A Work Project, presented as part of the requirements for the Award of a Master Degree in
Management from the NOVA – School of Business and Economics.
THE INFLUENCE OF A COMPANY'S COMMUNICATED CSR INITIATIVE ON
PRIVATE CONSUMER BEHAVIOR
ISABELLA IRIS MÜLLER
33347
A Project carried out on the Master in Management Program, under the supervision of:
Prof. Irene Consiglio
03.01.2020

Abstract

The aim of this research is to determine if and how a company's CSR initiative influences private consumer behavior. Hereby it is also considered whether the consumers' support of the issue exerts influence on private behavior and evaluations of the company behind the CSR initiative. An online experiment aimed at assessing differences in reported sustainable behavior among respondent groups, of which one was exposed to a CSR initiative by a company. Results of the experiment show no significant changes in reported consumer behavior between respondent groups and do not point towards tangible benefits for consumers or society as a whole.

Keywords: Corporate Social Responsibility, Consumer Behavior, Sustainability

1. Introduction

a. Problem Definition

In recent years, due to the pressure from consumer side and as means to set themselves apart from the competition by improving their own image, companies' engagement and spending in the field of Corporate Social Responsibility (CSR) activities has increased (Boccia & Sarnacchiaro, 2017). CSR is defined in multiple ways and does not have a single strict definition but can be summarized under the activities a company undertakes and the status it has in connection with its obligations towards stakeholders as well as society (Brown & Dacin, 1997; Carroll, 1999; Davis & Blomstrom, 1975; Du, Bhattacharya & Sen, 2011, p.1528). Although consumers claim that CSR is an important topic, research does not provide clear evidence that supports consumers' reported attitudes towards CSR (Berland, 2010; Webb et al., 2008). Consequently, it remains unclear how exactly CSR activities affect consumer behavior, especially the parts that are not directly related to the company, its products, or its cause. To this day, very little research has focused on this topic, however it is of importance for marketers and executives to understand the dynamics, relationships, and outcomes behind CSR efforts

and consumer behavior, since CSR is not only a cost factor but also a tool to create stakeholder value and influence the consumers' evaluation of a company's products and brands. The vast majority of research on companies' CSR activities has focused on their influence on consumer purchasing behavior and brand perception, hence behavior directly related to the products and brands. The dimension that this research will focus on is the influence of CSR initiatives on private consumer behavior, because concrete effects have yet to be measured and linked to CSR initiatives. This could lead to important indications regarding the influence companies exert on society as a whole, such as increased recycling activities, sustainable shopping habits, and heightened awareness regarding green politics and consumption. Various research findings already hint at a possible relationship between a company's communicated CSR initiatives and private consumer behavior outcomes, including prosocial consumption and spending behavior. Although previous research has predominantly focused on the external outcomes (e.g. purchase behavior, loyalty) beneficial to the company, it is still unclear whether CSR activities have a direct impact on consumers' own socially responsible behavior. This question is of managerial importance and relevance because the function of marketing has been extended by societal obligations, the concept of creating shared value, and consumers' expectations that companies engage in responsible behavior. Consequently, CSR should serve the purpose of not only benefitting the company by increasing identification between consumer and company character but also creating educational value for the consumers by contributing to build more sustainable societies and lifestyles. Especially nowadays, with heightened environmental awareness and consideration towards the environment, the consumer should not be the only entity that is expected to bear the cost of this transformation towards becoming more sustainable. The potential managerial implications resulting from this transformation are pointing towards companies' needs to adapt and react to those changing consumer demands and landscapes by acting more responsibly in order to become and remain successful in the future. This research

aims to contribute to and serve as an indication for future experiments, connecting CSR and private consumer behavior, assessing whether its communication by a firm may possibly affect consumers beyond their purchasing behavior and contribute to shaping sustainable consumer behavior.

b. Objective

Against this background, the aim of this research is to demonstrate to what extent the communication of a company's CSR initiative has an effect on private consumer behavior and thus contribute to the currently low level of research in this particular field. Although a vast amount of research exists in the field of CSR, the connection between private consumer behavior and the influence of CSR on such has not been assessed sufficiently by scholars. In addition, it should be taken into account how consumers' support of the CSR issue influences brand or company evaluations.

The objective of this research can be described with three main research questions:

- (1) Does the communication of CSR activities have an effect on private consumer behavior?
- (2) What role does the consumers' support of the CSR issue play concerning changes in private consumer behavior?
- (3) How does brand evaluation vary among participants who have and have not been exposed to the CSR initiative of the company?

These research questions were successively dealt with through in the course of this scientific work and answered both theoretically and empirically.

2. Literature Review

a. Relevance of CSR

While the term CSR encompasses a wide range of initiatives, they can generally be categorized as voluntary and specific company investments addressing social and environmental issues connected to a company's operations, communication and interaction with relevant stakeholders (Barnett 2007, Mickels 2009). Because CSR has no strict definition, companies undertake innovative and distinctive actions to highlight their causes. However, the term CSR can be summarized as a company's managerial commitment to focus on protecting and maximizing societal and economic welfare by focusing on principles and values which fulfil the company's perceived responsibilities towards their own business, stakeholders and society (Brown & Dacin, 1997; Carroll, 1999; Davis & Blomstrom, 1975; Du, Bhattacharya & Sen, 2011, p.1528). Closely linked in research, CSR relates to the company's stakeholders while ethics are associated with internal decision making. However, both types of actions may impact internal and external stakeholders equally, as well as consumers' attitudes (Brunk 2012; Hsiao, Shen & Chao, 2015). In order to not delve further into broad demarcation, this research focuses on the use of the CSR term as a comprehensive description for responsible, sustainable, and ethical corporate behavior.

Stemming from environmental and economic crises, the consumer mindset is changing. Consumers expect more companies to engage in responsible behavior, and value companies who behave environmentally and socially responsible (Webb, Mohr & Harris 2008 p.97). Consequently, it becomes important for companies and researchers alike to study CSR, also since sustainability is an important global goal set by the United Nations, demanding better consumer education (Webb, Mohr & Harris 2008 p.97; Hiller, Connell & Kozar, 2012). With 84% of global consumers seeking sustainable and responsible products for consumption (Negrão, Mantovani & Andrade, 2018), companies are now facing the need to adapt and react

to changing consumer demands (Wang & Anderson, 2011, p.63). Increased CSR spending should not be seen as a cost factor but rather as an investment in order to create value by helping the company build a consumer relationship, fostering purchase intentions and positive brand attitudes (Boccia & Sarnacchiaro, 2017; Nyilasy,Gangadharbatla & Paladino, 2013). For a company's marketing function this means obtaining a deeper understanding of the factors that moderate CSR effects in order to precisely focus and direct efforts to maximize desired outcomes (Pava & Krausz, 1996).

Research indicates consumer responses to CSR are affected by consumers' beliefs about company trade-offs between CSR and its traditional operations, as well as the time period and execution (Sen & Bhattacharya, 2001; Webb et.al 2008; Boccia & Sarnacchiaro, 2017). Due to the multifaceted nature of CSR initiatives, consumers may evaluate one initiative as positive, while fostering skepticism towards another, depending on the fit of initiative and organizational goals (Aguilera, Rupp, Williams & Ganapathi, 2007). Marketers also need to carefully consider the importance consumers attribute to certain aspects such as reputation, price, product features and brand names. It becomes especially interesting to assess how the consumer is making trade-offs between those aspects when making a purchasing decision (Burke, Dowling & Wei, 2018, p.1232). Consequently, measures which work for one identified consumer segment do not necessarily work for another (Bhattacharya & Sen, 2004).

To this day, there exists little research that has identified or shown a relationship between consumers' responsible consumption and variables related to companies' CSR initiatives (Webb et al., 2008). Although individual donors may feel like their donation will not make as much of an impact compared to a corporate CSR initiative (Bennett, Kim & Loken, 2013), it has been demonstrated that CSR programs focusing on the environment can increase customers' conservation efforts while increasing liking for the company and decreasing costs (Wang, Krishna & McFerran, 2017). CSR initiatives can therefore pose competitive advantages

for businesses, increasing the reputation of company and products alike (Negrão et al, 2018). Consequently, I hypothesize that consumers who are exposed to a brand's CSR initiative will evaluate the brand more positively given they support the issue presented. Furthermore, this research will focus on closing the gap by finding more links between CSR initiatives a consumer is exposed to and the consumers private responsible behavioral patterns.

b. CSR in Communication and Branding

The effect CSR initiatives have on consumers and their behavior largely depend on the communication strategy followed by the company. Communicating too heavily can lead consumers to believe the company's motives are not honest. This phenomenon is known as the self-promoters paradox which also states that consumers perceive external sources to be more credible than internal sources because it does not create as much bias (Ashforth & Gibbs, 1990; Dawkins, 2005). In previous research, most consumers seemed to react positively to socially and environmentally responsible companies, which can also have personal reasons such as reducing personal feelings of guilt or social pressure (Dickinson & Barker, 2007; Gammoh, Voss & Chakraborty, 2006; Nan & Heo, 2007). The more consumers seem to know about and are aware of a company's CSR initiatives, the more their behavior towards the company will be influenced. Hence, the reputation of a company affects consumers in their product evaluations and choices (Bettinghaus, 1986). Related to these findings it has also been discovered that consumers are more likely to behave environmentally friendly if the company is setting an example, while explicit requests may backfire. In case of absence of environmental efforts, consumers act on the basis of their own perceptions of the company's greenness and their own intentions to behave environmentally friendly (Wang et al, 2017). Furthermore, CSR initiatives generate more awareness when they are product-related (Peloza & Shang, 2010, p.129) and may offer self-oriented value to consumers who do not display personal interest in the issues addressed by the company, especially when dealing with environmental initiatives coupled with a monetary benefit (Allen, 1982). At the same time, the perceptions of social responsibility are the strongest drivers for consumers' responses to product brands, not the company in general (Grohmann & Bodur, 2014).

Considering this evidence found in existing research, it can be hypothesized that the communication of a CSR initiative will positively influence consumer reactions, either due to effective communication of the company, or for personal reasons. Behavior towards the brand, e.g. brand evaluation, will also be influenced positively by the communication of a CSR initiative. The product-related initiative and exemplary behavior of the brand should also influence environmentally friendly consumer behavior positively, while they are expected to evaluate the brand more positively after being exposed to its environmental responsible actions.

c. CSR Impact on Consumer Behavior

Dahlén and Lange (2005) found out that consumers tend to support familiar brands and their positive communication statements, rather than unfamiliar brands. Therefore, it can be stated that the actual impact a company's CSR initiative has on a consumer's prosocial behavior depends on the social distance between the consumer and the brand, hence how close consumers feel connected with the brand (Negrão et al., 2018). This so-called *self-brand overlap* causes consumers to emotionally attach themselves to selected brands or companies they identify or "overlap" with (Bergami & Bagozzi, 2000), motivated by their need to maintain a positive self-image (Dutton, Dukerich & Harquail, 1994). The consumer's social identity is defined through companies' meaningful and positive actions, hence consumer behavior may be affected by the CSR actions and efforts of companies, depending on the degree of self-brand overlap. Active engagement in CSR can increase the sense of identification between consumer and company (Lichtenstein, Drumwright, & Braig, 2004; Newman & Brucks, 2018; Zhong & Liljenquist,

2006), therefore it is advisable for marketers to work on making consumers feel close and connected to the brand (Negrão et al., 2018). Companies and brands with greater social influence, perceived expertise, and consumer identification with the brand exert a more significant social influence on its consumers (Lichtenstein et al., 2004), meaning they can influence purchase decisions when certain behaviors are cued as "good" or "responsible" by the company conducting the CSR initiative (Cialdini, Reno & Kallgren, 1990).

However, reality depicts a wide gap between consumer attitudes and actual behavior (Auger & Devinney, 2007). Different levels of consumer knowledge concerning CSR activity lead to different levels of responsibility in consumer behavior (Mohr, Webb & Harris, 2001). Moreover, individuals tend to look at the behavior of their peers in order to determine their own course of action, especially in uncertain situations (Schultz, Nolan, Cialdini, Goldstein & Griskevicius, 2007). Also related to CSR and resulting consumer behavior, the concept of social loafing describes that individuals who feel valued and regard their own actions and contributions as important in achieving goals are less likely to free-ride on others' contributions and efforts (Bennett et al., 2013; Latané, Williams & Harkins, 1979). However, research also suggests that consumers should react significantly more when confronted with a CSR initiative where the company is also perceived to put in green efforts (White & Simpson, 2013, p. 78). This conflicting evidence in moral consumer behavior after being exposed to CSR initiatives leads to believe that CSR initiatives by companies generate awareness in consumers regarding their past moral behavior. Furthermore, they seem to offer a frame of reference for goal oriented moral behavior that consumers can follow with their own actions (Newman & Brucks, 2018), although it remains unclear how exactly moral principles and standards may guide environmentally friendly consumer behavior after being exposed to a CSR initiative.

Consumer attitudes and responses become more positive when a company is perceived to be a pioneer with its activities (Bhattacharya & Sen, 2004). Positive cueing of certain

environmentally responsible behaviors can also cause consumers to respond with equally positive behaviors. Consequently, CSR can increase environmentally conscious behavior on the consumer side (Cornelissen, Pandelaere, Warlop & Dewitte, 2008). However, it does not necessarily lead to behavioral changes, also because consumers have grown a certain skepticism towards CSR in general (Krishna & Rajan, 2009). CSR effects among consumers will also vary depending on the cause that is supported, the company's price point, and consumer motivation (Ellen, Mohr & Webb, 2000). Consumer reactions are more consistently related to a cause that is supported by the company, although influenced by the perception of the company in general (Wang et al, 2017).

Consequently, research suggests that a company's CSR behavior can influence consumers' moral behavior in tasks not directly related to the company, products, or cause supported. Therefore, I hypothesize that choosing a brand that participants know and can identify with causes a positive evaluation of the brand which is even greater the more the underlying CSR issue is supported. By setting an example and cueing environmentally friendly behavior as "good", the CSR initiative should cause participants to display higher intentions to engage in environmentally friendly behavior.

Due to the relevance of the CSR topic and the limited research findings concerning its influence on environmentally friendly consumer behavior unrelated to the product, brand, or company, the title of this research is: "The influence of a company's communicated CSR initiative on private consumer behavior". In the course of the discussion on the topic of CSR and private consumer behavior, two hypotheses were developed on the basis of the research questions discussed in Chapter 1, which are intended to enable a targeted investigation of the question.

H1: The evaluation of that brand with and without CSR initiatives will be influenced by the consumers' support of the CSR issue. The more supportive consumers claim to be of the issue, the more positive brand evaluations will be

H2: Consumers who are exposed to a brand's CSR initiative report higher intentions to engage in sustainable behavior than those who were not exposed to a brand's CSR initiative

3. Methodology

A quantitative research method was chosen because it allows for a larger sample and delivers more representative results (Malterud, 2001). The research was carried out by means of an internet-based experiment with two between-subject-conditions (Yes vs. No for the CSR condition). The CSR condition was based on a real brand, product, and initiative, namely a running shoe from Adidas' Parley Ocean Plastic initiative. This initiative features selected products that are entirely or partially made from recycled ocean plastic (adidas AG 2019). Distribution via the Internet allowed for a broad reach, easy response, and direct, personal contact with the participant. Additional advantages with this method are accurate and fast evaluation of results as well as the option to contact the creator of the questionnaire in case of any doubts. In order to ensure immediate comparability of the data, the experiment focused on one product defined by concrete characteristics. Using a global, real brand known by the vast majority of consumers, it can be assumed participants are familiar with the brand and have been exposed to similar advertisements or products before. Three versions were used, one chosen at random per participant. They all contained an identical product photo, but only one version contained information on the recycled material in addition to the shoe's attributes and performance.

RAPIDARUN SHOE

A VERSATILE RUNNING SHOE

No matter whether on the treadmill in the gym, in the stadium or a round in the park, this running shoe does it all. It comes with a knitted upper and a TPU heel clip for more stability. The cushioning midsole also makes it comfortable.

The yarn used in the manufacture of this product was produced in collaboration with Parley. It consists partly of Parley Ocean Plastic™, which is made from recycled plastic waste collected from beaches and coastal areas before it can reach the sea.



Figure 1: Product picture and descriptions shown to CSR group

In the second version, the passage about recycled plastic was removed and a neutral statement about the material was inserted. The third version was shorter, completely missing the second paragraph, and served as a safeguard in order to be able to attribute behavioral changes in participants between version one and two solely to the presence, respectively absence, of the CSR initiative.

RAPIDARUN SHOE

A VERSATILE RUNNING SHOE

No matter whether on the treadmill in the gym, in the stadium or a round in the park, this running shoe does it all. It comes with a knitted upper and a TPU heel clip for more stability. The cushioning midsole also makes it comfortable.

The yarn used in the manufacture of this product was produced in collaboration with Parley. It consists partly of our primeknit yarn, which is made from a microfiber and cotton blend. The materials are sourced in European countries.



Figure 2. Product picture and description shown to non-CSR groups

Following the initial exposure to the product and one of the three descriptions, participants were asked to provide their impression of the product ("Would you consider buying this product based off the information given in the picture?"; 1 = Definitely yes, 5 = Definitely not; full scale in Appendix), as well as level of trust ("What is your level of trust in this company?", 1 = Extremely trustworthy, 7 = Extremely untrustworthy; full scale in Appendix) and perception

of responsibility of Adidas ("This company operates in a responsible manner", 1 = Very strongly agree, 7 = Very strongly disagree; full scale in Appendix). The CSR group additionally answered questions about their previous knowledge on the topic as well as personal support and interest concerning the issue. In the following block, participants chose between two packaging alternatives of the same product, simulating a supermarket purchasing decision. Non-environmentally friendly choices were purposely made less expensive in order to mitigate the effect of decisions based on price. Underlying goal was to portray less wasteful packaging as the distinguishable aspect shaping consumers' decisions. After, participants were prompted to agree or disagree with statements regarding their personal habits, such as purchasing decisions, brands, environment, pricing, responsibility, and sustainability. This should serve to understand and identify a gap between consumer self-reflection and behavior. Answers were measured on a seven-point Likert scale (1 = Very strongly agree, 7 = Very strongly disagree; full list of questions and scale in appendix). Afterwards, participants indicated which objects or materials they separate for recycling (list of materials in Appendix), as well as personal likings for the brand, knowledge about the initiative and standard demographic data.

4. Results

Due to the large amount of data obtained and the scope of this work, only results closely related to the hypotheses H₁ and H₂ are presented in this chapter.

The total age range of the heterogenous sample with n = 155 participants is between 17 and 75 years (R = 58) with a mean age of $\bar{x} = 35,44$, a median age of $\tilde{x} = 28$, and standard deviation of s = 14,534. A possible explanation for the low median age is the Internet-based experiment, which typically reaches younger people when disseminated via social media. The proportion of female and male participants are 60% and 39,4%, respectively. One participant preferred to not indicate their gender.

Shopping Decisions – Environmental Index Score

The impact of the CSR initiative on consumer decision making in a simulated shopping scenario can be determined by comparing the data of the CSR group to the two other groups. 47 participants have been exposed to the CSR initiative, 45 of these participants have answered the questions regarding their shopping behavior, which should assess their attention to wasteful packaging and reflect the importance of environmental product aspects. Decisions made by participants were computed into an environmental index score. According to the results obtained from the three respondent groups, the mean scores do not vary significantly ($\bar{x}_{CSR} = 1,2$; $\bar{x}_{Long} = 1,1967$; $\bar{x}_{Short} = 1,2356$). The dispersion of scores measured through standard deviation ($s_{CSR} = 0,20449$; $s_{Long} = 0,22654$; $s_{Short} = 0,21863$) and consequently variance is also close to equal for all three groups. In order to determine a possible correlation between the CSR initiative and the environmental index score, a one-way ANOVA was run with the environmental index score obtained from the shopping scenario as the dependent variable, and the survey version as independent variable (F = 0,47; P = 0,626 > 0,05). The data obtained does not provide any reason to conclude that the means differ. Thus, shopping decisions do not seem to vary among groups who have or have not been exposed to the CSR initiative.

Reported Environmentally Friendly Consumer Behavior

In order to measure reported consumer behavior related to CSR, the reliability of the seven-point Likert scale was analyzed using Cronbach's Alpha. The internal consistency of the ten questions considered in the analysis is satisfying, with Cronbach's Alpha = ,776. In this part of the analysis, a lower mean score corresponds to more environmentally friendly consumer behavior. Mean scores and standard deviations for reported behavior do not seem to vary significantly ($\bar{x}_{CSR} = 2,7021$, $s_{CSR} = 0,86389$; $\bar{x}_{Long} = 2,6393$, $s_{Long} = 0,87622$; $\bar{x}_{Short} = 2,5532$, $s_{Short} = 1,09958$). Participants from the CSR group even display a slightly higher mean,

indicating a lower degree of environmentally friendly consumer behavior. Generally, most participants indicated environmentally friendly behaviors by agreeing with the statements presented to them. To determine a possible correlation between the CSR initiative and environmentally friendly consumer behavior, a one-way ANOVA was conducted with the environmentally friendly consumer behavior as the dependent variable, and the survey version as the independent variable (F = 0.294; p = 0.746 > 0.05). Similarly to the results of the previous analysis, the null hypothesis H_0 , which states that there are no significant differences in reported consumer behavior caused by the type of product description, cannot be rejected due to the lack of evidence obtained in this experiment. Thus, the presence of the CSR initiative does not seem to have significant influence on reported consumer behavior.

Recycling Behavior

Since the CSR issue addressed by Adidas is directly connected to recycled materials, it was assessed whether participants provide distinctive answers regarding their recycling behavior after being exposed to the initiative. A maximum score of six could be achieved by ticking types of items participants recycle. Consequently, a higher mean score per group constitutes higher recycling quotas ($\bar{x}_{CSR} = 5,087$; $\bar{x}_{Long} = 5,2167$; $\bar{x}_{Short} = 5,1364$). Although the CSR group displays the lowest mean of recycled materials, the mean scores do not vary significantly among the three groups. The dispersion measured through the variance ($s^2_{CSR} = 1,814$; $s^2_{Long} = 1,02$; $s^2_{Short} = 1,144$) is also lowest for the two non-CSR groups, but overall all three groups exhibit high recycling activity To determine a possible correlation between the survey version and the reported recycling behavior, a one-way ANOVA was conducted with recycling behavior as the dependent, and survey version as independent variable (F = 0,175; P = 0,839 > 0,05). Consequently, it can be assumed that the CSR initiative did not influence participants to report higher recycling quotas.

Support for CSR Initiative

Lastly, participants' support for the initiative was determined in the survey, using a seven-point Likert scale for which lower mean scores reflect a stronger support. 46 participants (\overline{x} = 2,087) indicated their support or neutrality for Adidas' Parley initiative. With regards to personal opinions and brand evaluations, more than 80% of participants reported their liking for the brand Adidas. Adidas is overall evaluated positively (\overline{x} = 3,0129) for responsibility and levels of trust (Cronbach's Alpha = 0,751), where a lower mean corresponds to a more positive opinion. Running two ANOVAs should assess whether participants who have been exposed to the CSR initiative evaluate Adidas more positively, the stronger they support the issue at hand (H₁). The Levene statistic provides significance values of α_{Trust} = 0,512, respectively $\alpha_{Resp.}$ = 0,525 for the two questions asked, indicating consistency in variances, which is a requirement for the ANOVAs. The one-way ANOVAs with trust, respectively responsibility, as the dependent and survey version as the independent variable provide a F-statistics (F_{Trust} = 0,149; F_{Resp.} = 0,397) with significance levels of α > 0,05, indicating there is no statistically significant difference among respondent groups' answers to both questions. Thus, it can be assumed that the different experimental conditions did not affect attitudes towards the brand.

5. Discussion

Hypothesis H₁ states that differences in evaluation of the brand Adidas with and without CSR initiative will be influenced by the consumers' support of the CSR issue, and that the evaluation gap will be greater the more supportive consumers claim to be of the issue at hand. It was examined how brand evaluations vary between participants who had and had not been exposed to the CSR initiative. Ultimately, the inclusion of the CSR initiative in the product description did not deliver significant changes in participants' evaluations concerning the brand and its perceived image as well as actions. Mean participant scores portray the brand in a good light

already, leaving little room for improvement through CSR measures. Considering this outcome, H₁ cannot be accepted. Hypothesis H₂ refers to the effect of CSR initiatives on private consumer behavior. It was believed that the exposure to a brand's CSR initiative causes participants to report higher intentions to engage in sustainable behavior. Results obtained from the simulated shopping decisions and personal behavior questions do not indicate a significant correlation between CSR initiative and environmentally friendly behavior. Slight variations do not reach a level of significance, therefore H₂ cannot be accepted because effects can neither be detected nor clearly attributed to CSR.

Although statistically significant, the relatively small number of samples and the splitting into three groups may have influences or distorted possible effects. With CSR as the subject of the survey, a prominent topic to which participants have probably been exposed to previously, was targeted. Participants' existing awareness and potential personal interest in the topic may already have caused a behavioral change in the past. The popularity of the brand in question may also have influenced perceptions of brand and initiative. Participants may "forgive" a popular or familiar brand and overlook certain characteristics due to brand and product attributes, which may have overshadowed potential effects. Consequently, the existing brand image of Adidas may be rigid and not susceptible to change when introducing new information such as the initiative. The product may also not have been appealing or interesting to every respondent, causing overreading or skipping the description on the respondent side. Moreover, the shopping decision section was chosen because of its familiarity to participants but does not exclude the possibility of other motivational factors that may have led to a product choice. Sustainable shopping as a current discussion topic may have already provoked behavioral changes in participants prior to this survey. The personal behavior questions were composed in a straightforward way, leaving room for participants to portray themselves in a good light, which may explain lack of differential outcomes, as goes for the recycling question. Coming back to the concept of *social loafing*, participants from the CSR group may not have exaggerated in their responses or reflected their behavior in an overly optimistic way as the other two groups may have done.

Connecting the findings to existing literature it becomes evident that consumers value companies that engage in CSR behavior. Adidas' strong relationship with its consumers, fostering high purchase intentions and positive brand attitudes, affects consumer evaluations and choices. Because of its strong reputation, consumers may have disregarded additional positive information in this case. Furthermore, the prominence of the ecological debate may have already closed the behavioral gap between CSR and non-CSR groups. Adidas still finds itself in transition after introducing recyclable materials as part of their products but has not yet made the switch to a brand perceived as "green" by consumers. Since CSR affects the individual consumer differently, no significant correlation was observed between CSR and private consumer behavior. It remains unclear how consumers make trade-offs among product characteristics and how CSR initiatives play into this. CSR effects cannot be generalized and transferred onto different sectors, consequently results may have looked differently observing only one specific consumer group. Additionally, consumers attribute more credibility to external sources of information, the information coming from Adidas may have fostered additional skepticism. Typically, CSR initiatives that are product-related create more awareness among consumers, however this effect did not materialize in this research. Further influence by participants' efforts to try and reduce their personal feelings of guilt by reporting positive behaviors could have led to the results obtained. The strength of emotional connection with the brand was not measured in this survey, but since the product description was very functional, a low self-brand overlap could have contributed to small or no behavior changes, which remains consistent with literature findings described in previous chapters. The moral licensing effect also needs to be addressed at this point. It states that individuals may act unethical after being exposed to CSR measures taken by companies. Consequently, the effects CSR initiatives have on consumers are moderated by a number of factors that are not clearly distinguishable at this point in time.

Companies that are actively engaging in CSR initiatives or are considering implementing and marketing CSR measures can gain important insights through research on the subject of CSR and its effect on consumers. Reconciled CSR and company causes could lead to additional income and acquisition of new customer groups, and also more educated and thoughtful consumers. The results of this study however indicate there is still no clear roadmap if and how CSR affects consumers in their private behavior. Since no significant correlations were found between CSR and private, environmentally friendly consumer behavior, the communication of CSR initiatives by the company appears to be advantageous primarily for the company. It can nonetheless be concluded that CSR initiatives, if communicated accordingly, can provide positive outcomes for companies. Existing research points into this direction as environmental conservation becomes an increasingly important topic in today's society, politics, and global markets. Deliberately influencing or changing private consumer behavior by communicating CSR initiatives in a certain way, however, does not seem to lie within a company's scope.

6. Conclusion

To introduce the topic of CSR and potential effects on consumers, the central research questions were first defined, and a theoretical basis was created. At the beginning, possible definitions of CSR as well as the potential advantages and disadvantages were discussed. Subsequently, the role of CSR in communications and branding, including potential benefits on brand and product level, was examined. Most advantages of CSR and its communication to the consumers have been uncovered in previous research and served as important indications for the understanding of assumptions as well as results of the empirical part. In the last section of the literature review,

the effects of CSR initiatives on consumers were discussed. By combining these with theory on consumer behavior and attitudes, important conclusions could be drawn regarding and possible impact of CSR initiatives on consumer behavior. Since current research on the influence CSR initiatives exert on private consumer behavior was not very advanced at the time of writing and was limited to a small number of studies, a compilation and combination of different theories and effects was necessary before research could begin. An interim conclusion leading to the research hypotheses was drawn at the end of each theoretical chapter. It stated the implications for consumer behavior as a response to CSR initiatives resulting from the previous section. After completing the theoretical basics and briefly describing the current state of research on CSR and private consumer behavior, the experiment's hypotheses were stated. The aim of the research was not only to prove an effect of CSR initiatives on private consumer behavior, but also to investigate a possible connection with the support of the issue at hand and brand evaluation by the consumer. In the following part, the methodology of the survey was presented, and the aim of the different question types was explained. Subsequently, the sample was presented. By distributing the survey via the Internet, almost exclusively people under the age of 60 were surveyed. The presentation of the results showed no significant changes in reported conservation behavior among respondent groups who had or had not seen a product description including a CSR initiative. In the discussion that followed, possible explanations for the lacking effects were determined, assessed and linked to the theoretical basis. The multifaceted nature of CSR initiatives, as well as their communication and outcomes, made it difficult to pinpoint effects by investigating these in an experiment focusing on only one specific product and brand from the real world, which may have contributed to biased answers. However, a weakness of existing research could be compensated by including a real brand, as well as simulating real shopping decisions that most participants are familiar with. Finally, a short recommendation for the communication and marketing of CSR initiatives with regards to their influence on consumer behavior was given.

Although no clear result could be established, this work contributes to the existing research on CSR's influence on consumer behavior. In summary, it can be stated that the communication of CSR by companies affects each consumer and their behavior differently, depending on their personal attitudes, motives and preferences. Therefore, marketing of CSR initiatives is recommended in order to trade on known advantages they can yield for the company, but a targeted use of CSR initiatives, with the aim of decisively changing or influencing consumer behavior, does not seem to be possible.

List of References

- adidas AG. (2019). Adidas Parley. Retrieved September 17, 2019, from https://www.adidas.de/parley
- Aguilera, R. V., Rupp, D. E., Williams, C. A., & Ganapathi, J. (2007). "Putting the S back in corporate social responsibility: A multilevel theory of social change in organizations." *Academy of Management Review*, 32(3), 836–863.
- Allen, C. T. (1982). "Self-Perception Based Strategies for Stimulating Energy Conservation." Journal of Consumer Research, 8(4), 381.
- Ashforth, B. E., & Gibbs, B. W. (1990). "The Double-Edge of Organizational Legitimation." *Organization Science*, 1(2), 177–194.
- Auger, P., & Devinney, T. (2007). "Do What Consumers Say Matter? The Misalignment of Preferences with Unconstrained Ethical Intentions." *Journal of Business Ethics*, 76(4) 361-383.
- Barnett, M. L. (2007). "Stakeholder influence capacity and the variability of financial returns to corporate social responsibility." *Academy of Management Review*, 32(3), 794–816.
- Bennett, C. M., Kim, H., & Loken, B. (2013). "Corporate sponsorships may hurt nonprofits: Understanding their effects on charitable giving." *Journal of Consumer Psychology*, 23(3), 288–300.
- Bergami, M., & Bagozzi, R. P. (2000). "Self-categorization, affective commitment and group self- esteem as distinct aspects of social identity in the organization." *British Journal of Social Psychology*, 39(4), 555–577.

- Berland (2010). Corporate social responsibility branding survey. Retrieved from http://www.psb research.com/
- Bettinghaus, E. P. (1986). "Health promotion and the knowledge-attitude-behavior continuum." *Preventive Medicine*, 15(5), 475–491.
- Bhattacharya, C. B., & Sen, S. (2004). "Doing Better at Doing Good: When, Why, and How Consumers Respond to Corporate Social Initiatives." *California Management Review*, 47(1), 9–24.
- Boccia, F., & Sarnacchiaro, P. (2017). "The Impact of Corporate Social Responsibility on Consumer Preference: A Structural Equation Analysis." *Corporate Social Responsibility and Environmental Management*, 25(2), 151–163.
- Brown, T. J., & Dacin, P. A. (1997). "The Company and the Product: Corporate Associations and Consumer Product Responses." *Journal of Marketing*, 61(1), 68–84.
- Brunk, K. H. (2012). "Un/ethical Company and Brand Perceptions: Conceptualising and Operationalising Consumer Meanings." *Journal of Business Ethics*, 111(4), 551–565.
- Burke, P. F., Dowling, G., & Wei, E. (2018). "The relative impact of corporate reputation on consumer choice: beyond a halo effect." *Journal of Marketing Management*, 34(13–14), 1227–1257.
- Carroll, A. B. (1999). "Corporate Social Responsibility." Business & Society, 38(3), 268–295.
- Cialdini, R. B., Reno, R. R., & Kallgren, C. A. (1990). "A focus theory of normative conduct: Recycling the concept of norms to reduce littering in public places." *Journal of Personality and Social Psychology*, 58(6), 1015–1026.
- Cornelissen, G., Pandelaere, M., Warlop, L., & Dewitte, S. (2008). "Positive cueing: Promoting sustainable consumer behavior by cueing common environmental behaviors as environmental." *International Journal of Research in Marketing*, 25(1), 46–55.
- Dahlén, M., & Lange, F. (2005). "Advertising weak and strong brands: Who gains?" *Psychology & Marketing*, 22(6), 473–488.
- Davis. Keith and Robert L. Blomstrom (1975). Business and Society: Environment and Responsibility. New York: McGraw-Hill.
- Dawkins, J. (2005). "Corporate responsibility: The communication challenge." *Journal of Communication Management*, 9(2), 108–119.
- Dickinson, S., & Barker, A. (2007). "Evaluations of branding alliances between non-profit and commercial brand partners: the transfer of affect." *International Journal of Nonprofit and Voluntary Sector Marketing*, 12(1), 75–89.
- Du, S., Bhattacharya, C. B., & Sen, S. (2007). "Reaping relational rewards from corporate social responsibility: The role of competitive positioning." *International Journal of Research in Marketing*, 24(3), 224–241.

- Dutton, J. E., Dukerich, J. M., & Harquail, C. V. (1994). "Organizational Images and Member Identification." *Administrative Science Quarterly*, 39(2), 239.
- Ellen. Pam Scholder. Lois A, Mohr. and Deborah J. Webb (2000), "Charitable Programs and the Retailer: Do they Mix?" *Journal of Retailing*, 76 (3). 393^o6.
- Gammoh, B. S., Voss, K. E., & Chakraborty, G. (2006). "Consumer evaluation of brand alliance signals." *Psychology and Marketing*, 23(6), 465–486.
- Grohmann, B., & Bodur, H. O. (2014). "Brand Social Responsibility: Conceptualization, Measurement, and Outcomes." *Journal of Business Ethics*, 131(2), 375–399.
- Hiller Connell, K. Y., & Kozar, J. M. (2012). "Sustainability knowledge and behaviors of apparel and textile undergraduates." *International Journal of Sustainability in Higher Education*, 13(4), 394–407.
- Hsiao, C.-H., Shen, G. C., & Chao, P.-J. (2015). "How does brand misconduct affect the brand—customer relationship?" *Journal of Business Research*, 68(4), 862–866.
- Krishna, A., & Rajan, U. (2009). "Cause Marketing: Spillover Effects of Cause-Related Products in a Product Portfolio." *Management Science*, 55(9), 1469–1485.
- Latané, B., Williams, K., & Harkins, S. (1979). "Many hands make light the work: The causes and consequences of social loafing." *Journal of Personality and Social Psychology*, 37(6), 822–832.
- Lichtenstein, D. R., Drumwright, M. E., & Braig, B. M. (2004). "The Effect of Corporate Social Responsibility on Customer Donations to Corporate-Supported Nonprofits." *Journal of Marketing*, 68(4), 16–32.
- Malterud, K. (2001). "Qualitative research: standards, challenges, and guidelines." *The Lancet*, 358(9280), 483-488.
- Mickels, A. (2009). "Beyond corporate social responsibility: Reconciling the ideals of a forbenefit corporation with direct or fiduciary duties in the US and Europe." *Hastings Int'l & Comp. L. Rev.*, 32, 271.
- Mohr, L. A., Webb, D. J., & Harris, K. E. (2001). "Do Consumers Expect Companies to be Socially Responsible? The Impact of Corporate Social Responsibility on Buying Behavior." *Journal of Consumer Affairs*, 35(1), 45–72.
- Nan, X., & Heo, K. (2007). "Consumer Responses to Corporate Social Responsibility (CSR) Initiatives: Examining the Role of Brand-Cause Fit in Cause-Related Marketing." *Journal of Advertising*, 36(2), 63–74.
- Negrão, A., Mantovani, D., & Andrade, L. M. de. (2018). "Brand's CSR Influence on Consumers' Prosocial Behavior in Unrelated Domains." *Revista Brasileira de Marketing*, 17(01), 139–149.

- Newman, K. P., & Brucks, M. (2018). "The Influence of Corporate Social Responsibility Efforts on the Moral Behavior of High Self-Brand Overlap Consumers." *Journal of Consumer Psychology*, 28(2), 253–271.
- Nyilasy, G., Gangadharbatla, H., & Paladino, A. (2013). "Perceived Greenwashing: The Interactive Effects of Green Advertising and Corporate Environmental Performance on Consumer Reactions." *Journal of Business Ethics*, 125(4), 693–707.
- Pava, M. L., & Krausz, J. (1996). "The association between corporate social-responsibility and financial performance: The paradox of social cost." *Journal of Business Ethics*, 15(3), 321–357.
- Peloza, J., & Shang, J. (2010). "How can corporate social responsibility activities create value for stakeholders? A systematic review." *Journal of the Academy of Marketing Science*, 39(1), 117–135.
- Schultz, P. W., Nolan, J. M., Cialdini, R. B., Goldstein, N. J., & Griskevicius, V. (2007). "The Constructive, Destructive, and Reconstructive Power of Social Norms." *Psychological Science*, 18(5), 429–434.
- Sen, S., & Bhattacharya, C. B. (2001). "Does Doing Good Always Lead to Doing Better? Consumer Reactions to Corporate Social Responsibility." *Journal of Marketing Research*, 38(2), 225–243.
- Wang, A., & Anderson, R. (2011). "A Multi-Staged Model of Consumer Responses to CSR Communications." *The Journal of Corporate Citizenship*, (41), 51-68.
- Wang, W., Krishna, A., & McFerran, B. (2017). "Turning off the Lights: Consumers' Environmental Efforts Depend on Visible Efforts of Firms." *Journal of Marketing Research*, 54(3), 478–494.
- Webb, D. J., Mohr, L. A., & Harris, K. E. (2008). "A re-examination of socially responsible consumption and its measurement." *Journal of Business Research*, 61(2), 91–98.
- White, K., & Simpson, B. (2013). "When Do (and Don't) Normative Appeals Influence Sustainable Consumer Behaviors?" *Journal of Marketing*, 77(2), 78–95.
- Zhong, C.-B., & Liljenquist, K. (2006). "Washing Away Your Sins: Threatened Morality and Physical Cleansing." *Science*, 313(5792), 1451–1452.

Appendix

Appendix 1: Survey Questions and Scales

Would you consider buying this product based off the information given in the picture? Definitely yes (1) Probably yes (2) Might or might not (3) Probably not (4) Definitely

Definitely yes (1), Probably yes (2), Might or might not (3), Probably not (4), Definitely not (5)

What is your level of trust in this company (Adidas)?

Extremely trustworthy (1), Very trustworthy (2), Trustworthy (3), Neither trustworthy nor untrustworthy (4), Untrustworthy (5), Very untrustworthy (6), Extremely untrustworthy (7)

This company operates in a responsible manner

Very strongly agree (1), Strongly agree (2), Agree (3), Neither agree nor disagree (4), Disagree (5), Strongly disagree (6), Very strongly disagree (7)

Shopping Decisions:

Cheese: 150g block of cheese for 1,70€ or 150g of sliced cheese for 1,20€

Laundry detergent: Bottle of detergent for 16 washes for 4,00€ or 16 detergent pods for 3,70€

Strawberries: 250g fresh for 2,50€ or 250g frozen for 1,50€

Rice: 1kg uncooked for 1€ or 4 microwavable pouches of 250g for 0,80€

Coffee: 500g of ground coffee for 4,50€ or 2 packages of 250g coffee beans for 4,30€

Razors: One razor with 3 exchangeable blades for 5,50€ or 3 disposable razors for 5€

Cookies: 25 cookies in one wrapper for 1,05€ or 25 cookies wrapped individually for 0,95€

Juice: 1-liter bottle for $2,50 \in or \ 4$ small bottles for $2 \in Yogurt: 500ml \ cup \ for <math>1 \in or \ 4$ cups of $125ml \ for \ 0,90 \in Or \ 4$

Chocolate bars: 10 bars of 15,2g for 1,50€ or 5 bars of 41,5g for 1,50€

Statements regarding consumer behavior:

- I stop buying from a company that consciously harms the environment
- I am willing to pay more for well-known brands
- I trust familiar companies that I have known for a long time more than new companies
- I switch to brands who show a greater care for the environment if their products are equally good
- When I go shopping, I look for products that are environmentally friendly
- When I buy something, price is more important than the company's ethics
- I prefer to buy from companies that operate in an environmentally responsible way
- I am looking for ways to reuse old objects
- I buy used equipment whenever possible (cars, electrics, etc.)
- I seek representation by politicians who care about the environment
- Environmental claims on products have no impact on my decision
- I try to fix things first, instead of throwing them away immediately

Possible responses on the scale:

Very strongly agree (1), Strongly agree (2), Agree (3), Neither agree nor disagree (4), Disagree (5), Strongly disagree (6), Very strongly disagree (7)

I separate the following objects for recycling:

Metal Objects, Glass, Papers, Plastic Packaging, Batteries, Small electronic devices

Other Appendices (outside of page limit)

Appendix 2: Full Survey

Master Thesis Survey

Introduction

Thank you for agreeing to take part in this survey.

As part of my International Master's in Management at the Nova School of Business and Economics (Nova SBE) and FGV EAESP, I am currently working on my thesis in the field of marketing connected to consumer behavior and information about companies.

In this survey you will read information about a company and will answer questions about this company and your habits.

Your answers given throughout this survey will remain completely anonymous and will only be used throughout the survey and data analysis. There are no right or wrong answers and it will take approximately 5 minutes.

In case of any doubts please contact me via e-mail: 33347@novasbe.pt Thank you for your feedback and time.

Q Please look at the picture and read the provided product information

Picture short RAPIDARUN SHOE

A VERSATILE RUNNING SHOE No matter whether on the treadmill in the gym, in the stadium or a round in the park, this running shoe does it all. It comes with a knitted upper and a TPU heel clip for more stability. The cushioning mid-sole also makes it comfortable.



Picture CSR RAPIDARUN SHOE

A VERSATILE RUNNING SHOE No matter whether on the treadmill in the gym, in the stadium or a round in the park, this running shoe does it all. It comes with a knitted upper and a TPU heel clip for more stability. The cushioning mid-sole also makes it comfortable. The yarn used in the manufacture of this product was produced in collaboration with Parley. It

consists partly of Parley Ocean PlasticTM, which is made from recycled plastic waste collected from beaches and coastal areas before it can reach the sea.



Picture long **RAPIDARUN SHOE**A VERSATILE RUNNING SHOE No matter whether on the treadmill in the gym, in the stadium or a round in the park, this running shoe does it all. It comes with a knitted upper and a TPU heel clip for more stability. The cushioning mid-sole also makes it comfortable. The yarn used in the manufacture of this product was produced in collaboration with Parley. It consists partly of our primeknit yarn, which is made from a microfiber and cotton blend. The materials are sourced in European countries.



Q1 Would you consider buying this product based off the information given in the picture

- o Definitely yes (1)
- o Probably yes (2)
- o Might or might not (3)
- o Probably not (4)
- o Definitely not (5)

Q2 What is your level of trust in this company (Adidas)?

- Extremely trustworthy (1)
- Very trustworthy (2)

- o Trustworthy (3)
- Neither trustworthy nor untrustworthy (4)
- o Untrustworthy (5)
- Very untrustworthy (6)
- Extremely untrustworthy (7)
- Q3 This company operates in a responsible manner
 - o Very strongly agree (1)
 - o Strongly agree (2)
 - o Agree (3)
 - o Neither agree nor disagree (4)
 - o Disagree (5)
 - o Strongly disagree (6)
 - Very strongly disagree (7)
- **Q4** Did you know about this particular initiative? (displayed if CSR description shown)
 - o Yes (1)
 - o No (2)
- **Q5** Do you think Adidas has to worry about this problem? (displayed if CSR description shown)
 - o Yes (1)
 - o No (2)
- **Q6** Is this initiative targeting a personal interest of yours? (displayed if CSR description shown)
 - o Yes (1)
 - o No (2)
- **Q7** I support Adidas taking action by undertaking this initiative (displayed if CSR description shown)
 - o Very strongly agree (1)
 - o Strongly agree (2)
 - o Agree (3)
 - O Neither agree nor disagree (4)
 - o Disagree (5)
 - o Strongly disagree (6)
 - o Very strongly disagree (7)

Now imagine you are shopping in the supermarket and are confronted with the following choices between two products. Please indicate which product you would choose based on the information given in this question

Q8 Please indicate your preferred choice (order of questions randomized)

Cookies (1)	25 cookies in one wrapper for 1,05€ (1)	25 cookies wrapped individually for 0,95€ (2)
Cheese (2)	150g block of cheese for 1,70€ (1)	150g of sliced cheese for 1,20€ (2)

Laundry detergent (3)	Bottle of detergent for 16 washes for 4,00€ (1) 16 detergent pods for 3,			
Chocolate bars (4)	10 bars of 15,2g for 1,50€ (1)	f 15,2g for 1,50 \in (1) 5 bars of 41,5g for 1,50 \in (2)		
Yogurt (5)	500ml cup for 1€ (1) 4 cups of 125ml for			
Coffee (6)	500g of ground coffee for 2 packages of 250g beans for 4,30€			
Razors (7)	One razor with 3 exchangeable blades for 5,50€ (1)	3 disposable razors for 5€ (2)		
Strawberries (8)	250g fresh for 2,50€ (1)	250g frozen for 1,50€ (2)		
Juice (9)	1 liter bottle for 2,50€ (1)	4 small bottles for 2€ (2)		
Rice (10)	1kg uncooked for 1€ (1)	4 microwavable pouches of 250g for 0,80€ (2)		

You will now be asked a few short questions concerning your personal habits. Please answer them honestly, there are no right or wrong answers and you will remain anonymous.

Q9 From the following selection of statements, please rate the extent to which you agree or disagree with those statements (order of statements randomized)

	Very strongly agree (1)	Strongly agree (2)	Agree (3)	Neither agree nor disagree (4)	Disagree (5)	Strongly disagree (6)	Very strongly disagree (7)
I prefer to buy from companies that operate in an environmentally responsible way (1)							
Environmental claims on products have no impact on my decision (2)							
When I go shopping, I look for products that are environmentally friendly (3)							
When I buy something, price is more important than							

the company's ethics (4)

I trust familiar companies that I have known for a long time more than new companies (5)

I am willing to pay more for well-known brands (6)

I stop buying from a company that consciously harms the environment (7)

I seek representation by politicians who care about the environment (8)

I switch to brands who show a greater care for the environment if their products are equally good (9)

I am looking for ways to reuse old objects (10)

I try to fix things first, instead of throwing them away immediately (11)

I buy used equipment whenever possible (cars, electrics, etc.) (12)

0	3 ()				
0	o Glass (2)				
0	1 ()				
0	o Plastic Packaging (4)				
0					
0	Small electronic devices (6)				
Q11	Do you personally own a product of the brand shown in the beginning (Adidas)?				
0	Yes (1)				
0	No (2)				
Q12	Do you like this brand?				
0	Yes (1)				
0	No (2)				
	Please name any specific initiatives undertaken by Adidas that you know of ronmental, social, etc.).				
Q14	Please indicate your age				
O15	Please indicate your gender				
0					
0					
O16	What is the highest level of education that you have completed?				
010	P(1 1 - 1 - 1 - (1)				
_	Primary school (2)				
0	$C = \frac{1}{1} + \frac{1}{1} \cdot (T' + \frac{1}{1} + \frac{1}{1}) \cdot (2)$				
0	D 1 1 1 1 (4)				
0	Master's degree (5)				
0	Doctorate degree (6)				
Q17	What do you think is the purpose of this study?				
Q18	Do you think part one and two are related? If yes, how?				
Q19	What do you think is the hypothesis behind the study?				

Q10 Please select all that apply I separate the following objects for recycling: