

Corporate Social Responsibility Communication: Firm Strategies and Consumer Responses

by

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Abstract

While corporate social responsibility (CSR) currently occupies an important position on the corporate agenda, the relationship between CSR and financial performance is equivocal. Specifically, previous research suggests the way in which CSR activities are executed determines whether or not consumers or other stakeholders will support them. Through three papers, the research provides a nuanced understanding of both how firms communicate their CSR activities and how consumers in turn respond to different types of marketing appeals associated with CSR activities. Using both qualitative and quantitative data, the research provides key insights that help explain the equivocal nature of the business case for CSR, and provide practical recommendations for firms' CSR activities. The first paper uses content analysis of over 4,000 magazine advertisements to examine the commitment of managers to CSR in the recent recession. The findings demonstrate that the recession dramatically changed the face of CSR communication and impacted how managers balance longer-term brand building objectives with short-term economic realities. The second paper demonstrates that, consumers' support for retailers that engage in both CSR and Corporate Social Irresponsible (CSIR) activities is influenced by the size of the retailer through two key intervening variables: community interdependence and attributions. The paper combines data from depth consumer interviews and three experiments and finds that small retailers are perceived as more socially responsible compared to their larger counterparts while also being protected by a layer of insurance in the event of socially irresponsible behaviour. Finally, the third paper explores the effectiveness of environmentally friendly promotion that includes either self-benefit or other-benefit appeals. The paper seeks to reconcile the conflicting findings on the efficacy of each type of appeal, and finds that public accountability is a key moderator. In settings where public accountability is high, other-benefit appeals are more successful, and in private consumption settings self-benefit appeals are more successful.

Keywords: Corporate Social Responsibility; mixed-methods dissertation; advertising; consumer behaviour

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1. Introduction

Corporate social responsibility (CSR) has become increasingly prominent on the corporate agenda (e.g., Du, Bhattacharya & Sen, 2010; Yoon, Gurhan-Canli & Schwarz 2006). Trudel and Cotte (2009, p. 61) suggest that an era marked by “self interested companies trying to maximize shareholder wealth at any cost appears to have been supplanted by an era of corporate social responsibility.” The specific firm investments in CSR examined across the three papers in the dissertation are in line with what Barnett (2007) refers to as “activities.” More specifically, the dissertation examines CSR activities from the perspective of both the firm (i.e., what CSR activities firms engage in and how they communicate about CSR activities) and the consumer (i.e., how consumers respond to CSR activities). These activities have been found across both practice and research to include a wide variety of initiatives. In their review of over four decades of research examining the consumer response to CSR activities, Peloza and Shang (2011) developed three distinct categories of such activities: philanthropy, business practices and CSR products. Philanthropic activities include cause-related marketing campaigns, running charitable events, employee volunteerism, donations of cash and goods and advocacy advertising. The second category of CSR activities, business practices, includes avoiding the use of child labour, investing in a more environmentally friendly supply chain, encouraging environmentally friendly consumption behaviour and encouraging car-pooling amongst employees. Finally, CSR products include organic products, environmentally friendly products and products made free from animal testing. The dissertation examines how these activities translate in practice and also what determines whether consumers respond positively or negatively to CSR activities.

Bhattacharya and Sen (2004) suggest that CSR activities help bolster relationships between customers and firms, and help differentiate firms in the marketplace. Further, Pivato, Misani and Tencati (2008, p. 4) posit that “socially oriented companies should be able to distinguish themselves from competitors, enhance

customer satisfaction and improve their reputation through positive stakeholder response to their actions.” This suggestion appears to be supported and well established by previous research that finds companies benefit from their engagement in CSR activities through increased consumer loyalty (e.g., Du, Bhattacharya & Sen, 2008), willingness to pay premium prices (e.g., De Pelsmacker, Driesen & Rayp , 2005; Mohr & Webb, 2005) and decreased attributions of blame in the face of a crisis (e.g., Klein & Dawar, 2004). However, the literature examining the relationship between CSR and corporate financial performance finds support for both a positive and negative relationship (i.e., Luo & Bhattacharya, 2006; Margolis & Walsh, 2003; Peloza, 2009) suggesting the implementation of CSR activities matters greatly. Further, the investments in CSR activities often represent significant financial commitments. For example, the 2012 IEG Sponsorship Report forecasts annual spending of over \$1.7 billion by firms on cause-related marketing campaigns (Carmichael & Chinni, 2012).

The dissertation is organized around three distinct papers that employ a variety of research methods. The first paper explores the way in which firms advertise their CSR activities through a content analysis of popular magazines across a four-year period. The paper explores the impact of the recent recession on both the absolute levels of CSR advertisements and the specific types of socially responsible activities that firms choose to advertise. This provides useful insights into managerial practice of CSR since low awareness of CSR activities and a lack of corporate commitment are factors in lacklustre consumer support for CSR (e.g., Du et al., 2008).

The second paper utilizes consumer interviews and a series of three experiments to examine the influence of the size of the firm on consumer support for both socially responsible and socially irresponsible behavior (CSIR). Specifically, the paper explores the response to a very common CSR activity, cause-related marketing, while also examining the response to retailers that are accused of providing environmentally unfriendly products. The paper hypothesizes that small retailers are viewed as more interdependent with the local community as compared to its larger counterparts and uses interdependence as a key independent variable to predict that smaller firms benefit from CSR activities more than their larger counterparts.

Finally, the third paper includes three experiments that examine the effectiveness of self-benefit and other-benefit appeals in encouraging more environmentally friendly consumption behavior. The role of public accountability acts as the key moderating variable across the three studies that examine two specific CSR activities: environmentally friendly products and corporate policies. The findings suggest that consumer support for environmentally friendly products and policies is influenced by the context in which the appeal is made.

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2. How has the Recession Changed Corporate Social Responsibility? A Content Analysis of CSR Advertising

The recent recession presented a “stress test for good intentions” for firms’ investment in corporate social responsibility (CSR) activities (Economist, 2009). Many observers of business expect that discretionary items such as CSR activities are among the first to be discarded during a recession. In fact, Smith (2003, p. 64) suggests that “previous peaks of interest in CSR have generally coincided with economic prosperity and interest has diminished at times of recession.” Business publications such as Business Week and Fortune questioned how companies would alter their social responsibility initiatives in light of suffering massive financial losses during the most recent economic downturn.

Voices from corporate America were inconsistent and vague on the matter. For example, Intel CEO Craig Barrett stated, “You can’t save your way out of recession – you have to invest your way out. We look at our CSR activities in pretty much the same way: you can’t just do them in good times and then just forget about them in bad times and hope to get any results” (Cone, 2009a). However, in a study with a broad sample of firms early in the recession, the majority of managers surveyed planned to either decrease their CSR budgets or were unsure how the crisis would impact CSR budgets (Cone, 2009a). A more recent survey reports that only 25% of firms planned an increase in CSR budget in 2011, but 69% plan to increase for 2012. This suggests that CSR investment is on the rise coming out of the lows of the recession (Haanaes et al., 2011).

Especially at risk during a recession are the communications budgets that are used to inform customers and other stakeholders about CSR activities. These communication budgets are subject to scrutiny not only due to the discretionary nature of the CSR activities themselves, but the fact that communications and advertising are

generally among the first budget items to be cut in economic downturns (Srinivasan, Rangaswamy & Lilien, 2005). Given managers overwhelmingly list the brand building potential of CSR as the number one reason for investment (Haanaes et al., 2011), the communication to stakeholders about those investments is an essential component of how brands are enhanced. Brands are enhanced through CSR in a myriad of ways, including price premiums and positive word of mouth (Bhattacharya & Sen, 2004). However, these benefits only occur when customers or other stakeholders are aware of the CSR activities of the firm. Recent research suggests that individuals have relatively low awareness levels of specific CSR activities, and perceptions of CSR can be far out of alignment with actual CSR investment by firms (Du, Bhattacharya & Sen, 2010; Brandlogic and CRD Analytics, 2011). The research seeks to address the question: Did managers, through their investment in CSR-related advertising, alter their approach to brand building through recessionary times?

Through a content analysis of CSR promotion via advertising in popular magazines, the current research examines how the recession changed the way firms promote investments in CSR. In doing so, this research makes a number of contributions to both the management and CSR literatures. First, Burke and Logsdon (1996) suggest that firms should seek opportunities that generate positive visibility from their CSR activities across key stakeholders. They point out that visibility is required for “credit” to be given to the firm investing in CSR. This study is the first, to the best of the knowledge of the author that examines how managers attempt to generate visibility to capitalize on their CSR investments. Although some CSR activities may continue throughout the recession, the brand building benefits from CSR will not accrue unless visibility is generated by those investments. Through the examination of CSR messages in advertising, the current research complements the wealth of research examining how consumers and other stakeholders respond to CSR initiatives (e.g., Brown & Dacin, 1997; Sen, Bhattacharya & Korschun, 2006) by examining the firm activities designed to stimulate these responses. Although recent research examines the consumer response to CSR related activities during recessionary times (e.g., Bondy & Talwar, 2011), this research addresses the call by Green and Peloza (2011) for further research into the CSR-related behavior of practitioners during the same recessionary periods.

Second, through a systematic review of actual advertisement investment (as opposed to attitudes or intentions of managers), this research overcomes the attitude-behavior gap so prominent in CSR research (see Trudel & Cotte (2009) for a discussion of the attitude-behavior gap). This is important because attitudes and intentions related to CSR are often not mirrored by actual behaviors. Given that communication expenses related to social responsibility are the third largest budget item for corporate communications departments in large firms (Hutton, Goodman, Alexander & Genest, 2001); this research provides insight into how this significant communication budget is being invested, and how that investment has changed as a result of the recession. Further, the research examines how managers have used the recession to exploit an opportunity to continue advertising while competitors make cuts (Srinivasan et al., 2005). The analysis provides insights into how managers prioritize CSR activities and their promotion during difficult economic periods.

Third, despite the wide array of socially responsible initiatives that organizations have to choose from, previous research has been criticized for focusing on too narrow of a representation of CSR. Maignan (2001) points out that many studies of the CSR rely on the manipulation of just two CSR activities, community involvement and philanthropy. This narrow conceptualization provides a limited view of how companies engage in CSR, and does not accurately represent what consumers and other stakeholders encounter in CSR advertising messages. The inventory of CSR-related advertising developed in this study will determine how managers operationalize CSR in their marketing communications and will provide a much needed, more fine-grained analysis of CSR in the marketplace (Pelozo & Shang, 2011). The review of how the recession led managers to focus their CSR visibility on value creation for the firm provides a roadmap to managers on how to select from a variety of CSR activities to satisfy potentially conflicting stakeholder expectations and short term financial objectives.

2.1. Literature Review

2.1.1. *Changes in CSR Advertisements During a Recession*

Firms tend to cut back on advertising during recessionary periods (i.e., Navarro, 2009; Picard, 2001; Srinivasan et al., 2005). Specifically, Picard (2001) finds that advertising expenditures declines by an average of 5% for every 1% decrease in Gross Domestic Product (GDP). Advertising spending is reduced during recessions for a variety of reasons including decreased consumer confidence, slow retail sales and a general sense amongst organizations that they should tighten their budgets (Willis & Willis, 1993). Aaker, Batra and Myers (1992) suggest that advertising budgets are often set at a fixed percentage of a firm's sales figures and as a result, increase during the boom years and decrease during difficult economic conditions. Simply put, Srinivasan and colleagues (2005, p. 122) state that marketers are "under scrutiny from constituencies within and outside the firm (e.g., investors) and face severe pressures to cut back marketing investments during a recession."

In addition to the effects of the recession on marketing communications budgets, managers must also determine the role, if any, that CSR will play in the firm's communications strategy. Conventional wisdom suggests that CSR messages in advertising will decrease during recessions for two reasons. First, as corporate budgets tighten in recessions, the discretionary nature with which many CSR programs are viewed makes them especially vulnerable to cuts (Halme & Laurilla, 2009). Drumwright (1996) finds that campaigns with a social advertising message face a great deal more scrutiny than non-social campaigns. In her study, Drumwright (1996) finds that social campaigns are stopped by managers and blamed for the company not meeting financial targets in the short-term. In times of recession, managers may have fewer resources to allocate toward CSR activities and their promotion.

The second reason why CSR-related messages in advertising are expected to decline during a recession is how stakeholders (especially consumers) may respond to these messages. Managers often assume that brand messages unrelated to product performance and customer value will have less importance for consumers (Quelch, 2008). Further, consumers often experience the loss of employment, the threat of job

loss, and reduced salaries that all result in decreased levels of confidence in the economy. This feeling of insecurity often leads to significant changes in consumer decision making (e.g., Ang, Leong & Kotler, 2000; Sharma, 1978). Specifically, consumers purchase fewer goods, focus on purchasing necessities only, and factor price into purchase decisions more throughout recessionary periods (Ang et al., 2000; Chou & Chen, 2004; Sharma, 1978).

Although some polls suggest that consumers would not lower their expectations for and support of CSR, these opinion polls may suffer from overly optimistic consumer responses or socially desirable responses, cited as leading cause of the attitude-behavior gap present in 'green' marketing (e.g., Peattie & Crane, 2005). Due to a reduction in slack resources within the firm, and the expectation of untenable consumer support for CSR during recessionary periods, managers will reduce their investments in CSR advertising during a recession. Or more formally:

H1: The ratio of CSR-related messages to non-CSR messages in advertisements will be lower during recessionary periods than in periods of economic growth.

Although it is anticipated that CSR-related advertising campaigns decreased during the recession, one managerial response to decreased budgets is the integration of CSR-related messages into existing marketing and advertising campaigns. In order to meet consumers' expectations regarding the maintenance of socially responsible behaviour during the recession, managers can choose to engage in CSR activities that serve both economic and non-economic objectives. For example, a cause-related marketing (CRM) campaign (where a charity donation is tied to a product sale) is a blend of both CSR and short-term economic objectives because the "distinctive feature of CRM is the firm's contribution to a designated cause being linked to customer's engaging in revenue producing transactions with the firm" (Varadarajan & Menon, 1988, p. 60).

Like firms, consumers seek a balance between short-term self-interest and broader social goals over the long term. However, even in times of economic prosperity consumers will not value CSR above traditional criteria such as price and product performance (e.g., Auger, Burke, Devinney & Louviere, 2003; Auger, Devinney, Louviere

& Burke, 2008), and consumer focus on self-interest is further heightened during recessions (Green & Peloza, 2011). Because the use of environmental product attributes in marketing communications can create perceptions of lower product quality (e.g., Obermiller, Burke, Talbott & Green, 2009; Luchs, Walker Naylor, Irwin & Raghunathan, 2010), managers are more likely in recessions to pair their CSR-related messages with those that reinforce traditional purchase criteria such as price and quality. For example, an advertisement for the 2011 Jaguar XJ describes the vehicle as “a car that scales new heights of luxury *and* sustainability.” Similarly, Florida Crystals Organic and Natural Sugars promote themselves as offering products that are “earth-friendly and uniquely delicious.” Therefore, it is predicted that:

H2: The ratio of CSR advertising that is exclusively dedicated to a CSR message to advertising that combines CSR with other marketing messages will be lower during recessionary periods than in periods of economic growth.

CSR is a broad concept with many diverse domains of socially responsible behavior. Consumers hold high expectations for companies to engage in a wide variety of activities such as the development of new products and services, supporting non-profits through both donations and employee volunteerism, and making changes to its use of energy and natural resources (Cone, 2010). However these activities do not create consistent value for consumers. Donations to charity and voluntary reductions in emissions, for example, offer little self-oriented value for consumers. Instead, they rely on an other-oriented form of value where consumers essentially consume in an attempt to help others (or the environment, which intrinsically benefits others more than oneself). However, products that are more efficient, for example, create a high degree of self-oriented value for consumers (Peloza & Shang, 2011). More importantly, they align with consumer self-interest which is heightened when economic conditions worsen. Consumers tend to retrench financially and make decisions based on self-interest including price and product performance, eschewing the “warm glow” associated with activities such as charity donation (Green & Peloza, 2011). Hopkins (2009) confirms that consumers’ willingness to pay more for green attributes is maintained when the green attribute has the ability to provide costs savings to consumers.

Research also suggests that managers' perceptions align with those of consumers. They place more value on some CSR activities compared to others (Halme & Laurilla, 2009; Hillman & Keim, 2001). During times of economic uncertainty and hardship, philanthropic activities are more at risk of being discontinued than CSR activities related to innovation (i.e., new products) and integration (i.e., business practices) that are more directly related to revenue generation (Halme & Laurilla, 2009). Further, products that rely on green attributes that do not provide incremental consumer self-interest are typically not promoted aggressively in lean times. For example, Clorox's Green Works had advertising expenditures of more than \$25 million in 2008 and 2009 but subsequently dropped to \$1.4 million in 2010 while S.C. Johnson reportedly reduced their \$15.4 advertising budget for Nature's Source in 2009 to zero dollars in 2010. Both firms cited less consumer interest in eco-friendly offerings (Clifford & Martin, 2011). Therefore, it is expected that CSR activities that promote self-oriented value for consumers will increase during the recession. Or more formally:

H3: The ratio of CSR-related messages that create self-oriented value to those that create other-oriented value will be higher during recessionary periods than in periods of economic growth.

2.2. Method

Content analysis has been widely used in studies that have examined communication forms that are relevant to consumer behaviour researchers (Yale & Gilly, 1988) and is well suited for addressing the research questions for a number of reasons. First, content analysis is the most appropriate methodology when a researcher requires an approach that is both quantitative and scientific. Second, content analysis is also best suited when the researcher's end goal is a generalizable description of communication content (Kassarjian, 1977) that also enables researchers to assess the impact of environmental variables such as economic conditions (Kolbe & Burnett, 1991). Third, Kolbe and Burnett (1991) suggest that content analysis is an appropriate technique when a researcher wishes to conduct an appraisal of marketing messages and is of greater value in situations in which a direct form of inquiry, such as interviews with managers, may yield a biased response. Finally, content analysis is a valuable methodology used in CSR-based research that has examined the construct of corporate

social performance via the review of company generated documents and communications (Kangun, Carlson & Grove, 1991; Maignan & Ralston, 2002; Pracejus, Olsen & Brown, 2004).

2.2.1. Sample

Given the focus on the visibility of CSR activities (versus the actual investments that may or may not continue through a recession), the sample selection begins with a focus on the messages firms use to inform stakeholders about those CSR activities. Firms use a myriad of media to communicate their CSR, including standalone CSR reports, websites, blogs, and mainstream advertising. The current study focuses on one specific form of mainstream advertising – magazines – for a number of reasons. First, the hypotheses require a repository of actual firm messages dating back to before the beginning of the most recent recession. Therefore, although online media are an important element of current CSR visibility, they are an inappropriate medium for the research question. Further, even when individuals are exposed to online media, research suggests that traditional printed magazines platforms deliver virtually the same market coverage. Only 11% of all magazine exposures are accessed exclusively on a digital platform with the remaining 89% of magazines accessed through traditional hard copy versions (Hazard Owen, 2011). In addition, a recent survey found that tablet owners are 66% more likely to be heavy readers of traditional magazines so early adopters of digital magazine formats are not abandoning traditional magazines (GfK Mediamark Research and Intelligence LLC, 2011a).

Magazines provide several other strengths as the sample. The medium has experienced steady growth in readership outpacing television, radio and newspapers over the last five years. It also has broad reach, covering 93% of adult consumers in the United States. Perhaps most importantly, magazines represent a highly engaging form of marketing communication with consumers spending an average of 42 minutes reading an individual magazine issue (GfK Mediamark Research and Intelligence LLC, 2011b). This depth of engagement makes it an attractive media for communicating CSR messages, and Lafferty and Edmondson (2009) point out that print advertising is indeed a medium commonly associated with activities containing a social or environmental dimension. For example, one issue of InStyle magazine alone had more than 25

sustainability-related advertisements (Luo & Bhattacharya, 2006). The extensive use of this medium to generate visibility for CSR activities (especially relative to standalone CSR reports which are not typically read by mainstream consumers and other stakeholders) makes it ideal to test the hypotheses.

In order to gain a broad sample of mainstream magazine advertising, a sample from the top 100 magazines (based on circulation numbers provided by the Association of Magazine Media) between 2006 and 2010 was reviewed. This sample frame represents over 1.2 billion copies sold and verified over the four years included in the analysis. A sample of 24 titles was chosen from the top 100 using a random selection process (the list of magazines included in the content analysis is provided in Table 2.1) and included a variety of categories including news/editorial (e.g., Time), sports (e.g., Sports Illustrated), entertainment (e.g., Rolling Stone), and special interest (e.g., Martha Stewart Living). Following the method of Huhmann and Brotherton (1997) magazine issues were randomly selected from this list across a 48 month period from 2006 to 2010. This results in the creation of four 'constructed years' of magazines included in the analysis with each magazine title included at least twice in the time period included in the study. Finally, following previous content analyses (e.g., Huhmann & Brotherton, 1997), only advertisements of more than one third of a page in size were analyzed. The total sample included 4,184 individual advertisements.

2.2.2. Coding Categories.

As the hypotheses require a focus on specific CSR activities (Barnett, 2007), various forms of CSR were coded accordingly: philanthropy (e.g., donations to charity), business practices (emissions reduction through production processes), and self-oriented versus other-oriented product-related CSR (e.g., energy efficiency of products when consumed). These categories were adopted from Pelozo and Shang (2011). Prior to data collection, three independent judges (two marketing faculty members and one PhD student) coded a sample of 75 advertisements in order to calibrate CSR messages and coding categories. Coding reliability was high for both the definition of a

CSR (versus non-CSR message; $\alpha = .97$) and for coding categories ($\alpha = .84$).

Discussion between the coders took place to reach consensus.

The advertisements in the dataset were categorized as appearing either before or during the recession. All advertisements appearing prior to December 2007 were coded as appearing before the recession, based on the official declaration by the National Bureau of Economic Research (Wall Street Journal, 2008). Although the dataset includes advertising that appeared after the 'official' end of the recession (the National Bureau of Economic Research backdated the end of the recession to the summer of 2009), an 'after the recession' category is not included for two reasons. First, the NBER announcement was not officially released until the fall of 2010, making marketer reaction to the announcement unlikely to appear before the end of 2010. Second, and more importantly, consumers and marketers still operate in a difficult economic period. Sluggish growth and persistently high unemployment come with the continued threat of a 'double-dip' recession. Therefore, all advertising from the beginning of 2008 until 2010 is coded as appearing during the recession. In total, 1,977 and 2,207 advertisements were coded for the before and during the recession time periods respectively.

2.3. Results

A total of 4,184 advertisements were coded with 767 (18.4%) of all advertisements including CSR-related messages. Hypothesis 1 suggests that firms will reduce the proportion of CSR-related magazine advertisements during the recession. The total proportion of advertisements that include some element of CSR was compared for periods of time both before and during the recession. CSR-related messages were included in 15.7% of advertisements (310/1977) before the recession and in 20.6%

(457/2207) of advertisements during the recession. These results are opposite of the direction predicted in hypothesis 1 and are significant ($\chi^2(1) = 17.265, p < .001$). Notably, this investment grew despite the economic downturn.

Not only did managers not dramatically reduce CSR in their marketing messages as predicted, they dramatically increased their efforts to generate CSR visibility. This could be due to managers responding to an overall trend toward increasing expectations for CSR visibility (e.g., Bertels and Pelozo, 2008). Given the financial constraints facing firms during the recession this finding suggests that for CSR visibility, rather than being asked to do more with less, managers may have been asked to do more with more. Therefore, hypotheses 2 and 3 explore how managers sought balance between resource constraints and growing expectations for CSR. Specifically, hypothesis 2 examines whether firms integrate CSR-related messages alongside more traditional advertising messages and hypothesis 3 examines how specific CSR activities take precedence in periods of recession.

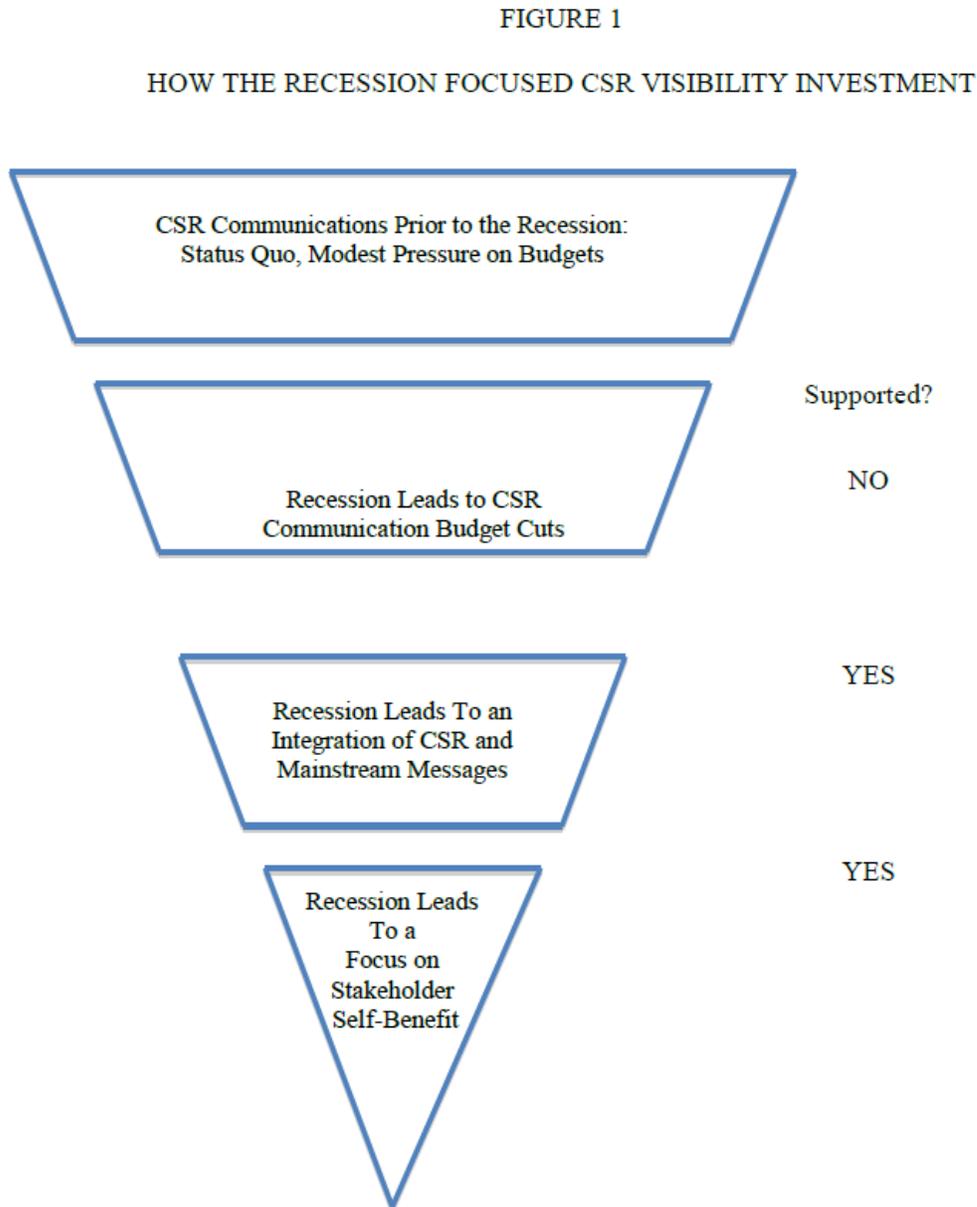
The second hypothesis predicts that the integration of CSR-related messages into product performance messages will increase during the recession as marketers seek to stretch budgets associated with CSR advertising. The results demonstrate that this is indeed one way in which managers coped with financial constraints. Rather than reducing CSR-related communications, marketers integrated these messages into their broader advertising spend. Prior to the recession, 41.9% (130/310) of advertisements that contained CSR messages were focused exclusively on the CSR message. During the recession, this proportion decreased to 29% (132/457) representing a significant reduction ($\chi^2(1) = 13.415, p < .001$) in the use of standalone CSR advertising.

This shift in advertising strategy is evidenced across specific CSR activities. For example, CSR advertisements that focus exclusively on a CSR-related product attribute (i.e., hybrid engine, environmentally-friendly, sustainable and organic) were present in 38.6% (71/184) of advertisements prior to the recession. However, during the recession just 22.7% (70/308) of product-related CSR advertisements focused solely on CSR ($\chi^2(1) = 13.406, p < .001$) as traditional product attributes such as price, quality and reliability were integrated alongside CSR-related product attributes.

Further, the use of cause-related marketing (CRM), where a donation is tied to a product sale, is also particularly noteworthy. CRM campaigns increased from 25% (11/44) of all CSR messages coded as philanthropy before the recession to 54% (38/71) during the recession ($\chi^2 (1) = 4.092, p < .05$). These findings illustrate that managers, in an effort to maintain visibility for their CSR activities, integrated these messages into those that are more tied to short-term financial objectives of the firm. Thus, hypothesis H2 is supported.

The final hypothesis predicts that during a recession marketers will gravitate toward forms of CSR that deliver greater self-oriented value for consumers. Similar to hypothesis 2, there is a significant shift in how managers tie CSR to short term financial objectives of the firm by linking their CSR messages to increased value for consumers. Promotion of CSR activities that deliver self-oriented benefit (e.g., energy efficiency and cost savings) increased from 47.9% (147/310) of CSR-related advertisements prior to the recession to 58% (266/457) during the recession. Conversely, CSR related to business practices (i.e., CSR activities that create other-oriented value for consumers; pollution control, supply chain, etc.) decreased from 26% (81/310) to 17% (79/457) during the recession. The results are significant and in the direction predicted ($\chi^2 (1) = 12.344, p < .01$). Therefore Hypothesis 3 is supported. The three hypotheses and the predicted effects of the recession on CSR visibility are outlined in Figure 2.1.

Figure 2.1. Summary of Hypotheses and Findings



2.4. Discussion and Implications

2.4.1. Theoretical Implications

The finding that over 19% of mainstream magazine advertising contains some form of CSR visibility message can be interpreted one of two ways. On the one hand,

finding a CSR-related message in almost one fifth of the mainstream magazine advertisements in the sample suggests that many managers realize the importance of visibility of CSR among stakeholders, especially consumers. The investment in the communication, let alone the actual CSR activities behind the communication, represents billions of dollars invested annually by firms. On the other hand, however, the ratio of CSR-related advertising messages suggests that firms are either reluctant or unable to communicate their CSR activities to a broad audience. Despite large firms such as Target and Wal-Mart “taking direct and visible steps to communicate their CSR initiatives to various stakeholders, including consumers by investing in large national advertising campaigns focused on their good deeds” (Luo & Bhattacharya, 2006, p. 1), the review suggests that proactive promotion – particularly to the mainstream consumer audience – is limited. In addition, while an estimated 80% of Fortune 500 firms communicate sustainability activities through their websites (Bhattacharya & Sen, 2004); only those stakeholders who proactively pursue the information are exposed to the activities.

This supports previous research that finds consumers are generally unaware of the CSR activities of most firms. Ultimately, firms may not be reaping the relational rewards from investments in CSR because of a lack of awareness among one or more key stakeholder groups. This relatively low level of CSR-related communications requires further study. Perhaps firms are reluctant to promote their sustainability activities for fear of appearing self-congratulatory. Two important limitations in the study are the focus on one specific form of mainstream advertising media, and a focus on promotion spending versus actual investment in CSR activities. Managers are no doubt still engaged in at least some CSR activities even if they don’t promote them consistently. Further, these firms are likely promoting these activities through other media such as websites. However, the popularity of the medium, particularly for communicating CSR-related messages mentioned earlier, suggests that firms are simply not maximizing the opportunity to enhance stakeholder relationships through the promotion of their CSR activities.

In addition to managerial motives for investing in CSR visibility, the research finds that previous CSR research has underrepresented some key forms of CSR used by managers. The review shows that managers include philanthropy in just 15% of their

CSR-related advertisements. However, Pelozo and Shang (2011) find that over 65% of academic studies operationalize CSR as philanthropy. Similar misalignment is found in both business practice forms of CSR (51% of academic studies, 21% of the ads in the review) and product-related CSR (21% of academic studies, 64% in the review). The inclusion of a broader array of CSR activities (i.e., CSR-related products and business practices) in future academic studies will better reflect the advertising messages consumers are presented with in their daily lives. The discrepancies may be an artefact of the alterations in response to the recession. Still, the current research argues that pressure from the recession to more tightly link CSR visibility to economic returns will alter the face of both CSR investment and visibility into the future. These implications are discussed next.

2.4.2. *Managerial Implications*

During periods of economic uncertainty managers are forced to reassess priorities and ultimately make difficult tradeoffs. The research suggests that the recent recession dramatically changed the face of CSR communication and how managers see its potential to contribute to corporate reputation. The findings suggest that managers took the recession as an opportunity to focus their CSR activities on business-building priorities, and create stronger alignment between long term branding through CSR and short term economic objectives. Next, a number of lessons taken away from these changes are outlined.

1. *Consider the Full CSR Spectrum.* Too often managers equate CSR with 'doing good' or some notion of looking out for the interests of other at one's own expense without considering the full spectrum of CSR activities available to invest in. While this is certainly the case for activities like charity donations, managers should recognize that many ways in which they can help society also allow them to help themselves. Investment in efficient products, for example, provides both self-oriented and other-oriented value to consumers, but does not rely on tradeoffs to do so. Customers can purchase products based on either motivation. However, when economic conditions change, the self-oriented value created through CSR gives the firm a competitive advantage. In addition, a broader spectrum of CSR activities, particularly

those that relate to the products and services marketed by the firm, will lead consumers to perceive the brand as a CSR leader among competitors (Du et al., 2007).

2. Prioritize Self-oriented Value in CSR Activities. Even without a recession to guide their decision making, consumers still favor products and services based on traditional performance criteria as opposed to ethical attributes that create other-oriented value. Research suggests that consumers will not sacrifice minimum standards on product performance in order to respond to information about other CSR activities (e.g., testing on animals, child labor; Auger et al., 2003). The recession created pressure to more tightly align the value created by CSR to the self-interest of consumers. It is posited that this retrenchment toward self-interest is not simply an artefact of consumer behavior in recessionary periods, but rather an enduring trait of the consumer behavior or mainstream markets. The focus on goods and services that create value for customers has the additional advantage of not relying on consumer goodwill or some other form of indirect benefit to substantiate the business case for CSR. By creating competitive advantage in the performance criteria most used by customers, this shift allows firms to win in existing and potentially new markets.

3. Communicate CSR Activities to Stakeholders. Although the review does not include the full range of media vehicles companies use to communicate their CSR activities, magazines represent an important media for reaching a broad range of mainstream consumers. It is somewhat surprising that almost 20% of the advertisements in this media from the sample contained some form of CSR-related message. This is because researchers have noted generally low awareness levels of any specific CSR activities among consumers (i.e., Du et al., 2010). One recent study finds that perceptions of multiple stakeholders differ greatly from the reality of firm investments in CSR. In some cases the firm is given extra 'credit' for CSR activities, but in other cases the firm is not recognized for its CSR (Brandlogic and CRD Analytics, 2011). This gap limits the ability of firms to reap the relational rewards from its socially responsible efforts. Managers should not assume that providing details of CSR activities in a web-based CSR annual report will result in brand building effects with mainstream consumers.

4. *Maintain Commitment to CSR Communications.* One of the benefits of developing a spectrum of CSR activities with a focus on those that create self-oriented value for customers is that commitment is easier to maintain, especially during recessionary times. Commitment is critical to the brand building potential from CSR activities for two reasons. First, in order to gain enhanced reputation through CSR, consumers must be aware of the activities of the firm. A relative lack of motivation and ability to process complex CSR-related information may require repeated exposures for the effect to occur. Second, consumers do not merely reward firms based on the face value of their CSR activities. They try to understand the motive behind the activities, and will not reward firms that they perceive as motivated simply by profit. Commitment in communicating CSR activities is a key component to ensure consumers view the CSR activities of the firm in a positive light (Ellen, Mohr & Webb, 2000). Especially during recessions, firms have an opportunity to differentiate themselves and create long-term value by continuing to engage in proactive marketing while competitors cut back spending (Srinivasan et al., 2005). A consumer survey conducted by Inc. during the recent recession found that 70% of consumers are paying close attention to how managers are addressing environmental concerns even if they cannot buy environmentally friendly products until after the recession ends (Cone, 2009b).

5. *Remember the Relationship Between CSR and Shareholder Value.* Finally, this study illustrates that managers, when faced with harsh economic realities, took steps to create a stronger alignment between the long term brand building nature of CSR and the short term economic objectives of the firm. It is suggested that these two need not be competing objectives. When managers approach CSR through a spectrum of activities, with a particular emphasis on the creation of self-oriented value for customers, the two objectives are perfectly aligned. Managers can also examine how CSR activities can create shareholder value through direct benefits, such as production efficiencies that do not require any consumer perception to create value. Through the creation of clearly demonstrated value through prosperous times, managers can ensure the viability of CSR through recessionary times. A recession should not be the catalyst for managers to assess the business value they create from CSR.

2.5. Conclusion

Viewing corporate activities through the lens of the recessions provides insight into the 'real' priorities of firms. During harsh economic realities, the current research gets past the rhetoric of CSR to the true commitment (or lack thereof) by firms and their stakeholders. In doing so, a clearer understanding of how and why CSR can create value for firms is gained. The research demonstrates that CSR did indeed remain strong throughout the recession, standing up to tremendous pressure for budget cuts. However, in doing so, the face of CSR changed. Given that the recession gave managers the opportunity to evaluate the value created from CSR, for both consumers and the firm, the changes witnessed through the recession can be expected to be the new reality going forward.

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2.7. Tables

Table 2.1. List of Magazines Included in the Content Analysis

Magazine Name	2010 Circulation Figures
Better Homes and Gardens	7,660,754
Reader's Digest	5,822,924
National Geographic	4,493,067
Ladies' Home Journal	3,834,461
People	3,578,189
Time	3,313,739
Sports Illustrated	3,193,688
Prevention	2,914,002
Martha Stewart Living	2,085,324
Parents	2,058,136
Seventeen	2,029,281
Men's Health	1,881,148
In Style	1,783,864
Golf Digest	1,670,544
Shape	1,661,039
Women's Health	1,585,418
Newsweek	1,578,691
Bon Appetit	1,562,157
Rolling Stone	1,466,084
Car and Driver	1,321,598
Vanity Fair	1,237,230
Elle	1,110,136
New Yorker	1,029,845
Travel and Leisure	985,019

Note: http://www.magazine.org/CONSUMER_MARKETING/CIRC_TRENDS/ABC2010_TOTALrank.aspx

3. The Bigger the Better or Small is Beautiful? The Influence of Interdependence on Consumer Perceptions of Corporate Social Responsibility

Previous research demonstrates that retailers' corporate social responsibility (CSR) activities can play a role in consumer behavior equal to traditional success factors such as price, assortment and location (Arnold, Handelman & Tigert, 1996; Handelman & Arnold, 1999). However, consumer support for CSR is equivocal and is influenced by a number of factors including consumers' purchase quantity (Garretson Folse, Niedrich & Grau, 2010), the degree of effort and commitment by the retailer (Ellen, Mohr & Webb, 2000), and the attributions consumers use to infer motive (Barone, Norman & Miyazaki, 2007).

Anecdotal review of popular business press suggests that one additional factor influencing perceptions of social responsibility is retailer size. For example, Wal-Mart is routinely criticized for using its power to shut down small retailers and exert pressure over suppliers. Starbucks is often accused of the same negative outcomes when it enters a market. This represents an important gap in the literature since researchers typically examine consumers' responses to CSR in the context of large, multi-national retailers such as Target, Blockbuster Video, Whole Foods Market or Lowe's (Barone et al., 2007; Bhattacharya & Sen, 2004; Du, Bhattacharya & Sen, 2007; Ellen et al., 2000). Although one survey referenced by Arnold and colleagues (Arnold et al., 1996; Arnold, Kozinets & Handelman, 2001) ranks Wal-Mart as the retailer that is "considered best at being concerned about and actively involved in the community at large," the survey limits consumer options to other large retailers such as Kmart, J.C. Penney and Target. The current study addresses this gap and proposes that retailer size is a key moderating variable impacting consumers' support of CSR. Specifically, because small retailers are dependent on the vitality of their local communities for their very survival, CSR activities

by small retailers will be perceived as driven by more positive attributions. This effect is driven by a perceived interdependence between the vitality of the retailer and vitality of the surrounding community. For example, news media regularly report small retail stores closing as a result of poor local economic conditions, with devastating impacts on local business owners. However, the same media reports store closures by large retailers such as Starbucks in an effort to actually *improve* their financial performance.

Across a series of depth interviews and experiments, the current research seeks to demonstrate that consumer attributions are a key mediating mechanism by which consumers disproportionately reward small retailers' CSR activities and punish large retailers' corporate social irresponsibility (CSIR) activities. Specifically, the current study proposes that consumers attribute more positive attributions to CSR by small retailers and more negative (i.e., self-serving) attributions to CSR activities by large retailers, and that this effect is driven by the interdependence of small retailers on their local communities. When a small retailer invests in a local community, they are more likely to be perceived as motivated by the well-being of the community while large retailers' CSR activities are viewed as merely fulfilling their license to operate. The current study suggests therefore, that small firms can gain incrementally from CSR through consumers' perception of positive motivations. In fact, the study argues that small retailers – simply because of their interdependence with the community – are perceived, *de facto*, as socially responsible even without formal CSR programs. In addition, the current research explores opportunities for larger retailers to overcome the liability of size.

This research makes a number of contributions. First, although previous researchers have examined CSR practices and motives of managers in small versus large organizations (e.g., Doane, 2005; Spence, 1999; Udayasankar, 2009), the response of consumers to CSR across different retailer sizes is unstudied. By addressing consumer responses to CSR in small versus large retailers the current research addresses the calls of previous researchers who question if CSR pays for small firms to the same extent it does for large firms (Clemens, 2006; von Weltzien Hoivik & Mele, 2009). Insight into the efficacy of CSR for small firms is critical, since nearly 30 million small businesses currently operate in the United States generating over \$4 trillion dollars in revenue in the 2009 fiscal year (US Small Business Administration, 2009).

The sheer size of the small-to-medium enterprise (SME) sector can result in a significant impact on the amount and types of investment in CSR and the associated positive social and environmental outcomes.

Second, the studies presented here extend research examining the role of attributions in consumer responses to CSR (Barone et al., 2007; Forehand & Grier, 2003; Menon & Kahn, 2003; Du et al., 2007). Specifically, the current research empirically examines Bhattacharya and Sen's (2004) suggestion that consumers hold more positive attributions towards smaller firms' CSR activities than they do for CSR activities by larger firms. By examining the role of retailer size in the effects of CSR on consumer behavior, the studies highlight both an opportunity for small firms to engage in CSR and offer alternatives to managers in larger firms who seek to avoid negative attributions.

Third, the examination of how firm size impacts consumers' attributions of firms' socially responsible activities extends previous research on attributions for CSR that focus on attributes of the CSR initiative itself (e.g., target charity in cause-related marketing campaigns, use of self-versus other-oriented appeals in advertising). By examining characteristics unrelated to CSR activities themselves, the studies presented here extend prior examinations of activity-specific attributes and their ability to deliver positive consumer responses (e.g., Ellen et al., 2000; Strahilevitz, 2003).

Finally, previous research suggests that socially irresponsible firms are protected by insurance based on their existing reputation for CSR (e.g., Klein & Dawar, 2004; Peloza, 2006). However, like incremental rewards for CSR, the protection from CSR is equivocal. Similar to research on attributions, previous research demonstrates that the ability of CSR to provide insurance is dependent on CSR initiatives themselves. Godfrey and colleagues (2008), for example, find that CSR perceived as more voluntary in nature serves as a buffer against socially irresponsible behaviour (CSIR) while CSR perceived as motivated by stakeholder management does not. The current research adds an important firm characteristic – firm size – to the current understanding of the reputation insurance provided by CSR.

After a brief review of the literature examining community interdependence and consumer attributions for CSR activities, the outline of a multi-method research program designed to study the impact of interdependence on CSR program effectiveness is presented. Through a series of interviews and three experiments the influence of interdependence between retailers and the local community (using retailer size as a proxy) on consumer perceptions and behaviors is examined.

3.1. Literature Review

3.1.1. *The Importance of Attributions in CSR Effectiveness*

Attribution theory has been widely used in the marketing and consumer behavior literature in order to examine and explain causal inferences made by consumers. Causal inferences represent how individuals make sense of the behavior of both themselves and others around them by assigning motive. Heider's (1958) foundational work on attributions suggests there is great value in understanding individual's common sense explanations of phenomenon in the world; regardless of whether individual's causal inferences are accurate, they influence subsequent actions.

Although consumers typically reward firms who engage in CSR activities, and punish firms for their CSIR, consumers' attributions mediate the relationship between CSR and consumer support. Consumer perceptions are shaped by the attributions they use to infer the motive of firm behind the CSR activity. Attributions represent how consumers try to understand why a firm engages in CSR (Bhattacharya & Sen, 2004) and motives consumers infer can be more important than the act itself (Gilbert & Malone, 1995).

Initially, attributions for CSR were simple and dichotomous. Firms either engage in CSR to help themselves (self-centred) or to serve society (other-centred). Ellen and colleagues (2006) expand this dichotomy and find that consumers hold more complex and often mixed attributions. Notably, other-oriented attributions are not always positive. One form of other-oriented attribution – values-driven – infers that the firm cares about the cause they support and the firm's decision to invest in CSR is driven by altruism. Because the CSR activity is viewed as a cost to the company and a benefit to others,

consumers view the activity positively. However, the second form of other-oriented attributions – stakeholder-driven – assumes that the activity is simply a concession to stakeholder demands. Consumers do not positively evaluate CSR when they perceive stakeholder-driven motives. Similarly, Ellen, Webb and Mohr (2006) find that consumers have two distinct self-oriented attributions. Strategic attributions are made when the decision to invest in a CSR activity, such as being more energy efficient, is perceived as a means of reducing costs and increasing profits. These are generally acceptable to consumers. However, negative egoistic attributions occur when consumers feel the CSR activity is motivated by the opportunity to exploit a cause.

Consumer attributions for CSR activities such as cause-related marketing campaigns and corporate donations are a function of a number of factors. The size of the donation impacts consumers' perception of the motives of the firm behind cause-related marketing campaigns (Garretson Folse et al., 2010). In addition, the type of donation can also impact consumer attributions, with donations of products (versus cash) more likely to receive other-oriented attributions. Particularly relevant to the study is that the perceptions of the firm behind the CSR activity impact consumer attributions for that activity. For example, Bhattacharya and Sen (2004) find that if a firm has a well-established reputation for being socially responsible, consumers make more favorable (other-oriented) attributions. In addition, brands that have differentiated themselves as the 'CSR' brand in a product category receive more positive attributions for their engagement in CSR activities (Du et al., 2007).

The current research finds that one important and as yet unstudied factor relevant to consumer attributions for CSR activities is the degree of perceived interdependence between the retailer and the local community. It is anticipated that the lack of community interdependence of large retailers will lead to a differential advantage for small retailers whose success is perceived to be tied to the well-being of the local community. Indeed, much of the success of Wal-Mart as a retailer is attributed to their ability to tie their brand positioning to feelings of community embeddedness and hometown nostalgia (Arnold et al., 2001). Arnold and colleagues' (2001) semiotic analysis of Wal-Mart flyers reveals a concerted attempt to embed language such as 'we,' 'family,' and being 'part of our neighborhood.' The result of this approach is that consumers evaluate Wal-Mart as being more actively concerned about the local

community than their competitors, which included Target and J.C. Penney. These efforts, designed to build social legitimacy among the customer base have the effect of tying the fortunes of the local Wal-Mart store to the fortunes of the local community. They are intended to portray the retailer not as an economic being, but as a member of the family or community (Handelman & Arnold, 1999).

In reality, Wal-Mart closes stores on a regular basis and has even exited entire nations, in part, because it is unable to create this sense of interdependence. In fact, a sense of exploitation – the very opposite of interdependence – usually accompanies criticisms of Wal-Mart (Arnold et al., 1996) since the company thrives despite the conditions in any one community or region. Conversely, small retailers depend on a vibrant and healthy local community for their very survival. In a virtuous circle, those same small retailers in turn help support the local community by providing typically higher wages for employment and other resources such as tax income, the spending of owners' profits locally with other businesses, and fostering a sense of community through social capital (e.g., Goetz & Rupasingha, 2006). Further, Handelman and Arnold (1999, p. 36) suggest that even if a small store may be viewed as having shortcomings related to performance, consumers “would be pleased to support [it] because the store’s success would represent a benefit to someone in his or her own community.”

3.2. Qualitative Research Method

The research question is relatively broad and exploratory: How does the perception of interdependence with the community impact consumer responses to retailers' CSR activities? Therefore, the research program follows the qualitative/quantitative paradigm. The qualitative phase of the research uses semi-structured interviews to help structure specific hypotheses which are then tested using experiments in the quantitative research phase. This multi-method approach provides a robust view of the impact of interdependence on consumer support for both CSR activities and the consumer response to socially irresponsible behaviour. Importantly, triangulation of findings occurs across different methods and samples. Arnold and colleagues (1996) suggest that qualitative research can add an important sense of

realism to the examination of consumer responses to CSR. In order to simplify the presentation of the data from both phases of the research, and more directly link the interview data to the development of specific hypotheses, the interview findings are presented concurrently with the theoretical development behind the hypotheses. The next section outlines the method for the qualitative portion of the data collection.

3.2.1. Interview Sample

The informants were recruited from multiple cities within North America including New York, Boston, Toronto and Vancouver. The demographics of the sample are summarized in Table 3.1 and represent a diverse population. In total, 14 females and 16 males were interviewed ranging in age from 22 to 57 years old, with an average age of 34 years old. The participants work across a wide variety of industries including insurance, education, healthcare, publishing, not-for-profit, financial services, land development, and travel and tourism. The informants also varied across occupation type (i.e., senior management, middle management and administrative function) and worked in organizations that varied significantly in size from large, multinational organizations to sole proprietors.

3.2.2. Methodology

The interviews ranged from 25 to 55 minutes in length and were recorded and transcribed verbatim. In sum, 334 pages of transcripts were reviewed individually along with any accompanying field notes taken during the interview process in order to better understand consumers' perception of interdependence and how it relates to firm social responsibility and specific CSR activities. Following the methodology of Kohli and Jaworski (1990), a standard format was generally followed for the interview. The semi-structured interview guide was developed through the review of the existing literature with the goal of discovery in mind in this relatively unexplored phenomenon (Strauss & Corbin, 1990). The questions provided some structure to the interview however; often follow-up questions were used when participants wished to elaborate on initial answers. Specifically, the follow-up questions were asked to explore how interdependence of the retailer (operationalized through the size of the organization) influenced both the general response and more specifically, the attributions they ascribed to firms' CSR activities.

Further, discussion took place following each interview between the author and a faculty member whose research focuses on CSR, following the iterative approach suggested by Spiggle (1994) in order to update the interview guide appropriately. The transcripts were reviewed separately followed by discussion of the individual transcript and emerging themes.

In addition, the use of a semi-structured interview guide allowed for initial discussion with participants to focus on the influence of CSR activities on their consumption decisions in general, followed by more specific discussion of retailers that engage in CSR activities such as cause-related marketing campaigns. As suggested by Miller and Crabtree (1992), the use of a semi-structured interview guide allowed the participants to situate the influence of CSR activities through actual experiences and consumption decisions. Further, discussion took place between the author and faculty member related to the effectiveness of the questions being used during the interviews and were updated accordingly (Mohr, Webb & Harris 2001). Furthermore, discussions took place with the participants following the interviews in order to generate potential new questions to be added to the interview and to alter existing questions that proved difficult for the interviewees to elaborate upon. Finally, the author was able to probe into deeper discussion of the influence of interdependence on the participants' response to retailers that engage in socially irresponsible behaviour. The ability to explore the emerging theme of how consumers respond to retailers that engage in socially irresponsible behaviour was a significant benefit of using the semi-structured interview guide as this theme was not initially included in the interview guide. Next, Study 1 is presented.

3.3. Study 1

When consumers encounter information about CSR activities, consumers attempt to understand the motives behind those activities (Barone et al., 2007; Ellen et al., 2006; Forehand & Grier, 2003). Consumers ascribe attributions to the firm behind the activity, and these attributions heavily impact whether consumers give the firm 'credit' for the activity (i.e., supporting a socially responsible activity or punishing a socially irresponsible activity). If they feel that the firm is merely responding to

stakeholder pressure or attempting to exploit a weaker charity for private gain, consumers are less likely to support the activity (Ellen et al., 2006). Due to consumers' perceptions of interdependence between the local community and small retailers, the current study posits that consumers are more likely to ascribe positive attributions to small firms' CSR activities when compared to those by large firms. This will, in turn, result in small retailers being evaluated as more socially responsible when they engage in CSR activities compared to large retailers that engage in similar activities.

In particular, negative attributions ascribed to CSR by larger firms are based on the perception that these companies are merely enacting the minimum expectations of stakeholders. One informant stated:

"I think the bigger [the company is], the more influence, the more exposure, or awareness there is, the more responsibility they have because they are taking so much from society. I think they have more of an obligation or power to do something about it so I definitely hold them to a higher standard of duty."

The expectation that large companies are merely posturing is strengthened by recent high profile corporate scandals and ethical lapses such as Enron and BP. When large firms such as Phillip Morris spend more on the advertising of its charitable donations than the donations itself, consumers begin to question the true motives behind large firms' engagement in CSR activities (Vlachos, Tsamakos, Vrechopolous & Avramidis, 2009). Another informant openly questioned the motives of large companies:

"I don't think all of Coca-Cola's good work with water over in Africa has anything to do with water in Africa. It has to do with selling more cola. You give stuff away to sell more of your stuff later."

Although the above statement could be interpreted positively as a form of strategic attribution by this informant, field notes suggested this informant clearly viewed these CSR activities as egoistic because they were perceived as attempting to exploit a sensitive social issue for business gain.

The perception of interdependence and subsequent positive attributions for small business owners are supported by previous researchers' examinations of CSR. When small businesses pursue CSR activities, via charitable donations for example, these

investments are often made at the personal discretion of (and at personal expense to) owner-managers (Spence, 1999). Further, Berger, Cunningham and Drumwright (2007) suggest that small, private companies are more likely to use social values when directing CSR investments. This view was shared by an informant who suggested that while no major corporations met her criteria of being a socially responsible company, a local store near her hometown that helped community members recover from difficult times was driven by a sense of responsibility for improving the welfare of the community at large:

“All of their employees were people that needed help themselves in the local community; they were either ex drug addicts or parolees and that kind of thing so I would try to do a lot of shopping there when it was open. I actually bought products I really didn't need just because I wanted to support it.”

Therefore, when consumers make causal attributions they are more likely to assign negative attributions (egoistic/stakeholder-driven) to CSR activities by larger retailers and positive attributions (values-driven/strategic) to the CSR activities by smaller retailers. This will result in greater consumer support for CSR from small retailers when compared to CSR activities undertaken by large retailers, or more formally:

- H1: Small (large) retailers will be evaluated by consumers as more (less) socially responsible when they engage in CSR activities.
- H2: The evaluations of retailers in response to their CSR activities will be mediated by attributions. Large retailers will receive more (a) egoistic and (b) stakeholder attributions while small retailers will receive more (c) strategic and (d) values-oriented attributions.

3.3.1. Method

3.3.1.1. Pretest.

Given items related to interdependence are likely to create unacceptable demand for study participants, a pretest was conducted with a sample of 38 business undergraduate students in order to confirm that small retailers are viewed as more interdependent with the local community than large retailers. One of the two retailers described in the pretest fits the definition of a small business according to the U.S. Small Business Administration, while the other retailer is described as a large, multi-national

coffee retailer. Specifically, the large coffee retailer was described as a publicly-traded organization that operates 1,250 locations with over 5,000 employees across 31 countries globally. The small retailer was described as a solely-owned, two location coffee retailer that employs 19 people in the Greater Vancouver area. Participants were randomly assigned to either a small or large retailer condition (see Appendix 1 for the descriptions and scale items) and responded to four items on a seven-point scale anchored by 1 (not at all) and 7 (completely). The items are as follows: “The company depends on our local community for its survival; the company benefits when our community benefits; the community benefits when the company does well; the company and our community get mutual benefit from their operations.” The items were collapsed to create a perceived interdependence scale ($\alpha = .86$). The pretest confirmed that participants do perceive small businesses as more interdependent with the local community compared to large businesses ($M_s = 5.59$ and $M_L = 3.74$), $t(36) = 6.766$, $p < .001$).

A second set of pretests was conducted on a separate sample ($n = 76$) from the main study to ensure that neither trust nor perceived product quality were driving the results of the main experiment. Trust was measured using the following three items: “I trust Café Brasil; you can always count on Café Brasil; Café Brasil is reliable,” adapted from Pivato, Misani and Tencati (2008). The three items were combined to create a trust index ($\alpha = .88$). The trust index average for small retailers was 4.37 while it was 3.87 for large retailers. A one way ANOVA was conducted and the results did not reach significance ($F(1,74) = 3.821$, $p = .056$). Further, product quality measures were similarly collapsed into a product quality index ($\alpha = 0.87$). The perceived product quality for small retailers ($M = 4.89$) and large retailers ($M = 4.72$) were not significantly different ($F(1,74) = .475$, $p = .493$). See Appendix 2 for the actual pretest survey materials.

3.3.1.2. Participants.

Participants were 79 undergraduate students (42 females and 37 males, mean age = 22.15 years) who were recruited from upper-level business courses.

3.3.1.3. Procedure.

Participants were provided with a description of a fictitious organization (either small or large) and used a between-subjects experimental design. The participants were randomly assigned to either the large or small retailer condition. The retailer was described as launching a cause-related marketing campaign that provides support of a local charitable organization with the purchase of each mug of its coffee (see Appendix 3 for the full description). Finally, the participants were debriefed and made aware that the company descriptions are fictitious.

3.3.1.4. Measures.

The key dependent variable collected is a three-item company social responsibility evaluations (scale items #1 to 3 in Appendix 3) adapted from Wagner, Lutz and Weitz (2009). Further, attributions for the CSR activity were measured using the Ellen et al. (2006) attributions scales (scale items #4 to 19 in Appendix 3). Finally, gender was collected and separate analysis was completed to ensure any differences in the CSR evaluations and attribution measures were not due to gender effects. The analysis revealed that gender did not result in significant differences across any of the dependent or mediating variables.

3.3.2. Results and Discussion.

Company CSR evaluations were captured using three scale items and were collapsed to create a CSR index ($\alpha = .87$). The effect of the size of the retailer was tested using ANOVA and confirmed that small businesses ($M_S = 5.30$) were evaluated as more socially responsible than large businesses ($M_L = 4.61$) ($F(1, 78) = 9.680, p = .003$). Therefore, hypothesis 1 is supported.

Further, ANOVAs were conducted to examine the influence of the retailer size on the values-driven ($\alpha = 0.71$), egoistic ($\alpha = 0.87$), stakeholder-driven ($\alpha = 0.79$) and strategic attributions ($\alpha = 0.82$). The participants who were assigned to the small business condition were more likely to assign value-based attributions for their involvement with the cause-related marketing campaign ($M_S = 4.94$ and $M_L = 4.51$; $F(1, 78) = 4.234, p = .043$). In addition, participants assigned to the large business condition were more likely to assign negative egoistic ($M_S = 4.61$ and $M_L = 5.23$; $F(1, 78) = 5.080, p = .028$).

= .027) and stakeholder-driven attributions ($M_S = 4.08$ and $M_L = 4.64$; $F(1,78) = 5.144$, $p = .026$). Finally, strategic attributions did not differ significantly across the two conditions ($M_S = 4.99$ and $M_L = 5.09$; $F(1,78) = 0.126$, $p = .723$).

Preacher and Hayes' (2004, 2008) bootstrap test of multi-mediators was conducted in order to examine the indirect effects of the size of the retailer on CSR company evaluations through the mediators of values-based, stakeholder, egoistic and strategic attributions. Bootstrapping analysis revealed a significant indirect effect of retailer size on CSR company evaluations through values-based attributions ($b = -.2701$, $SE = .1237$, confidence interval (CI) = $-.5416$ to $-.0735$). However, none of the other proposed mediators (egoistic, strategic and stakeholder attributions) had a significant indirect effect. Therefore, manipulations of the size of the retailer engaged in a cause-related marketing campaign influenced the participants' perceived values-based motives, which in turn positively influenced the participants' CSR evaluations and hypothesis 2 is partially supported.

As hypothesized, participants evaluated small retailers that engage in cause-related marketing campaigns to be more socially responsible than large retailers running identical campaigns. Further, consistent with the theoretical support presented earlier, this effect is driven by a difference in attributions, with consumers ascribing more values-driven attributions to small retailers. This finding confirmed the preliminary findings of the consumer interviews providing triangulation across two distinct research methods and samples. The results suggest that small retailers are more likely to earn credit with consumers for their CSR activities and large retailers have an inherent liability when they engage in CSR activities. Consumers make more positive (values-driven) attributions towards small retailers that engage in CSR activities while perceiving more negative motives (egoistic and stakeholder-driven) attributions towards large retailers. Finally, the CSR evaluations were mediated through values-based attributions which provide a consumer-based counterpart to research that finds managers in small business generally do indeed engage in CSR out of genuine concern and care (Berger et al., 2007).

The findings presented here suggest that the business case for CSR may be greater for small firms than it is for large firms. This is particularly important since the

primary business case justification for CSR by managers of large firms is the promise of enhanced relationships between customers and brands (Haanaes, 2011). If this effect is equivocal based on firm size, it suggests that larger firms must take consumer attributions into account when designing and communicating CSR activities. To examine this possibility, Study 2 seeks to extend the findings of Study 1 by examining the opportunity for longer-term commitment to overcome the size liability.

3.4. Study 2

As previously discussed, many earlier examinations of attributions in CSR research include aspects of the CSR activities themselves. Perhaps one of the most important aspects of a CSR activity that can impact attributions is the degree of perceived commitment on the part the firm. While previous researchers (e.g., Varadarajan & Menon, 1988) suggest that while short-term campaigns such as holiday-focused events can be effective, ideal cause-related marketing campaigns have a long-term focus. Firms that choose a long-term focus for their CSR-related campaigns send a signal of commitment and as a result, consumers develop strong associations between a company and the cause they support (e.g., Ellen et al., 2006). For example, Hoeffler, Bloom and Keller (2010) provide McDonalds' support of its Ronald McDonald houses for over 30 years as a high profile example of a well-established and widely recognized company-cause relationship. Beyond developing strong associations between companies and causes, consumers attribute different motives to firms based on the level of consistency over time associated with CSR campaigns. Webb and Mohr (1998) find that consumers negatively view shorter-term CSR campaigns, and see them as attempts to boost revenues, while long-term campaigns are viewed more positively. Short-term cause-related marketing campaigns often result in negative stakeholder attributions suggesting consumers believe the firms seek to simply meet expectations of its key stakeholders and do not truly care about their partner cause (Ellen et al., 2006). While much of the CSR literature suggests a long-term commitment to CSR activities is necessary in order to gain consumer support, interview participants suggested that retailer size is a key moderator in this relationship:

“It would depend who the company was, if it were a large corporation, I would question it severely [if they were not committed to CSR]. But they probably wouldn’t be very open about it. But if it were a small company, then you would have to overlook that as they are doing the best they can.”

Another informant suggested that the cost to large firms engaging in short-term CSR activities is significant:

“If a corner store was donating money or sponsoring a softball team or something to that effect and then suddenly they couldn’t, I would understand that but with a large corporation that would be harder to accept. If it was the corner store that had to drop something and I could see the reason for it, I would still support them... But a big corporation no, I can do without them or buy from anywhere else.”

Landry, Arnold and Stark (2005) suggest that retailers can be viewed as a part of the community and state that “by making themselves locally relevant, retailers impact perceptions of their community membership (p. 67.)” Interview informants suggested that one way for large firms to make a more positive impact through its CSR activities is to tie their efforts to the local community through consistent engagement. These activities can help create a sense of interdependence within the community, where the retailers’ and communities’ health intertwined. When the informants provided examples of large retailers whom they believe to be socially responsible, they spoke of local initiatives driven by a sense of commitment to the local community by the employees through annual campaigns:

“I used to work for HSBC Bank...they would donate a staff person every year to help run the local United Way campaign. It was always important that they look like they’re being part of the community and doing everything they can.”

Consistent initiatives over time have the cumulative effect of firms ‘putting down roots’ in a community, and signal to consumers that the firm is dedicated to the community. Given the potential for firm commitment to lead to more positive attributions and subsequent positive attitudes toward the CSR activity and retailer, the current study predicts that:

H3: Commitment to CSR will positively influence consumers' CSR evaluations of large retailers but will not influence consumers' CSR evaluations of small retailers.

H3a: Consumer's CSR evaluations of retailers that engage in CSR activities will be mediated by attributions. Uncommitted large retailers will receive negative attributions (egoistic and stakeholder). However, committed large retailers will be able to generate positive attributions while reducing negative attributions. Both committed and uncommitted small retailers will receive positive attributions (strategic and values-oriented).

3.4.1. Method

3.4.1.1. Participants.

Participants were 175 undergraduate students (92 females and 83 males, mean age = 22.09 years).

3.4.1.2. Procedure.

The experiment employed a 2 (small versus large) x 2 (committed versus not committed) between-subjects design. The study used the same coffee retailers from Study 1 but manipulated the level of perceived interdependence by including additional information about the retailer's cause-related campaign. Specifically, the commitment to the cause-related marketing campaign was manipulated by either describing the firm as having run this cause-related marketing (CRM) campaign every year for the last seven years or as having run the campaign sporadically over the last seven years with this year's campaign being the first execution in three years (see Appendix 4 for the full description). The participants were randomly assigned to one of the four conditions and completed company evaluation measures along with the Ellen et al. (2006) attributions scale used in Study 1. Further, gender was collected from the participants and subsequent one-way ANOVAs found that gender did not significantly influence any of the dependent or mediating variables.

3.4.1.3. Measures.

As per Study 1, the CSR company evaluation (scale items #1 to 3) were collected along with the attributions scale items (scale items #4 to 19) found in Appendix 4.

3.4.2. Results and Discussion.

The effect of commitment on the CSR company evaluations and the values-driven, stakeholder-driven, egoistic and strategic attributions was tested using ANOVA across the small and large retailer conditions. As anticipated, when participants were assigned to the small retailer condition, the level of commitment did not significantly influence the company CSR evaluations ($M_{\text{Committed}} = 5.31$ and $M_{\text{Not committed}} = 5.42$, $F(1,88) = 0.447$, $p = .505$). Large retailers, however, were able to overcome the liability of being a large organization through consistent engagement. The large retailers who consistently supported the cause-related campaign received higher company evaluations ($M = 5.20$) compared to those who provided sporadic support ($M = 3.87$), ($F(1,83) = 102.27$, $p = < .001$). Therefore, hypothesis 3 is supported.

In order to test hypothesis 3b, analysis for each of the four mediators was tested using both ANOVA and moderated mediation bootstrapping. Statistics for each mediator are presented in turn. ANOVAs reveals that large retailers were able to generate more positive attributions (values-based) and lessen negative attributions (stakeholder and egoistic) through consistent support of charitable causes, while small retailers were not perceived differently across the commitment manipulation. Specifically, the means for values-based attributions for small business did not differ across conditions ($M_C = 4.90$, $M_{UC} = 4.19$, $F(1,88) = 0.134$, $p = .715$). Conversely, for large retailers, the values-based attributions in the committed condition ($M = 5.06$) were significantly higher than for those participants in the non-committed condition ($M_C = 5.06$, $M_{UC} = 3.07$, $F(1,83) = 191.165$, $p < .001$). Next, the influence of commitment was examined across the four attributions using moderated mediation bootstrapping (Muller, Judd, & Yzerbyt, 2005). The indirect effects of retailer size on CSR evaluations through values-based attributions were not significant (i.e., no effect of retailer size) for retailers who were committed ($b = 0.0598$, $SE = 0.0562$, Confidence Interval (CI) = -0.0429 to 0.1920), but significant for uncommitted retailers ($b = -0.6775$, $SE = 0.1061$, Confidence Interval (CI) = -0.8989 to -0.4820).

Next, ANOVAs for stakeholder attributions reveals no difference for small retailers across committed conditions ($M_C = 4.13$, $M_{UC} = 4.19$, $F(1,88) = 0.137$, $p = .712$). However, for large retailers, the negative stakeholder attributions were significantly lower

for the committed condition ($M_C = 4.49$, $M_{UC} = 5.43$, $F(1,83) = 058.195$, $p < .001$). In addition, moderated mediation analysis demonstrates that the indirect effects of retailer size on CSR evaluations through stakeholder-driven attributions were significant for retailers who were committed ($b = -0.0669$, $SE = 0.0431$, Confidence Interval (CI) = $-.1812$ to $-.0068$) and for those who were not committed ($b = -0.2313$, $SE = 0.0859$, Confidence Interval (CI) = $-.4252$ to -0.0708). Interestingly, the indirect effects of retailer size on CSR through stakeholder attributions is nearly 3.5 times as strong for the retailers who are not committed evidencing the importance of commitment in minimizing negative attributions.

ANOVAs for egoistic attributions again reveal no differences between small retailers based on commitment ($M_C = 4.18$, $M_{UC} = 3.92$, $F(1,88) = 1.831$, $p = .1797$). However, once again large retailers were able to significantly reduce the negative egoistic attributions through commitment ($M_C = 4.14$, $M_{UC} = 4.68$, $F(1,83) = 9.953$, $p = .002$). Moderated mediation analysis reveals no effect of retailer size when firms are committed ($b = 0.088$, $SE = 0.0507$, Confidence Interval (CI) = -0.0719 to 0.1248), but a significant firm size effect when firms are not committed ($b = -.1458$, $SE = 0.0562$, Confidence Interval (CI) = -0.2717 to -0.0433).

Finally, ANOVAs for strategic attributions reveals no commitment effect for both small retailers ($M_C = 5.01$, $M_{UC} = 4.80$, $F(1,88) = 1.76$, $p = .188$) and large retailers ($M_C = 4.76$, $M_{UC} = 4.72$, $F(1,83) = .111$, $p = .739$). Similarly, moderated mediation analysis does not reveal a significant indirect effect of retailer size (committed: $b = -0.0336$, $SE = 0.0312$, Confidence Interval (CI) = $-.1277$ to 0.0088); not-committed: $b = -0.011$, $SE = 0.0196$, Confidence Interval (CI) = -0.0688 to 0.0168).

As anticipated, when large retailers were described as being consistent in their CSR activities over an extended period of time, participants viewed their engagement in a significantly more positive light. The most compelling finding that illustrates the importance of commitment for large retailers is related to values-driven attributions. Without commitment, large retailers were evaluated as having very low values-driven motives for their involvement in the CRM campaign ($M = 3.07$) suggesting the participants did not feel large retailers truly care about the cause they are supporting. However, when the large retailers were described as being committed to the campaign,

the values-driven attributions improved to the same level found in small committed retailers ($M_L = 5.06$ and $M_S = 4.90$). Similarly, a lack of perceived commitment leads consumers to ascribe much higher egoistic attributions to large retailers. Taken together, these results demonstrate the role commitment can play in overcoming the liability of size, and how commitment allows large retailers to effectively use CSR activities such as cause-related marketing campaigns as part of their positioning strategies.

Further, small retailers maintained very positive CSR evaluations and generated positive attributions regardless of their commitment to CSR. This is not to suggest that small retailers should not engage in consistent support of causes, but the findings from Study 2 suggest that consumers evaluate small retailers as being socially responsible and motivated for the right reasons regardless of the consistency of their support. Study 2, therefore, presents an important boundary condition on previous research that demonstrates the importance of commitment for CSR activities such as cause-related marketing campaigns. Namely, commitment is particularly salient for consumers' evaluations of large retailers and less salient when consumers evaluate small retailers that are engaged in support of causes via cause campaigns.

3.5. Study 3

Study 1 and 2 examined consumer perceptions of social responsibility and how attributions to CSR activities influence consumers' attitudes and behaviors. In Study 3, the role of attributions on consumer behavior in response to corporate social irresponsibility (CSIR) is examined. CSIR typically has a much greater impact on consumers than CSR activities, with consumers much more likely to punish firms that they perceive an unethical than they are to reward firms that they perceived as ethical (Creyer & Ross Jr., 1996). Firms that engage in socially irresponsible behavior are often the subject of negative word-of-mouth, a demand for lower prices and consumer boycotts. Nike's use of sweatshop labor and Nestlé's infant formula scandal are well-known examples in which firms' socially irresponsible behavior resulted in widespread public backlash (Carrigan & Attala, 2001).

Preliminary interview findings posit that consumers regard small retailers as more interdependent than larger retailers suggests that small retailers have a 'buffer' that provides relative protection from CSIR. Indeed, informants suggested they would be more willing to accept small businesses engaging in socially irresponsible behavior relative to larger firms:

"If it's a small organization, so for example community-supported agriculture; if they all started engaging in heavy pesticide abuse, maybe you would be more interested in understanding why they did that. If they were losing all their crops, or going out of business I would have a bit more understanding. If it was a major factory farm and they started going there, you think it's because they're a bunch of bastards out to get me."

As this comment suggests when firms engage in socially irresponsible behavior consumers may try to understand the motives behind this behavior. Weiner (1980) identified three causal dimensions of attribution that ultimately lead to an overall evaluation of blame and the responsibility of the firm in the event of negative behavior. The three dimensions are the locus of the behavior, the stability of the behavior (i.e., temporary or stable) and finally the controllability of the behavior. Folkes (1988) suggests that attributions are influenced by a combination of consumer's prior beliefs and event related information (i.e., recent socially irresponsible behavior). More recently, Klein and Dawar (2004) examined the impact of prior CSR beliefs of firms on the consumer response to a product harm crisis. They find that firms with positive CSR reputations receive less blame compared to those with negative reputations. Further, this difference is driven by consumers' judgements of the locus, stability of the firms' behavior and controllability when assessing blame.

In addition to ascribing more blame towards large retailers in the face of CSIR behavior, many interview informants suspect large retailers would engage in damage control or even cover-ups following socially irresponsible behavior as evidenced by the following quote:

"If they for example they [a retailer] no longer sourced their products ethically...so they were say a clothing or footwear retailer, and they were instead buying it cheaply somewhere in the third world in dubious circumstances...well it would depend on who the company was. If it were a large corporation, I would question it. But they probably would not be

very open about it. If it were a small company, then you would have to overlook that as long as they are doing the best they can.”

Because small retailers are perceived as highly interdependent, it is expected that consumers are more likely to forgive small retailers' CSIR. That is, they will ascribe less blame for CSIR activities from small retailers than they will to large retailers' CSIR. In addition, small retailers will still be able to maintain positive social responsibility evaluations even when faced with allegations of socially irresponsible practices. More formally:

H4: Large retailers who engage in CSIR will receive (a) lower CSR evaluations and (b) more blame compared to small retailers.

H4a-c: This effect will be mediated by attributions. Specifically, (a) the locus of the CSIR will be perceived as external (internal) for small (large) retailers; (b) the CSIR event will be perceived as unstable (stable) for small (large) retailers; (c) the CSIR event will be perceived as uncontrollable (controllable) for small (large) firms.

3.5.1. Method

3.5.1.1. Participants.

Participants were 83 (50 males and 33 females, mean age = 28.17 years) MBA students recruited through classroom sign-up.

3.5.1.2. Procedure.

The experiment employed a between-subjects design. Participants were randomly assigned to either the small firm or large firm condition and they both were described as recently engaging in socially irresponsible behavior. Specifically, the café has been accused of purchasing coffee beans harvested in a manner that is unfriendly to the environment (see Appendix 5 for the full description of the survey and associated scale items).

3.5.1.3. Measures.

Following the experimental design of Klein and Dawar (2004), two separate measures of locus were collected (see scale items #1 to 4 in Appendix 5). The locus of the CSIR behaviour was measured for three separate parties: Café Brasil, the coffee

bean distributor and the coffee bean farmers. The first set of questions related to locus examined the likelihood of the café, the distributor or the farmers being the source of the socially irresponsible behavior. The second set of questions related to locus assigns the percentage of blame the café has for the current issues in comparison to the distributors and the farmers. Both sets of measures were converted to percentages and were highly correlated ($r = .615$, $p = .001$). Next, four items measuring stability (see scale items # 5 to 8) were collected and collapsed into an index ($\alpha = .80$), along with two items measuring the perceived level of control (see scale items # 9 and 10) the organization has over the current situation. The two items were similarly collapsed ($\alpha = .79$). Further, three measures of overall blame (see scale items #11 to 13) towards the retailer for the CSIR behaviour (i.e., “This incident is the fault of Café Brasil.”) were collected ($\alpha = .87$), along with three company CSR evaluation measures ($\alpha = 0.77$) (see scale items #14 to 16). Finally, neither age nor gender effects were found to differ significantly across the attribution measures, blame, or company CSR evaluations.

3.5.2. Results and Discussion.

ANOVAs were completed to test the hypotheses that the community interdependence manipulation (a small retailer versus a large retailer) affected the three different types of attributions associated with socially irresponsible behavior and company CSR evaluations. As hypothesized, the participants in the small retailer perceived the locus of the CSIR to be more external for small retailers than for large retailers ($M_S = 29$ percent, $M_L = 49$ percent, $F(1,83) = 36.961$, $p < .001$). Stability measures show the same effect, with the CSIR perceived as less stable with small retailers than large retailers ($M_S = 3.99$, $M_L = 4.68$, $F(1,83) = 11.71$, $p = .001$). Finally, perceived control exhibited the same pattern suggesting small retailers are broadly given the benefit of the doubt for CSIR ($M_S = 4.38$, $M_L = 5.63$, $F(1,83) = 20.95$, $p < .001$).

Participants also assigned more overall blame to the large retailers ($M_S = 5.48$, $M_S = 3.89$, $F(1,83) = 52.273$, $p < .001$). Finally, small retailers ($m = 3.77$) were rated as more socially responsible than large retailers ($M_S = 3.77$, $M_L = 2.94$, $F(1,83) = 22.326$, $p < .001$), ranking somewhat neutral in spite of the accusations of socially irresponsible behavior.

In order to test for the mediating effect of attributions (H3a), Preacher and Hayes' (2004, 2008) bootstrap test of multi-mediators was conducted in order to examine the indirect effects of the size of the retailer on CSR company evaluations through the mediators of locus, stability and control. Bootstrapping analysis reveals a significant indirect effect of retailer size on CSR company evaluations through locus ($b = -.4012$, $SE = .1229$, confidence interval (CI) = $-.6694$ to $-.1719$) and stability ($b = -.1511$, $SE = .0930$, confidence interval (CI) = $-.4067$ to $-.0165$). However, the perceived level of control did not have a significant indirect effect ($b = .1011$, $SE = 0.0982$, confidence interval (CI) = $-.0692$ to 0.3502). Therefore, manipulations of the size of the retailer engaged in socially irresponsible behavior influenced the participants' perceived locus and stability of this behavior which in turn influenced the participants' CSR evaluations. These findings replicate Klein and Dawar's (2004) finding that only locus and stability are significant mediators of retailers' CSR evaluations when firms engage in socially irresponsible behavior.

Further, additional bootstrapping analysis using blame as the dependent variable demonstrates a significant indirect effect for locus ($b = 0.4977$, $SE = .2037$, confidence interval (CI) = 0.1619 to $.9572$) and stability ($b = 0.1675$, $SE = .00976$, confidence interval (CI) = 0.0351 to 0.4360). However, the perceived level of control, while in the anticipated direction, did not have a significant indirect effect on blame ($b = .1940$, $SE = 0.1348$, confidence interval (CI) = $-.0495$ to 0.4912). Accordingly, the size of the retailer engaged in socially irresponsible behavior influenced the participants' perceived locus and stability of this behavior which in turn changed the participants' overall assessments of blame placed on the retailer for the current product issues.

As anticipated, small retailers were insulated from consumer backlash from CSIR, receiving more positive CSR evaluations and significantly less blame in response to the alleged socially irresponsible behavior. Conversely, large retailers were not able to shelter themselves and were the recipients of negative consumer evaluations and a great deal more blame in light of the allegations. Further, both CSR evaluations and the overall assessment of blame were mediated by the locus and stability of the CSIR behavior.

3.6. General Discussion

The current research provides a more nuanced understanding of the consumer response to retailers' CSR activities such as cause-related marketing campaigns, through the introduction of a key moderating variable: community interdependence. Retailers that engage in CSR activities such as cause-related marketing campaigns that are conducted successfully can have major business benefits for retailers. For example, previous research suggests that retailers with reputations for social responsibility enjoy greater trust from consumers in both the retailer and its private label brands (Pivato et al., 2008).

While previous research has examined the how CSR activities can allow retailers to distinguish themselves on dimensions other than product assortment (e.g., Barone et al., 2007), this research extends previous work by considering the influence of 'who' the retailer is. The findings from the current studies suggest that small retailers are perceived as more socially responsible than large retailers and that this effect is driven by attributions. Specifically, small retailers generate more positive attributions and large retailers are perceived as engaging in CRM campaigns for the wrong reasons – either to appease stakeholder expectations or worse, to take advantage of the causes they have selected. On the surface, the findings from both the consumer interviews and study 1 may appear to place large retailers in a very difficult position. However, study 2 finds that when large retailers evidence commitment toward CRM campaigns, they are able to overcome negative attitudes and attributions associated with their involvement. Accordingly, large retailers should consider including details of their past efforts and consistent support for charitable causes in their marketing communications about their CSR activities. In the event that a large retailer is beginning to offer a new cause-related marketing campaign, one suggestion is to highlight how long they have entered into an agreement to provide support for the cause in order to demonstrate their commitment and ultimately develop community interdependence.

The current research also makes an important theoretical contribution to the literature examining CSIR behavior. Previous research in the domain of CSIR typically finds that firms that engage in socially irresponsible behavior are not able to overcome the negative consumer response through positive product-related attributes such as

quality (e.g., Folkes & Kamins, 1999). However, previous research has not examined the role of community interdependence (operationalized here as the size of the retailer) engaging in the socially irresponsible behavior. Even when small retailers faced allegations of unethical practices in their supply chain, participants still maintained support through positive overall company CSR evaluations. Conversely, large retailers were viewed as less socially responsible and were also the recipients of more negative attributions (locus, stability and control). These findings are robust across multiple methods, and both student and adult population samples.

For researchers, future studies can examine the influence of the size of an organization on other important mediating variables in the CSR literature such as authenticity. Recently, McShane and Cunningham (2011) found that employees' perceived authenticity of their companies CSR programs is a potentially important mediating variable that can lead to a number of positive outcomes such as greater organizational commitment and loyalty. Further, the authors suggest that authenticity is a "particularly fruitful lens for developing their CSR theory given that organizations, in developing their CSR programs, must continuously negotiate both tensions between profit-seeking and prosociality and the conflicting demands from different stakeholder groups (p.2)." Similarly to the current study, the authors found that the consistency with which firms engage in CSR activities is an important determining factor as to whether firms engagement is viewed as authentic (or inauthentic) and the appropriate attributions, specifically values-driven attributions, are perceived (Ellen et al., 2006). While considerable overlap exists between the concept of authenticity and the attributions consumers assign to firms' engagement in CSR activities, future research that examines consumers' perceptions of authenticity would provide a more nuanced understanding of the construct and determine whether different factors determine the perceived authenticity and perceived motives (i.e., attributions) that consumers develop when encountering CSR activities. Finally, McShane and Cunningham (2011) suggest that their findings do not provide a complete understanding of authenticity and its role in determining stakeholder responses to CSR activities and propose that quantitative studies such as experiments and surveys would be beneficial. Accordingly, future research resulting in the development of a perceived authenticity scale for consumers and employees would help determine the areas of similarities and differences with

existing CSR scales such as the attribution scales developed by Ellen and colleagues (2006).

Further, previous studies have found that large, well-known retailers such as Whole Foods Markets that place CSR at the core of their brand proposition tend to outperform firms who simply choose to engage in CSR (Du et al., 2007). Researchers could examine whether small firms that choose to place social responsibility at the core of their brand also receive a more positive response than large firms who are established based on being a socially responsible brand. Additional research could be conducted across a variety of moderators previously examined in cause-related marketing research such as fit (i.e., Barone et al., 2007), the type of cause being supported (i.e., disaster versus ongoing cause) and whether the retailer matches donations or not (Ellen et al., 2000) to determine if other opportunities exist for large retailers to generate more positive consumer evaluations and attributions when engaging in cause-related marketing campaigns.

In practice, it appears that large retailers are keenly aware of the stakeholder expectations to engage in some form of CSR activities. For example, the World Business Council for Sustainable Development (WBCSD) is a coalition formed to address the call for corporations to assume greater responsibility for social issues and is comprised of over 200 international companies including a number of global brands such as Sony, Adidas, L'Oreal and Coca-Cola. Although WBCSD membership totals over \$7 trillion in sales, it was founded in 1991 on the vision of "an entrepreneurial perspective with respect to sustainable development" (World Business Council for Sustainable Development, n.d.). Given the role of small business in entrepreneurial activity, the vision of this organization suggests that the small business can and should have significant influence on CSR practice and policy. Further, organizations such as the Network for Business Sustainability recognize that "small- and medium-sized enterprises (SME) can, and often do, embrace social, environmental and economic sustainability as part of their business operations" (Network for Business Sustainability, 2012), and provide guidance for SMEs looking to incorporate CSR activities into their operations.

However, the research presented here supports prior research (e.g., von Weltzien Hoivik & Mele, 2009) and suggests that consumers view small-and-medium

enterprises (SMEs) as socially responsible *simply* through their core business activities executed at the local community level. Small retailers, therefore, may interpret the current research to suggest that their engagement in formal CSR activities has less upside for building and maintaining consumer preference and relationships. If they are given 'credit' based solely on being a small retailer, the business case argument based on customer relationships is diminished. However, the current research finds that small retailers were oft-cited examples of organizations that consumers recognize for their engagement in CSR activities such as cause-related marketing campaigns and socially responsible employment practices. Further, consumers suggested they actively support small retailers that engage in CSR activities (i.e., cause-related marketing campaigns) through their purchase behaviour and positive word-of-mouth. Importantly, consistent with previous suggestions that small firms engage in CSR activities, based on genuine care and concern (i.e., Berger et al., 2007), consumers attributed small retailers' involvement in CSR activities to a values-based approach. As such, small retailers are well received by consumers when they do choose to engage in socially responsible behaviour such as philanthropy and can benefit from a variety of positive consumer outcomes that result from their involvement in CSR activities.

Finally, the current studies provide evidence that small retailers receive significantly more positive CSR evaluations compared to their larger competitors when engaging in CSR activities. While the current research operationalizes CSR as philanthropy (a cause-related marketing campaign), Jenkins (2006) posits that small organizations are also well suited to adopt new products or services that include social and/or environmental benefits. As a result, it appears that small businesses are well positioned to engage in a broader set of CSR activities such as the introduction of socially responsible products and more ethical approaches to supply chain management. Studies regularly report consumer support for firms that practice corporate social responsibility; notably, this consumer support can provide a number of important tangible benefits for small retailers. For example, fair-trade coffee can command higher prices (De Pelsmacker, Driesen & Rayp, 2005), as can some environmentally friendly products (Laroche, Bergeron & Barbara-Forleo, 2001). Additionally, Mohr and Webb (2005) survey consumers and find that CSR can be more important than price in the consumer decision making process. In sum, the current

research provides evidence that consumers do recognize small retailers as valuable contributors to the importance of corporate social responsibility.

3.7. References

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3.8. Tables

Table 3.1 Interview Sample Demographics

Informant Number	Age	Gender	Occupation	Industry
I1	30	F	Graphic Designer	Publishing
I2	27	F	Salon Technician	Beauty & Well-Being
I3	37	M	Business Development	Insurance/Financial Services
I4	31	F	Owner, operator	Food & Beverage
I5	27	F	Administrative Assistant	Healthcare
I6	51	F	Assistant	Healthcare
I7	31	F	Occupational Therapist	Healthcare
I8	22	F	Communications officer	Architecture
I9	30	F	Graphic Designer	Education
I10	32	M	Director of Communications	Education
I11	26	F	Financial Planner	Financial Services
I12	27	M	Consultant (Unemployed)	Finance/Accounting
I13	28	M	Unemployed	Financial Services
I14	30	M	Travel Agent	Tourism/Travel
I15	28	M	Project Manager	Healthcare
I16	43	F	Account Manager	Insurance/Financial Services
I17	51	M	Professor	Education
I18	38	M	Manager	Insurance/Financial Services
I19	43	M	Communications Professional	Public Services (Library)
I20	25	M	Researcher	Non-profit
I21	27	M	Fundraiser	Non-profit
I22	32	M	President	Financial Services/Insurance

I23	31	F	Finance Manager	Pharmaceuticals
I24	34	M	Researcher	Professional Services
I25	57	M	Research Assistant	Consulting
I26	27	M	Entrepreneur	Land Development
I27	34	M	Marketing Communications	Technology
I28	47	F	Director	Healthcare
I29	47	F	President	Food Distribution
I30	38	F	Director, Health Services	Healthcare

Appendix 1:

Study 1 Pretest Descriptions and Scale Items

The smell of flavoured and spiced coffees hits you as soon as you walk in the door of a Café Brasil. The company prides itself on creating a memorable experience based around exceptional quality coffee, and the products do not disappoint. Their most popular brew – Northwest Pacific blend – is a strong, aromatic brew perfect for cold, rainy winter days.



Caption: A Café Brasil employee demonstrates his prowess on the espresso machine.

Small Business Condition:

Café Brasil started in 1993 by owner Hector Martinez. “I want to create an environment that captures the spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Hector started the company with what little he had in his savings account, and hasn’t looked back. In 2006 a second Vancouver location opened and Café Brasil now employs 19 people.

Large Business Condition:

Café Brasil started in 1993 explains Northwest regional managers Martinez. “The mission of the company is to create an environment that captures the spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Although not as well known as Starbuck’s, the company has had considerable success in expanding globally. The company is listed on the Brazil Bovespa stock exchange, and now operates over 1,250 locations in 31 countries around the world, employing over 1,000 people.

1. The company depends on our local community for its survival

Completely 1 2 3 4 5 6 7 Not at all

2. The company benefits when our community benefits

Completely 1 2 3 4 5 6 7 Not at all

3. The community benefits when the company does well

Completely 1 2 3 4 5 6 7 Not at all

4. The company and our community get mutual benefit from their operations

Completely 1 2 3 4 5 6 7 Not at all

Appendix 2:

Study 1 Pretest Survey Materials

Thank you for agreeing to participate in this survey. A coffee retailer, Café Brasil, is currently running a market survey to determine if there is a market to open a retail outlet in the Burnaby area. Your evaluations will help the company determine whether or not they will pursue the expansion. Below is an excerpt from a newspaper story written about the company that appeared last month in the Vancouver Sun.

Please remember that all of your responses will be anonymous and confidential and there are no right answers.

The smell of flavoured and spiced coffees hits you as soon as you walk in the door of a Café Brasil. The company prides itself on creating a memorable experience based around exceptional quality coffee, and the products do not disappoint. Their most popular brew – Northwest Pacific blend – is a strong, aromatic brew perfect for cold, rainy winter days.



Caption: A Café Brasil employee demonstrates his prowess on the espresso machine.

Small Business Condition:

Café Brasil started in 1993 by owner Hector Martinez said “I want to create an environment that captures the spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Hector started the company with what little he had in his savings account, and hasn’t looked back. In 2006 a second Vancouver location opened and Café Brasil now employs 19 people.

Café Brasil has recently launched a campaign that will see \$.10 from each purchase of a cup of their famous Northwest Blend coffee to go towards supporting a local children’s charity during the month of April. The café’s owner, Hector Martinez is really excited for the upcoming campaign.

Large Business Condition:

Café Brasil started in 1993 explains Northwest regional manager Hector Martinez. “The mission of the company is to create an environment that captures the

spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Although not as well known as Starbucks, the company has had considerable success in expanding globally. The company is listed on the Brazil Bovespa stock exchange, and now operates over 1,250 locations in 31 countries around the world, employing over 1,000 people.

Café Brasil has recently launched a campaign that will see \$.10 from each purchase of a cup of their famous Northwest Blend coffee to go towards supporting a local children’s charity during the month of April. Their regional manager, Hector Martinez is really excited for the upcoming campaign.

1. Products sold at Café Brasil are:

								
a. high quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	low quality
b. worth the price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	not worth the price
c. a good value	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	not a good value

2. I trust Café Brasil

Strongly agree	1	2	3	4	5	6	7	Strongly disagree
----------------	---	---	---	---	---	---	---	-------------------

3. You can always count on Café Brasil

Strongly agree	1	2	3	4	5	6	7	Strongly disagree
----------------	---	---	---	---	---	---	---	-------------------

4. Café Brasil is reliable

Strongly agree	1	2	3	4	5	6	7	Strongly disagree
----------------	---	---	---	---	---	---	---	-------------------

Appendix 3:

Study 1 Survey Materials

Thank you for agreeing to participate in this survey. A coffee retailer, Café Brasil, is currently running a market survey to determine if there is a market to open a retail outlet in the Burnaby area. Your evaluations will help the company determine whether or not they will pursue the expansion. Below is an excerpt from a newspaper story written about the company that appeared last month in the Vancouver Sun.

Please remember that all of your responses will be anonymous and confidential and there are no right answers.

The smell of flavoured and spiced coffees hits you as soon as you walk in the door of a Café Brasil. The company prides itself on creating a memorable experience based around exceptional quality coffee, and the products do not disappoint. Their most popular brew – Northwest Pacific blend – is a strong, aromatic brew perfect for cold, rainy winter days.



Caption: A Café Brasil employee demonstrates his prowess on the espresso machine.

Small Business Condition:

Café Brasil started in 1993 by owner Hector Martinez said “I want to create an environment that captures the spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Hector started the company with what little he had in his savings account, and hasn’t looked back. In 2006 a second Vancouver location opened and Café Brasil now employs 19 people.

Café Brasil has recently launched a campaign that will see \$.10 from each purchase of a cup of their famous Northwest Blend coffee to go towards supporting a local children’s charity during the month of April. The café’s owner, Hector Martinez is really excited for the upcoming campaign.

Large Business Condition:

Café Brasil started in 1993 explains Northwest regional manager Hector Martinez. “The mission of the company is to create an environment that captures the

spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Although not as well known as Starbucks, the company has had considerable success in expanding globally. The company is listed on the Brazil Bovespa stock exchange, and now operates over 1,250 locations in 31 countries around the world, employing over 1,000 people.

Café Brasil has recently launched a campaign that will see \$.10 from each purchase of a cup of their famous Northwest Blend coffee to go towards supporting a local children’s charity during the month of April. Their regional manager, Hector Martinez is really excited for the upcoming campaign.

1. Café Brasil is a socially responsible company

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

2. Café Brasil is concerned about improving the well-being of society

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

3. Café Brasil follows high ethical standards

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

Café Brasil is running this cause-related campaign because:

4. They feel morally obligated to help

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

5. They have a long-term interest in the community

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

6. Their owners or employees believe in the cause

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

7. They want to make it easier for consumers who care about the cause to support it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

8. They are trying to give something back to the community

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

9. They feel their customers expects it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

10. They feel society in general (i.e., consumers) expects it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

11. They feel their stockholders/owners expect it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

12. They feel their employees expect it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

13. They are taking advantage of the nonprofit organization to help their own business

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

14. They are taking advantage of the cause to help their own business

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

15. They want it as a tax write-off

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

16. They want to get publicity

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

17. They will get more customers by making this donation

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

18. They will keep more of their customers by making this donation

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

19. They hope to increase profits by making this offer

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

20. Gender:

Male

Female

21. Age: _____

Appendix 4:

Study 2 Survey Materials

Thank you for agreeing to participate in this survey. A coffee retailer, Café Brasil, is currently running a market survey to determine if there is a market to open a retail outlet in the Burnaby area. Your evaluations will help the company determine whether or not they will pursue the expansion. Below is an excerpt from a newspaper story written about the company that appeared last month in the Vancouver Sun.

Please remember that all of your responses will be anonymous and confidential and there are no right answers.

The smell of flavoured and spiced coffees hits you as soon as you walk in the door of a Café Brasil. The company prides itself on creating a memorable experience based around exceptional quality coffee, and the products do not disappoint. Their most popular brew – Northwest Pacific blend – is a strong, aromatic brew perfect for cold, rainy winter days.



Caption: A Café Brasil employee demonstrates his prowess on the espresso machine.

Small Retailer Condition:

Café Brasil started in 1993 by owner Hector Martinez said “I want to create an environment that captures the spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Hector started the company with what little he had in his savings account, and hasn’t looked back. In 2006 a second Vancouver location opened and Café Brasil now employs 19 people.

Large Retailer Condition:

Café Brasil started in 1993 explains Northwest regional managers Martinez. “The mission of the company is to create an environment that captures the spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Although not as well known as Starbuck’s, the company has had considerable success in expanding globally. The company is listed on the Brazil Bovespa stock exchange, and now operates over 1,250 locations in 31 countries around the world, employing over 1,000 people.

Non-committed Condition:

Café Brasil has recently launched a campaign that will see \$.10 from each purchase of a cup of their famous Northwest Blend coffee to go towards supporting a local children's charity during the month of April. The café first ran this campaign seven years ago and most recently ran it three years ago. The café's owner, Hector Martinez is really excited for the upcoming campaign to see how much money they can raise.

Committed Condition:

Café Brasil has recently launched a campaign that will see \$.10 from each purchase of a cup of their famous Northwest Blend coffee to go towards supporting a local children's charity during the month of April. This is the seventh year in a row that the café has supported this campaign and the café's owner, Hector Martinez is really excited for the upcoming campaign to see how much money they can raise compared to the last few years.

1. Café Brasil is a socially responsible company

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

2. Café Brasil is concerned about improving the well-being of society

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

3. Café Brasil follows high ethical standards

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

Café Brasil is running the cause-related marketing campaign because:

4. They feel morally obligated to help

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

5. They have a long-term interest in the community

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

6. Their owners or employees believe in the cause

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

7. They want to make it easier for consumers who care about the cause to support it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

8. They are trying to give something back to the community

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

9. They feel their customers expects it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

10. They feel society in general (i.e., consumers) expects it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

11. They feel their stockholders/owners expect it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

12. They feel their employees expect it

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

13. They are taking advantage of the nonprofit organization to help their own business

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

14. They are taking advantage of the cause to help their own business

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

15. They want it as a tax write-off

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

16. They want to get publicity

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

17. They will get more customers by making this donation

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

18. They will keep more of their customers by making this donation

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

19. They hope to increase profits by making this offer

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

20. Gender:

Male

Female

21. Age: _____

Appendix 5:

Study 3 Survey Materials

Thank you for agreeing to participate in this survey. A coffee retailer, Café Brasil, is currently running a market survey to determine if there is a market to open a retail outlet in the Burnaby area. Your evaluations will help the company determine whether or not they will pursue the expansion. Below is an excerpt from a newspaper story written about the company that appeared last month in the Vancouver Sun.

Please remember that all of your responses will be anonymous and confidential and there are no right answers.

The smell of flavoured and spiced coffees hits you as soon as you walk in the door of a Café Brasil. The company prides itself on creating a memorable experience based around exceptional quality coffee, and the products do not disappoint. Their most popular brew – Northwest Pacific blend – is a strong, aromatic brew perfect for cold, rainy winter days.



Caption: A Café Brasil employee demonstrates his prowess on the espresso machine.

Small Business Condition:

Café Brasil started in 1993 by owner Hector Martinez said “I want to create an environment that captures the spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Hector started the company with what little he had in his savings account, and hasn’t looked back. In 2006 a second Vancouver location opened and Café Brasil now employs 19 people.

Café Brasil has recently been criticized by a number of media outlets upon the discovery that it sells coffee made from beans produced on farms that engage in unsustainable farming practices that may be harmful to the environment. Further allegations suggest that the Café Brasil is supporting organizations that seek to take shortcuts in meeting environmentally-friendly production standards as a measure to save costs. Café Brasil purchases their beans from a large distributor based in North America with whom they have had a long standing relationship. The café owner, Hector Martinez

has suggested that they have been deceived by the distributor whom they rely upon for certification of the coffee beans as being harvested in an environmentally responsible manner.

Large Business Condition:

Café Brasil started in 1993 explains Northwest regional manager Hector Martinez. “The mission of the company is to create an environment that captures the spirit of the Brazilian café. That includes the coffee itself but also the sights and the smells of the coffee experience.” Although not as well known as Starbucks, the company has had considerable success in expanding globally. The company is listed on the Brazil Bovespa stock exchange, and now operates over 1,250 locations in 31 countries around the world, employing over 1,000 people.

Café Brasil has recently been criticized by a number of media outlets upon the discovery that it sells coffee made from beans produced on farms that engage in unsustainable farming practices that may be harmful to the environment. Further allegations suggest that the Café Brasil is supporting organizations that seek to take shortcuts in meeting environmentally-friendly production standards as a measure to save costs. Café Brasil purchases their beans from a large distributor based in North America with whom they have had a long standing relationship. Their Northwest Regional Manager, Hector Martinez has suggested that they have been deceived by the distributor whom they rely upon for certification of the coffee beans as being harvested in an environmentally responsible manner.

1. How likely is Café Brasil the source of the current problem with the coffee beans?

Not at all likely 1 2 3 4 5 6 7 Very likely

2. How likely is the large distributor from whom Café Brasil purchases the coffee beans the source of the current problem?

Not at all likely 1 2 3 4 5 6 7 Very likely

3. How likely is the coffee bean farmer the source of the current problem?

Not at all likely 1 2 3 4 5 6 7 Very likely

4. What percentage is each of the following parties to blame for the current problem with the coffee beans? (Note the percentages assigned must add up to 100)

- a. Café Brasil _____
- b. The distributor _____
- c. The farmers _____

5. Do you think the problem represents something stable and ongoing with Café Brasil, or a fluke incident?

Stable and ongoing 1 2 3 4 5 6 7 Fluke incident

6. How likely is it that this type of problem will occur again in the future with Café Brasil's products?

Not at all likely 1 2 3 4 5 6 7 Very likely

7. How likely is it that Café Brasil has had problems with its products in the past?

Not at all likely 1 2 3 4 5 6 7 Very likely

8. How likely is it that the current problem is typical of Café Brasil's products?

Not at all likely 1 2 3 4 5 6 7 Very likely

9. How much control does Café Brasil have over this sort of product problem?

Completely in control 1 2 3 4 5 6 7 Not at all in control

10. How much control does Café Brasil have over the kind of ingredients that are used in their products?

Completely in control 1 2 3 4 5 6 7 Not at all in control

11. In your opinion, what is Café Brasil's level of responsibility for the coffee beans products?

Completely responsible 1 2 3 4 5 6 7 Not at all responsible

12. In your opinion, should Café Brasil be held accountable for the problem?

Completely accountable 1 2 3 4 5 6 7 Not at all accountable

13. This incident is the fault of Café Brasil.

Totally disagree 1 2 3 4 5 6 7 Totally agree

14. Café Brasil is a socially responsible company

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

15. Café Brasil is concerned about improving the well-being of society

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

16. Café Brasil follows high ethical standards

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

17. Gender:

Male

Female

18. Age: _____

4. Finding the Right Shade of Green: The Effect of Appeal Type on Environmentally Friendly Consumption

When consumers engage in environmentally friendly consumption behaviors, they are typically motivated by one of two benefits. Many of these behaviors, such as purchasing fuel efficient vehicles that produce fewer emissions, offer consumers a chance to protect the natural environment. However, they also provide the opportunity for the consumer to save money. Marketers commonly employ communication strategies that emphasize one benefit or the other. For example, when grocery chain Safeway encourages customers to use their own reusable shopping bags, it highlights the environmental benefit (i.e., an other-benefit appeal) of this practice rather than the per bag discount to consumers (i.e., a self-benefit appeal). Starbucks, on the other hand, highlights the cost savings associated with bringing a reusable mug over the environmental benefit.

To date, research examining the efficacy of each type of appeal has produced mixed results, with researchers finding support for both self-and other-benefit appeals. Allen (1982) reaches inconclusive findings and calls for additional work on how the two types of appeals can be used more effectively to encourage more environmentally friendly consumption behavior. Hutton and Markley (1991) find that promoting a monetary incentive positively influences the decision to commute to work in a more environmentally friendly manner. Conversely, Davis (1994, p. 21) encourages firms to make the benefit to the environment the focus of their communications and that specific environmental claims “provide detailed, relevant, understandable and supported information on the advertised product’s environmental attributes and promised environmental benefits.” Finally, Schuhwerk and Letkoff-Huguis (1995) find that although consumers who are not highly involved with the environment respond more

favorably to a self-benefit appeal, consumers who are highly involved respond equally to both appeal types.

The current study seeks to reconcile and extend prior research by examining the role of public accountability on appeal type efficacy. In doing so, this research makes a number of contributions. First, by examining specific appeal types the current research identifies boundary conditions on previous research on the role of consumption context motivating environmentally friendly consumption (Griskevicius, Van den Bergh & Tybur, 2010). Contrary to prior research, the current studies find that consumers will not always seek to make an environmentally friendly consumption choice in a public setting in order to satisfy motives for status. Specifically, consumers are *less* likely to engage in environmentally friendly consumption in public when the appeal is self-oriented. Thus, the current research demonstrates that the motivation to manage the impression consumers make on others is not only a matter of the behaviors themselves, but the inferred motivation behind the behaviors.

Second, the current research extends examinations of self-and other-benefit appeals in other prosocial behavior contexts such as charity donation (e.g., White & Peloza, 2009) to include a broader range of prosocial behaviors. Environmentally friendly consumption represents a large and growing consumer movement. Cone Inc. (2010) finds that a large majority of consumers hold companies accountable for addressing environmental issues such as reducing energy use and emissions to fight climate change. Yet despite high levels of interest shown by consumers, 'green marketing' policies and programs do not always result in positive consumer responses (e.g., Peattie & Crane, 2005) and market share for products promoted using environmental attributes languish in many categories (Luchs, Walker Naylor, Irwin & Raghunathan, 2010). It is vital for marketers to better understand how to motivate environmentally responsible consumption from their consumers.

Third, decisions related to environmentally friendly consumption behaviors are often subject to an attitude-behavior gap that can limit the success of environmentally friendly products and policies. As a result, previous research suggests that both policymakers and marketers require further guidance to translate environmental concern into behavioral change (Berger & Corbin, 1992). The current research addresses this

gap by first examining actual environmentally friendly consumption behaviors, and second by imposing personal costs to consumers who impression manage through responding to other-benefit appeals.

Finally, Peattie and Crane (2005, p. 368) suggest that green marketing has become “severely restricted by its emphasis on the purchasing component of the consumption process” and greater emphasis should be placed on product use and disposal. We address this call by examining how the use of reusable containers (i.e., coffee mugs), a form of co-creation by consumers (Vargo & Lusch, 2004), is encouraged. Despite the wide deployment of both self-benefit and other-benefit appeals by marketers, to the best of our knowledge no research exists that examines more active involvement by consumers in environmentally friendly consumption behavior.

4.1. Literature Review

4.1.1. *Environmentally Friendly Consumption*

Pieters (1991, p. 59) defines environmentally friendly consumption as “consumption activities that have a less negative or more positive effect on the natural environment than substitutable activities.” Early research exploring environmentally friendly consumption behavior examined the role of demographics (e.g., Anderson & Cunningham, 1972), and personality and attitudes (Kinneer, Taylor & Ahmed, 1974) in order to develop a profile of environmentally friendly consumers. Thus far, the results of empirical research examining environmentally friendly consumption are inconsistent across factors such as demographics (e.g., Laroche, Bergeron & Barbaro-Forleo, 2001; Peattie, 2001). Further, extant research demonstrates that consumers who engage in some form of environmentally friendly consumption behavior such as recycling do not behave uniformly across other environmentally friendly consumption behaviors such as purchasing green products or using reusable products (Peattie, 2001).

While the influence of demographics and general attitudes towards environmentally friendly are relatively poor predictors of behavior, the role of appeal type has been a relatively fruitful area of research examining environmentally friendly consumption. For example, Obermiller (1995) examines gain/loss framing and finds that

the appeal effectiveness depends on the specific environmental issue and its level of salience amongst consumers. Specifically, when consumers have a high level of existing concern for an environmental issue, a gain appeal is more appropriate, while a loss appeal is more effective for issues of low salience. In fact, Obermiller (1995, p. 66) finds that for those environmental issues in which the salience is high, a loss appeal can cause “a redundant warning, or worse, cause a boomerang effect.” This suggests that the execution of environmental appeals is vital to its success. In a more recent study, White, MacDonnell and Dahl (2011) find that the effectiveness of framing depends on the construal level. They demonstrate across both field and laboratory studies that the effectiveness of loss frame depends on being paired with a concrete mindset while gain frames are more effective when matched with abstract mindsets. The current study extends the work of these previous researchers first by including two different appeal types (i.e., self-benefit and other-benefit appeals) that can be used to motivate environmentally friendly consumption, and second by examining a variable influenced by consumption context - the role of public self-image concern.

4.1.2. *Benefits from Environmentally Friendly Consumption*

Prior researchers argue that environmentally friendly consumption is motivated by one of two benefits. On the one hand, many researchers argue that it is motivated by benefits to the environment and society. Webb, Mohr and Harris (2008, p. 93), for example, posit that “socially responsible consumption is socially-oriented, not self-centred.” Similarly, Hoeffler and Keller (2002) argue that corporate social marketing programs do not provide any functional value to consumers, suggesting that consumers who support such programs are motivated by a desire to help others. Indeed, previous research suggests that consumers who choose environmentally friendly products often do so at the expense of quality in exchange for purchasing a product that benefits the environment and society at large (e.g., Griskevicius et al., 2010; Peattie, 2001). Further, Peattie and Crane (2005) suggest that environmentally friendly consumption represents a shift from years of marketing strategies that placed emphasis on providing individual consumers with immediate benefits to providing future benefits to entire generations of consumers, suggesting an other-benefit appeal is more appropriate for encouraging environmentally friendly consumption.

In contrast to researchers that argue environmentally friendly consumption is motivated by benefits to the environment, other researchers argue such behavior is motivated by benefits to the self. Rothschild (1979) suggests that a self-benefit appeal is often necessary for enacting change amongst consumers to behave in situations where a social or environmental good is generated. In addition, Peattie (2001, p. 193) argues that environmentally friendly products such as detergent refills that save consumers money succeed with relative ease even if their environmental benefits are marginal. Further to this point, Allen (1982, p. 381) suggests that in the case of consumer conservation, “saving money represents a strong alternative motive for efficient consumption that has nothing to do with social conscience.” Aaker and Bagozzi (1991) find that consumers are supportive of policies to reduce air pollution but are more concerned about the associated costs to themselves. Policy options that directly impact consumers in a negative manner, such as rationing gas and installing devices that reduced performance and emissions, are not supported suggesting that a focus on environmental benefits are less effective.

Allen (1982) was the first to contrast these by directly examining the efficacy of both self-benefit and other-benefit appeals. He finds that different forms of other-benefit appeal yield differential effects from one another (e.g., the relatively positive approach of highlighting actions individuals are taking versus the relatively negative approach of highlighting the need for energy conservation). However, he finds comparable behavioral intentions for consumers exposed to self-benefit (cost savings) and other-benefit appeals. The lack of conclusive findings suggests the presence of moderating variables that contribute to the effectiveness of one appeal over another. Given the potential for public self-image concerns to motivate prosocial behavior in general, we next turn to an examination of public self-image and self-presentation.

4.1.3. Self-Presentation and its Influence on Consumer Conservation Behavior

Researchers examining prosocial behavior such as charitable donations and cause-related marketing campaigns find that it is normatively acceptable to engage in these activities for other-serving, altruistic (and not for self-serving, egoistic) reasons

(e.g., White & Peloza, 2009; Youn & Kim, 2008). Specifically, Youn and Kim (2008) suggest that those high in public self-consciousness are more likely to support cause-related marketing because this norm is implicitly understood by consumers. Norms provide information to consumers as to how they should construct the appropriate impression amongst others. Leary and Kowalsky (1990) suggest that norms in society provide a source of information commonly used in the construction of a desired impression. Further, Cialdini (2003) suggests that these norms are based on one's understanding of moral rules of their given society and provide feedback on societal approval. In concert with the motivation to adhere to social norms, Hopper and Neilsen (1991) provide evidence that recycling (a normatively approved behavior) represents a form of altruistic behavior that people engage in to support the environment without anticipating any personal advantage. Finally, Kalafitis, Pollard, East and Tsogas (1999) find that consumers' purchase intentions towards environmentally friendly goods are directly influenced by the existing social norms related to being environmentally friendly.

Norms are particularly important in guiding consumer behavior in publicly observable settings. The decisions consumers make when they expect others will evaluate their actions often leads them to alter their decisions in order to put forth positive impressions to others (e.g., Ratner & Kahn, 2002). This effect is pervasive, including such consumer behaviors as coupon use (Ashworth, Darke & Schaller, 2005), selecting environmentally friendly products over luxurious products (Griskevicius et al., 2010) and avoiding products that they associate with negative reference groups (Berger & Heath, 2007; White & Dahl, 2006). Impression management literature suggests that in general, individuals seek to make a favorable impression on others and to present themselves in a positive light (Goffman, 1959; Schlenker, 1980; Leary & Kowalski 1990).

However, the current research suggests that heightened public self-image concerns do not always motivate environmentally friendly consumption. In particular, in situations where self-presentation concerns are heightened, other-benefit appeals will lead to more environmentally friendly consumption intentions behaviors than self-benefit appeals. This is because the norms for the motive behind the behavior can be as important, if not more important, than the behavior itself (White & Peloza 2009). The current research posits that in contexts where behaviors are visible to others, consumers

will be motivated to create or maintain their image to others, and the construction of that image will be guided by the relevant injunctive norm.

4.2. Study 1

Griskevicius et al. (2010) find that consumers' preference for environmentally friendly products increase when their decisions are made in a public setting. In addition, Youn and Kim (2008) posit that consumers seek to present themselves positively to others through the purchase of products from a firm that supports social causes. Further, when people are made to feel accountable for their actions in a public setting, such as explaining their decisions or judgments, it is also common for individuals to be more concerned with managing their impressions conveyed to others (i.e., Lerner & Tetlock, 1999).

Given the importance of not only acting a normatively approved manner (i.e., environmentally friendly consumption), but also the normatively approved motive for such behavior (i.e., benefiting others, not the self), it is anticipated that consumers will have more positive attitudes and behaviors in response to other-benefit versus self-benefit appeals for environmentally friendly products when their responses are made in a public setting. Conversely, for appeals made in private settings, people will have more of an opportunity to consider the benefits to them (i.e., cost savings) that result from more environmentally friendly consumption options. Consumers' decision-making in private settings will be influenced by more traditional product performance factors, which can lead to a lower preference for environmentally friendly products because environmental attributes can create perceptions of lower product quality (e.g., Obermiller, Burke, Talbott & Green, 2009; Luchs et al., 2010). Therefore, consumers will evaluate self-benefit appeals more positively than other-benefit appeals when viewing the advertisements in a private setting:

H1: Consumers will exhibit higher purchase intentions in response to other-benefit (self-benefit) appeals when consumers are (not) publicly accountable.

4.2.1. Method

4.2.1.1. Pretests.

In order to establish the prevailing norm that environmentally friendly consumption should be motivated by a desire to protect the environment versus enhance the self, a pilot study was conducted with upper-level business students ($n = 28$). Participants completed eight items adapted from White and Peloza (2009) on a seven-point continuum, with higher (lower) scores indicating other-benefit (self-benefit) motivations are normatively acceptable. See Appendix 1 for the pretest items. Items were averaged for the purposes of creating a normative belief scale ($\alpha = .82$). The pretest confirms that participants believe it is more normatively appropriate to consume in an environmentally friendly manner for more other-focused than self-focused reasons ($M = 5.11$; one sample t-test against the scale midpoint, $t(27) = 9.219$, $p < .001$).

In order to confirm that the advertisements to be used in the main study are in fact highlighting either a self-benefit or other-benefit marketing appeal, a second pre-test was conducted with a total of 50 participants (23 viewed a self-benefit ad and 27 viewed an other-benefit ad) separate from the main studies. The participants evaluated the other- and self-benefit appeals for a fuel-efficient vehicle using the following items on seven-point scales: "To what degree is this an altruistic appeal (i.e., focused on helping others)?," "To what degree is this appeal associated with looking out for the interests of others?," "To what degree is this an egoistic appeal (i.e., focused on helping oneself?," and "To what degree is this appeal associated with looking out for one's own interests?"). The first two items were reverse scored and indexes were created for both the self-benefit items ($\alpha = .90$) and other-benefit items ($\alpha = .89$). The self-benefit appeal that focused on the cost savings associated with fuel efficiency was evaluated as being significantly more focused on self-benefits than was the other-benefit appeal ($M_s = 5.59$ and 3.13), $t(48) = 6.441$, $p < 0.001$). See Appendix 2 for the advertisements used in Study 1.

4.2.1.2. Participants.

Participants were 167 undergraduate students (102 females and 65 males, mean age = 22.44 years).

4.2.1.3. Procedure.

The participants were randomly assigned to one of four conditions in a 2 (appeal type: self-benefit versus other-benefit) x 2 (accountability: public versus private) between-subjects design. Public accountability was manipulated by instructing those in the private condition that their responses would be anonymous and confidential. Participants were provided a sealed envelope to return their completed surveys. In addition, the paper-and-pen questionnaire completed for the experiment reminded them that all responses will remain anonymous and confidential. Further, the experimenter left the room to reinforce to the participants that their responses were confidential. Participants in the public condition were asked to complete the surveys individually before informal discussions were to take place in order to replicate a focus group setting. The experimental materials reminded the participants that they were expected to discuss their responses with other participants in the room with them and the experimenter. This methodology has been previously used across a variety of experiments when seeking to heighten public accountability (see Lerner & Tetlock, 1999; White & Peloza, 2009). Participants in the other-benefit condition were shown the pretested ad that contained the other-benefit appeal, and those in the self-benefit condition viewed the self-benefit advertisement.

4.2.1.4. Measures.

The survey for this study is provided in Appendix 2. The dependent variables for this study include: purchase intentions (scale items #5 a, b and c) and the attitude towards the advertisement that were captured using items anchored by the following items: dislike very much/like very much, negative/positive, good/bad, unfavorable/favorable, undesirable/desirable (scale item #1 a-e in Appendix 2). In addition, participants completed a four-item manipulation check for public accountability (see scale items #7 to 10 in Appendix 2). In the public condition, the participants' perceived level of publicly accountable was significantly higher than participants assigned to the private condition ($M_{Pu} = 6.32$ and $M_{Pr} = 2.00$), $t(165) = -20.435$, $p < .001$). At the end of the study, the participants completed demographic measures including gender. T-tests were conducted and confirmed that neither the attitude towards the advertisement ($t(165) = .577$, $p = .565$) nor purchase intention ($t(165) = 0.046$, $p = .963$) were significantly different across male and female participants.

Two control variables were also included in the analysis. First, three corporate social responsibility (CSR) company evaluation items (see scale items #2 to 4 in Appendix 2) were averaged in order to create a social responsibility index ($\alpha=.84$). ANOVA was completed on the CSR average and did not result in a significant interaction ($F(1,167) = 2.637, p = 0.106$). In addition, the main effects of appeal type and public accountability did not reach significance. Secondly, three items measuring perceived product quality (see scale item #6 a, b and c in Appendix 2) were similarly averaged to create a product quality index ($\alpha=.87$). ANOVA on the product quality also did not reveal a significant interaction ($F(1,167) = .217, p = 0.642$) nor were the main effects of appeal type and public accountability significant. Finally, the participants were debriefed and probed for suspicion about the purpose of the study. None of the participants correctly identified the purpose of the study.

4.2.2. Results and Discussion.

The five items related to attitude towards the advertisement were averaged to create an attitude towards the advertisement index ($\alpha = .93$) while three items measuring purchase intentions were similarly averaged ($\alpha = .92$). A 2 (appeal type: self-benefit versus other-benefit) x 2 (accountability: public versus private) ANOVA was conducted on the purchase intentions revealing a significant interaction, $F(1,167) = 44.587, p < .001$ (See Figure 4.1). Further, an ANCOVA on the attitude towards the advertisements measures also revealed a significant interaction, $F(1,167) = 58.252, p < .001$ (See Figure 4.2). As anticipated, when participants were publicly accountable, they held more positive attitudes towards the advertisement towards the other-benefit appeal ($M = 5.29$) compared to the self-benefit appeal ($M = 3.88$), $t(79) = 8.320, p < .001$. In addition, participants in the publicly accountable condition had higher purchase intentions in the other-benefit appeal ($M = 4.84$) compared to the participants who reviewed a self-benefit appeal ($M = 3.24$), $t(79) = 7.800, p < .001$. Conversely, the participants in the private condition held more positive attitudes towards the self-benefit appeal ($M = 5.25$) compared to the other-benefit appeal ($M = 4.40$), $t(84) = -3.704, p < .001$. Finally, participants in the private condition had higher purchase intentions for the self-benefit appeal ($M = 4.43$) compared to the other-benefit appeal ($M = 3.54$), $t(84) = -2.99, p = 0.004$.

As hypothesized, participants responded with more positive support for advertisements that contained an other-benefit appeal when made to feel publicly accountable. Conversely, the participants responded more positively to self-benefit appeals when making decisions privately. The findings from Study 1 suggest that the settings in which consumer decisions are made is an important moderating variable. Appeals that encourage environmentally friendly consumption behavior may not lead to the intended positive outcomes. The results from Study 1 suggest that the normatively approved behavior must be consistent in both the consumption activity and the appeal made to consumers. These results also highlight an important boundary condition for the efficacy of using normatively approved appeals. Specifically, Study 1 finds that when appeals are viewed privately, focusing on consumers' self-serving motivations leads to greater purchase intentions. Notably, although the benefit to the environment is present in both conditions in our study, the ability for marketer to encourage environmentally friendly consumption is impacted by the decision context.

The results from study 1 have implications for the attitude-behavior gap in research examining prosocial behavior. This gap exists when consumers report intentions to engage in environmentally friendly consumption but do not follow through in their actual consumption behavior. These findings suggest that one reason for this gap may be a misalignment between consumption contexts and appeal types. In public settings, marketers using self-benefit appeals may find consumers unresponsive to appeals despite stated intentions to protect the environment. This discrepancy occurs when consumers' desire to impression manage on appeal type takes precedence over impression management from environmentally friendly consumption itself.

4.3. Study 2

Study 2 extends the findings of study 1 in three ways. First, a new product category (detergent) is introduced in order to enhance generalizability. Second, a non-student sample is used to again enhance generalizability. Third, Study 2 includes a choice task to more directly address the attitude-behavior gap. This gap is a challenge for research in environmentally friendly consumption behavior (e.g., Peattie & Crane, 2005). Consumers are likely to report positive attitudes and intentions in response to

environmentally friendly products and policies but fail to follow through with environmentally friendly consumption behaviors in the marketplace as they are often unwilling to make trade-offs between attributes such as price and quality (e.g., Auger, Devinney, Louviere & Burke, 2008; De Pelsmacker, Driesen & Rayp, 2005; Peattie, 2001).

H2: Consumers will choose products promoted through other-benefit (self-benefit) appeals when they are (not) publicly accountable.

4.3.1. Method

4.3.1.1. Pre-tests.

A separate sample of 60 adult consumers from those included in the main experiment reviewed advertisements promoting detergent using both self-benefit and other-benefit appeals. See Appendix 3 for the advertisements developed for the purposes of the study. As per Study 1, the participants evaluated the other- and self-benefit appeals for a cold-water detergent using items adapted from White and Peloza (2009). The first two items were reverse scored and indexes were created for both the self-benefit items ($\alpha = .94$) and other-benefit items ($\alpha = .91$). The self-benefit appeal that focused on the cost savings associated with cold-water detergent was evaluated as being significantly more focused on self-benefits than was the other-benefit appeal ($M_s = 5.87$ and 2.97), $t(58) = 6.441$, $p < 0.001$).

In order to select two brands for the study, a second pretest was conducted with a separate sample of 26 adult consumers. Participants reviewed advertisements for five national detergent brands (Tide, All, Surf, Purex and Cheer) and completed measures related to product quality ($\alpha = .95$), corporate social responsibility (CSR) evaluations ($\alpha = .94$) and purchase intentions ($\alpha = .96$) in order to ensure that these are not the variables driving the differences proposed in the hypothesis above. All and Cheer had similar ratings across product quality ($M_A = 3.73$ and $M_C = 4.13$), CSR evaluations ($M_A = 3.41$ and $M_C = 3.76$) and purchase intentions ($M_A = 2.90$ and $M_C = 3.30$) and t-tests confirmed that the differences did not reach significance for any of the three variables and accordingly were selected as the two brands included in the main study.

4.3.1.2. Participants.

Participants were 80 adult consumers (48 females and 32 males, mean age = 37.78 years) who were recruited through a mall intercept.

4.3.1.3. Procedure.

Study 2 uses a 2 (type of appeal) x 2 (public accountability) mixed method design with participants randomly assigned to either the public or private setting and appeal type as the within subjects factor. Participants reviewed two advertisements in total; one for each brand including one self-benefit and one other-benefit appeal. Assignment of appeal type to each brand and presentation order was counterbalanced. Participants were advised that they could select a detergent sample (a small 1.8 oz, single-load sample size) from the brand of their choice at the end of the experiment. For those in the private condition, they were advised to leave the product that they did not wish to keep, along with their responses to the survey items in a sealed envelope that was provided. Those in the public condition were told that their responses and selections would be the topic of an informal focus group after they completed their surveys.

4.3.1.4. Measures.

The dependent variable was product choice. In addition to this variable, public accountability manipulation check items (see scale items #1 to 4 in Appendix 3) were completed. In the public condition, the participants' perceived level of publicly accountable was significantly higher than participants assigned to the private condition ($M_{Pu} = 5.92$ and $M_{Pr} = 1.82$), $t(78) = -46.763$, $p < .001$). Further, a chi-square test was conducted for the purposes of ruling out any effects related to the brand. In the private condition, Cheer was selected 18 times and All was selected 19 times while in the public condition All was selected 20 times and Cheer was selected 23 times. The proportions did not differ significantly ($\chi^2(1) = 0.043$, $p = .836$). In addition, the order of the type of advertisement appeal (self-benefit versus other-benefit) viewed was randomized and a chi-square test found that the order did not result in significantly different choices ($\chi^2(1) = 0.045$, $p = 0.832$). Specifically, participants who viewed the self-benefit advertisement before the other-benefit advertisement selected the self-benefit brand 19 times and the other-benefit brand 20 times. Finally, demographic items were collected and a chi-square test found that the product choice was not influenced by gender ($\chi^2(1) = 0.604$,

$p = 0.437$). Females selected the self-benefit brand 23 times while selecting the other-benefit brand 25 times. Further, males selected the self-benefit brand 19 times while selecting the other-benefit brand 13 times.

4.3.2. Results and Discussion.

Product selection percentages were calculated for each setting and appeal type. In the private condition, 67.6% (25/37) participants selected the brand associated with the self-benefit advertisement while just 32.4% (12/37) selected the brand associated with the other-benefit advertisement. Conversely, in the public setting, 69.8% (30/43) participants selected the brand whose advertisement included an other-benefit appeal with the remaining 30.2% (13/43) participants selecting the brand whose advertisement included a self-benefit appeal (See Figure 4.3). A chi-square test of significance was conducted on the proportions of the products chosen in response to the self-benefit and the other-benefit appeals in each public accountability condition (i.e., private and public) and was significant ($\chi^2(1) = 9.67, p < .001$).

Study 2 provides further support for the alignment of appeal type (self vs. other-benefit) and setting in order to promote environmentally friendly consumption. More importantly, Study 2 involved a product choice task to diminish the attitude-behavior gap often found in research examining environmentally friendly consumption behavior. The use of a non-student sample with a mean age of almost 38 suggests that the effects are generalizable across demographics. Further, the use of a relatively low involvement item such as detergent suggests these effects are also generalizable across a broad range of product categories.

4.4. Study 3

Study 3 again extends previous studies in three ways. First, Study 3 uses coffee as the focal product. Second, although Study 2 measured consumer choice, the choice was made by consumers between one of two free samples. Therefore, the consumer was not required to make a trade-off. However, trade-offs are present in many forms of environmentally friendly consumption. Many forms of environmentally friendly consumption come with explicit costs to consumers for non-participation such as the

discount provided when shoppers use their own grocery bags. Policies such as these demonstrate that environmentally friendly consumption can extend beyond the products marketed by firms to the policies firms implement when selling those products. Study 3, therefore, both explores the effect on corporate policies to complement two previous two studies, and also imposes a cost to consumer non-participation in environmentally friendly consumption. Finally, because Study 3 measures response to corporate policies rather than product choice, the behavioral measure is more robust and indicative of consumer behavior in the marketplace.

With recent estimates suggesting that 58 billion paper coffee cups are being used annually (Lloyd, 2010), a number of high profile coffee retailers, including Starbucks, have developed company-wide policies that offer a discount to its customers in exchange for bringing their own reusable coffee mug. Starbucks is currently using a self-benefit appeal (a discount) in its advertisements intended to generate consumer support and according to its website, just 1.5% of their customers are taking advantage of this initiative (Starbucks, 2010).

Study 3 employs the same experimental conditions previously used in Studies 1 and 2. However, rather than highlighting the benefits of an environmentally friendly product to the consumer or to the environment, the effectiveness of a policy that employs either a self-benefit or other-benefit will be explored. It is anticipated that self-benefit policies (i.e., positive monetary incentive) will be more effective when conducted in a private setting while other-benefit appeals will be generate more positive conservation behavior when used in a public setting. More formally:

H3: Policies that encourage environmentally friendly consumer behavior will be more (less) effective when they promoted through other-benefit (self-benefit) appeals in settings where consumers are (not) publicly accountable.

4.4.1.1. Pretest.

The main experiment examines the policy of providing a discount to consumers who use reusable coffee mugs instead of paper cups. In order to establish the baseline percentage of consumers that currently use reusable mugs, 30 participants were asked the following question: "What percentage of the time do you use a reusable coffee mug

when purchasing coffee outside your home?” The participants indicated they use their own mug on average, just over 14 % of the time.

A second pretest examined the monetary reward required to motivate consumers to bring their own mug when purchasing coffee. This amount would be used as a guide to develop the incentive to encourage participants in the main experiment to use their own mugs. The mean incentive was \$0.45. For simplicity sake, that amount was rounded to \$0.50 for the main experiment.

4.4.1.2. Participants.

Participants were 168 undergraduate students (89 males and 79 females, mean age = 21.73 years).

4.4.1.3. Procedure.

Participants were invited to sign up through in-class invitations to complete a taste test for a new coffee being pretested in the area. The invitation advised the students that in exchange for their valuable feedback on the new product, they would receive a free cup of coffee and \$1 in payment. The students were asked to provide an email address in order to receive further details of the study such as where and when to meet for the taste test (see Appendix 4 for complete invitation details across each of the four experimental conditions). Participants received a follow-up email (see Appendix 5) that provided details of the coffee manufacturer and were randomly assigned to one of four conditions in a 2 (appeal type: self-benefit versus other-benefit) x 2 (accountability: public versus private) between-subjects design. All participants were encouraged to bring their own mug to the experiment in exchange for an additional \$0.50. In the self-appeal condition, the focus of the invitation was placed on the additional financial reward and in the other-appeal condition the promotion was based on the environmental benefits of reusable mugs. In the other-benefit appeal condition, the focus of the benefit of bringing a mug was on the environment.

Accountability was once again manipulated in a fashion similar to the previous studies. For those participants assigned to the public condition, they were told in the invitation email that they will be discussing their feelings about the taste test with the experimenter and other participants. Further, the experimental materials reminded the

participants that they will be discussing responses with other participants in the room with them and the experimenter. For those participants assigned to the private condition, the invitation email advised them that their experience with the taste test will be kept private and that they would pour their own cups of coffee in the taste test.

4.4.1.4. Measures.

The decision for participants to bring their own mug represents the dependent variable in this study and was captured using a binary measure (0 = no, 1 = yes). Percentages of participants who chose to bring their own mug were calculated for each of the four conditions. In addition, participants completed the manipulation check for public accountability (see scale items #1 to 4 in Appendix 6). For the participants assigned to the public condition, the perceived public accountability was rated significantly higher than those in the private condition ($M_{Pu} = 6.03$ and $M_{Pr} = 1.87$), $t(166) = -76.946$, $p < .001$). At the end of the study participants completed demographic measures including gender and a t-test found that the percentages of males and females who chose to bring their own coffee mug to the experiment did not differ significantly ($M = 38\%$, $F = 44\%$, $p = .425$).

4.4.2. Results and Discussion.

Firstly, a chi-square test was conducted and confirmed that the proportions of participants who brought mugs to the experiment were significantly different ($\chi^2(3) = 11.400$, $p = 0.01$). Specifically, in the public setting scenario, 50% of participants recruited through an other-benefit appeal brought a mug; while only 18% recruited through the self-benefit appeal did so. Conversely, in the private setting scenario, 49% of participants recruited through an other-benefit appeal brought a mug while 45% of those in the self-benefit condition did so (See Figure 4.4). Next, ANOVA was completed and confirmed the predicted two-way interaction between the appeal type and the setting in which the decision to engage in environmentally friendly product usage was made ($F(1, 167) = 5.778$, $p = 0.017$). Further, the ANOVAs revealed that the main effects for appeal type ($F(1, 167) = 3.106$, $p = 0.08$) and public accountability ($F(1, 167) = 3.656$, $p = 0.058$) were not significant.

The findings from Study 3 provide further support for the anticipated interaction between the appeal type and the setting of the consumer decision. The most interesting and compelling finding is that for those assigned to the condition in the public setting combined with an invitation that focused on the benefit to the participant resulted in participants choosing to 'save face' versus receiving additional money. This finding is even more convincing given the \$0.50 reward for bringing a reusable coffee mug to the taste test is significantly greater than coffee retailers such as Starbucks currently offer to consumers. Interestingly, the 18% rate of participation amongst those in the public/self-benefit condition approximates the pretest participation of 14%. However, the three other conditions ranged from participation rates of 45 - 50% suggesting that alignment of context and appeal type is equally critical to promote environmentally responsible consumption in products as well as corporate policies.

4.5. General Discussion

The findings presented here have implications for policy makers, marketers and researchers alike. For policy makers, our findings provide guidance to regulators responsible for implementing environmentally friendly initiatives such as encouraging curb-side recycling or sorting waste into appropriate categories. For example, the City of Vancouver, British Columbia, has a long-term goal of being named the Greenest City on the Planet by 2020 (City of Vancouver, n.d.) and recently launched a variety of programs and activities including pilot program encouraging the use of compost bins. With several municipalities including Seattle, San Francisco, Washington D.C., and Portland passing legislation banning the use of plastic shopping bags (Yardley, 2011), policymakers have a keen interest in encouraging the use of reusable shopping bags and the current theoretical framework could be similarly applied.

The findings presented suggest that the manner in which these behaviors are encouraged (i.e., the type of appeal) can impact consumer participation. Alignment of appeal type with context is critical because municipalities approach the issue from a range of incentives. Some states in the United States of America impose a recycling fee on plastic and glass bottles which are refunded when these containers are recycled.

Such an approach can be motivated through either a self-benefit appeal (i.e., save money/get money back) or an environmental approach (i.e., save the environment).

The findings presented here also have implications for marketers promoting environmentally friendly consumption, since firms often gain financially when such behavior takes place. In addition to the massive waste problems created by discarded plastic bags, the disposal costs U.S. retailers over \$4 billion (Gamerman, 2008). On a global scale, it is estimated that plastic bag consumption is somewhere between 500 billion and 1 trillion bags annually (Reuseit.com, 2012). Firms that successfully implement policies that encourage its consumers to engage in more environmentally friendly behavior can experience short-term benefits such as costs savings associated with less materials being consumed and more long-term benefits that accrue from a positive reputation for being socially responsible. Similar to the implications for public policy markers, marketers in the private sector should align the decision context with appeal to help encourage consumer participation. This is especially important in retail contexts where consumer decisions and appeals are often made in very public settings with a high degree of consumer accountability.

The current studies provide strong support for the importance of combining the appropriate appeal type based on the setting in which consumers encounter advertisements encouraging environmentally-friendly consumption. Further, the findings presented here are consistent across a variety of product categories, and include both products and corporate policies that encourage environmentally friendly consumption. These findings are robust given that prior research demonstrates that environmentally friendly consumption is not consistent across different types of behavior (Peattie, 2001). However, future research can examine these effects across other product categories and behaviors. For example, the downloading of music from digital music providers such as iTunes or Amazon.com could be branded as the green alternative to bricks and mortar music outlets due to the lack of plastic required by the production of compact discs and their cases, and the fact that no shipping is required to physical outlets. The cost savings to consumers and environmental benefits associated with this more environmentally friendly approach could be the self-benefit and other-benefit appeals associated with this practice and could be examined across public and private settings.

Similarly, other forms of environmentally friendly consumption should be studied to examine boundary conditions for the effects presented here. For example, organic food products provide both benefits to the consumer (i.e., improved health) and to the environment (i.e., elimination of pesticides). In categories such as this, the benefit to the consumer is not a cost savings but rather a promotion of improved health. Normative acceptance of the self-benefit in this instance is positive, with consumers often signalling to others their intent on remaining healthy (e.g., energy drinks, casual gym wear as fashion). As such, the effects presented here may be diminished or even reversed when consumers encounter a self-benefit appeal that combines both consumer benefits with a normatively approved motivation.

4.6. Conclusion

Across three studies, the current research demonstrates that consumers do not respond uniformly to marketing appeals that encourage environmentally friendly consumption behavior. As hypothesized, consumers respond more positively to appeals that highlight the benefit to society and the planet when making consumption decisions in situations in which they are held publicly accountable. Conversely, self-benefit appeals are more positively received by consumers when viewed in a private setting. These findings are consistent across three experiments employing both attitudinal and choice measures, across three different product categories while using both undergraduate and adult samples.

4.7. References

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4.8. Tables

Table 4.1 *Summary of Experimental Designs, Manipulations, Key Variables, and Major Findings by Study*

Study	Experimental design and manipulations	Key variables	Major findings
1	2 (appeal type: self-benefit versus other-benefit) x 2 (accountability: public versus private), between-subjects design Public accountability manipulation adapted from Lerner and Tetlock (1999) and White and Peloza (2009)	Attitude toward the Advertisement Purchase Intentions	In the private setting, the self-benefit advertisement resulted in more positive attitudes toward the ad and higher purchase intentions In the public setting, the other-benefit generated more positive attitudes toward the ad and higher purchase intentions Support for H1
2	2 (type of appeal) x 2 (public accountability) mixed method design with participants randomly assigned to either the public or private setting; appeal type as the within subjects factor Public accountability manipulation adapted from Lerner and Tetlock (1999) and White and Peloza (2009)	Product choice	In public settings, participants chose the product sample that was advertised using an other-benefit appeal significantly more often than the product sample that was advertised using a self-benefit appeal; this effect was reversed in the private setting. Support for H2
3	2 (appeal type: self-benefit versus other-benefit) x 2 (accountability: public versus private) between-subjects design Public accountability manipulation adapted from Lerner and Tetlock (1999) and White and Peloza (2009)	Reusable Mug Use	The participants assigned to the public setting were very sensitive to whether the invitation focused on the benefit to the environment or the benefit to themselves Participants chose to 'save face' versus save money when assigned to the public setting Support for H3

Appendix 1:

Pre-test Survey Materials

Thank you for agreeing to participate in this survey. Your feedback is greatly appreciated! Please note that we are interested in your opinion and there are no right answers.

A number of companies currently engage in a variety of initiatives that are intended to result in more environmentally friendly consumption. For example, firms produce goods that are more environmentally friendly such as cold-water detergents, fuel efficient vehicles and compostable packaging. In addition, firms also develop policies that result in more environmentally friendly consumption such as promoting the use of reusable bags and bringing your own reusable food and drink containers rather than using products that result in more waste going to landfills.

1. In general, others approve more of purchasing environmentally friendly products when the purchase is motivated by:

More egoistic [self-serving] reasons	1	2	3	4	5	6	7	More altruistic [other-serving] reasons
--------------------------------------	---	---	---	---	---	---	---	---

2. In general, others approve of consumers supporting environmentally friendly corporate policies when the support is motivated by:

More egoistic [self-serving] reasons	1	2	3	4	5	6	7	More altruistic [other-serving] reasons
--------------------------------------	---	---	---	---	---	---	---	---

3. In general, it is considered by society to be "better" when one purchases environmentally friendly products to achieve:

More self-serving benefits	1	2	3	4	5	6	7	More other serving benefits
----------------------------	---	---	---	---	---	---	---	-----------------------------

4. In general, it is considered by society to be "better" when one follows environmentally friendly corporate policies to achieve:

More self-serving benefits	1	2	3	4	5	6	7	More other serving benefits
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5. In general, society sanctions environmentally friendly purchases to help:

Oneself	1	2	3	4	5	6	7	Others
---------	---	---	---	---	---	---	---	--------

6. In general, society sanctions environmentally friendly corporate policies to help:

Oneself	1	2	3	4	5	6	7	Others
---------	---	---	---	---	---	---	---	--------

7. In general, others approve of environmentally friendly purchases to:

Further one's own interests	1	2	3	4	5	6	7	Help Others
-----------------------------	---	---	---	---	---	---	---	-------------

8. In general, others approve of environmentally friendly corporate policies that:

Further one's own interests	1	2	3	4	5	6	7	Help Others
-----------------------------	---	---	---	---	---	---	---	-------------

Appendix 2:

Study 1 Survey Materials

Thank you for agreeing to participate in this survey. An advertising agency is currently developing advertisements for the new Honda Civic and has asked for students to provide their feedback about the advertisements. Your feedback is greatly appreciated.

The following preamble was included in the private condition only:

Please remember that all of your responses will be anonymous and confidential and there are no right answers. Please leave your completed questionnaire in the envelope provided and seal it.

Other-Benefit Advertisement

Reduce your carbon footprint by choosing a low-emission, fuel-efficient car.



<http://www.honda.co.th/civic>

New **CIVIC**

ONESHIFT.COM

Efficient is a 1.8-litre i-VTEC® engine that performs like a larger engine but boasts the fuel efficiency and low emissions you would expect from a smaller engine. The champion of the environment.

Note: This advertisement was created strictly for the purposes of the dissertation.

Self-Benefit Advertisement

Reduce your costs at the pump by choosing a fuel-efficient car.



<http://www.honda.co.th/civic>

New **CIVIC**

ONESHIFT.COM

A vehicle that gets 30 MPG will cost you \$880 less to fuel each year than one that gets 20 MPG. Over a period of 5 years, the 30-MPG vehicle will save you \$4,400.

Note: This advertisement was created strictly for the purposes of the dissertation.

7. It is my understanding that my responses would not be shared with others in the room.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

8. It is my impression that my responses will be shared with everyone else here today.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

9. It is my understanding that my responses will be made public.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

10. It is my impression that my responses will be kept anonymous and confidential.

Strongly disagree 1 2 3 4 5 6 7 Strongly agree

11. Gender:

12. Age: _____

Male

Female

Appendix 3:

Study 2 Survey Materials

Thank you for agreeing to participate in this survey. A local laundromat is considering adding a number of products to its current selection and would like consumer feedback in order to determine which products to add. Your feedback is greatly appreciated. When you have reviewed the advertisements and completed the survey, please select the product you would like to take home with you in exchange for your assistance.

The following preamble was included in the private condition only:

Please remember that all of your responses will be anonymous and confidential and there are no right answers. When you have made your product choice, please leave your questionnaire and the product you did not choose in the envelope provided.

The following preamble was included in the public condition only:

Please remember that once you review the advertisement and have selected the product sample you would like to keep, you will be asked to share your response to the advertisement and why you selected the product you did with the other participants in the room with you.



A greener clean.

A cleaner planet.



All detergent is specially formulated to work in cold water and by making the small change of using cold water you can reduce your monthly emissions by two-thirds of a kilogram.

Note: This advertisement was created strictly for the purposes of the dissertation.

Wash dirt,
not your money,
down the drain.



Save up to

\$7

on energy

by switching to Cheer detergent

Note: This advertisement was created strictly for the purposes of the dissertation.



A greener clean.

A cleaner planet.



Cheer detergent is specially formulated to work in cold water and by making the small change of using cold water you can reduce your monthly emissions by two-thirds of a kilogram.

Note: This advertisement was created strictly for the purposes of the dissertation.

Wash dirt,
not your money,
down the drain.



Save up to

\$7

on energy

by switching to All detergent

Note: This advertisement was created strictly for the purposes of the dissertation.

1. It is my understanding that my responses would not be shared with others in the room.

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

2. It is my impression that my responses will be shared with everyone else here today.

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

3. It is my understanding that my responses will be made public.

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

4. It is my impression that my responses will be kept anonymous and confidential.

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

5. Gender:

Male

Female

6. Age: _____

Appendix 4:

Study 3 Invitations

Free Coffee AND You Get Paid!

A national coffee company is currently test marketing a new blend of coffee. The FSU campus has been selected as one of the test markets for this blend, and you are invited to take part. In addition to a free cup of coffee, we will pay you \$1 to take the taste test. Your participation requires nothing more than 5 minutes of your time to taste the coffee, rate the coffee on a scale of 1 to 10. That's it. Taste tests will take place during the week of November 14.

If you are interested in taking part, please email FSUcoffee@gmail.com.

After they registered, students received one of the following email invitations:

Condition 1: Self Benefit/Private Setting Invitation Email

Coffee Taste Test – Increased Payment Opportunity

This email is a follow up to the FSU coffee taste test. Last week you signed up to take part in an FSU campus coffee taste. You are invited to take part in the taste test in Room XXX, during one of the following dates/times:

XXXXX between X:00 and X:00

XXXXX between X:00 and X:00

XXXXX between X:00 and X:00

In order to ensure we have sufficient quantities, you must register for one of the sessions above in order to attend. Please email FSUcoffee@gmail.com and state your preferred date to take the taste test.

What You Need to Know:

The taste test will be done individually, in private. Once you arrive an attendant will direct you to the coffee where you can pour yourself a cup. Your evaluation of the coffee will be anonymous.

You can make even more money by bringing your own cup! The company has authorized an extra \$.50 payment to anyone that brings their own mug to the taste test (as a thank you for helping keep material costs down). So anyone who brings their own mug will get free coffee and \$1.50. Not bad for just giving your opinion.

Condition 2: Self benefit/Public setting Invitation Email

Coffee Taste Test – Increased Payment Opportunity

This email is a follow up to the FSU coffee taste test. Last week you signed up to take part in an FSU campus coffee taste. You are invited to take part in the taste test in Room XXX, during one of the following dates/times:

XXXXX between X:00 and X:00

XXXXX between X:00 and X:00

XXXXX between X:00 and X:00

In order to ensure we have sufficient quantities, you must register for one of the sessions above in order to attend. Please email FSUcoffee@gmail.com and state your preferred date to take the taste test.

What You Need to Know:

The taste test will be done at a table in the room, along with other people taking part in the study. Once you arrive an attendant will pour each person a cup of coffee, and ask you each to briefly give your opinion of the coffee.

You can make even more money by bringing your own cup! The company has authorized an extra \$.50 payment to anyone that brings their own mug to the taste test (as a thank you for helping keep material costs down). So anyone who brings their own mug will get free coffee and \$1.50. Not bad for just giving your opinion.

Condition 3: Other Benefit/Private Setting Invitation Email

Coffee Taste Test – Show You Care

This email is a follow up to the FSU coffee taste test. Last week you signed up to take part in an FSU campus coffee taste. You are invited to take part in the taste test in Room XXX, during one of the following dates/times:

XXXXX between X:00 and X:00

XXXXX between X:00 and X:00

XXXXX between X:00 and X:00

In order to ensure we have sufficient quantities, you must register for one of the sessions above in order to attend. Please email FSUcoffee@gmail.com and state your preferred date to take the taste test.

What You Need to Know:

The taste test will be done individually, in private. Once you arrive an attendant will direct you to the coffee where you can pour yourself a cup. Your evaluation of the coffee will be anonymous.

You can show you care for the environment by bringing your own cup! The company, as part of their ongoing environmental stewardship program, has authorized an extra \$.50 payment to anyone that brings their own mug to the taste test. This extra payment is to reward the efforts of consumers who take small steps each day to protect our planet.

Condition 4: Other Benefit/Public Setting Invitation Email

Coffee Taste Test – Show You Care

This email is a follow up to the FSU coffee taste test. Last week you signed up to take part in an FSU campus coffee taste. You are invited to take part in the taste test in Room XXX, during one of the following dates/times:

XXXXX between X:00 and X:00

XXXXX between X:00 and X:00

XXXXX between X:00 and X:00

In order to ensure we have sufficient quantities, you must register for one of the sessions above in order to attend. Please email FSUcoffee@gmail.com and state your preferred date to take the taste test.

What You Need to Know:

The taste test will be done at a table in the room, along with other people taking part in the study. Once you arrive an attendant will pour each person a cup of coffee, and ask you each to briefly give your opinion of the coffee.

You can show you care for the environment by bringing your own cup! The company, as part of their ongoing environmental stewardship program, has authorized an extra \$.50 payment to anyone that brings their own mug to the taste test. This extra payment is to reward the efforts of consumers who take small steps each day to protect our planet.

Appendix 5:

Follow-up Email to Study Participants

Self/Private Condition:

This email confirms your participation in a coffee taste test on XXXXXX between X:00 and X:00 in Room XXX. Please remember the following:

Your taste test will be done alone and anonymously. You will be directed to the coffee decanter, where you can pour yourself a cup.

As a reward for you, if you bring your own mug, you can make an extra \$.50, for a total of \$1.50.

Self/Public Condition:

This email confirms your participation in a coffee taste test on XXXXXX between X:00 and X:00 in Room XXX. Please remember the following:

Your taste test will be done with others at the same time. An attendant will pour cups of coffee for everyone, and you will share your opinion.

As a reward for you, if you bring your own mug, you can make an extra \$.50, for a total of \$1.50.

Other/Private Condition:

This email confirms your participation in a coffee taste test this coming week on either Monday, Tuesday or Wednesday at the designated times. Feel free to bring a friend along, they will get paid too. Please remember the following:

Your taste test will be done alone and anonymously. You will be directed to the coffee decanter, where you can pour yourself a cup.

If you show you care for the planet by bringing your own mug, you will receive an extra \$.50 (for a total of \$1.50)

Other/Public:

This email confirms your participation in a coffee taste test on XXXXXX between X:00 and X:00 in Room XXX. Please remember the following:

Your taste test will be done with others at the same time. An attendant will pour cups of coffee for everyone, and you will share your opinion.

If you show you care for the planet by bringing your own mug, you will receive an extra \$.50 (for a total of \$1.50)

Appendix 6:

Study 3 Survey Materials

1. It is my understanding that my responses would not be shared with others in the room.

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

2. It is my impression that my responses will be shared with everyone else here today.

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

3. It is my understanding that my responses will be made public.

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

4. It is my impression that my responses will be kept anonymous and confidential.

Strongly agree 1 2 3 4 5 6 7 Strongly disagree

5. Gender:

Male

Female

6. Age: _____

Figure 4.1. Study 1: Attitude Towards the Advertisement Plot

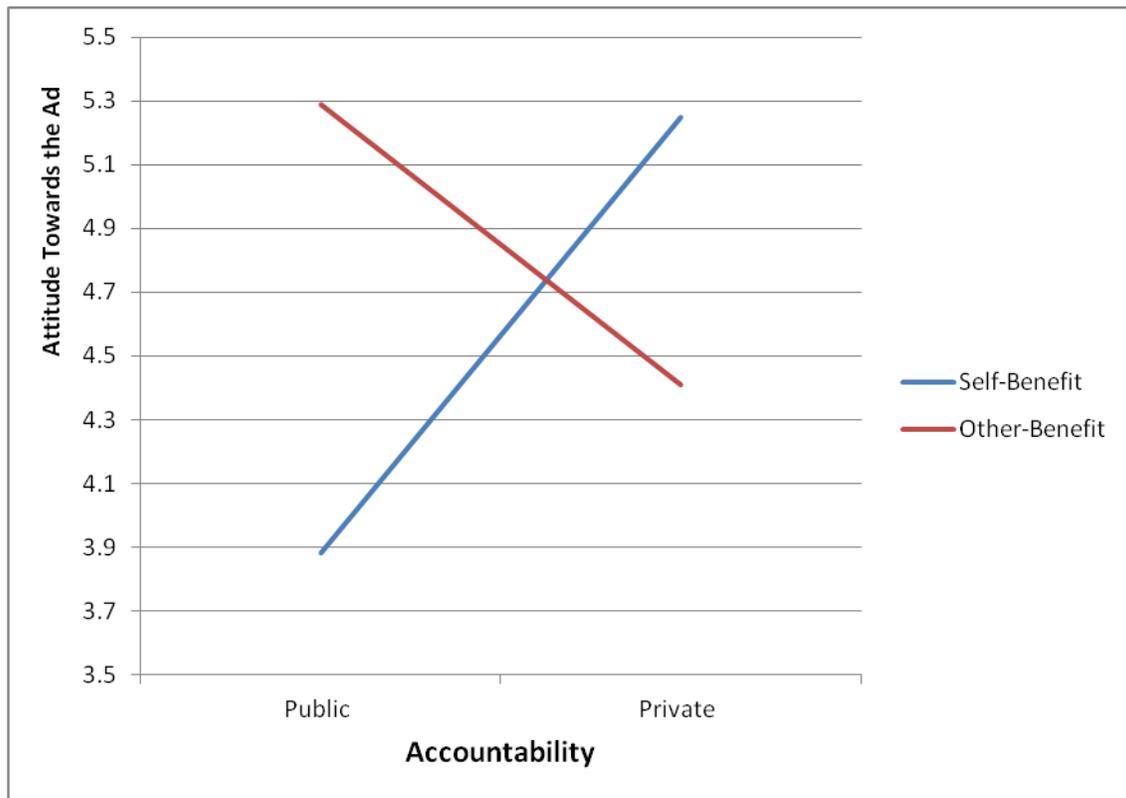


Figure 4.2. Study 1: Purchase Intentions Plot

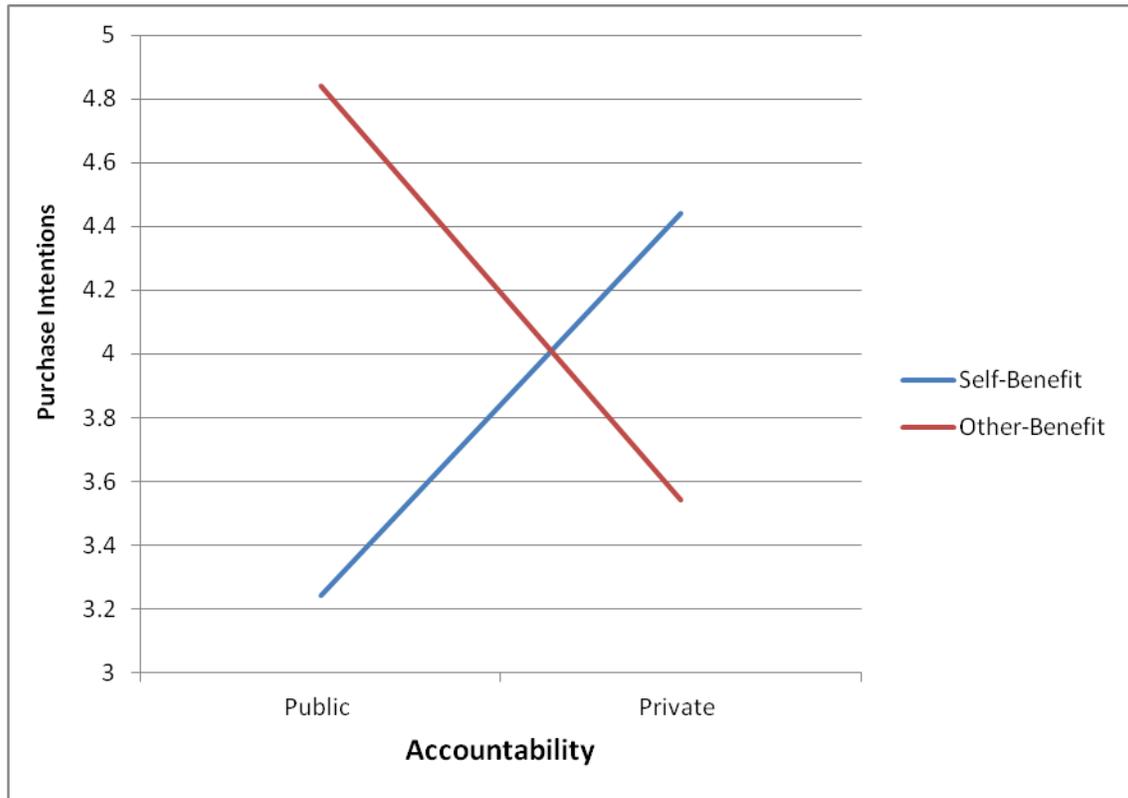


Figure 4.3 Study 2:
Product Choice Proportions Across Private and Public Settings

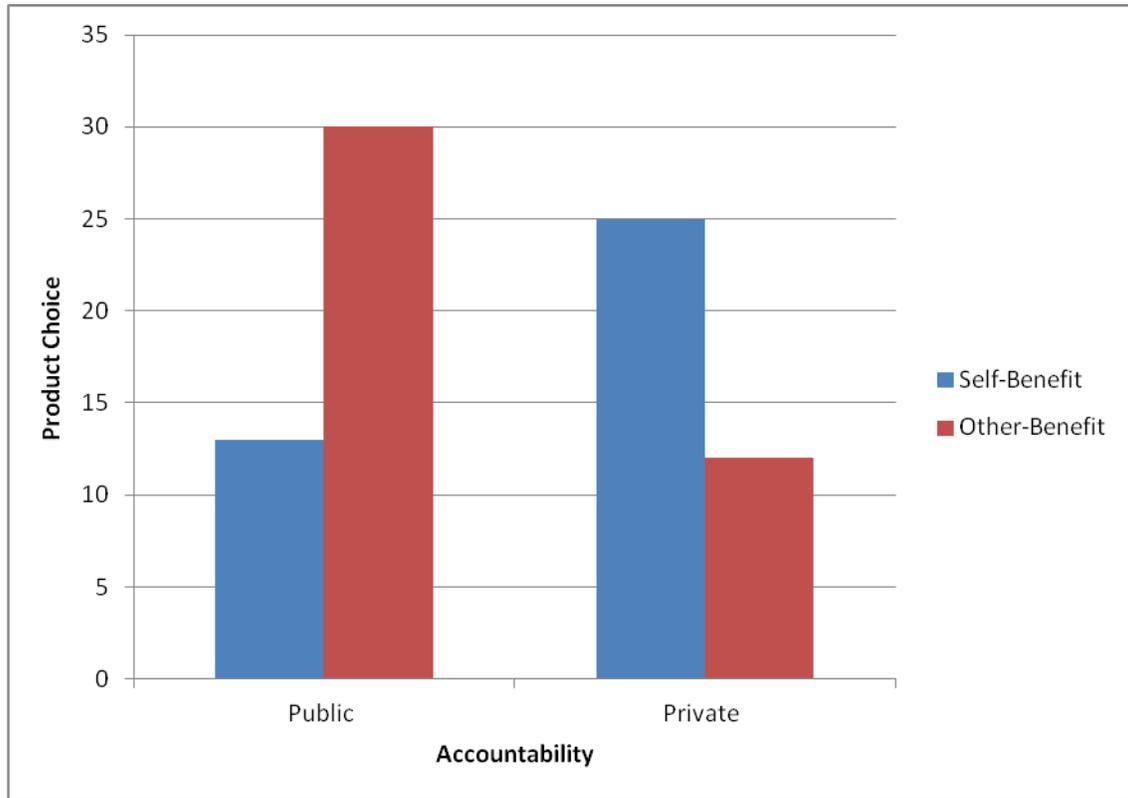


Figure 4.4. Study 3: Participants Using Reusable Mugs Proportions Across Private and Public Settings

