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Green CSR and Brand Attitude: The Role of Stereotype Content Model

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Abstract:

This study examines the efficacy of Corporate Social Responsibility motives (CSR-m) and Corporate Ability (CA) in developing Brand Attitude (BA) and Customer Loyalty (CL). A Stereotype Content Model (SCM), i.e., a concept of perception toward citizens of other countries in the warm and competence dimension, was used as a moderating variable that affects the relationship among CSR-m, CA, and BA.

The survey was conducted in Jakarta, the capital city of Indonesia, in regard to two global brands: Coca-Cola and Toyota. The 173 respondents were customers of those two brands. The data were analyzed with factor analysis, multiple regression, and t-independent tests. The results revealed differences between these two global brands, which have a direct impact on CSR-m on BA but with different motives.

Also, it was revealed that SCM moderates the influence of CSR-m toward BA. The implication of this study is CSR-m enhanced BA; therefore, companies must properly choose and manage their type of CSR to increase business performance.

Keywords: *Corporate Social Responsibility Motives, Corporate Ability, Brand Attitude, Loyalty, Stereotype Content Model.*

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1. Introduction

Globalization forces companies to perform their activities globally, which affects the marketing strategies that must adapt to targeted international markets. The diversity of company offerings for consumers on a particular market (e.g. design, local and global brand, price, advantage, etc.) forces companies to identify with the superior values of a global brand that will be delivered to consumers. At the time a company decides to go global, the choice is whether to focus on standardized product and promotional activities or to adapt to local cultural conditions. Both strategies have positive and negative effects on company's performance. Consumers who come from different countries do not necessarily assess the same products and brands on the same attributes. This situation will influence the target consumers to have different perspectives and different definitions concerning what the "superiority of the offering" is and also the consumers' decision making process.

Advancements in technology and improvement in the economy, will affect quality of life and consumption patterns, which in turn will have an impact on the environment. Recently, the world has encountered social and environmental issues that have become the subject of academic discussion. In emerging markets, organizations have to deal with the challenge of adopting and managing an effective CSR strategy that is aligned with the value of corporate brand (Karaosmanoglu *et al.*, 2016). This has raised interest in corporate social responsibility (CSR) to actualize public goals (Graafland and Schouten, 2012). CSR activities related to the environment have been triggered by an increased awareness toward climate change, pollution, and limited natural resources (Ozane and LeCren, 2011). The authors introduced the concept of corporate environmentalism (CE), in which a company considers environmental aspects and provides the decision to run a major business and social activities. Desjardins (1998) expressed the concept of corporate environmental responsibility (CER) as a form of CSR that concerns how business processes harm the environment.

Environmental corporate social responsibility (ECSR) is another important and distinct part of the overarching concept of corporate social responsibility (Rahman and Post, 2012). This concept is reflected as an obligation to protect the environment, as a consequence of company operations, products, and facilities; to eliminate waste and emissions; to maximize the efficiency and productivity of its resources; and to minimize practices that might adversely affect the utilizing of a country's resources on future generations. Company activities will affect external stakeholders, either directly or indirectly, to create good relationships with companies, and the activities can increase assessment, confidence, and trust (Hildebrand *et al.*, 2011). CSR activities undertaken by a company, in various types, are expected to improve social and environmental conditions, as well as the quality of life of those involved in the company and also are expected to be a form of activity that concerns business sustainability. In the current situation, where many complaints in regards to air pollution, water pollution, and limited natural resources have increased, the CER related research is important in order to support the development of sustainable

communities (Wang, 2010). Regardless of its type, CSR efforts are generally intended to portray an image of a company as a response to societal expectations (Ellen *et al.*, 2006; Baldacchino *et al.*, 2017; Keisidou *et al.*, 2013).

Previous studies (Balqiah *et al.*, 2011; Mukhtar *et al.*, 2012) showed that consumers perceived that CSR activities have different motives and also different effects on consumer responses. Globalization, e.g., making companies globally perform activities, will affect marketing strategy and the adaptation to the target of international markets. CSR activities undertaken in each country can be carried out in the same or different form. Local culture and perceptions of CSR activities will certainly have an impact on the success of the CSR activities. Becker-Olsen *et al.* (2011) have shown that consumer perceptions are enhanced if a brand is recognized globally, and the global perception affects the quality and prestige of the CSR activities as well as the attractiveness to the company and the brand. CSR has a positive impact on the national competitiveness (Boulouta and Pitelis, 2014).

Studying CSR for global brands is highly relevant, as global brands are frequently blamed for not having strong CSR records (Torres *et al.*, 2012). The authors' research showed that the strong effect of CSR initiatives directed at different stakeholders on global brand equity will suggest that a multinational enterprise should maintain a balance among different stakeholders in order to enhance, and maintain brand equity. As global brands already have a worldwide reputation of excellence associated with the brand, it is necessary to carefully choose the form of CSR activities to be carried out with the result that will adversely have an impact on the company's brand as well as on its long-term performance.

Referring to the concept of country of origin, this article presumes that the perception toward the stereotype of a citizen from a certain country, from which a company implements CSR activities (home country), will affect the perception toward CSR activities in areas where they are doing business (host country). Cuddy *et al.* (2009) explained that each country has a different stereotype. The main objective of this study is to evaluate the association of green CSR activities toward the creation of brand attitude and further customer loyalty and how a stereotype content model has an impact on this relationship. CSR activities will influence loyalty through customer trust and reputation as the mediating variable and corporate ethics as the moderating variable (Park *et al.*, 2014), thus, a company must implement strategies to create performance. If this study can show that CSR activities influence loyalty, it means that CSR activity is not just an activity that creates sunk cost; it also can be considered as a firm's investment because, in the future, engaging in CSR can create value.

Thus, this study raised the issue of green CSR, global culture, brand, and customer loyalty. This research attempted to achieve the following objectives:

- (1) to investigate the effect of green CSR motives and company ability on brand attitude;

- (2) to investigate the role of stereotypes in the relationship between green CSR motives and brand attitude, and the relationship between company ability and brand attitude;
- (3) to investigate the influences of brand attitude on loyalty.

2. Literature Review

2.1 Corporate Environmental Responsibility (CER)

Rapid change in world economic conditions, population growth, and environmental conditions make it increasingly important for a business to consider three strategies: profit, society, environment. Desjardins (1998) mentioned that it is important for a company to always pay attention to a CER's environmental and ecological issues because companies mostly make business decisions causing damage to the environment and influencing business policies. Managers must be able to determine how an organization can remain socially responsible, concerned about the environment, and maintain an ability to compete economically (Orlitzky *et al.*, 2011).

In conditions where environmental pollution increases and resources are difficult to find, the concept of CER is important for the sustainability of the community (Wang, 2010). CER is where companies join with other parties (government, investors, customers, business associates, and others) to recognize and consider the natural environment's role in running an economic activity. The companies are responsible for preventing adverse impacts by using environmentally friendly resources.

2.2 Motives of Corporate Social Responsibility

Torugsa *et al.* (2013) explained proactive CSR, in which a firm conducts a business practice that simultaneously supports economic sustainability, along with social and environment concern beyond regulations. These firms actively engage in CSR activities prior to any negative event or information being exposed to consumers (Du *et al.*, 2007). Consumers perceive proactive CSR positively due to its altruistic nature (Becker-Olsen *et al.*, 2006). On the contrary, reactive CSR leads to increasingly negative thoughts and reduced attitudes toward a company because CSR is just a company reaction to an unexpected negative occurrence (Groza *et al.*, 2011).

One type of corporate association that has been regarded in economic literature and practice is Corporate Social Responsibility (CSR) (Ellen *et al.*, 2006; Giannakopoulou *et al.*, 2016). People can have different perceptions of CSR activities, especially in regards to a company's objectives. There are two main reasons why executives conduct CSR: intrinsic and extrinsic motives (Graafland and Schouten, 2012). When executives are concerned only about financial and business outcomes, they are dominated by extrinsic motives. Otherwise, when they are driven by nonfinancial aspects, such as personal values and beliefs, the intrinsic aspect becomes the motivation. This is the situation when executives enjoy helping others or want to

contribute to another's well-being (Medvedeva *et al.*, 2016; Ivanova and Bikeeva, 2016; Savina, 2016).

Ellen *et al.* (2006) stated that there are value-driven stakeholder concerns, egoistics, and strategic motives that become the reason to implemented CSR. Value-driven attributions are motives that only concern the cause of CSR activities. Stakeholder-driven attributions are situations when a company conducted CSR as a result of expectations and stakeholder pressure. Egoistic attributions are focused on self-centered reasons (e.g., self-image, reputation). Last, strategic attributions are related to business objectives (e.g., profit growth, tax issues).

In regard to the motivation behind corporation implemented CSR activities, Bronn and Vidaver-Cohen (2008) summarized two perspectives of corporate initiative: strategic perspective, such as protecting profitability, and moral perspective. Strategic perspectives discuss the instrumental and institutional motives. Instrumental motives explain why corporations engage in social initiatives, e.g., to create a competitive advantage that can have a direct impact on profitability.

Meanwhile, institutional motives suggest that companies engage in social initiatives primarily due to institutional pressures, such as customers, public, and local constituents. Otherwise, moral motives for social initiatives concern the obligation of a company as a business entity to return some of its income to society. In line with those perspectives, Becker-Olsen *et al.* (2006) explained that consumers are likely to evaluate a company's social involvement on two primary types of motive: firm-serving (e.g., financial performance) or public serving (e.g., community well-being, quality of life). Swanson (1995) in Marin, Cuestas, and Roman (2015) proposed three principal motivations for companies to engage in CSR: economic, positive duty, and negative duty. Economic duty is incorporated with firm performance, such as through profit and sales. Positive duty is the motivation to help others, whereas negative duty is the motivation to meet stakeholder expectations.

2.3 Corporate Ability

Brown and Dacin (1997) defined corporate ability (CA) as the company's expertise in producing and delivering products and services. CA refers to a company's expertise and competency, such as the ability to improve the quality of an existing product (or service) and the ability to generate new product (or service) innovations (Luo and Bhattacharya, 2006). It includes all attributes that represent the superiority of a company in a core business process. It includes attributes such as innovativeness and customer orientation (Berens *et al.*, 2007).

Feldman and Vasquez-Parraga (2013) explained the four key attributes of CA that measure a company's expertise in producing and delivering products and services: product quality, technological innovation, leadership in the industry, and price. Furthermore, Marin *et al.* (2015) explained that CA includes not only product quality

but also attributes such as innovativeness and customer orientation. Strong or positive CA has benefits for a company, such as individuals being less likely convinced by negative information about company, increased trust, affective identification (Lin *et al.*, 2011), and reputation (Lii and Monle, 2012).

2.4 Country Reputation and Stereotype Content Model

Country reputation refers to perceptions of a country, shared by domestic and international publics, on the basis of personal experience and information received (Kang and Yang, 2010). Country reputation can be the result of repeated behavioral and symbolic interaction, such as personal or second-hand experience, and information learned from the media. Countries with favorable overall corporate reputation can have a competitive advantage in attracting international consumers even beyond specific product categories (Kang and Yang, 2010), such as CSR norm and activities (Olsen *et al.*, 2011).

Different from the concept of a country's reputation and country of origin, which builds confidence in the quality of products made by a country, the stereotype content model describes the characteristics of the citizen of a country. The stereotype content model across culture could show the difference across cultures that could influence perception from specific countries according to the competence and warmth dimension (Cuddy *et al.*, 2009).

The stereotype content model posits qualitative differences in stereotypes and prejudices toward different groups, simultaneously providing a conceptual framework that explains why and when these differences occur (Fiske *et al.*, 2002). This model proposes potentially universal principles of societal stereotypes and their relation to social structure. Cuddy *et al.* (2009) described the stereotype content model across cultures, which can show the difference across cultures and influence the perception toward specific countries according to competence and warmth dimensions. The SCM framework identifies basic principles that help the researcher to explain cultural idiosyncrasies in stereotype contents within each country and provides principles that emphasize similarities in basic structures of intergroup relations. This framework remains intact across cultures, predicting how groups are likely stereotyped, based on structural relations with other groups in their society (Cuddy *et al.*, 2009).

2.5 Consumer's Responses

Consumer response is expected to be more positive for initiatives that are integrated into the core positioning of the firm/brand (Du *et al.*, 2007). Consumer attitudes toward brands show that, in their minds, consumers attach to brands, which affects their purchase behavior (Low and Lamb, 2000). Brand attitude is defined as consumers' overall evaluation of a brand whether it is good or bad. Brand attitude should be an indication of consumer likes or dislikes, which could be used to predict consumers' buying willingness and brand loyalty (Burton *et al.*, 1998).

Ailawaldi *et al.* (2014) showed that consumer perceptions on CSR and other store attributes can affect behavioral loyalty directly or indirectly through overall attitude toward the store, which was measured by share of wallet. Zhang *et al.* (2010) claimed that customer loyalty (based on behavioral loyalty) is the customers' likelihood to choose a particular brand with reference to his or her past experience.

Customer loyalty is an advantage for a company, as the uncertain demands of consumers are gradually increasing. Loss of customers will affect a company's performance, including financial performance. Loyal customers are the company's assets that could affect cash flows (Srivastava *et al.*, 1998). Reichheld (1996) in Gupta and Lehmann (2005) stated that the longer the consumers engage with a larger company, the more profit the company can obtain from them. Thus:

- a) value will increase the consumers' enjoyment to feel the convenience of shopping when they still engage with a company;
- b) the cost spent to serve a customer will decrease from time to time; in other words, it costs more to serve new customers than to serve older consumers regarded as the loyal customers;
- c) consumers are loyal because they will obtain a direct benefit in a condition that they invite other consumers to join a company;
- d) consumers will be loyal to a company offering the higher price (the premium).

3. Research Model and Hypotheses

The conceptual model for this study was developed to achieve the objective to evaluate the relationship among the customers' perception of green CSR motives, corporate ability, and customer responses. Regarding global aspect, this study also considers the influence of culture. The research model was developed to examine the influence of corporate ability and CSR activity to create brand attitude and customer loyalty as a firm's intangible assets. These intangible assets will create competitive advantages, which, in the long run, can improve financial performance.

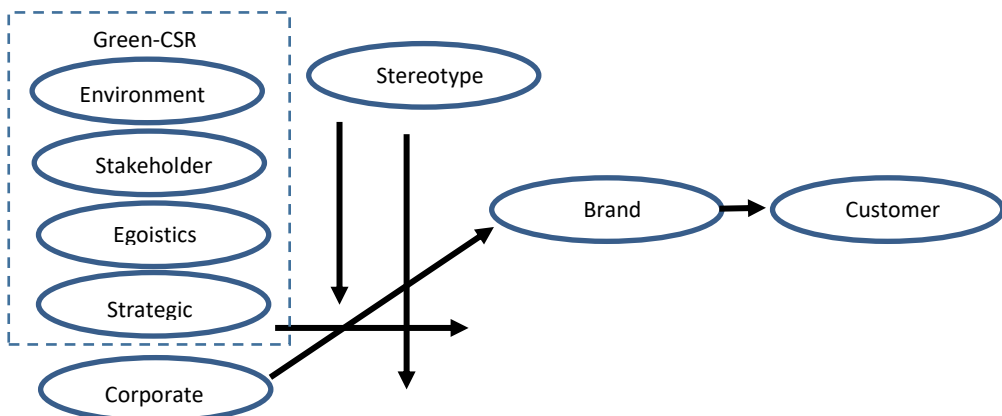
The research model was developed through literature study regarding the objectives of this research. There is a relationship among CSR, corporate ability, brand attitude (Feldman and Vasquez-Parraga, 2013; Lii and Lee, 2012) and loyalty (Perez and Del Bosque, 2015). Being socially responsible is important, but firms also must make decisions about the degree to which they decide the ratio of doing good things to strategically benefit in their CSR activities. With the advent of globalization, businesses in different contexts have been exposed to the notion of CSR and are being pressured to adopt CSR in regards to the motivations that drive a company to implement social initiatives: extrinsic and intrinsic (Graafland and Schouten, 2012), value-driven, stakeholder-driven, egoistic, and strategic (Ellen *et al.*, 2006), strategic and moral perspective (Bronn and Vidaver-Cohen, 2008).

Corporate Social Responsibility could create favorable attitudes among consumers (Groza *et al.*, 2011). When motivations are considered negative, firm-serving, or profit-related, the customer will respond negatively because there are perceptions that the firm is being insincere; otherwise, when motivations are considered positive and socially motivated, the customer will respond positively (Becker-Olsen *et al.*, 2006; Groza *et al.*, 2011; Marin *et al.*, 2015).

Perceived brand globally on quality and prestige might be broadened to include the promotion of CSR programs and the attractiveness of firms and brands (Becker-Olsen *et al.*, 2011). Countries with favorable overall corporate reputation can have a competitive advantage in attracting international consumers even beyond specific product categories (Kang and Yang, 2010), such as CSR norm and activities (Becker-Olsen *et al.*, 2011). Multinational enterprises (MNE) that operate multiple entities in various countries face the challenge of managing and adopting an effective CSR strategy that satisfies the expectations of various stakeholders in home and host countries (Hah and Freeman, 2014). MNE subsidiaries usually engage in CSR practices with the objective of achieving legitimacy in host countries; this is explained by using stakeholder theory and institutional theory. Cuddy *et al.* (2009) proposed a stereotype content model across cultures that can show the difference across cultures and can influence perceptions from specific countries according to competence and warmth dimension.

In this study, CSR motives were measured based on Ellen *et al.* (2006). Because the focus of this research is on green CSR, moral and value-driven motives were adapted to environment motives. A stereotype content model is considered as the moderating variable in the relationship among CSR motives, corporate ability, brand attitude, and customer loyalty (Figure 1).

Figure 1: Research Model



Construct definition:

1. CSR motives are the customers' perceptions of the company's motives in doing CSR activities related to the environment.
 - a. Environment motives reflect the customers' perception that a company engages in CSR activities because of its concern of moral aspects to maintain the environment and give to society.
 - b. Stakeholder motives reflect a customer's perception that a company engages in CSR activities as a response to the expectations and pressures from different stakeholders.
 - c. Egoistic motives reflect a customer's perception that a company engages in CSR activities just to gain business benefits.
 - d. Strategic motives reflect customers' perception that a company engages in CSR activities to support business goals.
2. Corporate ability is the company's expertise in producing and delivering products and services.
3. The stereotype content model is the perception of specific countries according to the competence and warmth dimension.
4. Brand attitude is a consumers' overall evaluation toward a brand.
5. Customer loyalty is the customers' likelihood to choose a particular brand with reference to his or her past experience

CSR needs to be well-managed because it is the source of competitive advantage, such as customer's positive reaction (e.g., company ability belief, CSR belief) that could build a position in the competition (Du *et al.*, 2007). There are CSR initiatives by which firms seek to fulfill their social responsibilities (Lii and Lee, 2012). CSR aims at developing closer links with customers and greater awareness of their needs, enhancing brand value and reputation, increasing staff commitment and involvement (Feldman and Vasquez-Parraga, 2013).

Because consumers show little confidence and trust in a business, CSR efforts to appear as a "good citizen" might promote such reaction about the motives behind CSR and how they influence corporate outcomes (Ellen *et al.*, 2006), such as brand attitude (Lii and Lee, 2012). Consumer perception of companies' motives for engaging in CSR also plays an essential role in their responses to the concept (Ellen *et al.*, 2006; Vlachos *et al.*, 2009). Even though consumers report positive attitudes toward buying products from socially responsible companies, these positives attitudes are not transferred into actual purchase behavior (Oberseder *et al.*, 2011). Furthermore, Ellen *et al.* (2006) found four attributions of motives that customers perceived: value-driven, stakeholder-driven, egoistic, and strategic. In this research, the author defined value-driven as environmental motives with the assumption that CSR activities concerned with "green" are driven by morality and altruistic concerns for the community, similar to Ellen *et al.* (2006). There are two positive motives: value-driven and strategic; and two negative motives: egoistic and stakeholder-driven. This research focuses on CSR activities that are concerned with green issues; therefore, the moral and value motives

are reflected as environment motives. Based on this reasoning, the author proposes the following hypotheses:

H₁ : Green CSR motives influence brand attitude.

H_{1a} : Environment motives positively influence brand attitude.

H_{1b} : Stakeholder motives negatively influence brand attitude.

H_{1c} : Egoistic motives negatively influence brand attitude

H_{1d} : Strategic motives positively influence brand attitude.

Being socially responsible is important, but firms also must make a conscious decision about the degree to which they decide the ratio of doing good things to strategic benefit in their CSR activities. The sustainability concepts direct the need to harmonize the social and business aspects of a company in creating value. Corporate ability is one construct based the capability of a firm to produce an economic high-quality inexpensive product (Feldman and Vasquez-Parraga, 2013). Thus, the following hypothesis was developed:

H₂: Corporate ability positively influence brand attitude.

Countries with favorable overall corporate reputation can have a competitive advantage in attracting international consumers even beyond specific product categories (Kang and Yang, 2010), such as CSR norm and activities (Becker-Olsen *et al.*, 2011). Country reputation is an influential factor that affects international customers' purchase intention, behavior, and evaluation of individual product/brand made in that country (Kang and Yang, 2010) international consumers can match product categories with country reputation. Different from the concept of a country reputation and country of origin, which builds confidence in the quality of products made by a country, the stereotype content model describes the characteristics of the citizen of a country. The stereotype content model across cultures could show the difference across cultures that could influence perceptions from specific countries according to the competence and warmth dimension (Cuddy *et al.*, 2009).

Thus, the stereotype content model toward country of origin of the company doing CSR activities—may influence green CSR and company ability to brand attitude.

H₃: Stereotype content model moderate the influence of green CSR motives toward brand attitude.

H_{3a} : Stereotype content model moderates the positive influence of environment motives to brand attitude.

H_{3b} : Stereotype content model moderates the negative influence of stakeholder motives to brand attitude

H_{3c} : Stereotype content model moderates the negative influence of egoistic motives to brand attitude.

H_{3d} : Stereotype content model moderates the positive influence of strategic motives to brand attitude.

H₄: Stereotype content model moderates the positive influence of corporate ability to brand attitude.

Social exchange is based on the expectation of trust and reciprocation, as the exact nature of the return and the time frame may remain unspecified (Lii and Lee, 2012). When a company engages in a CSR initiatives, consumers may perceive the company to be altruistic, which leads to more favorable attitudinal and behavioral evaluation of the same company. Consumers are more likely to appreciate companies that are socially responsible and attend to the needs of the community, and, as a consequence, a feeling of connection may emerge, which fosters customer company identification (Maignan and Ferrell, 2004).

Brand attitude should be an indication of consumer likes or dislikes, which could be used to predict consumer buying willingness and brand loyalty (Burton and Garretson, 1998). When companies are socially responsible, customers typically will engage in relational behaviors that are helpful and supportive of these companies (e.g., loyalty and advocacy) (Du *et al.*, 2007).

H₅: Brand attitude positively influences loyalty.

4. Methods

Data were collected by a cross-sectional survey using self-administered and online questionnaires. Total respondents numbered 173; being customers of Coca-Cola and Toyota—and informed about those brand's CSR activities—they were chosen by nonprobability sampling. The objects are Coca-Cola representing brands from the United States, and Toyota representing brands from Japan. Coca-Cola was chosen because the popular global consumer product's brand (Third Best Global Brand in 2016, first in soft drink category) from the USA that reflected as more competence country, and Toyota because the popular global automotive product's brand (Fifth Best Global Brand in 2016, first in automotive category) from Japan that reflected as more warmth country, as stated in Cuddy *et al.* (2009). Popular brands were used to minimize the response biased about company ability and brand attitude to confirm the ability of respondents in responding to all the questions.

The questionnaire consisted of 42 questions using a six-point Likert scale regarding eight constructs; four constructs of CSR motives were adapted from Ellen *et al.* (2006), and consists of five items for environment motives, four items for stakeholder motives, four items for egoistic motives, and three items for strategic motives; corporate ability consisted of four items that were adapted from Berens *et al.* (2007). The stereotype content model was measured by 12 items (Cuddy *et al.*, 2009), brand attitude consisted of three items, adapted from Burton *et al.* (1998), and seven items for measuring loyalty (Stanaland, 2011).

A pretest was conducted using 30 respondents to ensure the reliability and the validity of constructs. Furthermore, after 173 data were collected ($n=96$ for Coca-Cola, $n=77$ for Toyota), all constructs are valid and reliable (Table 1). Factor analysis and multiple regression analysis were used to test the hypothesis on each brand individually, at $\alpha=10\%$ (larger α , due to online surveys). Multiple regression with interaction was implemented to prove the moderating effect of SCM between CSR motives and corporate ability to brand attitude. Even though Indonesian respondents perceived Japanese as being more friendly, competent, warm, capable, sincere, trustworthy, efficient, good nature, and skillful, both (US and Japan) obtained high scores for all characteristics (Table 2). Compared with Cuddy *et al.*'s (2009) studies, their result show four clusters of SCM in Japan, which are self-rated by the Japanese.

5. Result

This section discusses the results of multiple regression for each brand regarding the hypotheses tested. The significance of the path coefficients were evaluated by analyzing the value for the parameters.

5.1 Coca Cola

Table 3 shows the result of hypotheses testing for Coca-Cola, a global brand from the United States, where some hypotheses are supported:

- All CSR motivations do not influence brand attitude as hypothesized. Only corporate ability has a positive influence on brand attitude. It means H_{1a} to H_{1d} are not supported, but H_2 is supported.
- The stereotype content model (SCM) of Americans moderates the influence of environment motive and stakeholder motives on brand attitude. This means, the more positive stereotype of Americans in the competence and warmth dimension, the higher the positive influence of environmental motive to brand attitude. Whereas, the more positive stereotype of Americans in the competence and warmth dimension, the lower the negative influence of stakeholder motive to brand attitude. It was shown in Table 2 that H_{3a} and H_{3b} are supported, but there are no moderating effects on the relationships between egoistics and strategic motives with brand attitude (H_{3c} and H_{3d} are not supported).
- The influence of corporate ability on brand attitude will increase when respondents perceived positively about SCM of Americans. Table 2 shows that H_4 is supported.
- Furthermore, brand attitude positively influences customer loyalty. This means, the higher the brand attitude, the higher the loyalty of respondents to brand Coca Cola. Table 2 shows that H_5 is supported.

Table 1. Mean of Stereotype Content Model (US vs Japan).

CONSTRUCT	ITEM	US	JAPAN	sig
Competence	Competent	4.26	5.03	0.000
	Confident	4.64	4.57	0.725
	Capable	4.25	5.04	0.000
	Efficient	4.43	5.09	0.000
	Intelligent	4.60	4.70	0.549
	Skillful	4.49	4.83	0.028
	Mean	4.44	4.88	0.002
Warmth	Friendly	3.24	3.94	0.000
	Well-intentioned	3.58	3.87	0.076
	Trustworthy	3.58	4.27	0.000
	Warm	3.11	3.65	0.001
	Good-natured	3.39	4.01	0.000
	Sincere	3.18	3.78	0.000
	Mean	3.35	3.92	0.028

5.2 Toyota

Table 3 shows the result of hypotheses tested for TOYOTA, a global brand from Japan, where some hypotheses examined are supported:

- Environment, strategic motives and corporate ability positively influence brand attitude. This means that increasing of positive perception toward environment and strategic motives of Toyota's CSR activities (Toyota Eco Youth, Bakau for Thousand Island, Conservation Environmental Commitment), and increasing corporate ability of Toyota, will increase positive brand attitude of Toyota. Table 3 shows that H_{1a}, H_{1c}, H_{1d} and H₂ are supported, but there are no direct effects on stakeholder motives (H_{1b} is not supported).
- The stereotype content model (SCM) of Americans moderates the influence environment motives, and egoistic motives on brand attitude, but there are no moderating effects on other motives. Table 3 shows that H_{3a} and H_{3b} are supported, but H_{3c} and H_{3d} are not supported.
- The stereotype content model (SCM) of Americans moderates the influence company ability on brand attitude (H₄ is supported).
- Furthermore, brand attitude positively influences loyalty. It means, the higher the brand attitude, the higher the loyalty respondents to the brand Toyota. Table 3 shows that H₅ is supported.

6. Discussion

There are many CSR initiatives by which firms seek to fulfill their social responsibilities (Lii and Lee, 2012). Because consumers show little confidence and trust in business, CSR efforts to appear as a "good citizen" might promote such reaction in regard to the motives behind CSR and how they influence corporate outcomes (Ellen *et al.*, 2006), such as brand attitude (Lii and Lee, 2012).

Table 2: Hypotheses Testing for COCA COLA

Relationships	t-value *)	Conclusion
H _{1a} : Environment motives--> brand attitude	1.031	H _{1a} was not supported
H _{1b} : Stakeholder motives --> brand attitude	1.742	H _{1b} was not supported
H _{1c} : Egoistics motives --> brand attitude	-284	H _{1c} was not supported
H _{1d} : Strategic motives --> brand attitude	-090	H _{1d} was not supported
H ₂ : Corporate ability --> brand attitude	5.645	H ₂ was supported
H _{3a} : SCM*Environment --> brand attitude	1.667	H _{3a} was supported
H _{3b} : SCM*Stakeholder --> brand attitude	2.050	H _{3b} was supported
H _{3c} : SCM*Egoistic --> brand attitude	-2.127	H _{3c} was not supported
H _{3d} : SCM*Strategic --> brand attitude	.017	H _{3d} was not supported
H ₄ : SCM*Corporate ability --> brand attitude	3.426	H ₄ was supported
H ₅ : Brand attitude --> Customer loyalty	10.550	H ₅ was supported

*) $\alpha=10\%$

Table 3. Hypotheses Testing for TOYOTA.

Relationships	t-value *)	Conclusion
H _{1a} : Environment motives--> brand attitude	5.865	H _{1a} was supported
H _{1b} : Stakeholder motives --> brand attitude	.511	H _{1b} was not supported
H _{1c} : Egoistics motives --> brand attitude	1.999	H _{1c} was supported
H _{1d} : Strategic motives --> brand attitude	3.301	H _{1d} was supported
H ₂ : Corporate ability --> brand attitude	14.198	H ₂ was supported
H _{3a} : SCM*Environment --> brand attitude	2.603	H _{3a} was supported
H _{3b} : SCM*Stakeholder --> brand attitude	.585	H _{3b} was not supported
H _{3c} : SCM*Egoistic --> brand attitude	3.733	H _{3c} was supported
H _{3d} : SCM*Strategic --> brand attitude	.863	H _{3d} was not supported
H ₄ : SCM*Corporate ability --> brand attitude	.257	H ₄ was not supported
H ₅ : Brand attitude --> Customer loyalty	63.937	H ₅ was supported

*) $\alpha=10\%$

Coca-Cola and Toyota are two global brands from Japan and the United States. Zeugner-Roth *et al.* (2008) combined the country of origin concept and brand equity that proposed country brand equity (CBE) as the value added brought by the association of a product or brand with a given country name, as perceived by the individual consumer. Their research showed that CBE demonstrated full mediation of the relationships between country of origin image and consumer preferences. Country of origin has normative connotations, regarding the correctness of purchases of products from specific nations, or of all non-domestic products for that matter, COO

directly affect purchase intentions, regardless of any product-related beliefs (Chattalas *et al.*, 2008). Their proposed stereotype content model (SCM) could explain the relationship between national stereotypes and COO-based evaluations.

Asian Americans was perceived as high status and competitive in this group, which resulted in higher perceived competence but lower perceived warmth scores (Fiske *et al.*, 1999; 2002). This research showed that Japan has a higher score of competence and warmth than the United States. Both dimensions of national stereotypes have a positive effect on product evaluation; this relationship may not be equally strong for all types of products (Chattalas *et al.*, 2008; Vasin *et al.*, 2017).

In this research, the motives they hold to run CSR activities (Coca-Cola and Toyota) were perceived differently and could enhance the brand attitude and also the loyalty. The SCM of Japan and the United States has different perceptions. The role of SCM also differed in moderating the influence of CSR motives of each brand toward brand attitude (BA). CSR motives of Coca-Cola has no direct effect on BA, but SCM of the United States could increase the effect of environment motives toward BA, but CSR motives of Toyota have a direct and indirect effect to build BA. It showed that CSR activities can be managed through understanding the SCM, which describes the perceived characteristics of people from certain countries (Cuddy *et al.*, 2009; Fiske *et al.*, 2002).

According to Bronn and Vidaver-Cohen (2008), Coca-Cola and Toyota were implemented CSR activities with instrumental motives that engaged in social initiatives to affect business performance. Consumers distinguish between other centered, self-centered, and win-win motives, and most consumers assume companies having mixed motives for their CSR activities (Öberseder *et al.*, 2013; Giannakopoulou *et al.*, 2016). In line with instrumental motivation (Bronn and Vidaver-Cohen, 2008), a negative perception of CSR motives was implemented, which implied that business performance could be minimized if consumers consider the SCM of Japan and United States. Negative effect of stakeholder motives of Coca-Cola's CSR activities and egoistic motives of Toyota's CSR activities on BA could be minimized by SCM. The stakeholder motives of Coca-Cola's CSR were perceived that these activities were enacted only after pressure from stakeholders. Consumer will respond negatively because such actions are perceived as forced and insincere (Groza *et al.*, 2011). The egoistic motives of Toyota's CSR, which were perceived as a self-centered motive to benefit the company, might raise suspicions and lower brand attitude (Ellen *et al.*, 2006).

Otherwise, environment motives of Coca-Cola's CSR and Toyota's CSR were perceived as being other-centered motives. This motive reflected the existence of a firm as a social actor concerned with social issues (Ellen *et al.*, 2006) and this motive could enhance BA through considering the SCM of Japan and United States. The perception toward competence and warmth of the Japanese and Americans will increase the influence of positive motives of CSR activities toward BA. In terms of

positive motives in the attribution process of consumers' reactions to CSR action, consumers are likely to accept attributions because they consider firms to be acting with sincere and benevolent intentions, care, and tend to view CSR activities as deriving from a company's moral behavior (Vlachos *et al.*, 2009).

Company ability (CA), which is reflected by economic factors, influence BA. The company's expertise in producing and delivering products and service has an impact on consumer responses (Feldman and Vasquez-Parraga, 2013). This research shows that Coca-Cola has lower effect of CA on BA than Toyota. It could be because the mean scores of CA and BA were lower for Coca-Cola than for Toyota (mean CA of Coca-Cola=4.5 and Toyota=4.8; mean BA of Coca-Cola=3.9 and Toyota=4.7). The result shows an interesting finding. There is a moderating effect of SCM on the relationship of CA and BA of Coca-Cola but no moderating effect of the SCM on the relationship of CA and BA of Toyota. This finding explains the different effect of SCM on COO for evaluating utilitarian versus a hedonic product (Chattalas *et al.*, 2008); as mentioned above, the perceived competence of SCM will determine the COO effect for evaluation of a utilitarian product, while the perceived warmth of SCM will determine the COO effect for evaluation of a hedonic product. In this research, the characteristic of products was not considered.

The management of socially responsible behavior is important because of its impact on the perception of corporate brand (Singh *et al.*, 2007). While evaluating a company, perceptions regarding commercial responsibility are most commonly taken into consideration. This research show that, for Coca-Cola, its CSR activities influence indirectly BA, CA could influence directly and indirectly BA, and furthermore enhance loyalty. Unlike Toyota, its CSR activities and CA influence directly and indirectly BA and furthermore enhance loyalty. This finding could be analyzed from an ethnocentrism perspective that a consumer is ethnocentric, has greater preferences for domestic products, and does not always reject the product from abroad (Jimenez-Guerrero *et al.*, 2014).

In Indonesia, there are some local brands, in ready-to-drink (RTD) products such as SOSRO tea and PUCUK HARUM tea, which have similar utilitarian benefits as Coca-Cola. Even though Coca-Cola is a market leader as a carbonated drink in Indonesia, this product is categorized as a consumer good, and low involvement and health issues concerning this product will influence the utilitarian benefit of this brand. Otherwise, in the automobile industry, although Toyota is the market leader in Indonesia, Indonesia does not have a domestic product that is superior to Toyota. This situation could be related to consumer ethnocentrism of Indonesia.

7. Conclusion and Future Research

CSR activities of Coca-Cola have no direct effect but have an indirect effect on BA. SCM could increase the positive effect of environmental motives on BA, but minimize the negative effect of stakeholder motives on BA. This means that the company is

doing social activities under the pressure of external institutions, therefore consumers do not like companies carrying out activities that may damage the environment or may ignore human rights, and could decrease BA.

CSR activities of Toyota have direct and indirect effects on BA. This study shows that Toyota tries to balance the business, society, and environmental aspects in doing business. Being socially responsible is important, but firms also must be concerned about CSR activities, such as generating from doing good things to strategic benefit. The sustainability concepts direct a firm to remain concerned about the requirement of harmonizing social and the business aspects in creating value. The result also shows the moderating effects of SCM on relationship of CA and BA of Coca-Cola, but no moderating effect of SCM on the relationship of CA and BA of Toyota. This finding explains the different effects of SCM on COO for evaluating utilitarian versus hedonic product (Chattalas *et al.*, 2008). This study shows that SCM of Japan and United States could enhance and leverage the positive influence of CSR motives and CA on BA, and also minimize the negative influence of CSR motives on BA.

This research only analyzes two global brands from two countries (Japan and America) that have different cultures, future research should concern emerging countries that have global brand such as BRIC and ASEAN. Furthermore, future research should consider the country of origin effect, consumer ethnocentrism, and the category of a product that signals the country image. CSR activities will be perceived as having different motives and could influence consumer response; therefore, it will enrich the contribution of CSR if future research considers different types of CSR, such as cause-related marketing, because this CSR activities will involve more participation of customers in firm's social initiatives.

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