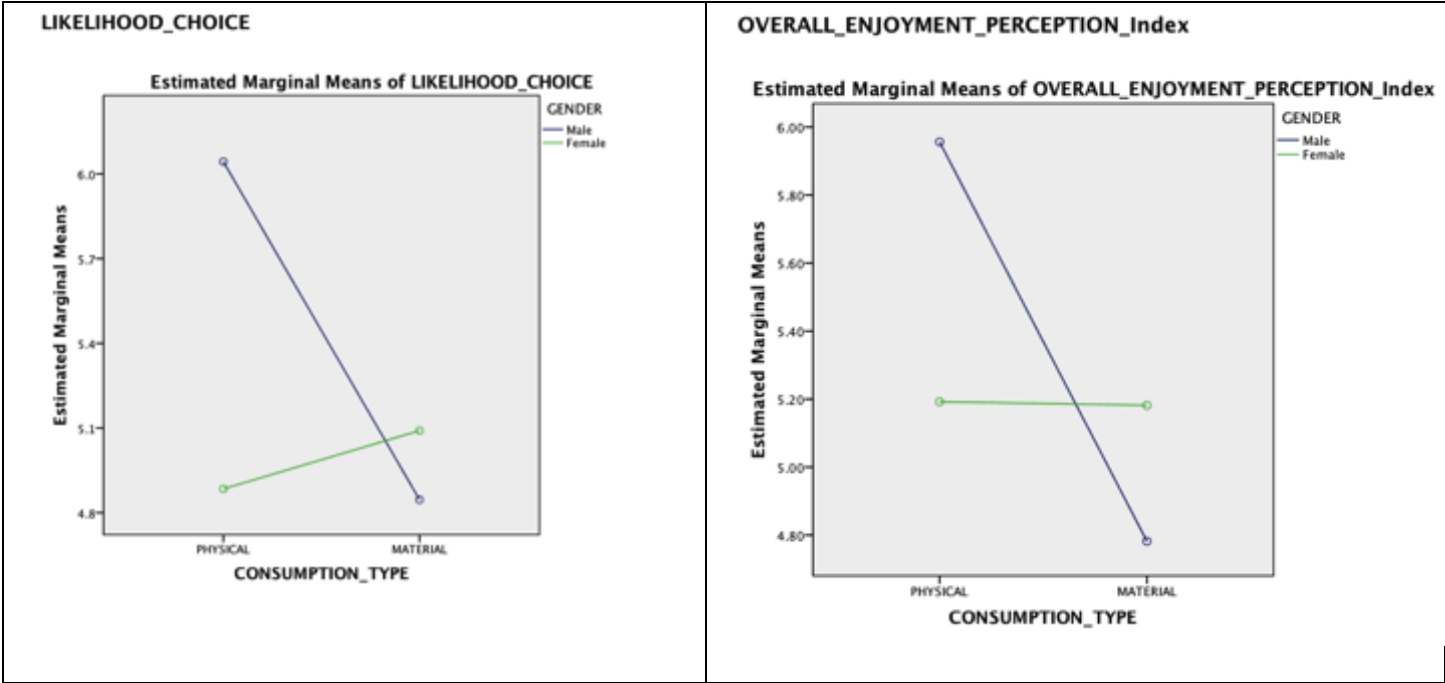
.97, *NS*). Though women showed higher mean ratings than men for materially-costly alternatives, results did not reach statistical significance. This, however, is likely to be a potential indicator that females prefer giving more to pro-social causes tied to material objects.

Table 4.1. Gender Differences on Conspicuous Self-Sacrificial Consumption Choices: Study 1

	Physical consumption		Material consumption		Gender main effect	Type of consumption main effect	Gender x Type of consumption
	Male (n=23)	Female (n=26)	Male (n=26)	Female (n=22)	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 1: (<i>N</i> = 97)							
Likelihood of choice	6.04 (1.2)	4.88 (1.6)	4.85 (1.5)	5.09 (2.0)	1.99	2.35	4.71*
Overall perceptions	5.96 (1.2)	5.19 (1.2)	4.78 (1.2)	5.18 (1.7)	.46	4.90*	4.73*
- enjoyment perceptions	5.87 (1.2)	4.58 (1.4)	4.96 (1.2)	4.91 (1.7)	1.05	5.71*	4.85*
- proud	5.91 (1.2)	4.69 (1.3)	5.42 (1.5)	5.36 (1.8)	.09	4.62*	3.80*
- recommend to others	6.09 (1.2)	5.08 (1.3)	5.19 (1.2)	5.27 (1.8)	1.50	2.66	3.66 ⁺

Note: *** $p < .001$, ** $p < .01$, * $p < .05$, ⁺ $p \leq .1$; standard deviations are presented between parentheses.

Figure 4.2. Conspicuous Self-Sacrificial Consumption x Gender Interaction Effects: Study 1



Mediation analysis. We used a simple mediation model (Hayes 2012, Model 4) to test H₂ where we predict that the extent that conspicuous self-sacrificial consumption motivates consumers to engage in pro-social behaviors is mediated by their chronic productivity orientation characteristics. We included conspicuous self-sacrificial consumption (physical versus material) as the predictor variable in the model, followed by CPO as the mediating variable, and the likelihood of choice as the outcome variable. When we tested for the conditional indirect effects (based on 5,000 bootstraps) the relationship between conspicuous self-sacrificial consumption (physical versus material) and our outcome variable through the mediator did not yield any significant results. Similar results were encountered when we included the overall enjoyment perceptions as the outcome variable. Further tests were conducted. We then used a moderated-mediation model (Hayes 2012, Model 8) to examine the mediating effects of chronic productivity orientation on the relationship between conspicuous self-sacrificial consumption and pro-social behavior at both levels of gender, our moderator. Taking into consideration the moderated-mediation literature when mediation is moderated, the indirect effect through which a predictor exerts its effect on an outcome variable depends on the value of one or more moderators (Hayes 2012). We included conspicuous self-sacrificial consumption (physical versus material) as the predictor variable in the model, followed by CPO as the mediating variable, gender as the moderator and both likelihood of choice and then overall enjoyment perceptions as the outcome variables. Test of the conditional indirect effects indicated that the relationship between (physical versus material) conspicuous self-sacrificial consumptions and our outcome variables through CPO was indeed moderated by gender differences. Evidence that the bootstrap confidence interval did not include zero ($\beta = .65$, $SE = .33$, 95% confidence interval (CI): -.1678 and 1.5309) confirmed a successful moderated-mediation. Though the moderated-mediation relationship

was negative for male participants at low levels of confidence interval, the indirect effect of conspicuous self-sacrificial consumption on the likelihood of choosing a pro-social consumption option through CPO was positive for male participants at higher levels of the confidence interval and also positive for all the female participants). Similar results were obtained for the other outcome variable, namely the overall enjoyment perception of participants in engaging in pro-social consumption ($\beta = .6035$, $SE = .28$, 95% confidence interval (CI): 0.1549 and -1.2998), though not providing statistical evidence consistent with H_2 but instead corroborating with our assumptions that the CPO is a driving force for some individuals only.

Discussion

The impact of conspicuous self-sacrificial consumption was tested on the likelihood of choice and overall enjoyment perceptions of participants engaging in pro-social behavior via the consumption of materially-costly (sunglasses) versus physically-costly (marathon participation) activities framed with charitable donation appeals. These results provide us with statistical evidence that the propensity of individuals to engage in pro-social behavior is moderated by gender differences since different factors impact how male and females are willing to help. While men are especially sympathetic towards conspicuous consumption experiences involving physical challenges, women showed a lower likelihood of adopting this kind of behavior that involves physical challenges. Instead, our results indicate that women showed a rather inclination towards materially-costly activities.

An additional and important finding resulting from this study is the moderated-mediation effect of CPO in (male vs. female) participants' propensity to engage in pro-social behavior. This result seems to indicate that for some people, this individual characteristic may take place outside their awareness and works instead as a motivation enhancement

during their consumption decisions. Our next study examines whether increasing consumers' level of pro-social involvement in activities such as fundraising is likely to be mediated by this individual difference in CPO. This will allow us to confirm whether CPO may be considered an explanatory factor of some individuals to allocate time and resources in a productive manner when more demanding solicitation strategies are in place.

STUDY 2: THE ROLE OF CHRONIC PRODUCTIVITY ORIENTATION ON HIGH INVOLVEMENT PRO-SOCIAL BEHAVIOR

The goal of study 2 was to examine to what extent increasing the CRM' on demand solicitation strategies would affect participants' desire to engage in charitable events. That is, whether increasing the strength of consumer involvement needed in some pro-social activities (e.g., enticing consumers to engage in fundraising) would alter the pattern of results obtained in the previous study. Additionally, to examine how individual differences in *chronic productivity* would also act as a mediator in that relationship.

Design, Stimuli and Procedure

One hundred and four participants (56 male, 48 female, mean age range = 25-34) were again recruited through Amazon's Mechanical Turk web services.

Participants were randomly assigned to a condition using a 2 (conspicuous self-sacrificial consumption: physical versus material) x 2 (gender differences: male versus female) between-subjects design.

As in study 1, participants were exposed to one of two scenarios that asked them to imagine that they were given the chance to purchase (participate in either) one of the two

products (marathons) described in the text. The products used were watches (marathons) framed with and without a charitable donation appeal. The non-charitable donation appeal option emphasized the functional benefits of the product's (marathon's) attributes such as its style and automatic movement (fit and healthy habits). The option with the charitable donation appeal referred that this option was slightly below on one of the expected attributes. But, by engaging in this purchase (experience) they would be contributing with \$10 to RED - a pro-social cause to get businesses and people involved in the fight against AIDS. Additionally, in order to increase the strength of pro-social involvement, participants were given the option of raising funds for this cause by contacting family and friends through the online and offline tools available through the non-profit organization co-sponsoring the campaign.

To elicit a conspicuously consumption motivation in both scenarios, besides referring that singer Bono and Bobby Shriver founded the RED campaign, in the material consumption scenario, participants were informed that the watches were personalized with the RED logo on the watches' strap. In the marathon scenario, participants were told that the event organizers provided them with a personalized running vest with their name and the name of the charity they were endorsing, so that cheerers could not miss them and were able to support them along the race. After that, participants were asked to indicate the likelihood of choosing the product (marathon) with charitable donation appeal, as well as, their perceived enjoyment, proudness and the probability of recommending the product (marathon) to others.

Towards the end of the study and after having completed a series of other unrelated tasks, participants completed a self-report measure of chronic productivity orientation followed by some demographics' and funnel debriefing questions that indicated that participants were not suspicious about what study's purpose was.

Dependent Measures

We used the same variable from study 1, namely likelihood of choice and the overall enjoyment perception index and CPO as a mediator.

Results

Similarly to study 1 we performed a MANOVA to test H_{1a} and H_{1b}. We also created an overall enjoyment perception index by averaging the three items used to measure participants' enjoyment, proudness and the likelihood of recommending the watch (marathon participation) to others as these were highly correlated ($\alpha = .92$).

No significant main effects were observed. However, a two-way significant conspicuous self-sacrificial consumption x gender interaction effect was observed on the likelihood of choice ($F(1, 103) = 3.90, p = .05$), and overall enjoyment perceptions ($F(1, 103) = 5.45, p < .05$). Results indicated that our male participants were marginally more likely to choose the physical (marathon participation) than the material (the watch purchase) activity framed with the charitable donation appeal (likelihood of choice: $M_{\text{♂ marathon, donation appeal}} = 5.55$ vs. $M_{\text{♂ product, donation appeal}} = 4.85; t(54) = 1.77, p = .08$). Nevertheless, they perceived to enjoy more the physical than the material activity tied to the pro-social cause (overall enjoyment perceptions: $M_{\text{♂ marathon, donation appeal}} = 5.63$ vs. $M_{\text{♂ product, donation appeal}} = 4.78; t(54) = 2.74, p < .01$), providing statistical support for H_{1a}.

Similar to study 1 findings, our female participants did not show any specific preference between both physically-costly and materially-costly alternatives on neither on the likelihood of choice ($M_{\text{♀ marathon, donation appeal}} = 5.16$ vs. $M_{\text{♀ product, donation appeal}} = 5.70; t(46) = 1.09, NS$), nor on overall enjoyment perceptions ($M_{\text{♀ marathon, donation appeal}} = 5.23$ vs. $M_{\text{♀ product, donation appeal}} = 5.58; t(46) = -.40, NS$) not providing support for our H_{1b} (see table 4.2. for results).

Alternate explanations. Follow-up tests were conducted once more to examine the differential preferences among men and women to contribute to a pro-social cause linked to a physically-costly or materially-costly activity. Interestingly, unlike in study 1, no differences were observed between men and women's likelihood of choosing and enjoying a pro-social donation tied to a physical activity (likelihood of choice: $M_{\text{♂ marathon, donation appeal}} = 5.55$ vs. $M_{\text{♀ marathon, donation appeal}} = 5.16$; $t(52) = .97$, $NS < .01$; overall enjoyment perceptions: $M_{\text{♂ marathon, donation appeal}} = 5.63$ vs. $M_{\text{♀ marathon, donation appeal}} = 5.23$; $t(52) = 1.17$, NS).

This time, however, women were marginally more likely than men to choose a donation to charity tied a materially-costly activity (likelihood of choice: $M_{\text{♂ product, donation appeal}} = 4.85$ vs. $M_{\text{♀ product, donation appeal}} = 5.70$; $t(48) = -1.45$, $p = .08$). Also perceived to enjoy more the materially-costly activities than men (overall enjoyment perception: $M_{\text{♂ product, donation appeal}} = 4.78$ vs. $M_{\text{♀ product, donation appeal}} = 5.58$; $t(48) = -2.08$, $p < .05$). This finding provides statistically significant evidence that women respond more positively than men to charitable donation appeals tied to material purchases, when higher pro-social involvement is required.

Table 4.2. Gender Differences on High Involvement Pro-Social Behavior: Study 2

	Physical consumption		Material consumption		Gender main effect	Type of consumption main effect	Gender x Type of consumption
	Male (n=29)	Female (n=27)	Male (n=25)	Female (n=23)	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 2: (<i>N</i> = 104)							
Likelihood of choice	5.55 (1.2)	5.16 (1.8)	4.85 (1.8)	5.70 (1.6)	.52	.07	3.90 *
Overall perceptions	5.63 (.9)	5.23 (1.6)	4.78 (1.4)	5.58 (1.3)	.59	.94	5.45*
- enjoyment perceptions	5.38 (1.1)	5.12 (1.6)	4.59 (1.4)	5.35 (1.4)	.82	1.04	3.44 ⁺
- proud	4.76 (1.1)	5.28 (1.6)	4.85 (1.5)	5.70 (1.4)	.45	.81	5.86*
- recommend to others	5.76 (1.1)	5.28 (1.7)	4.89 (1.4)	5.70 (1.3)	.32	.62	4.94*

Note: *** $p < .001$, ** $p < .01$, * $p \leq .05$, ⁺ $p \leq .1$; standard deviations are presented between parentheses.

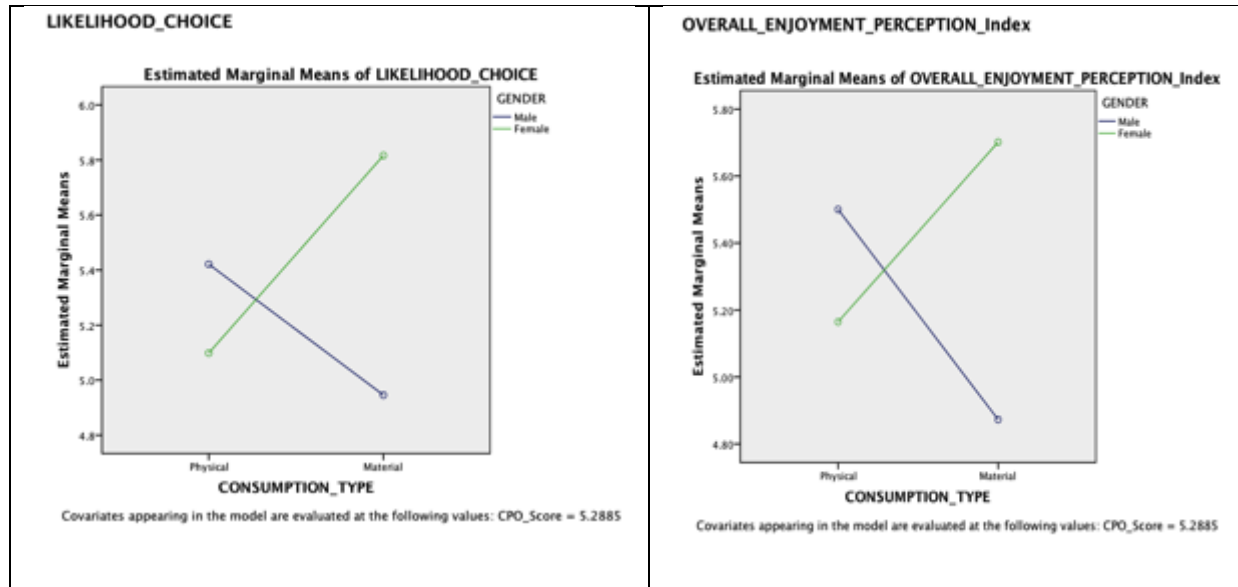
Mediation analysis. In order to test our H₂, we performed a simple mediation analysis (Hayes, Model 4) with conspicuous self-sacrificial consumption as the predictor, CPO as the mediator and likelihood of choice as the outcome variable. No significant results were observed and not supporting H₂. Again, a moderated-mediation model was used (Hayes, Model 8) including gender differences, as the moderator in the model. Unlike in study 1, no significant moderated-mediation effects were obtained. Further tests were conducted and a multivariate analysis of covariance (MANCOVA) was then performed with CPO as a covariate to control for any confounding effects. Preliminary checks were used to ensure that there was no violation concerning the assumptions of normality, linearity, homogeneity of variances, homogeneity of the regression slopes and the reliable measurement of the covariate. After adjusting for CPO, a two-way significant conspicuous self-sacrificial consumption x gender interaction effect was observed for both the dependent variables: likelihood of choice ($F(1, 103) = 4.30, p < .05$) and overall enjoyment perceptions ($F(1, 103) = 6.63, p = .01$), with CPO as a covariate ($p = .00$). While the statistical significance of the results obtained was enhanced, the significant relationship between CPO and the dependent variables, while controlling for the independent variable indicate that CPO was indeed related with the high consumer involvement needed to accomplish the pro-social tasks (see table 4.3. for results).

Table 4.3. The Covariate Effect of CPO on High Involvement Pro-Social Behavior: Study 2

	Physical consumption		Material consumption		Gender main effect	Type of consumption main effect	CPO covariate significance	Gender x Type of consumption
	Male (n=29)	Female (n=27)	Male (n=25)	Female (n=23)	<i>F test</i>	<i>F test</i>	<i>F test</i>	<i>F test</i>
Study 2: (<i>N</i> = 104)								
Likelihood of choice	5.55 (1.2)	5.16 (1.8)	4.85 (1.8)	5.70 (1.6)	.522	.07	19.37***	4.30*
Overall enjoyment perceptions	5.63 (.9)	5.23 (1.6)	4.78 (1.4)	5.58 (1.3)	.587	.94	31.95***	6.63**
- enjoyment perceptions	5.38 (1.1)	5.12 (1.6)	4.59 (1.5)	5.35 (1.4)	.821	1.04	28.04***	4.00*
- proud	4.76 (1.1)	5.28 (1.6)	4.85 (1.5)	5.70 (1.4)	.447	.81	24.87***	6.81**
- recommend to others	5.76 (1.6)	5.28 (1.7)	4.89 (1.6)	5.70 (1.5)	.322	.62	26.24***	5.76*

Note: *** $p < .001$. ** $p < .01$ * $p < .05$ + $p < .1$; standard deviations are presented between parentheses.

Figure 4.3: Conspicuous Self-Sacrificial Consumption x Gender Interaction Effects: Study 2



Discussion

Our study 2 results indicate analogous findings and directions to those obtained previously in study 1. Gender differences are indeed affected by different motivations to engage in pro-social behavior through the conspicuous consumption of costly alternatives. The moderation role of men versus women engaging in different forms of pro-social behavior is thus, verified. On one hand, men show to be continuously affected by the opportunity to engage in competitive altruism acts that signal heroic benefits to both the signaler and the receiver. Women, on the other hand, showed to be more flexible in their preferences to donate to pro-social causes involving either type of conspicuous consumption activities – material and physical. These findings seem to follow the proposition mentioned previously in the economic literature assessing the role of gender differences on demands for altruism that acknowledges that women follow an *equalitarianism* pattern of helping behavior (Andreoni and Vesterlund 2001).

Still, differences were encountered between men and women in their preferential forms of contribution to a pro-social cause. While women were more likely than men to adopt the kind of charity behavior that involves material purchases tied to CRM campaigns, in this study no significant differences were observed between our male and female participants when physically-costly activities were considered. These findings suggest that increasing the strength of pro-social appeals that involve higher consumer involvement may compromise men's willingness to adopt the self-sacrificial behavior needed to comply with more demanding charitable initiatives. Instead, our results show that it is when the pro-social challenge is higher, that women are willing to adopt the necessary behavior to undertake materially-costly issues.

This assumption is further support by the significant CPO covariate effect obtained in the interaction between gender x conspicuous self-sacrificial consumption. The positive relationship between CPO and the dependent variables shows that individual differences in the need to be productive is positively correlated with people's willingness to participate in more demanding hands-on activities such as fundraising involving a higher level of sacrifice and commitment.

GENERAL DISCUSSION

In this article we discuss the possibility that conspicuous self-sacrificial consumption is a viable tactic to enhance consumers engagement in pro-social behavior. We sought to answer two main questions, namely: Why do people freely engage in pro-social behavior that is associated with self-sacrificial acts and painful experiences? Are men more charitable-oriented individuals than women? Or, are women rather keener towards other forms of charitable giving?

In order to examine these questions and following a lead from economic researchers evaluating demands for altruism that suggested how different factors impact men and women's motivations for charitable giving (see Andreoni and Vesterlund 2007). We tested the moderating role of gender differences on the predisposition to engage in different forms of pro-social behavior. Yet, we looked at particular situations that have only begun to be explored by behavioral economists and social psychologists such as the consumption of negative experiences that benefit distant kin (Ariely and Norton 2009; McAndrew 2012). For instance, men have been traditionally associated with participating in experiences involving sacrifice and pain such that they volunteer to service in the army more often than women as also Boy Scouts' venturing is known to be an aspirational tradition among boys in America.

Even marathon participation was initiated by the male gender in 490 BC. Yet, it was only long after the Modern Olympics marathon has been initiated that women were included to participate in 1966 (AIMS 2013). What do these acts have in common? They all communicate and signal respect to others. Either from the merit badges that are collected after combat, scouting or even after having completed a marathon. These are examples of demonstrative behaviors that involve the consumption of negative experiences that benefit others and themselves (Griskevicius et al. 2010; 2012).

The aforementioned acts served as the inspiration to respond to the research questions posed in this article. However, we sought to test our propositions in the context of solicitation strategies intending to elicit reciprocal altruism through the practice of CRM campaigns. We examined how conspicuously consumption manipulations worked as trade-off factor during the evaluation of charitable donation appeals. Although our findings only partially supported our hypotheses, we contribute to the reciprocal altruism literature by advancing with a finding that shows how men are elicited to participate and reciprocate in “showing off” acts of competitive altruism (McAndrew 2012, 63). Women instead, show to be more flexible in engaging in reciprocal altruism tied to CRM campaigns since they seem to be motivated by different conspicuous consumption activities (studies 1 and 2). This is a finding that is in line with previous research assessing the different demands for altruism for men versus women that suggests that men prefer to donate to recreational activities. But, women are more likely to give when the activity is related with healthful or humanitarian causes (see Wiepking and Bekkers 2012).

We also contribute with an additional finding by introducing a new element to the pro-social behavior literature such as people’s chronic productivity orientation. CPO is an individual difference variable related to people’s desires to improve his/ hers actions so efficiently that affects non-vocational experiences. This variable, taken from the collectable

experiences' literature (see Keinan and Kivetz 2011) showed to mediate (study 1) and to covary (study 2) with people's decisions to cooperate. A possible explanation for the different statistical function of CPO in both studies is possibly related with the pro-social elicitation effects caused by the manipulations used. That is, due to the increased strength of consumer involvement needed to perform pro-social related tasks (from study1 to study 2). While in study 1 we used more subtle conspicuous self-sacrificial manipulations, in study 2 the fundraising task was added to the conspicuous self-sacrificial manipulations. Consequently, the strength of self-sacrificial behavior needed to perform the pro-social task was enhanced. The resulting CPO covariate effect then, seems to have worked more as an internal mechanism that enhanced participants' need to be productive than indirectly, through a mediator by which the pro-social behavior was performed.

This individual difference variable is thus, a major contributor to research in public policy, marketing and social entrepreneurship investigating the most efficient tactics to elicit public spending and interest in pro-social activities. Overall our findings provide statistical evidence of the individual difference factors influencing pro-social behavior that are yet not fully explored but ought to be investigated in more detail as these may provide vital knowledge to the *whys* and *how's* underlying motivations and decisions that support adaptive behaviors and most important, the societal need for reciprocal altruism.

Practical implications

One major characteristic that was made salient in our findings is the power of conspicuous consumption in elevating men and women's propensity to enjoy, to feel proud and to recommend experiences that involve sacrifice and pain to others. This leads to a subsequent rationale of relevance, which indicates that in spite that consumers seem to recognize the effort and commitment needed to engage in these types of self-sacrificial

initiatives they also seem not to get discouraged when the benefit of reaping social recognition is at stake. Moreover, the natural desire of some consumers to use time in an efficient manner due to their chronic productivity orientation affects how consumers are willing to go the extra mile and engage in fundraising acts. Providing therefore, important hints to marketers and social entrepreneurs about the different solicitation strategies and campaign elements that should be taken into consideration when designing CRM campaigns.

For instance, this research suggests that along the consumer market spectrum employing gender neutral marketing solicitation strategies is likely to affect sales and turn to be a liability to brands wishing to make a difference through alliances with non-profits. While men are more impulsive and react to stimuli involving more rational choices there is evidence that they are also more focused when they shop (Parker 2013). Women, although more emotional are now accountable for approximately 85% of the consumer purchases in the US. This trend reflects how women are highly involved in decisions including a wide range of issues from financing mortgages and colleges to household spending. Understanding gender differences and their realities is thus, a crucial step in order to build gender interest and trust in brand-cause alliances.

Our research provides also important practical implications for non-profit organizations and large-scale event organizers tied to public and professional sports events such as March of Dimes' walking or surfing competition organizations like the Association of Surfing Professionals (ASP) or the America's Cup. Besides embracing social and environmental projects, these sports' competition organizations also partner with luxury brands like Louis Vuitton. Other more casual brands like Rip Curl, Roxy or Billabong with wide consumer recognition are also among its portfolio. Promoting CRM campaigns and/or fundraising initiatives tied to these events could be a viable tactic to elicit reciprocal altruism allowing all

parties involved: non-profits, for-profits, and consumers to collect the benefits of promoting conspicuously costly sports activities that signal status and prestige.

Limitations and future research

An interesting application of this research would be to test our assumptions further in public versus private contexts where conspicuous consumption is likely to be threatened. That is, to examine the extent that altruistic/ egoistic motives enhance the likelihood of consumers engaging in pro-social behavior in (private) settings where there is no public recognition. For instance, providing companionship to the elderly, knitting for charity or volunteering at a local soup kitchen's church with reduced public exposure and limited chance to build social status could be one feasible tactic. We also acknowledge that the fact that only MTurk participants were used could have generated some social desirability bias in the responses given. Monitoring the possibility of this confounding effect in controlled lab experiments and involving for example projective techniques is one additional factor to take into consideration. Field related studies at marathon events or at retail stores could also be performed to understand in more detail the *real time* implications of conspicuous consumption.

Although not tested specifically, additional studies could be performed to examine how charitable donation appeals when paired with more feminine versus more masculine fast moving consumer goods would drive sex preferences. For instance, to test whether offering a donation to a pro-social cause through the purchase of a woman's cologne or a necklace would hold similar findings. Finally, we conclude with the assumption that much more research is needed to understand the immense biological and psychological factors underpinning sex differences and the human motivations to run the extra mile for the sake of others and ourselves.

CHAPTER 5

CONCLUSIONS AND DIRECTIONS FOR FUTURE RESEARCH.

How selfish soever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it except the pleasure of seeing it.

Adam Smith (The Theory of Moral Sentiments, 1759)

In the recent years much debate has evolved around the necessary global conditions to move towards more cohesive and sustainable lifestyles. Also, the need for creating synergies that strengthens cooperation between governments, non-profit and for-profit organizations and society. Together, these synergies aim to foster a better quality of life and sustainable development for all (United Nations Environment Programme 2013).

The ability to generate consumer interest and demand for goods and services with an ethical concern and consequently, the opportunity to unite consumer intentions and actual behaviors is among the fundamentals behind pro-social marketing. How to reduce the attitude-behavior gap underlying ethical consumption is thus, a main research question for all those investigating ethical decisions (Kotler 1982).

The study of *why* and *how* some marketplace situations and individual psychological factors positively influence consumers' perceptions, attitudes and ethical consumption behaviors is the focus of research in this thesis. Why people trade-off ethical attributes for other self-interest benefits that meet utility expectations. How marketers, non-profits and brands may develop preventive CSR strategies and convince consumers of the importance of acting pro-socially while reaping ethical product and service benefits were tested empirically in this research.

Previous literature on ethical decision-making has suggested inconsistencies between consumers' ethical values and their purchasing behavior. These inconsistencies are seen regularly for instance, in weekly supermarket-shopping trips (Irwin 1999). Despite evidence that ethicality and sustainable products are valued generally by consumers, ethical attributes are often traded-off for other more valuable attributes driving preferences (Ehrich and Irwin 2005). The prevalence of socio-cultural beliefs about how ethicality or sustainability may sacrifice efficacy and enjoyment in situations that favor functionality and/ or indulgence are among the most appointed reasons for consumers not acting in a more responsible manner (Luchs et al. 2010; Raghunathan et al. 2006).

Since consumers often do not have perfect knowledge about the performance of ethical attributes on products they infer meaning and use prior experience to make purchase decisions (Dick, Chakravarti, and Biehal 1990; Sujan and Dekleva 1987). Lay theories about effectiveness of ethical product attributes and consumers' inferences about the prejudices of engaging in sustainable decisions are therefore often used to explain ethical-consumption indecisions (Chernev and Carpenter 2001; Luchs et al. 2010). The reality is that the extent to which ethicality is positively valued depends on the level of understanding with the issue at hand (De Pelsmacker and Janssens 2007; Maignan and Ferrell, 2004; Nilsson et al. 2004; Roberts 1996; Wessels et al.1999). Also, on an overall judgment factor that is often led by the most striving goal driving the consumption experience (Alba and Williams 2013; Ariely and Norton 2009; Bagozzi and Dholakia 1999; Baumgartner and Pieters 2008; Raghunathan et al. 2006). As long as the ethical advertised product or service does not cost more, and alleviates guilt (Peloza, White and Shang, 2013), choosing a hedonic alternative that is tied to an ethical appeal, is viable solution to engage in pro-social behavior (Strahilevitz 1999; Strahilevitz and Meyers 1998).

RESEARCH PROJECTS AND MAIN FINDINGS

This research contributes to this prior ethical decision-making literature by looking at the psychological factors and marketplace situations that respond to consumers' expectancies and goals that favor ethical consumption. A schema of the empirical articles presented in this dissertation is presented in table 5.1.

In chapter 2, the first empirical article examines consumers' evaluations and willingness to pay for pre-packaged goods labeled with Fair Trade certifications. Previous research focusing on Fair Trade has acknowledged that consumer awareness is a vital aspect to understand the boundary conditions impeding more sustainable choices (De Pelsmacker, Driesden, and Rayp 2005). However, little empirical research has been devoted to understand the dynamics of Fair Trade knowledge across markets with different CSR expertise. In this article we relied on information processing theories (Petty and Cacioppo 1986), and specifically on the third-party certification and consumer knowledge theories (Alba and Hutchinson 1987; Kamins and Marks 1991; Parkinson 1975) to build our hypotheses and to empirically test our assumptions. Our findings suggest that consumers' attitudes and behaviors towards familiar versus low familiar brands partnering with Fair Trade is indeed dependent on their level of awareness. Also, on the ethical inferences and heuristics used to judge the ethical behavior of the brands involved (Brunk 2010; 2012).

In study 1, an experiment examining a market with low Fair Trade knowledge – Portugal, revealed that consumers seldom pay attention to Fair Trade labels and that on-package information processing is peripheral. That is, dependent essentially on a set of anchoring effects with more familiar elements on a package, namely the brand name (Campbell and Keller 2003; Petty and Cacioppo 1987). Study 2 tested the same assumptions in a market with higher levels of Fair Trade knowledge, the US market. Participants were

asked to analyze and rate different branded product packages on a set of affective and cognitive dimensions. Results corroborated with our hypotheses, showing that when there is higher consumer expertise with a product, the processing of information is more complex and a pattern of associations between the elements on a package is likely to occur. Interestingly, it seems that consumers also take the positive/ negative reasoning about the brands partnering with Fair Trade into consideration. Study 3, examined the same hypotheses tested in study 1 and study 2 on a heterogeneous sample comprising an international pool of participants from 31 countries across Western and Eastern Europe, North and South America, Africa and Asia. A median split of the sample in high versus low Fair Trade knowledge markets was performed and each sub-sample was analyzed. Results were coherent to those obtained in the previous studies, and in line with the proposition that once the level of prior Fair Trade knowledge increases to high levels, a pattern of associations between product quality and brand ethicality perceptions significantly occurs.

These findings indicate that the underlying criteria for selecting and evaluating products are different across markets with lower/ higher CSR knowledge. How the distrust of companies partnering with Fair Trade might influence consumers' judgments about the real intentions of brands that are not traditionally associated with CSR is also a determinant factor in this research. It indicates that clearer corporate responsibility practices need to be integrated into the business bottom line. More research is needed, however, to identify the focal on-package elements that drive consumers' attention. A procedure that could be used to test such attention mechanisms is eye tracking technology and skin conductance tests.

In chapter 3, findings from the second empirical article showed the importance of satisfying one's enjoyment while benefiting society and the environment. The influence of ethical claims on the enjoyment of products/ services that are more/ less congruent with sustainability was tested in empirical settings involving two online and two lab experiments

including a tasting of products (studies 1, 2, 3 and 4). The trade-off process underlying participants' deliberations concerning the appreciation of ethical attributes for a given *food & beverage* category was analyzed by hypothesizing the corresponding sustainability congruency.

Results from the four experiments reveal the importance of ethical attributes in elevating product quality perceptions for simple and sophisticated related products/ services. Yet, it is when enjoyment considerations are at stake that consumers seem to be driven by the nature of the goal leading their consumption expectancies. Results suggest that there are circumstances where ethicality may be a negative factor inhibiting consumers' decisions. Specifically, findings indicate that consumers' (un)subscriptions to social responsible goals have more to do with validations that bring those more versus less pleasure than solely due to the merit of ethical claims. More research is needed to evaluate other contexts where this dyadic relationship between simplicity and sophistication may occur.

In chapter 4, the third empirical article examines a rather understudied research topic but with full potential to be examined in more detail since it contributes to a better understanding of the links between altruism, status and pro-social behavior (Griskevicius et al. 2010). Supporting the recent literature on conspicuous consumption and ethical consumption behaviors (Allison and Goeth 2011; Andreoni and Vesterlund 2001; Griskevicius et al. 2010; 2012), findings from two experiments suggest the importance of conspicuous self-sacrificial consumption on activating pro-social behaviors. Results from these experiments assessing participants' motivations and willingness to pay for physically-costly versus materially-costly consumption experiences provide rather counter-intuitive findings and implications concerning gender differences in altruism.

While men are likely to engage in pro-social behavior via conspicuous consumption of physically-costly activities (e.g., running for charity in marathons) women show a similar

preference for both forms of conspicuous consumption – physically and materially-costly (e.g., merchandise purchases tied to a RED campaign). An interesting additional finding is related with the differential gender response to pro-social initiatives that require less/ more consumer involvement. While men are likely to adopt physically-costly behaviors when faced with subtle pro-social appeals. Women, however, show to adopt materially-costly behaviors when higher pro-social involvement is needed such as engaging in fundraising acts.

A similar finding is related with how the chronic productivity orientation of some individuals may aid charities and NGOs in such solicitation strategies involving fundraising. It would be interesting to explore whether incorporating the CPO measure into human resources' recruitment processes would be a viable strategy to find more suitable candidates to perform solicitation tasks of this kind. Taken together, to best of our knowledge this article is the first to empirically test how conspicuity and gender differences affects pro-social behavior preferences involving sacrifice and pain. Also, how the chronic productivity orientation of some individuals is related with the willingness to “run the extra mile,”

DIRECTIONS FOR FUTURE RESEARCH

Ethical decision-making is a multifaceted phenomenon influenced by cultural, social and individual difference responses to a challenging marketplace that offers too many excuses to resist ethical temptations. Additionally, the fast shopping pace with which consumers deal today does not ease the efforts that have been made towards more sustainable lifestyles and ethical behaviors. The variety of options, prices and endless information trying to convince consumers to engage in all sorts of consumption experiences are amongst the obstacles inhibiting the implementation of better-informed decisions.

In this thesis I tried to contribute to this vast literature assessing the impact of ethical and altruistic values through purchasing behaviors, and by examining concrete marketplace intersections where behaviors divert. Further research could examine the ethical decision-making phenomenon along the multiple identities that consumers have by looking at the “malleability” of their choices when faced with decisions for which they perceive to derive great versus less value (Markus and Kunda 1986; Reed et al. 2007).

This triggering effect caused by the intercept between chronic and situational cues that might boost consumers’ ethical identity could also be explored through the lens of brand identity (Aaker 1999). That is, further research could extend the assumptions from the first empirical article (chapter 2), namely on consumers’ perceived ethicality (CPE) of the brands partnering with Fair Trade. Then, examine in more detail how individual and brand personality traits combined are likely to influence consumers’ judgments about the brands engaging in CSR initiatives. Furthermore, and following the scope of research of the first empirical paper, it also seems relevant to examine the boundaries of the cross cultural examination of the role of ethical certifications on products. That is, to check whether the underlying assumptions extend to emerging markets such as India, Brazil and China where individual ethical consumption behaviors in these countries granted them a position in the top tier of the Greendex ranking (Greendex 2013). The positive correlation between consumer guilt and environmental impact for consumers in these countries is amongst the most appointed reasons for engaging in ethical consumption. Opening therefore, an avenue for research to understand whether guilt, so often used to screen consumer preferences for products with charitable donation appeals (Strahilevitz and Meyers 1998) may be used as a situational/ chronically assessable cue to influence ethical consumption in developed economies.

In the second empirical paper (chapter 3), the results obtained from consumers' expectancies set by ethical heuristics with goods and events that are more/ less congruent with sustainability is likely to benefit marketing and campaign managers. By providing these experts with practical insights about the type of heuristics that influence or demotivate consumers' ethical decisions. Further research could however, be extended into other contexts that go beyond consumption. Namely, it would be interesting to examine the role of ethical information in the context of healthcare. For instance, how the ethical weight of communicating preventive promotion efforts will impact those cognitive dissonant patients that often forgo preventive screening. Public policy makers and the healthcare industry could thus, benefit from analyzing the normative and non-normative behaviors resulting from such communication campaigns performed at hospitals, public and private healthcare practices on an individual consumer level.

Finally, the interaction between societal and individual difference factors on altruism and status recognition explored in the third empirical paper (chapter 4), could also be extended into other conspicuous self-sacrificial consumption trends. According to a recent survey about sustainability and consumer trends (BBMG, Globescan, and SustainAbility 2013), there is a segment of the consumer population that pursue decisions taking essentially into consideration fashion, social status and sustainability interests. These consumers, called the *aspirational consumers* represent approximately 2.5bn of the global population. What used to be considered a demonstrative type of behavior of the so called low-profile ethical consumers has now turned into a fashionable aspirational trend among those who seek to be seen as the coolest of the gang. This trend opens a window of opportunity for brands, marketers and even public policy makers to develop pro-social conspicuous consumption strategies targeted to this promising segment of the consumer population.

In sum, this research looked into the influence of corporate social responsibility in consumers' expression of ethical behavior. In chapter 2, the evaluation of brands via the fairness of its products, suggests that perhaps it is worth not displaying Fair Trade certifications on the front of the package just because it looks right. In chapter 3, the efficiency of ethical claims in generating interest in product/service categories that are more/less congruent with sustainability imply that consumers do not always wish to engage in sustainable missions. Also, businesses are likely to suffer if too much pressure is exerted on society to act responsibly. In chapter 4, the enhancement of social status through conspicuous self-sacrificial experiences can harness reciprocal altruism on men and women.

Altogether, this thesis' main finding is that there are no simple choices between right versus wrong, good versus bad. Instead, social and self-benefit attributes are competing rights for the same choice often leading to ethical (in)decisions.

Table 5.1. Overview of Empirical Chapters

	Chapter 2 Because it looks right? A Cross-Cultural Analysis of Fair Trade Certification Marks on Consumers' Choices.	Chapter 3 Is it Sexy to be Sustainable? The impact of ethical claims and product congruency.	Chapter 4 Running the Extra Mile for the Sake of Others or Myself? The Role of Gender on Conspicuous Self-Sacrificial Consumption Choices
Object of Research	To understand the extent that consumers' prior knowledge about ethical initiatives and level of familiarity with the brands may influence the relationship between ethical certifications and products' choice.	To understand the effectiveness of ethical claims in promoting <i>food & beverage</i> products/ services that are simple versus sophisticated and for which consumers perceive to exist greater versus lesser congruency with sustainability.	To understand the moderating role of gender differences in conspicuous self-sacrificial consumption on pro-social behavior. How individuals' difference in chronic productivity orientation benefits pro-social solicitation tasks.
Questioned belief	That ethicality knowledge about Fair Trade and brands is crucial during the product evaluation process.	The importance of satisfying one's enjoyment while benefiting society and the environment.	That men versus women differ in their forms of contribution to pro-social causes.
Methodology	Experiments	Experiments	Experiments
Sample type and size	Study 1: academic database; 159 Study 2: academic database; 97 Study 3: academic database; 750	Study 1: students; 36 Study 2: graduate students; 214 Study 3: graduate students; 104 Study 4: MTurkers; 104	Study 1: MTurkers; 97 Study 2: MTurkers; 104
Data analysis	MANOVAS; Mediation and Moderated-Mediation Analysis.	MANOVAS; Moderated-Mediation Analysis.	MANOVA and MANCOVA; Moderated-Mediation Analysis.
Key findings	Results indicate that in low Fair Trade knowledge markets consumers seldom pay attention to ethical certifications. Once the level of awareness increases, a set of product quality and ethicality associations are likely to occur mostly for low familiar brands. The mediating effect of consumers' perceived ethicality of the brands engaging in Fair Trade initiatives is moderated by brand familiarity.	Results indicate that there are circumstances where ethicality is a negative factor impacting consumers' decisions when hedonic goals are at stake. When simpler goals are activated ethicality is a plus. Product/ service category moderated the mediating effect of enjoyment perceptions in the relationship between ethical claims and consumers' evaluations.	Results indicate that men are more prone to engage in pro-social behavior via physical self-sacrificial conspicuous consumption choices. Women show no specific preferential contribution in their form of giving. Chronic productivity orientation serves as a motivational factor for some consumers to cooperate in more demanding solicitation strategies involving fundraising.

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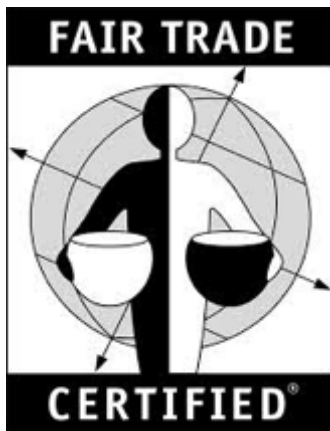
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**APPENDIX 1-A. EXAMPLES OF ETHICAL CERTIFICATION MARKS USED IN
EUROPE AND THE US**

European Fair Trade Certification Marks



US Fair Trade Certification Marks



Competing Certification Marks in the Market



Slow Food[®]

APPENDIX 1-B. KEY MEASURES USED IN STUDIES 1 – 3.

Affective measures

Package evaluation (3 items, 7-points bipolar scales, adapted from Schoormans and Robben 1996) ($\alpha_1 = .90$, $\alpha_2 = .86$, $\alpha_3 = .90$)

“Overall, do you think this package is:”

- (1) “ugly–beautiful,”
- (2) “does not confer quality–confers quality,”
- (3) “badly finished – very well finished.”

Attention to packaging (7-points scale, 1 = very unlikely, 7 = very likely)

“Please indicate the likelihood of this package in getting your attention.”

Cognitive measures

Product quality perceptions (7-points scales, 1 = very unlikely, 7 = very likely, adapted from Kamins and Marks (1991) and Luchs et al. (2010) ($\alpha_1 = .70$, $\alpha_2 = .82$, $\alpha_3 = .83$)

“What is the likelihood of this product containing the following characteristics:”

- (1) “it’s not artificially flavored,”
- (2) “it does not contain preservatives,”
- (4) “it’s healthy,”
- (5) “it’s safe,”
- (6) “it has quality, ”

Consumers ‘perceived ethicality of a brand (CPE) (7-points scales, 1 = strongly disagree, 7 = strongly agree, adapted from Brunk 2012) ($\alpha_1 = .95$, $\alpha_2 = .84$, $\alpha_3 = .85$)

“What are your perceptions about this brand?”

(1) “the brand respects moral norms”

(2) “the brand always adheres to the law”

(3) “it’s a socially responsible brand”

(4) “it’s a good brand”

Demand measures

Likelihood of purchasing (LOP) (7-points scale, 1 = very unlikely, 7 = very likely, adapted from Obermiller 2009).

“What is the likelihood of purchasing this product?”

Willingness to pay (WTP)

“What would be the price you would be willing to pay for this product?”

APPENDIX 1-C. STIMULI FOR THE EVALUATION OF PRODUCT ATTRIBUTE INFORMATION

Study 1

High familiar FT



High familiar NFT



Low familiar FT



Low familiar NFT



Study 2

High familiar FT



High familiar NFT



Low familiar FT



Low familiar NFT



Study 3

High familiar FT



High familiar NFT



Low familiar FT



Low familiar NFT



Note: Due to space constraints only a product category is presented per study. More images are available upon request.

APPENDIX 2-A. STIMULI FOR THE EVALUATION OF PRODUCTS AND SERVICES FRAMED WITH ETHICAL/ LESS ETHICAL CLAIMS

Study 2

Ethical claims

LIL TEA
herbal tea

Lil tea was the first tea in Europe to get the SET certification* and its tea bags comprise SET tea leaves from the Kasinthula Cooperative in India. This means that every time you drink Ely tea you are directly taking part in the sustainable development movement – contributing to long-term development and real opportunities for Indian communities.

Sold in: eco food stores and markets

* SET certification: is the Social, Environmental, and Trade certification standard that guarantees that goods and services respect a variety of pro-environmental and pro-social factors such as sensitivity about pollution and resource usage as well as fair treatment of staff, suppliers and communities.



No Ethical claims

LIL TEA
herbal tea

Thanks to the large processing ability of the Lil brand this herbal tea is now available at your local retailer. Improved taste.

Sold in: grocery stores, mass merchandisers and some specialty stores.



IZY COLA
soda

Izy Cola was the first cola in Europe to get the SET certification* and it fizzes with SET sugar from the Kasinthula Cooperative in Malawi. This means that every time you drink an Izy Cola you are directly taking part in the SET movement – contributing to long-term development and real opportunities for African communities.

Sold in: eco stores and markets

* SET certification: is the Social, Environmental, and Trade certification standard that guarantees that goods and services respect a variety of pro-environmental and pro-social factors such as sensitivity about pollution and resource usage as well as fair treatment of staff, suppliers and communities.



IZY COLA
soda

This new cola provides the perfect drink combination for the fastest dishes such as pasta, chicken, and pizza.

Sold in: grocery stores, mass merchandisers and some specialty stores.



Study 3

High ethical claims



SOCIAL, ENVIRONMENTAL AND TRADE (SET) RATING STANDARD:

VERY HIGH (score = 10 out of 10 points)

Morning Glory

90%

Of our ingredients are grown on organic farms.



Feel good!

SET RATING® is a social, environmental and trade certification standard that rates goods and services according to a variety of eco-friendly and pro-social practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for a business. Businesses receiving this score have in their set of practices the highest sustainability concerns.

Low ethical claims



SOCIAL, ENVIRONMENTAL AND TRADE (SET) RATING STANDARD:

AVERAGE (score = 5 out of 10 points)

Morning Glory

10%

Of our ingredients are processed.



Feel good!

SET RATING® is a social, environmental and trade certification standard that rates goods and services according to a variety of eco-friendly and pro-social practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for a business. Businesses receiving this score have in their set of practices the highest sustainability concerns.



SOCIAL, ENVIRONMENTAL AND TRADE (SET) RATING STANDARD:

VERY HIGH (score = 10 out of 10 points)

90% biodegradable bottle!

CERTIFIED ORGANIC



SET RATING® is a social, environmental and trade certification standard that rates goods and services according to a variety of eco-friendly and pro-social practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for a business. Businesses receiving this score have in their set of practices the highest sustainability concerns.



SOCIAL, ENVIRONMENTAL AND TRADE (SET) RATING STANDARD:

AVERAGE (score = 5 out of 10 points)

10% non-biodegradable materials!

FEEL GOOD



SET RATING® is a social, environmental and trade certification standard that rates goods and services according to a variety of eco-friendly and pro-social practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for a business. Businesses receiving this score have in their set of practices the highest sustainability concerns.

 **Organic Land – cola**

SOCIAL, ENVIRONMENTAL AND TRADE (SET) RATING STANDARD:

VERY HIGH (score = **10** out of 10 points)

90%
Of our ingredients are organic.

FEEL GOOD



SET RATING* is a social, environmental and trade certification standard that rates goods and services according to a variety of eco-friendly and pro-social practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for a business. Businesses receiving this score have in their set of practices the highest sustainability concerns.

 **SODA POP – cola**

SOCIAL, ENVIRONMENTAL AND TOURISM (SET) RATING STANDARD:

AVERAGE (score = **5** out of 10 points)

10%
Of our ingredients are processed.

Feel good!



SET RATING* is a social, environmental and trade certification standard that rates goods and services according to a variety of eco-friendly and pro-social practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for a business. Businesses receiving this score have in their set of practices the highest sustainability concerns.


 **Organic Land – energy drink**

SOCIAL, ENVIRONMENTAL AND TRADE (SET) RATING STANDARD:

VERY HIGH (score = **10** out of 10 points)


90%
of our ingredients are organic!

FEEL GOOD



SET RATING* is a social, environmental and trade certification standard that rates goods and services according to a variety of eco-friendly and pro-social practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for a business. Businesses receiving this score have in their set of practices the highest sustainability concerns.

 **SODA POP – energy drink**

SOCIAL, ENVIRONMENTAL AND TRADE (SET) RATING STANDARD:

AVERAGE (score = **5** out of 10 points)

10%
of our ingredients are processed!

FEEL GOOD



SET RATING* is a social, environmental and trade certification standard that rates goods and services according to a variety of eco-friendly and pro-social practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for a business. Businesses receiving this score have in their set of practices the highest sustainability concerns.

Products' tastings



Tea and water



Coke and energy drink



Study 4

High ethical claims

Low ethical claims

Property of Earth Breakfast Bar - San Francisco, CA www.earthb.com

 ★ **EARTH BREAKFAST BAR** ★

At Earth Breakfast Bar, we want you to feel good about eating & drinking.

SOCIAL, ENVIRONMENTAL AND TOURISM (SET) RATING STANDARD:
VERY HIGH (score = **10** out of 10 points)

Morning Glory

90%

Of our ingredients are grown on organic farms.

[Book Now!](#)



SET RATING* is a social, environmental and tourism certification standard that rates goods and services according to a variety of eco-friendly and pro-social practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for an establishment. Establishments receiving this score have in their set of practices the highest sustainability concerns.

Property of SKY Breakfast Bar - San Francisco, CA www.skyb.com

 ★ **SKY BREAKFAST BAR** ★

At SKY Breakfast Bar, we want you to feel good about eating & drinking.

SOCIAL, ENVIRONMENTAL AND TOURISM (SET) RATING STANDARD:
AVERAGE (score = **5** out of 10 points)

Morning Glory

10%

Of our ingredients are processed.

[Book Now!](#)



SET RATING* is a social, environmental and tourism certification standard that rates goods and services according to a variety of pro-social and eco-friendly practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for an establishment. Establishments receiving this score have in their set of practices the highest sustainability concerns.

Property of Earth Happy Hour Bar - San Francisco, CA www.earthb.com

 ★ **EARTH HAPPY HOUR BAR** ★

At Earth Happy Hour Bar, we want you to feel good about eating & drinking.

SOCIAL, ENVIRONMENTAL AND TOURISM (SET) RATING STANDARD:
VERY HIGH (score = **10** out of 10 points)

Evening Glory

90%

Of our ingredients are grown on organic farms.

[Book Now!](#)



SET RATING* is a social, environmental and tourism certification standard that rates goods and services according to a variety of pro-social and eco-friendly practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for an establishment. Establishments receiving this score have in their set of practices the highest sustainability concerns.

Property of SKY Happy Hour Bar - San Francisco, CA www.skyb.com

 ★ **SKY HAPPY HOUR BAR** ★

At SKY Happy Hour Bar, we want you to feel good about eating & drinking.

SOCIAL, ENVIRONMENTAL AND TOURISM (SET) RATING STANDARD:
AVERAGE (score = **5** out of 10 points)

Evening Glory

10%

Of our ingredients are processed.

[Book Now!](#)



SET RATING* is a social, environmental and tourism certification standard that rates goods and services according to a variety of pro-social and eco-friendly practices such as sensitivity about energy and water consumption as well as sourcing from local suppliers and volunteering in the community.

Note: 10 is the maximum score that can be obtained for an establishment. Establishments receiving this score have in their set of practices the highest sustainability concerns.

APPENDIX 3-A. STIMULI FOR THE EVALUATION AND CHOICE OF CONSPICUOUS SELF-SACRIFICIAL CONSUMPTION EXPERIENCES.

Study 1: The Role of Gender Differences on Conspicuous Self-Sacrificial Consumption

<p>Sunglasses are one of the basic requirements for all of us nowadays. However, choosing sunglasses is not easy, due to the variety of the brands and product attributes available in the market.</p> <p>Now, imagine that you are in a store looking to buy a pair of sunglasses and you lay eyes on two particular styles from the Ray-Ban brand that fit your requirements. Both pair of sunglasses have the same price (\$98).</p> <p>PRODUCT A - provides <u>all</u> the attributes that you look for in a pair of sunglasses: style, fit, shade, lenses quality...</p> <p>PRODUCT B - fits your product requirements on almost all the desirable attributes <u>except</u> for one of them that is slightly below your expectations. Yet, by purchasing this pair of sunglasses you are contributing with \$10 to the "Leukemia & Lymphoma Society", a non-profit organization that supports blood cancer medical research, a cause that is strongly supported by celebrities from the arts & film industry worldwide. These sunglasses are personalized with a "L&LS" logo on the outside of the sunglasses' frames.</p>	<p>Marathon participation around the world is booming in recent years but the demanding distance is not for everyone.</p> <p>Imagine that you are given the opportunity to participate in either one of the two marathons described below. The cost of participation is the same for both (\$98).</p> <p>MARATHON A: a run for charity - 10K (6.21mi) marathon for the sake of contributing with \$10 to the "Leukemia & Lymphoma Society", a non-profit organization that supports blood cancer medical research. Among other promotional materials, this marathon provides you with a personalized running vest with your name and the name of the charity you are endorsing so that cheerers can not miss you and are able to support you along the race.</p> <p>MARATHON B: a fit and fun- 5 K (3.11 mi) marathon for the sake of having a social interaction experience that promotes fit and healthy habits.</p>
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Study 2: The Role of Chronic Productivity Orientation on High Involvement Pro-Social Behavior

<p>Watches are one of the basic requirements for all of us nowadays. However, choosing watches is not easy, due to the variety of the brands and product attributes available in the market.</p> <p>Now, imagine that you are in a store looking to buy a watch and you lay eyes on two particular styles from the Tourneau brand that fit your requirements. Both watches have the same price (\$98).</p> <p>PRODUCT A - provides <u>all</u> the attributes that you look for in a watch: style, automatic movement, stainless steel case, quality of Swiss craftsmanship...</p> <p>PRODUCT B - fits your product requirements on almost all the desirable attributes <u>except</u> for one of them that is slightly below your expectations. Yet, by purchasing this watch you are contributing with \$10 to the Global Fund to help fight AIDS in Africa, through (RED) – the non-profit organization founded by Bono and Bobby Shriver to get businesses and people involved in the fight against AIDS. This watch is personalized with the (RED) logo on the strap.</p> <p>Additionally, you can go the extra mile and start raising funds for this cause just by contacting friends & family and asking for a donation. It takes less than 21 seconds to create a fundraiser with the online and offline tools available through the (RED) foundation.</p>	<p>Marathon participation around the world is booming in recent years but the demanding distance is not for everyone. Imagine that you are given the opportunity to participate in either one of the two marathons described below. The cost of participation is the same for both (\$98).</p> <p>MARATHON A: a run for charity - 10K (6.21mi) marathon for the sake of contributing \$10 to the Global Fund to help fight AIDS in Africa, through (RED) – the non-profit organization founded by Bono and Bobby Shriver to get businesses and people involved in the fight against AIDS. Among other promotional materials, this marathon provides you with a personalized running vest with your name and the name of the charity you are endorsing so that cheerers can not miss you and are able to support you along the race.</p> <p>Additionally, you can go the extra mile and start raising funds for this cause just by contacting friends & family. It takes less than 21 seconds to create a fundraiser with the online and offline tools available through the (RED) foundation.</p> <p>MARATHON B: a fit and fun- 5 K (3.11 mi) marathon for the sake of having a social interaction experience that promotes fit and healthy habits. Based on the information provided please answer to the questions below.</p>
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VITA

Vera Herédia Colaço was born in Lisbon, Portugal on November 8th, 1971. She graduated from António Arroio - School of Arts and Design, in 1991 with a high school diploma in Textile Design. She attended the De Montfort University, in Leicester, UK and graduated with a Bachelors of Science in Textiles and Knitwear Technology in 1995. Vera also graduated with a Masters of Science in Textile Marketing from Philadelphia University, US, in 1997. She has 15 years international work experience as a marketing and international trade professional in leading textile and apparel brands such as Timberland, The Benetton Group, BCBG Max Azria and ModaLisboa – Lisbon Fashion Week Organization, in Europe and the US. While in the US, Vera also worked as a Senior Product Manager at *aicep Portugal Global* in New York City, the Trade & Investment Government Agency responsible for supporting Portuguese companies in the US market in their processes of internalization and export activities. Driven by how consumers make decisions in the most unexpected ways, in 2010, Vera entered the Ph.D. program in Management at Nova School of Business and Economics and focused her research on consumer decision-making. Vera also taught graduate sections of the Entrepreneurship and Innovation Course at the Nova Doctoral School. Vera has also been collaborating with the Lerne Lab, the experimental research lab in consumer behavior at CATÓLICA-Lisbon School of Business and Economics and is a research fellow at the University of California Berkeley.

INTERNATIONAL CONFERENCES

Vera's research has been presented at the following international conferences:

Herédia Colaço, Vera, Rita Coelho do Vale, "I am strong to the finish, cause I eats me spinach! The influence of sustainable-consumption messages on consumers' judgments of simple versus sophisticated goods and services," 15th Annual Meeting of The Society for Personality and Social Psychology, Austin- TX, February 2014 (upcoming).

Herédia Colaço, Vera, Rita Coelho do Vale, and Sofia B. Villas-Boas, "Because it Looks Right! The Influence of Ethical Certifications marks on products' evaluation," 42nd European Marketing Academy Conference (Conference Proceedings), Istanbul, Turkey, June 2013.

Herédia Colaço, Vera, Rita Coelho do Vale, and Sofia B. Villas-Boas, "Because it Looks Right! The Influence of Ethical Certifications marks on products' evaluation," 14th Annual Meeting of The Society for Personality and Social Psychology - Judgment and Decision Making Preconference, New Orleans – LA, January 2013.

Herédia Colaço, Vera, Rita Coelho do Vale, and Sofia B. Villas-Boas (2013), "Because it Looks Right! The Influence of Ethical Certifications marks on products' evaluation," 14th Annual Meeting of The Society for Personality and Social Psychology – Sustainability Psychology Preconference, New Orleans - LA, January 2013.

Herédia Colaço, Vera, Tomasz Miaskiewicz, and Sofia B. Villas-Boas, "Because it feels rights: the influence of ethical certification marks on consumer choices," Doctoral Colloquium at 40th European Marketing Academy Conference (Conference Proceedings), Ljubljana, Slovenia, May 2011.