The CSR Communication Paradox from a Consumer Perspective

*How are a Corporation’s CSR Engagement and Communication Efforts Understood and Perceived by Consumers?*

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ABSTRACT

Purpose – Corporations’ evident struggles and failures in the 21st century to communicate their CSR efforts effectively to consumers, along with the scarce research available on the topic of CSR communication, are two key factors that have captivated our interest and awakened a desire to investigate the area of consumer perceptions and CSR communication. The rising consumer skepticism and consumers’ lack of knowledge of corporations’ CSR activities are evidence of ineffective CSR communication strategies, whose root causes demand further examination. The present study therefore intends to explore the issue of CSR communication from a consumer perspective, aiming to develop a deeper knowledge and understanding of consumers’ perceptions of corporations’ CSR engagement, in addition to their own information needs and personal preferences in the matter of CSR communication. The main purpose underlying the study is to generate new consumer insights on the topic of CSR, and thereby make valuable contributions to the theoretical and managerial field.

Methodology – The methodological basis of this study was formed by the use of a qualitative research design involving a case study. The data collection took place in the form of 12 in-depth interviews conducted in the Swedish area of Skåne, involving research participants from 4 different nations, ranging from the age of 20 to 58 years.

Findings – The main finding of this work is represented by the insight that the stakeholder group of consumers is largely heterogeneous, resulting in the identification of four existing consumer types. As a result, a conceptual model was developed, both characterizing the four different consumer types as well as offering strategic recommendations how to approach these.

Research Limitations – Since the data collection took place by focusing on a relatively small sample of consumers of a single Swedish company operating in the service sector, having further been carried out in the geographic area of Skåne only, the main limitation of this study refers to the issue of generalizability, as the validity and applicability of the results for other industries and countries is not guaranteed.

Practical Implications – The revealed existence of different consumer types in CSR communication results in the managerial implication to tailor CSR communication approaches to the different needs and preferences of the consumer groups discovered, which in turn will facilitate the overcoming of the identified CSR communication paradox by increasing consumer awareness of a firm’s CSR efforts, whilst decreasing consumer skepticism.

Originality – Focusing on the research area of consumer perceptions in CSR communication, this work sheds light upon a field that has experienced limited research up to now. The study confirms revelations of previous research efforts that have equally identified the existence of different consumer types, but adds further value by providing strategic guidelines concerning the question how to practically approach these, which is often missing in existing research.
Keywords – Corporate social responsibility, CSR communication, communication paradox, consumer perceptions, consumer types, Barista

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# TABLE OF CONTENTS

1 INTRODUCTION ........................................................................................................................ 1
  1.1 The Growing Importance and Endorsement of CSR in the 21st Century .......................... 1
  1.2 Driving Factors Behind Firms’ Engagement in CSR Initiatives ....................................... 1
  1.3 Problem Identification ........................................................................................................ 2
  1.4 Purpose and Objectives of the Study .................................................................................. 3
  1.5 Underlying Motivation and Research Expectations of the Study ................................. 4
  1.6 Research Questions ......................................................................................................... 4
  1.7 Delimitations .................................................................................................................... 5
  1.8 Structure ........................................................................................................................... 5

2 THEORETICAL FRAMEWORK .................................................................................. 7
  2.1 The Historical Development of CSR ............................................................................ 7
  2.2 The Dimensions of CSR ................................................................................................ 8
  2.3 Definition of CSR ........................................................................................................ 10
  2.4 The CSR Debate .......................................................................................................... 11
     2.4.1 To Whom is the Corporation Accountable? ....................................................... 11
     2.4.2 The Shareholder Approach ................................................................................. 11
     2.4.3 The Stakeholder Approach ................................................................................. 12
     2.4.4 Advocates of CSR .............................................................................................. 12
     2.4.5 Critics of CSR ..................................................................................................... 13
     2.4.6 Emergence of a New View ................................................................................. 14
  2.5 CSR and Consumer Behavior ..................................................................................... 14
     2.5.1 Extant Knowledge of Consumer Perceptions of CSR ........................................ 15
        2.5.1.1 CSR’s Effect on Consumer Evaluations and their Attitudes ............... 15
        2.5.1.2 Consumer Interest in CSR and its Influence on Purchase Intentions .. 16
        2.5.1.3 Consumer Awareness of Corporations’ CSR Activities .................. 16
        2.5.1.4 Communicating CSR to Consumers .................................................... 17
  2.6 CSR Communication ................................................................................................... 18
     2.6.1 Definition of CSR Communication .................................................................... 18
     2.6.2 The Importance of CSR Communication in the 21st Century ......................... 18
        2.6.2.1 Protection of Corporate Reputation .................................................... 19
3.3.1 Ontology ............................................................................................................. 44
3.3.2 Epistemology ...................................................................................................... 44
3.4 Research Design .......................................................................................................... 44
  3.4.1 Sampling Strategy .............................................................................................. 46
  3.4.2 Data Collection ................................................................................................... 47
  3.4.3 Data Analysis ...................................................................................................... 48
3.5 Ethics and Politics ....................................................................................................... 48
  3.5.1 Ethical Considerations ........................................................................................ 49
  3.5.2 Political Considerations ...................................................................................... 49
3.6 Limitations .................................................................................................................. 49

4 BARISTA FAIR TRADE COFFEE ............................................................. 51
  4.1 Company Facts and Figures ........................................................................................ 51
  4.2 The Barista Concept .................................................................................................... 51
  4.3 The Communication Challenge of CSR ...................................................................... 52
  4.4 Barista’s CSR Initiatives ............................................................................................. 53
  4.5 Barista’s CSR Communication Channels ................................................................... 54

5 PRESENTATION AND ANALYSIS OF EMPIRICAL RESULTS ........ 55
  5.1 Analysis of Research Dimensions ............................................................................... 55
    5.1.1 Consumer Interest in CSR .................................................................................. 55
      5.1.1.1 Personal Level of CSR Interest ........................................................................ 55
      5.1.1.2 CSR in Purchase Decisions .............................................................................. 56
      5.1.1.3 Expected Degree of a Firm’s Social Responsibility ............................................. 59
    5.1.2 Consumer Perceptions of CSR Initiatives ........................................................... 61
      5.1.2.1 Consumer Awareness of Barista’s CSR Initiatives ............................................ 61
      5.1.2.2 Consumer Perceptions of CSR Initiatives ....................................................... 62
    5.1.3 Perceived Motives of CSR Engagement ............................................................. 66
    5.1.4 Consumer Perceptions of CSR Communication Channels ................................ 68
      5.1.4.1 Credibility of Communication Channels ....................................................... 68
      5.1.4.2 Credibility versus Desirability of Communication Channels ....................... 71
      5.1.4.3 Undesired and Least Credible Communication Channels .............................. 73
      5.1.4.4 Employees as a Communication Channel ..................................................... 75
FIGURES

Figure 1: The CSR Pyramid (Carroll, 1979) ................................................................. 9
Figure 2: Factors Influencing CSR Communication Effectiveness ............................ 39
Figure 3: Consumer Ranking of Barista’s CSR Initiatives ......................................... 63
Figure 4: Communication Channels Perceived as Most Credible .............................. 69
Figure 5: Communication Channels Perceived as Most Desirable ......................... 71
Figure 6: Communication Channels Perceived as Least Desirable ......................... 74
Figure 7: Factors Reducing Consumer Skepticism ................................................. 85
Figure 8: Consumer Types in CSR Communication ............................................. 88
1 INTRODUCTION

“Promoting philanthropy is perilous, and companies can find they’re damned if they do and damned if they don’t” (Alsop, 2002:1).

1.1 THE GROWING IMPORTANCE AND ENDORSEMENT OF CSR IN THE 21ST CENTURY

Moving away from the age of greed and heading towards a new age, the age of responsibility, we are currently witnessing a change in corporate behavior with firms making substantial investments into their CSR programs. New consumer and public demands have emerged and raised the pressure on firms to be ‘good corporate citizens’ and to demonstrate their commitment towards social and environmental issues (Komodromos & Melanthiou, 2014). As several scholars have pointed out, CSR has become a “standard practice” that is increasingly being perceived as “an entry ticket to doing business in the 21st century” (Beckmann, 2006:165). It has gone from being considered a trivial issue and a “voluntary exercise of companies” to “an inescapable priority for business leaders in every country”, finding itself highly ranked on corporations’ agendas (Thoressen, Didham, Klein & Doyle, 2015:88; Porter & Kramer, 2006:78). The previously dominant picture of CSR engagement as “a joke” and “wasteful” (Lee, 2007:53), has largely been replaced by the view of it as an “investment” and a “source of competitive advantage” in the new era (Asongu, 2007; Branco & Rodrigues, 2007:5). Hence, the practice of CSR and sustainability reporting are no longer the exception, but the mainstream approach adopted by most forward-thinking corporations (GRI, 2011). As argued by Werther and Chandler (2011:19), CSR is becoming “crucial for success”, and firms’ avoidance and neglect of their social and environmental responsibilities can have a detrimental impact on their business. Advocates believe that ignoring CSR can lead to high costs and seriously endanger a company's reputation (Kielburger & Kielburger 2011; Creasey, 2015). With the Fortune 500 companies’ reported expenditure of more than $15bn on CSR activities in the previous year, it becomes evident that a fundamental shift has taken place in the mindset of organizations and their managers regarding the way they think about CSR and integrate it into their business practice (Smith, 2014).

1.2 DRIVING FACTORS BEHIND FIRMS’ ENGAGEMENT IN CSR INITIATIVES

Naturally arising questions are: What has driven firms to embrace this new responsibility and what are the drivers behind their increased focus and commitment towards CSR? As pointed out by Carroll and Shabana (2010), the idea that business corporations have responsibilities that reach beyond profit maximization to their shareholders is not something that has appeared in recent years, but an idea that has been around for centuries. Several factors have contributed to the growing importance of CSR practices in corporations and have driven them to adopt a more socially and environmentally responsible behavior. Two of these factors are the increased media coverage on corporate scandals as well as the natural rise of public concerns and resulting pressure on corporations to assume these responsibilities (Porter & Kramer, 2006). Firms’ activities have in recent decades fallen under the scrutiny of the public eye and neither consumers nor media have shown the slightest hesitation in calling them out on their irresponsible behavior.
New incidents are daily being reported in the news or on social media channels, blaming firms to behave unethically, such as Nike for exploiting workers in sweatshops, Amazon for avoiding taxes or BP for causing an environmental disaster (Ethicalconsumer, 2014). As pointed out by Porter and Kramer (2006) firms are increasingly being held accountable for their behavior and the consequences their business practices bring about. Milovanović, Barac and Andjelković (2009:89) emphasize the importance of firms’ commitment to CSR and stakeholder interests in their claim that “if they want to be trusted by their customers, employees and the public at large, they have to be more socially responsible.” Moreover, the transparency and public exposure of corporations’ activities and ranking of their CSR performance along with consumers’ threats to engage in boycotts against them, and employees refusing to work for unethical companies, add to firms’ pressure to engage in CSR activities (Moir, 2002).

It should however be noted that the increased visibility of corporate CSR practices is not always a response to criticism and the public’s heightened expectations and assessments of their CSR performance, but a realization of the benefits that CSR engagement holds for companies and desire to capture these. According to Cruceru and Radulescu (2014:73), “social responsibility is a pillar to build confidence and public partners, acquiring a reputation that will lead to the strengthening of the market position and engaging in a sustainable competitive approach.” It has been established that CSR “has an impact on consumers’ attitudes, purchase intentions, consumer-company identification, loyalty, and satisfaction” (Öberseder, Schlegelmilch & Murphy, 2013:1840), enabling corporations to acquire benefits such as improved financial and market positions, reputational benefits, as well as greater consumer loyalty and attraction of new employees and investors (Komodromos & Melanthiou, 2014; Cruceru & Radulescu, 2014; Peloza et al., 2012:74). Nonetheless, in order for executives to reap such benefits, firms have to “create both real and perceived sustainability performance that is superior to competitors”, requiring an effective communication strategy, which however represents something that many corporations are still lacking today (Peloza et al., 2012:75).

1.3 PROBLEM IDENTIFICATION

“Effective communication of companies’ responsibility programmes remains a rare achievement” (Dawkins, 2005:109).

After a thorough review of the literature on CSR and an interview with a corporate manager of a service brand, we have established that there is a hesitance among firms regarding the communication of CSR initiatives, and even more so an insecurity of how to inform consumers and other stakeholders about the corporation’s dedication to social responsibility in a way that does not raise skepticism and lead to accusations of greenwashing. Many corporations today are faced with a communication challenge known as the communication paradox. On the one hand consumers are demanding more transparency and social disclosures from corporations, but on the other hand studies reveal that consumers remain very skeptical of CSR information coming from companies and often perceive their communication efforts as ‘self-promoting’ and as a marketing ploy resulting in criticism (Arvidsson, 2010).
Equivalently, Morsing and Schultz (2006:136) argue that “the more companies expose their ethical and social ambitions, the more likely they are to attract critical stakeholder attention.” However, little or no communication at all leads to unawareness among consumers, consequently preventing positive consumer responses towards undertaken CSR activities (Fatma & Rahman, 2014). This has in turn triggered an uncertainty among corporate executives whether to adopt a proactive or a more subtle CSR communication strategy or not to communicate at all (Morsing & Schultz, 2006).

As a consequence, there is a lack of agreement due to the various views concerning the extent to which companies should communicate their social efforts. One existing belief asserts that companies who have acquired consumer trust and are perceived as legitimate “do not need to communicate their CSR efforts loudly” (Morsing & Schultz, 2006:147). Ashforth and Gibbs (1990), advocates of this view, claim that it is preferred if companies communicate their CSR efforts through “minimal releases” in order to minimize the risk of their legitimacy being questioned (Morsing & Schultz, 2006:147). Their argument put forward is that “too much sense-giving regarding CSR efforts may then be counterproductive”. A counter-argument against this belief is that corporations must be proactive in their communication with consumers in order to eliminate the problem of consumers’ low awareness of CSR activities and enable firms to reap the benefits from their engagement. Pomering and Dolnicar (2009:285) underline the importance of awareness for CSR effectiveness, contending that consumers’ lack of awareness suggests that “firms may need to educate consumers, so they may better contextualize CSR initiatives.” Xu (2014:1013) endorses this view and insists that companies need to “inform and educate their consumers on their CSR programs if they want to improve consumers’ attitude and build a positive CSR image.” Asongu (2007:18), another supporter of a proactive communication approach, emphasizes that only “those that advertise the fact are reaping the benefits in terms of improved profitability.” However, as pointed out by Illia et al. (2010:3), “little work has focused on how the company’s social commitment is communicated” and what the “appropriate degree of social disclosure is.” The fact that CSR communication is “an often-overlooked component of CSR research and practitioner attention” (Ziek, 2009:137) and a growing challenge for practitioners, underlines the necessity of conducting further research into this area.

1.4 PURPOSE AND OBJECTIVES OF THE STUDY

“It is imperative for managers to have a deeper understanding of key issues related to CSR communication” (Du, Bhattacharya & Sen, 2010:9).

Having identified a yet unresolved communication challenge and paradox in the literature on CSR, along with a gap in managers’ knowledge regarding how consumers understand and perceive CSR communication and how to communicate their social efforts effectively to them, in addition to the fact the research seldom tries to make a distinction between different groups of consumers, three main objectives of our study have emerged. It firstly seeks to shed light upon consumers overall perspective of companies’ engagement in CSR. Secondly, their expectations, information needs and preferences concerning CSR communication and the key areas of channels, content and communication style shall be investigated. The third objective
underlying the study is to determine whether it is necessary to make a distinction between consumers in regards to CSR communication.

1.5 UNDERLYING MOTIVATION AND RESEARCH EXPECTATIONS OF THE STUDY

Two of the main reasons for investigating the communication aspect of CSR is primarily because of its high relevance to researchers and practitioners, and the fact that it is “absolutely essential for business growth” in the 21st century (Avram, 2014:1), and secondly, due to the evident information deficit and lack of clarity regarding the communication of CSR initiatives to consumers (Morsing & Schultz, 2006:146). Although the awareness of CSR activities in organizations is growing, the research on consumer perceptions of CSR activities and corporate communication efforts is still limited (Pomering, 2005). This deficiency along with the increasing demand for CSR communication in practice, and firms’ evident need for guidance regarding their choice of CSR communication approaches, have sparked our interest and awakened a desire to undertake a deeper investigation of this topic. Gupta and Hodges (2012:219) strengthen this decision, contending that “little has been done to consider consumer perceptions of CSR.” Similarly, Kaur (2013:59) points out that “studies explicitly investigating consumers’ responses to communication of CSR are scarce.” In accordance with Pomering (2005:79), we believe that “a better appreciation of the consumer interpretations of corporate CSR activities will give important guidance to senior executives who have the responsibility of developing and communicating CSR activities.” Another argument that has motivated us to explore the issue of CSR communication from a consumer perspective is that put forward by Öberseder, Schlegelmilch and Murphy (2013:1841), stating that “the field of CSR and consumer behavior research is relatively young, and in particular consumers’ perceptions of CSR represent a complex area where more work is needed.” The unresolved communication paradox along with the limited knowledge of consumer understandings and perceptions of CSR communication is an excellent opportunity to contribute to the existing marketing literature on CSR, whilst providing practitioners with valuable insights about consumers. More specifically, the knowledge produced in this study is aimed to support companies in communicating their CSR efforts more effectively to consumers, overcoming identified challenges of low consumer awareness and high skepticism. We hope this will in turn increase their chances of reaping reputational benefits and to enhance their market position.

1.6 RESEARCH QUESTIONS

The above discussion and identified purpose of the study have led to the development of the following research question:

*How are a corporation’s CSR engagement and communication efforts understood and perceived by consumers?*

We aim to provide an answer to this research question by dividing it into the following seven sub-questions:
1. To what extent are consumers interested in the issue of CSR?

2. How do consumers perceive different types of initiatives and what are the factors driving their preferences?

3. How do consumers perceive and evaluate a firm’s motives for its CSR engagement?

4. How do consumers perceive different CSR communication channels with regards to credibility and desirability?

5. What type of CSR content and communication style are preferred by consumers?

6. To what degree are consumers interested in being involved in a corporation’s CSR engagement?

7. What are the root causes of consumer skepticism and how can it be reduced?

1.7 DELIMITATIONS

At this point it shall be clarified that this thesis aims to examine CSR communication only, which means that no general theory on corporate communication will be included. This decision is based upon the view put forward by Schultz and Morsing, stating that “CSR initiatives cannot be advertised in the same way as products, services or brands typically are, thus posing a much more complex challenge to marketers” (Pomering & Dolnicar, 2009:288). Due to the highly sensitive nature of the topic CSR, we conclude that CSR communication needs to be approached in a different way compared to other corporate communication activities, as stated in the aforementioned quote. Hence, the theoretical framework of this thesis will exclusively consist of specific theory on CSR and CSR communication.

1.8 STRUCTURE

The work presented is structured as follows:

Chapter 1: This chapter serves to provide the reader with an overview of CSR’s role in the 21st century and an introduction to the main factors that have contributed to its significant growth among corporations. Next, a brief discussion of the research problem follows after which the main purpose of the study is presented along with the expected contributions.

Chapter 2: The intention of this chapter is give the reader an enhanced understanding of the historical development of the concept of corporate social responsibility, as well as to provide insights into the different viewpoints concerning the CSR debate and a corporation’s level of responsibility. In addition to this, the chapter serves to demonstrate the importance of CSR communication, to outline the challenges within this field, and finally to introduce the theoretical framework upon which the analysis of our research findings will be based.

Chapter 3: This chapter includes a presentation of the methodological choices underlying our thesis, aiming to provide the reader with knowledge of the study’s philosophical position as well as the research design adopted.
Chapter 4: This chapter introduces the reader to the chosen case example of Barista Fair Trade Coffee. It includes brief information about its history and business model, followed by an analysis of its CSR engagement and currently applied CSR communication strategy.

Chapter 5: This chapter includes a presentation of the empirical findings of the study, discussing them thoroughly in comparison to the previously outlined theoretical framework.

Chapter 6: The final chapter includes a conclusion and an answer to the formulated research question. Next, managerial implications are discussed as well as suggestions for potential future research areas.
2 THEORETICAL FRAMEWORK

This chapter presents the theoretical framework on which this thesis is based and covers the relevant areas of research, which are necessary to comprehend the foundation on which our empirical data collection and analysis is grounded.

2.1 THE HISTORICAL DEVELOPMENT OF CSR

Within the past fifty years the concept of CSR has developed from a phenomenon which was originally regarded as incompatible with traditional business activities, to a globally recognized and by governments, companies, non-governmental organizations and consumers promoted idea (Lee, 2008; Moura-Leite & Padgett, 2011; Carroll & Shabana, 2010). In order to be able to understand this remarkable change and its impact on corporations and consumers today, an overview of the historical development of CSR is necessary.

The first widely acknowledged book on an early idea of CSR, Social Responsibility of the Businessman, was published in 1953 by the American economist Howard R. Bowen, who is depicted by Carroll (1999:270) as “the Father of Corporate Social Responsibility”. Based on the view that businesses hold a large amount of power and are thus strongly influencing society, Bowen claims that businessmen have social obligations to the citizens and the environment they are operating in, in order to show responsibility for their actions’ consequences. CSR activities in the 1950’s and 60’s, however, were overall characterized by the idea of sheer philanthropy, which was to be put into practice by single managers, not on an organizational level. Furthermore, there did not exist any coupling of CSR and corporate financial performance (Hack, Kenyon & Wood, 2014; Lee, 2008; Carroll & Shabana, 2010).

In the late 1960’s the focus shifted from philanthropy to more generalist views, when authors such as William Frederick (1960) and Keith Davis (1960) approached the topic of CSR from a more simplistic perspective, regarding CSR as activities going “beyond the firm’s direct economic or technical interest” (Davis, 1960:70; Hack, Kenyon & Wood, 2014). In the course of the 1970’s first attempts to connect social and economic interests of businesses, in other words to find a linkage between CSR and corporate financial performance, were made (Lee, 2008). At the same time Bowen and other authors rejected the original idea of social responsibility as a sole managerial task, stating that the efforts of individual managers were not enough; instead the idea of social responsibility had to be implemented throughout the entire organization (Hack, Kenyon & Wood, 2014; Carroll, 1999). Nevertheless, the concept of CSR was still regarded as a suggested engagement rather than an actual obligation by many businesses (Hack, Kenyon & Wood, 2014; Friedman, 1970).

The 1980’s were characterized by fewer attempts to define CSR but rather by empirical research on the topic, with a clear focus on the tighter coupling of CSR and corporate financial performance as well as the overall construction of pragmatic CSR models (Carroll & Shabana, 2010; Lee, 2008). Frederick (2008) refers to the 1980’s as the beginning of the development of ethical corporate cultures (Carroll & Shabana, 2010). Despite the progress in CSR development resulting from the aforementioned research efforts, Jones (1980) and Votaw (1972) criticize the fact that businesses tend to focus on CSR activities reflecting
mainly shareholder interests rather than reacting to societal interests. Furthermore, they claim companies would manipulate the public perception and understanding of the CSR concept by choosing themselves which causes to consider in their CSR activities (Hack, Kenyon and Wood, 2014).

The problem of corporations’ opportunistic behaviors in connection with CSR engagement diminishes in the 1990’s as a new and successful CSR framework is introduced: the stakeholder approach. R. Edward Freeman successfully introduces a systematic and comprehensive stakeholder management theory, pointing out that the survival of a corporation is highly dependent “not only [on] shareholders, but also various other stakeholders such as employees, governments and customers” (Lee, 2008:61). In the course of the 1990’s CSR theory is increasingly linked to strategic management literature of experts such as Philip Kotler, Nancy Lee, Michael Porter and Rosabeth Moss Kanter, who closely connect the concept of CSR to business strategy. The newly developed strategic CSR is characterized by a tight coupling of the concept of CSR and corporate financial performance (Lee, 2008; Moura-Leite & Padgett, 2011). Until today the stakeholder approach represents the prevalent theoretical foundation when approaching the topic of CSR. During the 21st century, which Frederick (2008) refers to as “the era of global corporate citizenship”, besides stakeholder theory, concepts such as corporate social performance and business ethics received high awareness (Carroll & Shabana, 2010:88; Carroll, 1999).

Reflecting on the change that took place in the development of CSR theory over time, there is to record a shift in theoretical orientation from initially ethics oriented studies to performance orientation (Carroll & Shabana, 2010; Lee, 2008). In the course of half a century the idea of CSR has thus changed from a purely philanthropic concept, which did not seem to promise any financial contribution to business activities, to an indispensable strategic management tool, which is closely coupled with corporate financial performance (Lee, 2008).

2.2 THE DIMENSIONS OF CSR

The previously presented analysis of the historical development of CSR underlines the manifold changes that the concept of CSR has undergone over the course of time, resulting in an accumulation of numerous theoretical concepts developed by business scholars, philosophers and researchers. All of those concepts are trying to grasp the complex idea of CSR and its different dimensions. One of the most comprehensive and widely acknowledged models of CSR is the four categories model, familiarly known as the CSR pyramid, presented by Carroll in 1979 (Carroll & Shabana, 2010; Carroll, 1991). Due to its clarity and overall high level of comprehensibility since it comprises all levels of CSR responsibilities of a corporation, we have chosen Carroll’s CSR pyramid as core model to base our understanding of CSR upon.

Carroll’s four dimensions of CSR are based on a further development of the CSR categories identified by McGuire (1963:144), who stated that “the idea of social responsibilities supposes that the corporation has not only economic and legal obligations, but also certain responsibilities to society which extend beyond these obligations” (Carroll & Shabana, 2010). Carroll agrees with McGuire concerning the economic and legal obligations as two
dimensions of a company’s CSR responsibilities. Additionally, he gives names to the dimensions, which McGuire only vaguely refers to as certain other responsibilities beyond the aforementioned two, by identifying the dimensions of ethics and philanthropy (Carroll & Shabana, 2010; Carroll, 1991). The CSR pyramid model resulting from the identification of the four dimensions is shown below.

![CSR Pyramid](image)

**Figure 1: The CSR Pyramid (Carroll, 1979, 1991)**

Within the four different CSR responsibilities, Carroll (1979, 1991) distinguishes between traditional responsibilities encompassing economic and legal obligations, and new responsibilities including ethical and philanthropic responsibilities. Carroll and Shabana (2010:90) state that a corporation’s traditional responsibilities “reflect the old social contract between business and society”, that is to be profitable and by doing so to obey the law. As “all other business responsibilities are predicated upon the economic responsibility of the firm” as well as a legal framework, Carroll (1991:4) depicts a company’s economic and legal responsibilities as “required” and thus as the basis of the pyramid (Carroll & Shabana, 2010:90). The new responsibilities on the other hand “reflect the new, broader, social contract between business and society” and are “expected” in the case of ethical behavior, whereas philanthropic responsibility is “desired” (Carroll & Shabana, 2010:90). Other than in the early days of CSR, when philanthropy was regarded as the key driver of CSR responsibilities, Carroll (1991:7) describes the role of philanthropy in modern CSR as “highly desired and prized”, but less important in comparison to the other three dimensions, comparing it to the “icing on the cake.”

Like every other model, the CSR pyramid as well can be criticized for weaknesses, such as for instance possible overlaps or missing linkages between the four different dimensions, which are not taken into account in the model (Carroll and Shabana, 2010). Nevertheless, we consider the CSR pyramid to be an important tool contributing to a thorough understanding of the dimensions of CSR, as it identifies, analyzes and evaluates the four existing responsibilities of corporations. Despite the fact that the model was developed in 1979 (and reviewed in 1991) the CSR pyramid does nevertheless represent a modern view on the concept of CSR, including assumptions that are still considered as valid in the 21st century.
Relating the model to our study of consumer perceptions, the following question arises: How far do today’s consumers expect the reach of a firm’s social and environmental obligations to be?

2.3 DEFINITION OF CSR

Just like the development of theoretical models for CSR has been highly affected by the different historical stages the concept of CSR has gone through, the same holds true for the various definitions proposed to describe it. The number of different CSR definitions introduced by a large variety of interest groups within a relatively short period of time is impressive (Carroll & Shabana, 2010). Votaw (1973:11) describes this phenomenon in a matching way, stating that “the term [social responsibility] is a brilliant one; it means something, but not always the same thing, to everybody.” One main reason for the term CSR often being perceived as nebulous and difficult to grasp is the fact that additionally to the changes in business environment and society over time, CSR is approached from different perspectives. Furthermore, many businesses have tried to develop individualized definitions of CSR in order to achieve a better fit between their personal agendas and CSR activities (Davis, 1960; Okoye, 2009; Hack, Kenyon & Wood, 2014). As a consequence, until today the term CSR still lacks a universally agreed definition (Hack, Kenyon & Wood, 2014).

Bowen (1953:6) for instance approaches the term from a macro-social perspective, defining CSR as “the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society”, whereas Walton (1967:18) is looking at CSR from a broader perspective, focusing on the aspect of relations: “In short, the new concept of social responsibility recognizes the intimacy of the relationships between the corporation and society and realizes that such relationships must be kept in mind by top managers as the corporation and the related groups pursue their respective goals.” Fitch (1976:38), in turn, approaches the term by placing the focus on the aspect of problem solving, defining CSR “as the serious attempt to solve social problems caused wholly or in part by the corporation”, whereas Hopkins (2003:10) moves towards the stakeholder approach, underlining that a thorough understanding of the term CSR demands a consideration of all stakeholders of a corporation: “[CSR is] a way of creating “[…] higher and higher standards of living, whilst preserving the profitability of the corporation, for peoples both within and outside the corporation” (Hack, Kenyon & Wood, 2014:51). Naming those few definitions only as examples, it becomes evident that the different definitions of CSR are characterized by vagueness, often biased by the points of view and personal interpretations of different interest groups (Hack, Kenyon & Wood, 2014; Carroll, 1999).

Due to the fact that we are approaching CSR by focusing on the examination of consumer perceptions of corporations’ CSR activities, we are clearly touching the topic from a stakeholder perspective. We therefore base our understanding of the term CSR on the following definition provided by the European Commission (2011:6): “[CSR] goes beyond philanthropy and compliance and addresses how companies manage their economic, social and environmental impacts, as well as their relationships in all key spheres of influence: the
workplace, the marketplace, the supply chain, the community, and the public policy realm” (Prasad & Holzinger, 2013:1916).

2.4 THE CSR DEBATE

The concept of CSR is a very controversial topic, both admired and despised, with a long history of debate (Ilies, 2012). Its introduction in the 1930’s set off a heated discussion among scholars and practitioners that is still active in the 21st century (Beckmann, 2006). So far, no consensus has been reached, neither in literature nor in practice, regarding the questions whether corporations should assume these social responsibilities or not, and what the consequences of CSR engagement are (Porter & Kramer, 2006). As acknowledged by Davis (1973), there are many strong arguments for and against the case of CSR. Its critics claim that it is a liability to corporations and perceive its increasing endorsement by businesses as deeply alarming (Henderson, 2009; Karnani, 2010). The proponents on the other hand, argue that CSR makes the world a better place, and provides corporations with a competitive advantage over its rivals (Branco & Rodrigues, 2007; Manning, 2004). The purpose of this section is to provide a review of some of the contradicting standpoints in literature as well as to describe the direction the debate is heading in today. We see it as necessary to examine the different standpoints and arguments put forward by scholars and practitioners regarding corporations’ undertaking of CSR in order to understand consumers’ different attitudes and perceptions of CSR.

2.4.1 To Whom is the Corporation Accountable?

In today’s competitive world companies are not only expected to meet the rapidly changing product and service demands of consumers, be an excellent employer and increase long term profits of shareholders, but also act as a problem-solver of social and environmental issues and, on top of this, submit proof of their commitment (Wilburn & Wilburn, 2013). To say that it is not easy to be a corporation in the 21st century would be an understatement. Many firms are currently struggling to juggle the multiple demands and interests of stakeholders, while attempting to achieve higher profits. As acknowledged by Wilburn and Wilburn (2013), the capitalistic model in Anglo-American countries has been very profitable and increased wealth and living standards, but at the cost of the environment and society. A question that naturally arises concerns the role of business in society and whether social and environmental issues should be apart of a corporation’s concern or not. There are two approaches that take a stance in this question: the shareholder theory and the stakeholder theory. According to Jensen (2002), advocates of CSR tend to side with the stakeholder theory, whereas its opponents support the shareholder perspective.

2.4.2 The Shareholder Approach

The shareholder theory is widely represented in economic schools and in most businesses that operate in capitalist economies (Saint & Tripathi, 2013), resting upon the belief of “free market, economic efficiency, and profit maximization” (Branco & Rodrigues, 2007:7). Under this approach profit maximization should be at the core of every decision (Jensen, 2002). The shareholder approach challenges the idea that corporations should assume social
responsibilities as it in their view would lead to inefficient allocation of resources and restrain corporations from attaining their objective of profit maximization (Branco and Rodrigues, 2007). A main criticism of the shareholder approach, however, is that it operates under a single objective view, thereby ignoring the interests of other stakeholders in the society whom the business depends on.

2.4.3 The Stakeholder Approach

This approach is based upon the belief that “companies have a social responsibility that requires them to consider the interests of all parties affected by their actions” (Branco & Rodrigues, 2007:6). Moreover, when decisions are taken managers should not only take account of shareholders’ interest, but those “of all the stakeholders in a firm” (Jensen, 2002:236). A fundamental difference between the two approaches is that corporations under the stakeholder view hold a responsibility towards the society and not only towards the shareholders, as underlined by Barry (2002:105) stating that “the company is not the property of its stockholders.” One of the main critical arguments of the stakeholder view is that it poses a threat to “the foundations of a free society” (Friedman, 1970:214).

2.4.4 Advocates of CSR

According to the contemporary proponents of CSR, a new era with changed consumers demands and new interests has emerged, naturally affecting the ways in which corporations are conducting business (Wilburn & Wilburn, 2013). Corporations today are expected to redefine their roles and mission, and adopt a multiple objective view instead of a single one (Henderson, 2009). At the heart of the business model of corporate social responsibility lies the belief of “shared value” and a balance of shareholders’ and society’s interests (Rangan, Chase and Karim, 2012:1). Corporations should exert a positive influence on the environment and the stakeholders within the society, creating a win-win situation for all parties involved (McGill, 2012). There are many different arguments that make a case for CSR and the main ones will be presented below.

Arguments in Favor of CSR

One of the traditional arguments in favor of CSR is that corporations hold a moral obligation to the society and have a duty to do “the right thing” (Porter & Kramer, 2006:3). The view represented here is that “business is a part of society” and accountable for providing benefits to society and the environment (Moir, 2002:1). A second argument in favor of CSR is the sustainability argument, which emphasizes the need for corporations to act in the best interest of the environment and refrain from practices that are wasteful or detrimental to the environment (Porter & Kramer, 2006). In alignment with this view, Moir (2002:1) contends that corporate social responsibility “is about achieving profitability in a sustainable way for both business and the environment in a way, that meets the values of society.” License to operate is another traditional argument in favor CSR. Davies (1973:314), emphasizes that “society gave businesses its charter to exist”, and its power may be revoked should it fail to meet its expectations. The fourth and final traditional argument presented in support of CSR is the company’s reputation and public image (Porter & Kramer, 2006; Davis, 1973). In today’s
competitive market environment corporations face issues with trust and image and may even be “penalized” should they ignore to behave socially responsibly (Illies, 2012; Smith, 2003b:15). Innovation is a contemporary argument in favor of CSR put forward by Asongu (2007). According to advocates of this argument, corporations that use innovation to solve social and environmental problems are likely to benefit from development of more efficient methods of conducting business along with the emergence of new product or service ideas Asongu (2007). A final argument presented by Davis (1973) on why corporations need to engage in CSR is because of the changes taking place in society’s norms and the gradual shift towards CSR. An assumption underlying CSR is that businesses should operate under the norms and dictates by society and be responsive to changes within these (Devinney, 2009), a belief that is widely contested by its critics.

2.4.5 Critics of CSR

The critics of CSR are many and so are the arguments why corporations should not become involved with CSR. The field of CSR has received extensive criticism over the years and the number of contemporary challengers is steadily growing (Lantos, 2002; Jensen, 2002; Barry, 2002; Devinney, 2009; Henderson, 2009; Karnani, 2010). Some critics position themselves on the left wing side of the spectrum and others on the right. Left side challengers support the idea of CSR, but criticize corporation’s motives for engaging in it, arguing that many do not have a genuine interest in making the world a better place, but are instead using it to promote “a spotless public image and whitewash certain negative aspects of their activity” (Illies, 2012:86). Right side critics on the other hand view, question the logic of CSR and perceive it to be “a dangerous idea” and “an illusory goal that is noble in spirit but unachievable in practice” (Friedman, 1970: 92; Devinney, 2009:46). A shared belief between the two sides is that pursuing economic self-interest will lead to a prosperous situation both for the corporations and the society (Rangan, Chase and Karim, 2012). Davies (1973) outlines several arguments that speak against corporations’ engagement with CSR, some of which will be examined below.

Arguments Against CSR

Two of the most commonly used arguments against CSR are that of profit maximization and corporations’ alleged lack of accountability. Milton Friedman (1970:211), a major contestant of CSR, states that businesses should pursue their self-interest of profit maximization and only conform to “the basic rules of society.” Smith (1776:1) advocates this view and the pursuit of individual interests in his claim that “it is not from the benevolence of the butcher, the brewer, or the baker, that we can expect our dinner, but from their regard to their own interests.” Moreover, the right side critics also believe that the functions of governments and businesses should be kept separate. Levitt (1958:47) emphasizes the importance of a separation between functions, arguing that “government’s job is not business, and businesses’ job is not government’s.” A third complaint of CSR concerns the costs of social involvement (Davies, 1973). According to Henderson (2009:15), CSR “weakens enterprise performance, limits economic freedom and restricts competition”, thereby leading to the creation of poverty instead of wealth. Critics see it as “a zero-sum trade off” (Burke & Logsdon, 1996:495). Another argument put forward by opponents of CSR is the fact that executives’ lack the
knowledge and experience of how to deal with social and environmental problems. They further claim that incompetence is produced “by leading managers to involve themselves in areas beyond their expertise - that is, repairing society's ills” (Freeman & Liedtka, 1991:93). The question of morality arises both among critics and advocates of CSR. Its proponents see corporations’ social involvement as necessary, since corporations in their eyes hold a moral obligation towards society. Critics on the other hand, argue that CSR engagement forces corporations to use shareholders’ money for social causes, which in their view is considered an immoral act and comparable to “property theft” (Lantos, 2002:205). It should however be noted that not all critics are entirely against the idea of CSR, but contend that corporations should only engage in it under the right circumstances. Barry (2000:103), for example, emphasizes that “corporations can only be charitable and socially responsible the less competitive the market is.”

2.4.6 Emergence of a New View

The focus of the CSR debate is shifting towards the structure of business and the approach corporations have adopted (Smith, 2003). Corporate scandals such as Enron and the recent financial crisis are seen by many as a sign of the failed shareholder approach and a need for a new business model that incorporates both social and economic interests (Smith, 2003). Similarly, Andrew Kassoy underlines that “capitalism is becoming less obsessed with revenue and more focused on creating social value” (Blach, 2012). In response to this demand, he developed the benefit corporation, a new legal structure in which corporations have a dual purpose with a commitment to “both profit and social benefit” (Wilburn & Wilburn, 2013:13; Worldfinance, 2014). This approach allows businesses to maximize profits while at the same time committing to a social purpose, which arguably leads to consumer identification and attracts talented employees as well as socially conscious investors (Surowiecki, 2014).

Conclusion

While it has been established that there is much disagreement about CSR and many different viewpoints concerning its practice, it becomes evident that CSR is more than “a passing fashion”, and that there is an increasing devotion among companies to display a social conscience (Henderson, 2009:13). As acknowledged by Smith (2003b:34), the debate about CSR has shifted and is no longer about “whether to make substantial commitments to CSR”, but more importantly “how” to do it. Contemporary questions raised both in the literature and by practitioners, concern the communication of CSR and the appropriate degree of social disclosure. In the following, the existing theoretical frameworks on CSR communication will be examined.

2.5 CSR AND CONSUMER BEHAVIOR

After having reviewed the historical development of CSR and the different viewpoints in literature regarding its practice, a question that naturally arises is: What do we actually know about consumers and their relation to CSR, and what is it that we do not know yet? The underlying aim of this section is to address this question and highlight what we know to date about consumers and their perceptions of CSR. This will be accomplished through an
examination of some of the main findings of previous studies whose research concentrate on this area. Moreover, a review of prior research on CSR and consumer behavior, along with a presentation of the conclusions derived from it, will provide further clarification as to what research areas have been neglected, thereby underlining where future research efforts are needed.

2.5.1 Extant Knowledge of Consumer Perceptions of CSR

The effect of CSR activities on consumers is an area that over the past decades has caught researchers’ interest and several studies have been undertaken with the aim of exploring its impact on “consumers’ attitudes, purchase intentions, consumer-company identification, loyalty, and satisfaction” (Öberseder et al., 2013:1840). The main findings of some of these studies will be presented below, followed by an identification of research questions that have been raised, but not yet addressed.

2.5.1.1 CSR’s Effect on Consumer Evaluations and their Attitudes

Some researchers have taken an interest in investigating the effect of CSR activities on consumer attitudes (Becker-Olsen, Cudmore & Hill, 2006; Ellen, Webb & Mohr, 2006), and others on consumer evaluations of a company and its products (Brown & Dacin, 1997; Sen & Bhattacharya, 2001). Becker-Olsen, Cudmore & Hill (2006) focused their research efforts on the area of CSR initiatives and the impact these had on consumer attitudes. It was discovered that low fit and profit-motivated initiatives evoked a negative impact on consumers’ beliefs and attitudes “no matter the firm’s motivation”, while high fit and proactive initiatives triggered positive responses (Becker-Olsen, Cudmore & Hill, 2006:46). Ellen, Webb & Mohr (2006) decided to investigate consumer perceptions of a corporation’s CSR motive in greater detail, aiming to examine the effects on consumers’ attitudes and the followed response towards the corporation and its CSR initiatives. The study concluded that consumers make a distinction between whether they are egoistically driven, strategically driven or values-driven.

Brown & Dacin (1997), on the other hand, focused their research on studying the effect of different CSR associations on consumer responses. The outcomes of their study implicate that negative CSR associations can induce negative effects on consumers’ evaluations of products, whereas positive CSR associations, on the other side, can strengthen them. Sen and Bhattacharya (2001) decided to take this research a step further and investigate consumer responses to certain CSR initiatives and study the factors that affect their responses in more detail. They arrived at the finding that both company-specific factors such as CSR domain and product quality, as well as individual-specific, personal beliefs concerning CSR influence consumer responses towards a company’s CSR initiatives. In addition to that, it was also discovered that CSR initiatives can increase and decrease consumers’ intentions to purchase products. The question of CSR’s role in consumers consumption decisions and the extent of its influence on their purchase intentions has sparked an interest among many researchers and has naturally lead to an increase in number of studies on this subject.
2.5.1.2 Consumer Interest in CSR and its Influence on Purchase Intentions

As mentioned above, several studies have been undertaken to explore this aspect and CSR’s effect on consumers’ purchase intention (Creyer & Ross, 1997; Boulstridge & Carrigan, 2000; Mohr & Webb, 2005; Carrigan & Attalla, 2001). In the study conducted by Creyer and Ross (1997) it was found that the ethical behavior of firms is important to consumers and that they consider it before making a purchase decision. Moreover, it was established that a corporation’s ethical behavior will evoke positive responses and a willingness to pay a higher price for those products. Results also stated that when buying from unethical firms, consumers expect the price to be lower, as a way for them to make up for their unethical actions. The study conducted by Boulstridge & Carrigan (2000) exploring consumer attitudes and behavior towards corporate reputation, similarly concluded that respondents consider firms’ to have a social responsibility and those that act responsibly are more highly regarded than other firms. However, contradictory to the results of other studies undertaken by Creyer and Ross (1997), and Mohr and Webb (2005), it was found that the corporate behavior of firms had no influence on the majority of their purchase decisions despite favorable attitudes towards its responsible behavior, consequently emphasizing the minor role CSR play in consumers’ purchase decisions. This finding is also in alignment with the conclusion drawn from the study undertaken by Mohr et al. (2001).

The outcomes of the study carried out by Mohr and Webb (2005) did in contrast indicate that corporate reputation influences consumers’ evaluation of the company as well as their purchasing choices. It should however be noted that despite the growing number of studies indicating a rising influence on consumers’ purchase, the finding reached by Mohr et al. (2001) that only a minority of consumers consider CSR as a purchase criterion, still holds true today. Carrigan & Attalla (2001:575) further highlight the existence of an attitude-behavior gap, claiming that “although consumers may express a desire to support ethical companies, and punish unethical companies, their actual purchase behavior often remains unaffected by ethical concerns.” Moreover, the knowledge that limited awareness of corporations’ social activities may prevent these from having an influence on consumers’ purchase decisions, has led to the emergence of another research question, namely the degree of consumers’ awareness concerning firm’s commitment to CSR and undertaken activities within this area.

2.5.1.3 Consumer Awareness of Corporations’ CSR Activities

As discussed above, other studies within the CSR literature on consumers have placed their focus on exploring consumers’ level of awareness with regards to corporations’ social activities and the resulting responses to CSR activities (Sen, Bhattacharya & Korschun, 2006; Auger et al., 2003; Pomering & Dolnicar, 2007; Wigley, 2008). Sen, Bhattacharya and Korschun (2006) outlined the positive effects of consumer awareness of CSR initiatives in their study, thereby underlining the positive impact on their behavior, such as enhanced organizational identification with the company, stronger purchase intent, as well as an increased willingness to seek employment within the company. A negative observation, however, was the fact that “awareness of CSR initiatives is fairly low” (Sen, Bhattacharya & Korschun, 2006:164; Dawkins, 2005). Auger et al. (2003:299) further endorse this view of low consumer awareness in the statement that "most consumers do not understand the ethical
dimensions of the products that they purchase." In addition, Pomering and Dolnicar (2007) also conducted a study in the Australian banking sector with the aim of investigating consumers’ awareness concerning CSR initiatives undertaken by Australian banks. The findings supported outcomes of previous studies in that consumer awareness was low. Finally, Wigley (2008) underlines the importance of consumer awareness and knowledge of CSR actions in her demonstrated findings that they in turn induce a positive effect on consumers’ attitudes as well as on their purchase intentions. The identified low awareness among consumers of corporation’s CSR commitments and key implication from the study by Sen, Bhattacharya and Korschun (2006:164), stating that “companies need to work harder at raising awareness levels”, brings us to the next research area namely that of communication.

2.5.1.4 Communicating CSR to Consumers

On the basis of the findings and the question raised at the end of the above discussion emerges a new question, namely: How can consumer awareness be raised and how should CSR be communicated to consumers? Communicating a corporation’s CSR engagement and actions to consumers can, as recognized by Alsop (2002), be a “double-edged sword” that may backfire and increase skeptical behavior among them, generating negative responses (Sen, Bhattacharya & Korschun, 2006:164). Few studies have been conducted in this area to explore the phenomenon of CSR communication from a consumer perspective. Morsing and Schultz (2006:7), in their book Strategic CSR Communication dedicate one chapter to discussing consumers’ perceptions and responses to CSR, underlining that “so little is known so far.”

A more recent study addressing the topic of CSR communication from a younger consumer perspective is that of Schmeltz (2012:45). The conclusion drawn from this study is that “a much more direct and open approach is called for instead of the currently recommended subtle, indirect way of communicating CSR”. As pointed out by Schmeltz herself (2012:45), the study can be viewed as a starting point of a new line of research “into consumer preferences and values in relation to CSR”, thereby emphasizing that this is an area in the literature on CSR and consumer behavior that needs increased attention. A question raised at the end that calls for future research in the area of CSR communication from consumer perspective, is the investigation into the demands of the older generation with regards to CSR communication. Do they hold similar preferences as the younger generation, or do they prefer a more subtle communication approach with endorsed messages? Further research questions that have been raised within the area of CSR communication by scholars, but remained unanswered, concern the channels of CSR communication, the CSR content and consumers as a target group. Mohr, Webb and Harris (2001:68) raise the following questions at the end of their study: “What are their sources of information?” “And which sources are the most influential?” Du et al. (2010:9) further recognize that more research is needed with regards to “what to communicate (i.e. message content) [and] where to communicate (i.e. message channel).” Reisch (2006:205) additionally acknowledges that consumers as a target group of CSR communication is a neglected area of research and poses the following questions to guide future research: “Should the company target consumers as a separate target group?” “If yes, how can they best be reached? Are emotionalized campaigns an option?” All those
questions presented are valid research questions that we seek to provide an answer to towards the end of our study.

Conclusion

As witnessed from the above examination of different research strands on CSR and consumer behavior, it can be concluded that the research in the area of consumer perceptions of CSR communication is relatively “fragmented” (Schmeltz, 2012:34). Furthermore, as acknowledged by Schmeltz (2012), CSR scholars have mainly directed their attention towards exploring corporate strategies, examining ethical implications, while trying to determine whether there is a business case for CSR or not. Challenges such as that of CSR communication and consumers views on it, is a topic that to date has remained fairly unaddressed and become secondary priority. The fact that this is a neglected area of research is underlined by Schmeltz (2012:30), in her claim that consumers’ awareness level of CSR communication is “under-explored”, further adding that we currently hold very limited knowledge as to what expectations and preferences consumers have.

2.6 CSR COMMUNICATION

“[Communication] often remains the missing link in the practice of corporate social responsibility” (Dawkins, 2005:108).

2.6.1 Definition of CSR Communication

With CSR communications being the central focus of our research study, it is only natural that term shall be defined. Having pointed out the high degree of disaccord among scholars and practitioners concerning the definition of the term CSR in the previous chapters, it is not surprising that the term CSR communication lacks an overall agreed upon definition as well. Nielsen and Thomsen (2009:86) supports this view stating that CSR communication presents various problems, “the basic one being the definition of it.” Gray, Owen and Adams (1996:3) deliver a broad definition of CSR communication, depicting it as “the process of communicating the social and environmental effects of organizations’ economic actions to particular interest groups within society and to society at large.” Stepping beyond the functional view on CSR communication, it has to be underlined that the term is not only to be understood as a sheer delivery of information, but is further concerned with the creation of favorable consumer perceptions of a corporation’s CSR engagement and overall reputation (Vanhamme & Grobben, 2009). Thus, in this study CSR communication is referred to as a corporation’s communication efforts to inform its different stakeholder groups about the firm’s CSR engagement, whilst pursuing the paramount aim to increase the level of corporate reputation, as well as the stakeholders’ positive perception of the organization’s striving to be a good corporate citizen.

2.6.2 The Importance of CSR Communication in the 21st Century

CSR communication is an area that in recent years has gained increased recognition both in the academic and in the business world (Elving, Thomsen & Schultz, 2013). Evidence of this
is the increasing number of academic journals published on the subject of CSR communication along with the rising number of sustainability reports in practice. According to the sustainability disclosure database, 7,384 organizations have joined the Global Reporting Initiative and 23,888 reports have been produced (GRI, 2015). It has evolved from being considered rather insignificant to becoming a critical component of firms’ CSR strategies, requiring companies to rethink their approaches and adapt their strategies in order to successfully respond to the changing environment, societal pressures and consumer expectations (Podnar, 2008). Wang & Anderson (2011:52) highlight its significance in their claim that “CSR communications play an important role in shaping consumers' attitudes toward CSR communications and assessments of corporations' CSR practices.” The reason why the area has become increasingly significant to corporations in the 21st century is much due to the consumers’ perceptions and rising skepticism towards CSR activities.

2.6.2.1 Protection of Corporate Reputation

“Communicating CSR is very important because it's a way of getting optimal results in CSR: growth in reputation and brand value.” (Illia et al., 2012:28).

In times of globalization, where market competition continues to intensify, company's reputation and brand image have grown vulnerable and it has thus become a priority for firms to protect them (Smith, 2003b). CSR’s rising influence on businesses’ reputation, “the most valuable asset of a firm”, has added to the importance of firms’ to communicate their social efforts (Peloza et al., 2012:74). Perhaps more importantly, CSR communication has incredible power that corporations can benefit from as it may help them “build a reputation that might protect its image against negative publicity or help restore it” (Vanhamme & Grobbe, 2009: 273).

2.6.2.2 Rise in Public Demand

“Implementing CSR isn’t enough- it’s vital to communicate those activities to stakeholders” (Coope, 2004:20).

To succeed in today's competitive marketplace it is no longer sufficient for firms only to offer high quality products at desirable prices, but they also need to respond to stakeholders’ emerging sensitivity towards environmental and societal issues and communicate their achievements within those fields. As acknowledged by both researchers and practitioners, companies are nowadays expected to go a step beyond making decisions that serve the public interest, and give evidence of their commitment and communicate their CSR efforts to stakeholders (Beckman, Morsing and Reisch, 2006). Similarly, Podnar (2008) and Ziek (2009) contend that CSR engagement alone does not lead to successful outcomes, but underline that the communication of these activities and their results to stakeholders is necessary for such an achievement. One of the underlying factors for the rising demand of CSR messages is the alarming increase in reported CSR scandals over the years, which naturally has raised public skepticism and led to the questioning of firms’ motives and whether they are acting in the society’s best interest (Hiller, 2013). Skarmeas and Leonidou (2013:1837) endorse this view by claiming that “feelings of skepticism toward CSR practices
are on the rise.” The reduced faith in company claims is a driving force behind stakeholders’ demand for social disclosures and communication has as a result become an important part of CSR ensuring “transparency for stakeholders” (Cruceri & Radulescu, 2014:74) Similarly, Arvidsson (2010) asserts that the growing mistrust and skepticism among stakeholders have put firms under increased pressure to display that they are ‘doing good’ and communicate information about their CSR commitments.

2.6.2.3 Reduction of Skepticism

“Skepticism can be decreased as knowledge about the company’s CSR activities increases” (Mohr et al., 1988:1003).

Living in an age where consumers are more skeptical of company claims and value transparency, communication of a firm’s CSR activities has gained significant value as it has the potential to reduce the skepticism consumers hold against companies. According to Skarmeas & Leonidou (2013:1831), consumer skepticism poses a threat to many firms as it “hurts retailer equity, decreases resistance to negative information about the retailer, and stimulates unfavorable word of mouth.” Moreover, the higher the criticism and the skepticism among consumers the less likely they are to “respond positively to the CSR campaigns” (Xu, 2014:1003). As pointed out by Xu (2014:1013), “the more knowledge about the company’s CSR strategies that the consumers have, the less likely they are skeptical.” A naturally arising question is: What communication strategy should a firm adopt to effectively reduce or eliminate the threat of consumer skepticism?

2.6.2.4 Raise Consumer Awareness of CSR

“Communicating CSR activities is essential to enhancing CSR awareness” (Kaur, 2013:60).

With CSR’s growing influence over consumer perceptions and their purchase decisions, it has become even more essential for companies to communicate their CSR efforts, to raise awareness for the social cause as well as to highlight their own commitment. According to Du, Bhattacharya and Sen (2010:16) “individual’s awareness and knowledge of a social issue will often lead to greater support for that particular issue.” Öberseder, Schlegelmilch and Murphy (2013:1840) similarly emphasize the importance CSR communication and point out its positive effects in their claim that “consumers that are aware of CSR initiatives have more positive attitudes and behavioral intentions.” Several authors have however established that consumer awareness of CSR activities is usually quite low and portray the resulting consequences this presents to corporations (Green & Peloza, 2014). Without sufficient knowledge and awareness of the undertaken CSR activities, companies have limited power to change consumer attitudes and achieve desired effects. Fatma and Rahman (2014:205) confirm this in their claim that “lack of knowledge is a major limiting factor for positive consumer responses to CSR activities.” Consumers that have no or little information “about a company’s socially-responsible behavior” will, according to Kaur (2013:62), unlikely lead to CSR being “considered a purchase criterion.” Du, Bhattacharya and Sen (2010:9) also highlight the importance of consumer awareness in their statement that “the business returns to CSR are contingent on stakeholders’ awareness of a company’s CSR activities.” Thus it
becomes evident that consumers’ lack of awareness of the undertaken CSR initiatives is a problem for firms requiring immediate attention, as it puts constraints on the effectiveness of their CSR activities, preventing them from changing consumer perceptions as well as to reap the desired benefits of CSR engagement (Birth, Illia & Zamparini, 2008). Consequently, the question arises why a significant amount of consumers only hold limited knowledge of firms’ CSR activities.

2.6.3 Challenges of CSR Communication

“Companies need to tackle the issue of CSR communication if they want to win consumers by building a favorable CSR image” (Xu, 2014:1014).

Having established that CSR communication is vital to the success and credibility of firms’ social activities, it is widely known that a great deal of companies, particularly smaller ones, still refrain from communicating about their CSR activities, thereby leaving their consumers and other stakeholders in the dark about the social and environmental efforts they undertake (EC, 2014). Reisch (2006:188) confirms this in her statement that “very few communicate their CSR activities towards consumers.” The apparent lack of communication does in turn trigger the question why corporations do not communicate more and opt for a proactive instead of a subtle communication strategy or none at all. Many corporations are, as pointed out by Podnar (2008:78), afraid of “over-communicating” their CSR efforts. There is a fear of being viewed as “blowing their own horn” and their social activities as a mere “marketing ploy” (European Commission, 2014:3; Öberseder et al., 2013:1849). The problem emerging here, as briefly mentioned earlier, is referred to as the communication paradox. O’Sullivan (1997) summarizes the problem as follows: “If you say too much, consumers think you make use of it (charity); if you do not say enough, consumers do not even know about your involvement” (Xu, 2014:1014). According to a Danish company, “the difficult part is giving the receiving end of your communication the correct picture. Neither too much nor too little” (Illia et al., 2010:29). Du et al. (2010:17) recognize the main challenge as overcoming “stakeholder skepticism and to generate favorable CSR attributions.” Companies are frequently perceived as “self-complacent, self-absorbed or even distasteful as they stage themselves as benefactors to a good cause, trying to look good while drawing on other people’s misery” (Beckmann, Morsing & Reisch, 2006:30). Communication of CSR efforts has thereby turned out to be a difficult task for corporate managers requiring sensitive handling and sophisticated communication strategies if firms are to enjoy reputational benefits from undertaking CSR activities (Morsing, Schultz & Nielsen, 2008). As previously pointed out by Dawkins (2005:109), effective CSR communication “remains a rare achievement”, thus provokes the question about the kind of communication strategies corporate managers should formulate in order to combat problems of low consumer awareness of CSR initiatives, high consumer skepticism and to ultimately succeed in conveying “intrinsic motives in a company’s CSR activities [to consumers]” (Du, Bhattacharya & Sen, 2010:10).
2.6.4 CSR Communication Strategy

“Corporate CSR engagement today requires more sophisticated and ongoing stakeholder awareness and calls for more sophisticated CSR communication strategies than previously” (Morsing & Beckmann, 2006:136).

2.6.4.1 Choice of CSR Communication Strategy

As noted from the discussion above, a major challenge apart from developing a CSR strategy and selecting the initiatives is the communication of the firm’s social efforts (Smith, 2003). As pointed out by Morsing, Schultz and Nielsen (2008), companies are encouraged to engage in CSR activities, but discouraged from communicating about them. Similarly, Beckmann, Morsing and Reisch (2006:30) acknowledge, “CSR communication is not always appreciated by stakeholders.” On the other hand, as it has been shown that CSR communication influences consumer attitudes and their purchase intention, it becomes evident that corporations need to disclose information about their social commitments (Pomering & Dolnicar, 2009). Cruceru and Radulescu (2014) further argue that the development of effective CSR communication strategies is key in order for corporations to defend their market position in the increasingly competitive marketplace and secure consumer loyalty. Naturally the question arises, which at present time is being actively discussed among both academic researchers and business practitioners, namely: “How intensively and in what ways should an organization communicate its CSR actions?” (Elving, Thomsen & Schultz, 2013:183). More importantly: What kind of communication strategy should corporations adopt to effectively communicate their social involvement to consumers? Should the strategy be proactive or subtle, or should the company perhaps not communicate at all and leave the responsibility with third parties? Should the content communicated be persuasive or informative? The highly sensitive nature of CSR communication in comparison to other corporate communication contents makes the choice of the right communication strategy a delicate task, “posing a [...] complex challenge to marketers” (Pomering & Dolnicar, 2009:288; Illia et al., 2010). Moreover, the fact that consumers may perceive a corporation’s communication efforts as ‘window dressing’, triggering their skepticism, makes the choice of the ‘right’ communication strategy even more critical.

2.6.4.2 Appropriate Degree of CSR Disclosure

A controversial question in the literature on CSR communication is the extent to which corporations should communicate their CSR efforts. Some argue that the communication of corporations’ CSR efforts should be loud, while others state the opposite and contend that they should be discrete, and some disagree with both views emphasizing that “companies should do good instead of talking about doing good”, and adopt a silent CSR strategy instead (Öberseder et al., 2013:1849). An argument put forward by advocates of a discrete communication strategy is that loud consumers may perceive communication as “self-absorbed communication” and generate unfavorable responses (Morsing & Schultz, 2006:149). Similarly, Öberseder et al. (2013:1840) point out that “proactive communication strategies [...] are more likely to affect consumer behavior negatively.” On the contrary, Reisch (2006:188) argues that companies should adopt a proactive communication approach.
emphasizing that “companies should be more daring in their attempts to reach the important consumer-stakeholders.” Moreover, two reasons that speak against the adoption of a silent CSR strategy are that “anonymous actions do nothing to enhance the reputation of a company”, and secondly, that silence may be interpreted as a sign of firm’s “indifference” towards CSR (Paraguel & Benoît-Moreau, 2011:3).

Öberseder et al. (2013), on the other hand, do not support either perspective, but instead argue that the choice of CSR communication strategy and the degree of social disclosure are dependent upon the firm’s individual level of commitment and engagement in CSR. What is more, they have identified three different stages of a commitment, which in their view, decide the degree of communication the corporation should undertake ‘minimalistic’, ‘departmental’ and ‘committed’. The arguments outlined here are that corporations who undertake CSR as a reactive response to external pressures should adopt a discrete CSR communication strategy to minimize the risk of being accused of dishonesty or green washing, whereas firms in the committed stage, who have successfully incorporated the concept of CSR into their corporate strategy, are more likely to be perceived as highly credible and upright, which in turn allows them to pursue an open and more proactive CSR communication strategy (Öberseder et al., 2013).

It becomes evident that there is much disagreement in the academic world regarding the appropriate degree of social disclosure, which naturally leaves corporate managers confused and unsure with regards to their choice of CSR communication strategy. However, what is more critical and an important determinant of the success of corporate communication efforts is firms’ own understanding of their stakeholders’ individual needs and expectations with regards to CSR communication. As pointed out by Murray and Vogel (1997:144), there is not only a need to know “who” the stakeholders are but also “what” they expect. Similarly, Du et al. (2010) emphasize the fact that stakeholders have different expectations and interests when it comes to CSR, and as pointed out by Dawkins (2005), many are seldom responded to. What expectations consumers have concerning the degree to which a firm should engage in proactive CSR communication is a question we are addressing at a later stage in our empirical study.

2.6.4.3 Degree of Stakeholder Involvement

Apart from deciding whether firms should communicate their CSR efforts using a proactive, discrete or a silent communication strategy, corporate managers must also make a decision regarding the degree of stakeholder involvement. Morsing and Schultz (2006) have identified three different CSR communication strategies that are characterized by different levels of stakeholder involvement:

One-way Communication Strategy

The stakeholder information strategy, also known as the one-way communication strategy, describes, as the name implies, the one-way communication of information from the firm to its stakeholders. The emphasis is not placed on persuasion, but on objectively informing of the public about the organization in a “telling” and “sense giving” way (Morsing & Schultz,
Since the communication takes place only one-way, the influence of the stakeholder is limited to either support or oppose the information communicated.

**Two-way Asymmetric Communication Strategy**

The stakeholder response strategy on the other hand, also known as two-way asymmetric model, includes both sending information to the public as well as collecting information from the public in the form of rankings, surveys and opinion polls. The information gathered, however, does not serve as a basis for organizational change, but merely as a control mechanism of the company’s CSR initiatives’ effects on stakeholders’ attitudes towards the firm. Even though stakeholder response is taken into consideration in this model, it is still playing a passive role (Morsing & Schultz, 2006).

**Two-way Symmetric Communication Strategy**

The stakeholder involvement strategy, which is also called two-way symmetric communication strategy, does on the contrary encourage a dialogue between the firm and its stakeholders by engaging in “progressive iterations of sensemaking and sensegiving processes” (Morsing & Schultz, 2006:328). This strategy is based on the idea that not only the company should influence its stakeholders, but that stakeholders, on the other hand, should equally seek to persuade the firm to change. By exploring the stakeholders’ concerns about the organization, the stakeholder becomes a part of the negotiation process of the company’s CSR efforts (Morsing & Schultz, 2006).

**Shift from Monologue to Dialogue**

As established by Morsing and Beckmann (2006), there is a new emerging view regarding corporations’ legitimacy in the 21st century. The growing need for a dialogue with stakeholders does in turn require companies to respond and adapt their communication strategies accordingly. According to Morsing and Beckmann (2006:140), companies should adopt a stakeholder involvement strategy, pointing out that a one-way communication no longer enables corporations to “build and maintain legitimacy” in the 21st century. Moreover, corporations should nowadays not only “inform” and educate” stakeholders, but also encourage them to proactively engage in a dialogue with the corporation (Morsing & Beckmann, 2006:149). The underlying argument presented here is that the establishment of such a dialogue would lead to identification of issues that are essential for both “corporate legitimacy and a company’s reputation” (Morsing & Beckmann, 2006:149).

From a corporate perspective, the idea of an enhanced stakeholder dialogue concerning a corporation’s CSR activities seems reasonable since the active involvement of stakeholders in the shaping process of CSR communication helps the corporation both to monitor the effectiveness of its communication efforts, as well as to increase the credibility of those due to the inclusion of stakeholder feedback in their decisions. However, as we are approaching the topic of CSR communication from a consumer perspective, consumers’ perceptions of such dialogues need to be investigated. Are consumers interested in engaging in dialogues with corporations about the topic of CSR? How should these dialogues be practically realized in order to turn them into an attractive opportunity for consumers to share their opinions with
corporations? It becomes evident that only one side of the coin, namely the corporate perspective has been illuminated. The other and equally important side of the coin has however remained unexplored and will therefore be addressed in our empirical study.

2.6.5 Corporate Social Initiatives

“It is increasingly difficult to know for managers what CSR engagement they are expected to engage in and which CSR issues are strategically rewarding to communicate about”
(Beckmann, Morsing & Reisch, 2006:13).

2.6.5.1 The Choice of CSR Initiatives

The choice of CSR initiatives is another difficult, but important decision that corporate managers must make in relation to CSR. It is a decision that requires careful attention due to its high influence on consumer attributions, their evaluation of CSR communications efforts, and consequently on the level of credibility they ascribe to the communicated CSR messages (Ellen et al., 2006). Choosing the ‘right’ CSR initiatives will naturally raise the likelihood of stakeholders perceiving a corporation’s communication efforts as authentic and trustworthy, whereas the selection of the ‘wrong’ initiatives is likely to reduce the credibility of communicated CSR messages and instead trigger skepticism towards the corporation. As noted by previous research, not all types of initiatives are perceived in the same way by a corporation’s stakeholders (Munro, 2013). This is also emphasized by Green and Peloza (2011:48) in their claim that “consumers do not perceive all forms of CSR in the same manner.” The different types of CSR initiatives will be presented below followed by a portrayal of authors’ different views regarding selection of initiatives.

2.6.5.2 The Different Types of CSR Initiatives

The CSR initiatives corporations can undertake are numerous and manifold. For a better understanding of a firm’s different options for engagement, Kotler and Lee (2005) have classified the existing types of CSR initiatives and thereby identified six major fields: cause promotions, cause-related marketing, corporate social marketing, corporate philanthropy, community volunteering and socially responsible business practices.

2.6.5.2.1 Cause Promotions

According to Kotler and Lee (2005), a cause promotion aims at raising awareness and concern about a certain social cause, as well as to increase volunteering efforts, fundraising activities and overall engagement for it. This is often put into practice by corporations providing funds, or other corporate resources such as workforce engagement and in-kind contributions. The main emphasis for this kind of social initiative is placed on persuasive communications, delivering motivational messages to activate the target audience. Kotler and Lee (2005) consider a strengthened brand positioning as well as the development of partnerships with nonprofit organizations to be a main advantage of cause promotions. Other scholars however criticize the aforementioned persuasive communications for bearing the risk of causing distrust, disbelief and cynicism among consumers and other stakeholders, which is rooted in
stakeholders’ inherent skeptical response to any form of advertisement (Pomering & Johnson, 2009).

2.6.5.2.2 Cause-Related Marketing

Cause-related marketing is defined by Lii and Lee (2012:71) as “a company’s promise to donate a certain amount of money to a nonprofit organization or to a social cause when consumers purchase the company’s products [or] services.” A typical characteristic of cause-related marketing is the dependence of its success on consumer interaction (Kotler & Lee, 2005; Koschate-Fischer, Stefan & Hoyer, 2012). Research indicates that cause-related marketing tends to positively influence consumer perceptions of a corporation since it offers consumers the possibility to make a direct contribution to a charitable cause (Lii & Lee, 2012). However, it needs to be underlined that “the outcomes of cause-related marketing campaigns are significantly influenced by implementation-related factors, such as the donation amount” and the fit between the corporation and the cause (Koschate-Fischer, Stefan & Hoyer, 2012:911).

2.6.5.2.3 Corporate Social Marketing

In contrast to other short term oriented initiatives, where focus lies on fundraising and temporary awareness-raising campaigns, corporate social marketing is more a long term oriented initiative that strives to bring about a long-lasting behavioral change in society. It is mainly carried out by the implementation of behavior change campaigns with the goal “to improve public health, safety, the environment, or community well-being” (Kotler & Lee, 2005:114). Furthermore, the selection of such initiatives is particularly closely linked to the corporation’s core business. Advocates of this type of initiative emphasize its benefits of enhanced brand preference and achievement of long-term societal impact. However, given the fact that this kind of CSR activity operates in the rather intangible field of awareness creation and behavior change, it suffers from a lack of research concerning how exactly corporate social marketing influences consumer behavior and corporate results (Inoue & Kent, 2014).

2.6.5.2.4 Corporate Philanthropy

Corporate philanthropy can be depicted as the most traditional type of corporate social initiatives and is defined as a corporation’s “direct contribution [...] to a charity or cause, most often in the form of cash grants, donations or in-kind services” (Kotler & Lee, 2005:144). Even though many nonprofit organizations strongly depend on philanthropic donations on the part of corporations, this type of social initiative has been viewed critically in the course of the past years, as critical stakeholders tend to accuse firms of practicing pseudo-altruism, since sheer donations are seen as an easy way to gain a positive corporate image without spending any additional efforts (Lii & Lee, 2012; Kotler & Lee, 2005). Munro (2013:76) however underlines that consumer perceptions of corporate philanthropy vary, being for instance influenced by the objects donated: Whereas the donation of large sums of money is evaluated critically and with a tendency to suspect the corporation of “just throwing cash at causes”, the donation of products and services to causes which are closely related to a corporation’s core business is perceived as “impressive” by many consumers. It has to be
underlined that corporate philanthropy has evolved over time, meaning that most companies nowadays ensure that their initiatives are linked to a higher goal which goes beyond a short-term effort. Kotler and Lee (2005) contend that corporate philanthropy, if carried out in a credible way, can lead to improved corporate reputation.

2.6.5.2.5 Community Volunteering

Community volunteering refers to employees of a firm volunteering their time to engage in a social cause, mainly in local communities, by providing either “their expertise, talents, ideas or physical labor” (Kotler & Lee, 2005:175). According to Plewa et al. (2015:645) “this support can include internally promoting the community’s need for volunteers, organizing team volunteering projects, providing matching funds for employees devoting time to volunteer projects, acknowledging and awarding employee participation in volunteer programs, including volunteer participation in job performance evaluations, and providing employees with release time from work to perform volunteer activities.” The factor of active and direct involvement of the workforce into social causes clearly distinguishes corporate volunteering from other social initiatives. Besides a high level of employee motivation and satisfaction, corporate volunteering is likely to result in “strong and genuine relationships with local communities” (Kotler & Lee, 2005:178). Nevertheless, the impact of corporate volunteering initiatives on consumer perceptions still calls for more detailed research efforts, since the engagement of employees, may be perceived differently, depending on stakeholder types and preferences.

2.6.5.2.6 Socially Responsible Business Practices

As a sixth category of corporate social initiatives, Kotler and Lee (2005) identified socially responsible business practices, which refer to a corporation’s environmentally protective and community well-being oriented behavior, pursued by the firm in a discretionary way meaning that those practices go beyond regulations stipulated by law. Examples for areas of application are for instance efforts to decrease the production of waste materials, the socially responsible selection of suppliers, the choice of environmentally friendly packaging, the provision of employee development and support programs as well as consumer protection efforts in terms of health, transparency and data protection. Advocates of these initiatives state that socially responsible business practices tend to result in increased community goodwill towards the corporation (Kotler and Lee, 2005). However, since we are living in an age of increased stakeholder expectations towards the socially responsible behavior of corporations, the question arises: Aren’t these kind of socially responsible business practices expected to be carried out anyway? Can and should corporations communicate those activities, which might be taken for granted and evaluated as ‘standard’ ethical behavior by many consumers nowadays, as CSR achievements?

2.6.5.3 Selecting the ‘Right’ CSR Initiatives

The choice of the right CSR initiatives and programs is critical, as they in turn affect the effectiveness of CSR activities and consumers’ evaluation of these. As acknowledged by Beckmann, Morsing and Reisch (2006), with no universal agreement regarding which types
of corporate social initiatives are most likely to evoke positive consumer perceptions, and limited understanding of consumers’ values, the selection of the ‘right’ CSR initiatives presents itself to be a difficult task for corporate managers (Beckmann, Morsing & Reisch, 2006). Two of the opposing viewpoints are presented below.

Select initiatives that are in alignment with consumers’ personal interests

One common argument regarding choice of CSR initiatives is that the personal interests of consumers must be considered when deciding what kind of CSR initiatives should be undertaken. Many authors are in accordance with this view and contend that “companies should undertake social initiatives that matter to its stakeholders” (Du et al., 2010:16). Lii and Lee (2012) further underline that the likeliness of consumers identifying themselves with the corporation’s CSR program, and thus with the corporation itself, is strongly dependent on their ability to identify themselves with the chosen initiatives. In agreement with this view, Kaur (2013:60) indicates the importance of consumers’ support and identification with the selected initiative in his claim that “the type of CSR activity, consumers’ support for the initiative and their beliefs about the tradeoffs a company make for the sake of its CSR play a crucial role in consumers’ reactions to CSR activities.” In another statement Kaur (2013:60) also points out that “CSR only has a positive effect on consumers’ purchase intention when consumers are interested in the CSR activity and support it.” In addition to the effect on consumers’ purchase intentions it has been found that CSR information is likely to have a greater impact on stakeholders if they care about the initiatives, which in turn enhances the effectiveness of CSR communication efforts (Du et al., 2010:16).

Critics like Henderson (2009), on the other hand, point out that “not all desires and expectations of individuals are reasonable and well founded” (Illies, 2012:13). Similarly, Porter and Kramer (2006) argue that individuals are unaware of which initiatives are most suitable with the competences of the firm which brings us to the second argument.

Select initiatives that have a strong fit with the company’s core competences

As recognized by Kaur (2013:64), a second argument regarding choice of CSR initiatives is that “companies should only communicate those initiatives that are related to the company’s core business - thereby accommodating the peripheral factor of credibility.” Furthermore, Levy (1999) argues that “social endeavors must be consistent with firms’ operating objectives (heart) and must be an expression of their values (soul)” (Becker-Olsen et al., 2006:52). A study undertaken by Becker-Olsen, Cudmore and Hill (2006) indicates the importance of undertaking initiatives that have a strong fit with the company’s core business and image. Similarly, as pointed out by Du, Bhattacharya and Sen (2010:12), in order for the initiative to be perceived as credible and evoke a positive view of the firm, there must be a perceived “congruence between a social issue and the company’s business.” Thus, to raise credibility and prevent accusations of greenwashing, companies must communicate and make this “congruence between the social issue and its business” visible to consumers (Filho, Louche & Idowu, 2010; Bhattacharya & Sen, 2010:12). According to the findings of a study conducted by Becker-Olsen et al. (2006), it is crucial that companies only select initiatives with a high fit, underlining that it is ultimately the perceived fit that affect consumer evaluations of the
undertaken activity. Their findings also reveal that poor-fit initiatives and reactive ones negatively impact consumers’ attitudes and their purchase intentions, whereas initiatives with either a high-fit, social-motivation or proactive nature evoked positive effects on consumer behavior (p.52). Filgo et al. (2010:205) endorse this view and demonstrate the danger of choosing a low-fit initiative in their claim that “lack of fit does dilute the company’s competitive market position.” Similarly, Becker-Olsen et al. (2006:52) contend that the choice of a low-fit initiative may backfire and turn into a “liability” for the corporation, ultimately leading to “brand dilution” (Filho et al., 2010:201).

Considering the six different types of CSR initiatives, each with its advantages and disadvantages, along with scholars different viewpoints regarding choice of initiative and manager’s growing uncertainty, we have decided to address the question concerning choice of CSR initiative from a consumer point of view in our empirical study. The underlying aim being to determine what consumers value and pay attention to in corporations’ selection of CSR initiatives.

2.6.6 CSR Communication Content

When it comes to the practical implementation of CSR communication, one of the main questions corporate managers are facing is: What exactly is it, that should be communicated? As recognized by Du et al. (2010) companies may focus their efforts on their commitment to CSR, the impact their undertaken activities have or their motives for engagement. One frequent argument presented by scholars is that the content of the CSR message should be tailored to the different needs of stakeholders. Understandably, an investor is “more interested in the costs and revenues [...] of adopting CSR principles”, whereas a regulatory institution will prefer information about the firm’s contributions to community welfare (Sustainable Business Forum, 2012:1). It is argued that in order to raise the effectiveness and impact of a firm’s communication efforts, companies must consider the different information requirements of its stakeholder groups (Dawkins, 2005). A trap that many companies fall into today, however, is that they alone, and without consultation with stakeholders, decide where the focus of their communication efforts should lie and what content to communicate. Especially for the stakeholder group of consumers, however, the question of what kind of CSR content they are interested in becomes tricky to answer, since consumers, other than the aforementioned examples of stakeholder types, usually neither reap financial benefits out of a corporation’s CSR performance, nor do they have a professional interest in it. As pointed out by Morsing and Schultz (2006:149), only communicating about issues that strike the company as important may hamper the effectiveness of the communicated message, resulting in the communication being perceived as “self-absorbed.” Additionally, Dawkins (2005) underlines that unsatisfied information needs reduce the effectiveness of undertaken communication efforts. Another argument put forward by scholars is that in order to reduce existing consumer skepticism, both intrinsic and extrinsic motives should be emphasized in the firm’s communication efforts (Forehand & Grier, 2003).

Despite these recommendations, the area of consumer perceptions of CSR communication content is relatively under researched and basic questions are still missing answers (Morsing & Beckmann, 2006). One of the main questions researchers and practitioners are seeking an
answer to is: What do consumers want to know about a corporation’s CSR engagement? A question we have asked ourselves as a result and investigate in this study is the following: Are there key areas of communication content preferred by all consumers, or do certain types of consumers prefer certain key areas of CSR communication content?

2.6.6.1 Key Areas of CSR Communication Content

Du, Bhattacharya and Sen (2010) identify a number of general key areas of communication content upon which companies tend to place their CSR communication focus. According to them an organization can place emphasis on “its commitment to a cause, the impact it has on the cause, why it engages in a particular social initiative [...] and the congruity between the cause and the company’s business” (Du, Bhattacharya & Sen, 2010:11).

Commitment to a Cause

A company’s commitment includes different aspects such as “the amount of input, the durability of the association and the consistency of input” and can be expressed in a number of different ways such as for instance through donations, employee volunteering, cause-related research and development efforts and many other initiatives (Du, Bhattacharya & Sen, 2010:11; Dwyer, Schurr & Oh, 1987). Some companies tend to focus on a single aspect of their commitment, such as for instance the amount of money they spend on a cause, whereas others embrace all three aspects of commitment in their CSR communication content (Du, Bhattacharya & Sen, 2010).

Impact on a Cause

Whereas the topic of commitment rather refers to a company’s input into CSR activities, other companies prefer to focus in the other side of the equation by communicating the actual impact their initiatives have on the society and the environment, underlining the concrete results and benefits they have achieved. Especially when it comes to CSR initiatives, which are aiming at measurable results, consumers are often interested in learning about factual outcomes, such as the number of individuals supported or the amount of money raised (Du, Bhattacharya & Sen, 2010).

Reasons for Engagement

A third option of communication content identified by Du, Bhattacharya and Sen (2010) is represented by a firm’s motives for its CSR engagement. A company’s motives can be divided into being either of intrinsic nature, meaning that the motives are stated to be rooted in the organization’s core values, or of extrinsic nature, referring to firm-serving motives resulting from external influences such as for instance consumer expectations. Research indicates that motives which reflect both company and stakeholder values and interests are likely to be perceived as most credible (Du, Bhattacharya & Sen, 2010).
Congruity Between Cause and Corporation

As a fourth option of CSR communication content the authors list the fit between the CSR engagement and the firm’s core business and values. The extent to which a firm’s CSR initiatives fit the company happens to be another core area of CSR communication content. Due to its exceptional importance, the key role of CSR fit will be discussed in depth in a separate chapter (Du, Bhattacharya & Sen, 2010).

It is important to underline that the above described key areas of CSR communication content solely serve as a tool to categorize the existing areas of CSR information. However, they do not provide an answer to the question, what kind of communication content is preferred by the corporation’s consumers, which thus represents another question that is going to be addressed in our research.

2.6.6.2 Types of CSR Communication Content

Another frequently raised question concerning the CSR message refers to the communication style and whether the nature of the CSR message should be rather factual (rational), or persuasive (emotional). As recognized by Andreu et al. (2015), two different strategic approaches concerning the message delivery to consumers exist and are portrayed below.

Factual CSR Communication Content

On the one hand, corporations can choose to “present facts straightforwardly and objectively” to their stakeholders, by the use of for instance facts and figures as well as by the presentation of arguments which are based on logic and reason (Andreu et al. (2015:1489). Research indicates that factual communication approaches are likely to be effective, when the stakeholder’s personal interest in the topic is high, meaning that they are paying a high degree of attention to the topic and are showing a certain level of involvement (Petty & Cacioppo, 1984).

Emotional CSR Communication Content

As a contrasting approach, firms can target “the experiential facet”, focusing on the delivery of emotional message content to stakeholders (Andreu et al., 2015:1489). The emotional approach addresses the recipients on a more personal level, aiming to evoke a positive perception of the corporation’s CSR efforts and conjure a “likeable [and] friendly brand image” (Andreu et al., 2015:1489). Following Petty and Cacioppo’s (1984) findings, an emotional approach tends to be more effective when the stakeholders’ personal interest in the issue itself is rather low.

The views regarding this question are varied and little agreement has been reached, both in the academic and in the corporate world. Andreu et al. (2015:1489) further highlight the problem and the need for deeper research into this area in their statement that “evidence as to the effectiveness of emotional and rational appeals is conflicting”, leaving corporation’s with the unresolved problem of how to best communicate their CSR information content to
stakeholder group of consumers (Gupta and Hodges, 2012). In our study we therefore seek to address this problem and explore it from a consumer point of view.

2.6.7 CSR Communication Channels

"The credibility of CSR initiatives strongly depends on the channel of communication" (Kaur, 2013:64).

Equally important as the choice of the right CSR initiatives and communication content, is the choice of the right communication channels to deliver CSR messages to consumers and other stakeholders. Living in the age of Web 2.0, the selection of communication channels a corporation can choose from today is larger than ever, which evidently makes the choice of the ‘right’ communication channels increasingly difficult for companies. As acknowledged by Du et al., (2010:13), a firm “can communicate its CSR activities through official documents, such as an annual CSR report or press releases, dedicate a section of its corporate website to it, use TV commercials, magazine or billboard advertisements, [...] product packaging, [social media]” and numerous other channels. Research indicates however that the company's stakeholders do not perceive all communication channels equally in term of factors such as credibility, desirability and trustworthiness (Du, Bhattacharya & Sen, 2010; Morsing, Schultz and Nielsen, 2008). Dawkins (2005) identifies two different groups of stakeholder audiences: opinion leader audience and the general public. Firstly, the opinion-leader audience, which tend to proactively seek for a firm’s CSR information in order to analyze and critically analyze and evaluate it (such as for instance NGO's, the business press or investors) and which are predominantly interested in official documents such as the corporation’s CSR report, and secondly the general public (for instance local communities and consumers), which usually do not actively seek for CSR information, but are to be made aware through the usage of various corporate communication channels (Du, Bhattacharya and Sen, 2010). However, due to the growing consumer skepticism the question surfaces: Who should be the communicator of a corporation’s CSR messages? Should they continue to be communicated through company-owned channels or should they instead be endorsed by external parties? Berens and Popma (2014:384) highlight the complexity of this issue in their claim that “it is not clear [to companies] in what way [CSR] communication should take place.” Choosing the ‘right’ channels is crucial, as the choice of the ‘wrong’ ones may either prevent the message from reaching the target group, or the message may be delivered, but due to the faulty choice of channel it may lose its credibility and trigger skepticism.

2.6.7.1 Credibility of CSR Communication Channels

According to Berens and Popma (2014), the creator as well as the communicator of CSR information plays a crucial role in stakeholders’ perceptions of the message. This view is shared by other scholars such as Du, Bhattacharya and Sen (2010:13) who state that “there is likely to be a trade-off between the controllability and credibility of CSR communication; the less controllable the communicator is, the more credible it is, and vice versa.” Berens and Popma (2014) thus categorize CSR communication channels into three major groups, which, according to them, differ in their level of credibility.
Channels Providing Information Constructed and Verified by the Firm

The first category of communication channels, which are used for the delivery of information that are constructed and verified by the firm, refers to for instance TV and print advertising, product packaging and information on the company website. According to Berens and Popma (2014) those channels are likely to provide the highest level of corporate control, since they are company owned, but do at the same time contain the highest risk of evoking consumer skepticism. This view is supported by Morsing, Schultz and Nielsen (2008), who doubt the effectiveness of using corporate communication channels to deliver credible CSR communication. The tendency towards a skeptical attitude against this type of communication channels can be further explained by consumers’ general skepticism towards marketing, which is especially likely to be aroused by company owned advertising tools (Mohr, Eroglu & Ellen, 1998). However, research indicates that factors such as for instance cultural differences play a role in consumer perception of company owned information channels and messages: Whereas for example Danish consumers tend to distrust direct corporate communication, American consumers regard advertising as a preferred information source (Cone, 2005; Morsing, Schultz and Nielsen, 2008).

Channels Providing Information Constructed by the Firm and Verified by a Third Party

The second type of communication channels, which delivers messages constructed by the firm and verified by third parties, are represented by for instance cause-related marketing initiatives in co-operation with a nonprofit organization as a partner (Berens & Popma, 2014). The verification of the message through an unbiased third party which has no self-interest in the confirmation of the message content is likely to lead to an overall higher credibility of the communication channels used (Wiener et al., 1990). However scholars and practitioners underline the high importance of ensuring a fit between the chosen cause and the corporation, as well as a healthy balance between self-serving and other-serving motives (Berens & Popma, 2014).

Channels Providing Information Constructed and Verified by a Third Party

According to Berens and Popma (2014) the most credible CSR messages are likely to be generated by the third category of communication channels, which refers to messages that are both constructed and verified by third parties. Those include reports and articles published online and offline by third parties such as NGO’s, news media, and social media, as well as labels and certifications provided by nonprofits organizations, such as for instance the ISO, EU or the Fair Trade organization (Berens & Popma, 2014). Du, Bhattacharya and Sen (2010:13) confirm the importance of “positive media coverage from independent and unbiased sources” as a means to reduce consumer skepticism. Furthermore, they emphasize the power of the consumer and the resulting word-of-mouth, which they claim to be a meaningful and highly credible communication channel (Du, Bhattacharya & Sen, 2010). The authors encourage companies to “be proactive in using [for instance] social media to engage consumers to be their CSR advocates” (Du, Bhattacharya & Sen, 2010:14). On the other hand it has to be noted that, although these independent kinds of communication channels are proven to be perceived as especially credible by consumers, companies have no influence on
the message content delivered, which makes it difficult for corporations to strategically instrumentalize this type of communication channel.

It becomes evident that the existing types of communication channels are perceived differently by stakeholders, which turns a corporation’s choice of a suitable portfolio of communication channels into a challenge. Reflecting on Dawkins’ (2005) approach of two main stakeholder audiences, the choice of the most appropriate communication channels for opinion leader audiences seems to be easier, since their professional interest in the corporation’s CSR activities automatically limits the possible communication channels to a relatively small number. The numbers of communication channels, which can be used for the information of the general public, on the other hand, are manifold and influenced by a much higher number of unknown variables, such as for instance stakeholders’ personal interests, perceptions and preferences. Even though there seem to exist broad tendencies towards certain types of communication channels as indicated by Berens and Popma (2014), the following questions remain unanswered: Which types of communication channels are preferred by consumers? And: Why do consumers prefer certain communication channels over others?

2.6.7.2 The Inside-Out vs. The Outside-In Approach

Deriving from the idea presented above, namely that a corporation should strive for the usage of trusted communication channels when delivering its CSR messages, two different ideas have emerged: The first one deals with the CSR communication from the inside to the outside, meaning that the corporation considers its employees as the most meaningful communication channel to deliver CSR messages to its stakeholders. The other one incorporates the idea to completely relinquish direct CSR communication from the corporation to the general public, but to inform consumers and other stakeholders in an exclusively indirect way via selected third parties (Morsing, Schultz and Nielsen, 2008). In the following, the two contrasting concepts are depicted in more detail.

The Inside-Out Approach

Du, Bhattacharya and Sen (2010:14) consider a corporation’s employees to be an especially powerful communication channel, “since employees typically have a wide reach among other stakeholder groups through their social ties, and are often considered a source of credible information.” This view is strongly advocated by Morsing, Schultz and Nielsen (2008:102), who claim that the key to successful and credible CSR communication relies on an inside-out approach, meaning that “first, companies should base their CSR communication on ensuring employee commitment before they start communicating about their CSR activities to external stakeholders.” The approach thus implies that employees initially are to be regarded as a corporation’s key stakeholders with regards to their CSR activities, since the strong involvement of employees from a very early stage will lead to the development of a strong corporate commitment among the employees, which will later on result in the employees contributing “to the further development and support of the corporate CSR policies and activities” (Morsing, Schultz & Nielsen, 2008:104). As stated by the vice president of Novo Nordisk: “If employees do not experience the company as a socially responsible company...
then we become totally untrustworthy when we try to portray ourselves as trustworthy to other stakeholders” (Morsing, Schultz & Nielsen, 2008:103). In other words, committing employees to a corporation’s CSR activities is regarded as key to a credible CSR communication and can provide a strong and trusted communication channel.

The overall idea to root an understanding of the corporate CSR strategy in the minds of employees in order to ensure an authentic commitment of the workforce to the firm’s CSR engagement seems to be a comprehensible approach from a company perspective. The more a corporation’s employees are familiar and identify themselves with the firm’s CSR programs and initiatives, the higher is the probability that they will spread the word - both internally and externally. At the same time, however, this approach implies the assumption that employees are perceived by consumers and other stakeholders as a liked and trusted CSR communication channel. This on the other hand is an area that has not been thoroughly investigated yet. The unresolved question how consumers perceive employees taking over the role as a corporation’s CSR communication channel, calls for the dedication of more research efforts in the field of consumer perceptions of CSR communication.

The Outside-In Approach

Based on the finding that consumers tend to consider CSR messages delivered and verified by third parties to be more credible and trustworthy, Morsing, Schultz and Nielsen (2008) go a step further than other scholars: Since they generally doubt the effectiveness of direct CSR communication from the company to the consumers and general public, they develop a CSR communication model which does completely exclude the latter. Their two-stages model of CSR communication consists of two different communication processes, which Morsing, Schultz and Nielsen (2008) describe as ‘the expert CSR communication process’ and ‘the endorsed CSR communication process’.

As a first step, in the process of expert CSR communication, the authors recommend that “the companies [should] target their direct corporate CSR communication towards an exclusive group of experts [...] which the companies themselves regard as ‘elite readers’ of CSR messages” (Morsing, Schultz & Nielsen, 2008:105). The CSR communication in this first stage takes place on a professional level, incorporating facts, figures and statistics, which are likely to be only understood by CSR scholars and professionals. By informing selectively chosen expert stakeholders about the corporation’s CSR efforts, which can take place for instance on CSR conferences, through sustainability reports and in employee magazines, the company ensures that its efforts are noticed and thoroughly understood by an audience that is knowledgeable about the topic. As a second step, the general public and customers are informed about the corporation’s CSR engagement via the aforementioned third parties in a comprehensive way, which is depicted as the process of endorsed CSR communication (Morsing, Schultz & Nielsen, 2008). The authors describe the endorsed communication as “key to avoid appearing as self-complacent and self-serving organization” (Morsing, Schultz & Nielsen, 2008:107). The media as well as employees are considered key communication channels to be used for this process.
Since research clearly indicates stakeholder’s predominantly positive perception of third party CSR communication, especially with regards to the trustworthiness of the information, a corporation’s decision to place its focus on the delivery of CSR messages through third parties seems reasonable. However, research has shown as well that stakeholder perceptions of CSR communication channels, especially those of consumers, vary depending on a large number of factors. Resultantly the following questions come to mind: Is there already known enough about consumer perceptions of CSR communication channels, to entirely exclude the usage of direct CSR communication to them? Does the exclusion of direct CSR communication to consumers from the very beginning not bear the risk of giving away the chance to reach certain consumer types, who actually are interested in being addressed directly?

2.6.8 Other Factors Influencing the Effectiveness of CSR Communication

It becomes evident that the effectiveness of a corporation’s CSR communication efforts is dependent on various variables. The previous chapters have underlined that the choice of a suitable CSR communication strategy, the choice of the ‘right’ programs and initiatives, the choice of relevant message content, and the choice of trusted communication channels are playing a crucial role. There exists, however, a number of additional factors, which have not been covered yet. The most crucial ones are going to be outlined in the following. Du, Bhattacharya and Sen (2010) identify a number of the aforementioned factors, dividing them into two different groups: company-specific factors and stakeholder-specific factors.

2.6.8.1 Company-Specific Factors

Corporate Reputation, Benefit Salience & Industry

One important company specific factor influencing CSR communication effectiveness is the organization’s corporate reputation, which is defined by Fombrun (1996:37) as “the overall estimation in which the organization is held by its constituents.” Research reveals that consumers are less suspicious and skeptical towards CSR communication efforts, if they perceive the image of a corporation to be positive. Simultaneously, the risk of a backfire effect of CSR communication increases, if consumers consider the level of corporate reputation to be low (Yoon, Gürhan-Canli & Schwarz, 2006). Corporations with a low corporate reputation should be therefore particularly careful in their CSR communication and rather follow a low-key communication approach. Focusing on a cause “that is low in benefit salience [and spending] more money on contributions than on advertising” are additional factors influencing a CSR initiative’s success (Yoon, Gürhan-Canli & Schwarz, 2006:388).

Furthermore the industry sector in which the corporation is operating impacts a company’s CSR communication effectiveness. Caused by the nature of their field of operations, firms being active in certain industries such as for instance tobacco or alcohol are inherently more likely to be criticized and thus a frequent subject of close scrutiny on the part of stakeholders (Bhattacharya & Sen, 2004; Du, Bhattacharya & Sen, 2010).
2.6.8.2 Stakeholder-Specific Factors

The way how a CSR message is perceived by stakeholders is however not solely dependent on company-specific variables. Du, Bhattacharya and Sen (2010:15) point out that the effectiveness of CSR communication is additionally influenced by stakeholder-specific factors, referring to stakeholder characteristics such as “stakeholder type, issue support and social value orientation.”

It is important for a corporation to realize that its various stakeholder groups, such as employees, consumers, investors, external media, NGO’s and others, are characterized by different interests, expectations and information needs when it comes to CSR communication (Du, Bhattacharya and Sen, 2010; Dawkins, 2005). The earlier introduced types of stakeholder groups identified by Dawkins (2005), namely opinion-leader audiences and the general public, demand for very different types of CSR information and are thus to be addressed with communication content specified for their needs (Du, Bhattacharya & Sen, 2010).

Additionally, the extent to which stakeholders support the issue the firm is addressing in its CSR engagement plays a significant role. The higher the level of stakeholder identification and interest in the cause, the bigger the likelihood that the information transmitted will be processed and remembered by the audience. Corporations are thus advised to analyze their stakeholder groups and interests (Du, Bhattacharya & Sen, 2010). The level of issue support can be further increased by a corporation’s effort to raise stakeholder awareness for a cause, which can be for example achieved by actively involving them into social initiatives (Du, Bhattacharya & Sen, 2010).

A stakeholder’s social value orientation represents another link to their motivation to process information and thus to the effectiveness of CSR communication. Research indicates that certain social value orientation types are more likely to be approachable for CSR information than others. Du, Bhattacharya and Sen (2010:17) “expect that [...] companies’ CSR communication will be more effective among segments of stakeholders who are prosocials or CSR advocates or activists, and less effective among stakeholders who are individualists, competitors or disbelievers.” An additional factor that has been shown by previous research to influence perceptions and evaluations of CSR communication are consumers’ perceived motives of companies’ CSR involvement.

Resulting from a combination of both, company-specific factors and stakeholder-specific factors, the final influencing factor of CSR communication effectiveness emerges, namely the perceived motives of a corporation’s CSR engagement.

2.6.8.3 Perceived Motives of Companies’ CSR Engagement

“People care less about what others do than about why they do it” (Gilbert & Malone, 1995:21).

Consumer perceptions of corporate motives for engaging in CSR is a final factor to be discussed in this chapter that influences consumer attitudes towards corporations, their CSR
activities and communication efforts (Skarmeas & Leonidou, 2013). Kaur (2013:59) also confirms this in her claim that these perceptions “play an essential role in consumer responses to the concept”. Groza, Prunschinske and Walker (2011:642) further highlight the importance of perceived motives of CSR engagement in their statement “the outcomes of purchase and recommendation intentions” are influenced by these. As acknowledged by Ellen, Webb & Mohr (2006:148), whether consumer evaluations of corporations and their CSR program are positive or negative is largely dependent upon whether motives are considered to be “self serving” or “society serving”, and the extent to which consumer perceive these to be “egoistic (self-centered) or altruistic (other-centered) motives.” What is more, in the study conducted by Ellen et al. (2006) it was found that consumer distinguish between four different kinds of motives: self-centered motives (strategic), egoistic and other-centered motives that are values-driven (CSR is considered “right thing to do” by the corporation) and stakeholder-driven (CSR is only undertaken in response to stakeholder pressure) (Gorza et al., 2011:640). The findings of their study reveal that consumers responded positively to CSR efforts that they perceived to be values driven and strategic, but negatively towards CSR efforts that they judged to be stakeholder driven or egoistic. Ellen, Webb and Mohr (2006:154) underline the importance of corporations taking a proactive and not a reactive approach to CSR in their claim that “consumers do not give credit to companies that engage in CSR because of pressure from customers and other stakeholders.” Yan, Yee-Man and Jung-Feng (2012) advocate this perspective and emphasize that corporations who are perceived to have a genuine concern for the social cause are found to evoke more positive reactions towards the company. Skarmeas and Leonidou (2013:1836), on the other hand, direct attention to the problem of perceived egoistic and stakeholder-driven attributions in their claim that they “contribute to the development of consumer skepticism”, while also pointing out that “values-driven motives inhibit its formation”. Similarly Kaur (2013) emphasizes that egoistic, profit-driven, CSR initiatives induce a negative effect on consumer perceptions and resultantly on their behavioral responses.

A naturally arising question for corporations is: How can consumers be influenced to perceive their motives in a positive light and avoid being assigned egoistic and stakeholder-driven motives by consumers? Skarmeas and Leonidou (2013:1836), for example, argue that managers should “place emphasis on formulating and communicating CSR policies that revolve around value-driven motivations and minimize any reference to egoistic-or stakeholder-related reasons with a view to regulating skepticism”, while Ellen et al. (2006) suggest that long time commitments and a high fit between the company’s core business and the selected initiative will reduce skepticism and trigger perception of values-driven attributions. As noted, there are various different academic viewpoints on how to address this problem, we are however interested in exploring the issue from a consumer perspective and will resultantly investigate what motives participants of the study ascribe to a corporation, for what reasons and with what measures skepticism can be reduced.

2.7 SUMMARY

The theoretical framework presented above sheds light on the various factors influencing consumer perceptions and thus the effectiveness of a corporation’s CSR communication. In
order to gain a better overview of those and to illustrate the different areas we are aiming to explore in our research, we categorized the in our eyes most crucial influencing factors into seven research dimensions, as shown in the figure below.

Figure 2: Factors Influencing CSR Communication Effectiveness

Each research dimension thus refers to one important influencing factor. During the process of discussing and analyzing the existing theories and models in the theory chapters above, questions that have been left unanswered arose, which will provide the basis of what we are planning to explore in our research. The dimensions identified will further serve as a guideline throughout our entire research and analysis process. For a better understanding, each research dimension will be briefly elaborated in the following.

**Dimension 1: Consumer Interest in CSR**

The first important driver of CSR communication effectiveness and thus our first research dimension is represented by consumers’ overall attitude and interest concerning the topic of CSR, as well as their resulting expectations regarding a firm’s level of social responsibility today. Reflecting on the CSR debate presented in Chapter 2.4, as well as the existing theory on consumer attitudes towards CSR and their interest in the issue, which has been elaborated in Chapter 2.5.1, we are first of all interested to examine to what extent our sample of consumers is personally interested and involved in the topic of CSR. Additionally, since the
influence of CSR on consumers’ purchase decisions plays a central role for corporations in the evaluation of CSR communication effectiveness, as underlined in Chapter 2.5.1.2, which reflects on extant knowledge on CSR and consumer purchase intentions, we further intend to reveal the extent to which our consumer sample actively considers CSR in their purchase decisions. Thirdly, referring to Carroll’s CSR pyramid introduced in Chapter 2.2, which presents four different levels of corporate social obligations, the last question we are aiming to explore in this research dimension refers to the degree to which consumers expect today’s corporations to be socially responsible.

Dimension 2: Consumer Perceptions of CSR Initiatives

Another key driver of CSR communication effectiveness has been identified to be the company’s choice of the ‘right’ CSR initiatives, which resultantly leads to our second research dimension. Based on the yet unresolved question how different CSR initiatives are perceived by different groups of consumers, which is thoroughly discussed in Chapter 2.5.5, this research dimension deals with consumers’ perceptions and evaluations of CSR initiatives. Referring to the six categories of CSR initiatives identified by Kotler and Lee (2005), we are planning to confront consumers with six examples of different CSR initiatives, with the aim to explore both how the respondents perceive them, as well as, what is even more important, the drivers that make consumers prefer certain initiatives over others. The identification of the aforementioned drivers of consumer preferences shall further serve to find an answer to the question presented in Chapter 2.5.5.3, which discusses different views on the main factors a corporation should consider when choosing its CSR initiatives.

Dimension 3: Perceived Motives of Firms’ CSR Engagement

The perceived motives of firms’ CSR engagement, another critical factor influencing the success of a firm’s CSR communication efforts, are addressed in research dimension number three. As discussed in Chapter 2.6.8.3, consumers can perceive a corporation’s motives for its CSR engagement in various different ways, which has a crucial impact on their positive or negative evaluation of the firm. Making use of a case example, we are aiming to investigate how consumers perceive a certain firm’s motives, and, more importantly, which factors influence their perceptions. By addressing the crucial question of ‘why’ our respondents perceive a firm in a certain way, we are striving to illuminate the currently unknown factors firms should consider in order to make consumers perceive their motives for CSR engagement in a positive light.

Dimension 4: Consumer Perceptions of CSR Communication Channels

Another important influencing factor, and consequently research dimension number four, are consumer perceptions of different CSR communication channels. Although theories exist on, for instance, different levels of credibility of communication channels, as presented in Chapter 2.6.7.1, a number of differing and to a large extent conflicting views have emerged concerning the question through which channels a corporation should communicate its CSR activities. By confronting consumers with different communication channels, we are striving to reveal, which communication channels are perceived as most and least credible and
desirable. Again, the drivers behind consumers’ perceptions play a crucial role in order to understand the motives behind their choices. Furthermore, we are interested in exploring consumers’ evaluations of the inside-out communication approach presented by Morsing, Schultz and Nielsen (2008) in chapter 2.5.6.2, emphasizing the high potential of employees as powerful CSR communication channel. We are consequently aiming to gather customers’ evaluations of the desirability of the communication channel ‘employees’, which has been ignored to a large extent by existing research efforts. At the same time we aim to examine the validity of another idea presented by Morsing, Schultz and Nielsen (2008) to which we refer to as outside-in communication approach in Chapter 2.5.6.2. Since the outside-in approach rejects the effectiveness of direct CSR communication from the firm to consumers, we are interested in detecting consumers’ opinions on the presented claim, that companies should not directly communicate their CSR efforts, but third parties only. The last question we are planning to address in this fourth research dimension refers to the theory presented by Morsing and Beckmann (2006) in Chapter 2.6.4.3, stating that the most desirable CSR communication strategy, from a corporate perspective, should take place in the form of a dialogue between stakeholders and the corporation, since it enables consumers to give critical feedback on a firm’s CSR engagement. As we are addressing the topic from a consumer perspective, we are interested in detecting whether a desire exists among consumers to actively engage in such a dialogue with corporations, or if they rather prefer a one-way communication approach.

**Dimension 5: Desired CSR Communication Content**

The next important driver of CSR communication effectiveness consists of a firm’s choice of CSR content to communicate, which leads to the identification of our fifth research dimension. As pointed out in Chapter 2.6.6, an overall lack of research dedicated to the question what kind of CSR communication content is desired by the stakeholder group of consumers can be detected. Referring to different key areas of communication content identified by Du, Bhattacharya and Sen (2010), such as a firm’s commitment to a cause, it’s impact on a cause and the company’s reasons for engagement, we are aiming to find out whether overall preferences among consumers concerning certain areas of CSR content can be detected, and if for instance certain types of consumers prefer certain key areas of CSR communication content. Secondly, the contradictory views concerning the way in which CSR content should be delivered, presented by Andreu et al. (2015) in Chapter 2.6.6.2, have raised our interest in revealing whether consumers prefer CSR messages to be delivered in an either rational or emotional way, or if different preferences can be detected for certain consumer groups.

**Dimension 6: Perceived Appropriate Degree of Social Disclosure**

Research dimension number six addresses another important influencing factor on CSR communication effectiveness, namely the appropriate degree of social disclosure. As underlined in Chapter 2.5.4.2, the extent to which corporations should communicate their CSR activities is a question that has been approached by many scholars, but remained unresolved. Following up on the existing contradictory opinions presented, we aim to illuminate consumers’ evaluations with regards to whether they prefer corporations to pursue
a rather proactive CSR communication strategy, a more subtle low-key communication approach, or even no CSR communication at all. Referring to the theory put forward by Öberseder et al. (2013), stating that the extent of corporations’ CSR communication depends on each firm’s individual level of CSR commitment and engagement, we are further aiming to explore, whether consumers preferences of a firm’s degree of social disclosure vary with regards to certain variables.

**Dimension 7: Reduction of Consumer Skepticism**

Based on the fact that the issue of consumer skepticism plays a role in each of the other six research dimensions, having a crucial impact on the effectiveness of a firm’s CSR communication, we decided to dedicate an own research dimension to the question how to tackle the issue of consumer skepticism. As underlined in Chapter 2.5.3, which emphasizes the challenges corporations’ are facing in communicating their CSR activities, it becomes evident that the success of a firm’s CSR communication is highly dependent on its ability to reduce consumers’ skeptical attitudes. In this last research dimension we thus hope to gain insights into the moderately explored area of consumer skepticism, by asking consumers to reflect on the root causes of their personal skepticism towards corporations and to suggest, what a corporation had to do in order to reduce this inherent skepticism about its claims and activities.
3 METHODOLOGY

Chapter 3 presents the methodological approach chosen for the empirical data collection of this thesis, including the definition of the object of study and the respective empirical material needed, a statement about the philosophical stand on which the work is based as well as a description and critical analysis of the methods and research techniques used for the collection and evaluation of data.

3.1 THE OBJECT OF STUDY

Being the core of the research question and depicted as the “research focus”, the object of study is of great importance as it defines in essence what the researcher is actually searching for (CCRA, 2014:1). It is important not to take the reader’s understanding of the object of study for granted, as this could lead to misunderstandings due to the possibility of different interpretations of the research question. Therefore the object of study of this research will be examined by having a closer look at the research question:

*How are a corporation’s CSR engagement and communication efforts understood and perceived by consumers?*

When analyzing the research question it becomes clear that the focus is placed on the key words ‘understanding’ and ‘perception’. The object of study is therefore the consumer perception of CSR communication, which involves consumers’ personal emotions and values in connection with the CSR content communicated, as well as the communication channels used. Consequently, the object of study is of highly individual and sensitive nature, dealing with the examination of the inner worlds of individuals.

3.2 EMPIRICAL MATERIAL NEEDED

Due to the aforementioned characteristics of the object of study, the information needed to approach the latter is of very personal and sensitive nature. As we are striving for an in-depth understanding of consumer perceptions, we consider empirical material in the form of words to be most suitable. Other than for instance statistics or numbers, which could be gained through quantitative research methods, listening to customers’ descriptions of their personal experiences with CSR communication is in this case more likely to offer a thorough understanding. Another argument for empirical material in the form of words is the fact that we are not only interested in the consumers’ answers to our questions, but equally in the underlying emotions and values those are driven by, which can only be explored by qualitative in-depth research (Sinkovics, Penz & Ghauri, 2005).

3.3 PHILOSOPHICAL BACKGROUND

Every research design is, either consciously or unconsciously, influenced by the researchers’ ontology and epistemology, namely their personal understanding of what is true and how to best identify those truths (Easterby-Smith et al., 2012). Easterby-Smith et al. (2012:18) state that an active reflection on the philosophical assumptions on which a research project will be
based is likely to “both increase the quality of research and contribute to the creativity of the researcher”. Therefore the ontological and epistemological dimensions of this thesis will be defined in the following.

3.3.1 Ontology

The ontological background of this work can be identified to be of relativist nature. Being concerned with consumers’ individual perceptions, emotions and reactions in connection with CSR communication, we need to be aware of the high probability that a great number of truths will be identified. This is to be explained by the nature of the object of study and the related fact that every individual perceives, understands and judges situations very uniquely. Whereas a realist ontology implies the existence of only one single truth, the relativist approach holds the view that “reality as we know it is constructed intersubjectively through the meanings and understandings developed socially and experientially” (Easterby-Smith et al., 2012; RWJF, 2008). In other words, relativism implies the inseparability of reality and both the researcher’s as well as the studied object’s values and personal experiences (RWJF, 2008).

3.3.2 Epistemology

Easterby-Smith et al. (2012), distinguish between positivism and social constructionism as the two main epistemological approaches. This thesis is written from a constructionist perspective, which is characterized by regarding human interests as “the main drivers of science” and taking into account “the complexity of whole situations” (Easterby-Smith et al, 2012:24). Other than positivism, which is based on understanding situations through measurable concepts, numbers and causality regardless of human interests, social constructionism represents the view that “there may be many different realities, and hence the researcher needs to gather multiple perspectives [...] and to gather the views and experiences of diverse individuals and observers”, which in our eyes represents the most suitable approach to our study (Easterby-Smith et al., 2012:26).

3.4 RESEARCH DESIGN

Having identified the object of study and manifested our philosophical stand, we now need to determine how to practically approach the purpose of this research project in the best possible way.

The field of CSR is broad and very difficult to grasp, which consequently holds true for companies’ CSR initiatives and communication strategies as well (Carroll & Shabana, 2010). Having carefully evaluated the different options of research designs, we came to the conclusion that the use of a case study design will be the most suitable approach to our study, as linking the research to a case example will make the topic more tangible for our respondents and will further provide a framework within which the object of study can be observed and analyzed (Bryman & Bell, 2011). The idea of studying a real example of a corporation’s CSR communication strategy and analyzing its effectiveness by discussing it with its consumers, listening to their descriptions of their personal perceptions of it, seemed to
us a reasonable and interesting way to approach the research topic. Due to the fact that relationships between consumers and companies tend to be the strongest in the service industry, being characterized by a high degree of interaction, we have chosen to select a case example within the service sector (Business Dictionary, 2015). Consequently, we were looking for an accessible service sector company, which engages to a considerable extent in CSR. We found the perfect match to those criteria in the form of Barista Fair Trade Coffee, a Swedish coffee chain based on a business model resting on the idea of fair trade, organic products and overall environmental friendliness (Barista, 2015). Representing a sector in which the role of CSR has drastically gained importance during the past years, we consider the coffee industry to be a promising choice for our research purpose (Linton et al., 2004). We were additionally attracted by the fact that Barista stated to be struggling with their CSR communication strategy, since they are lacking information on their consumers’ perceptions of the latter, which made the corporation an even more suitable case example to conduct our study with.

We are thus planning to approach the general purpose of the study, which is the examination of consumers’ understanding and perceptions of firms’ different CSR initiatives and communication strategies, by tailoring our earlier identified sub-questions to the case example of Barista:

1. To what extent are Barista’s consumers interested in the issue of CSR?
2. How do consumers perceive Barista’s CSR initiatives and what makes them prefer certain initiatives over others?
3. How do consumers perceive and evaluate Barista’s motives for its CSR engagement?
4. How do consumers perceive different CSR communication channels and what are the resulting implications for Barista?
5. What type of CSR content is preferred by Barista’s consumers and how would they like the message to be delivered?
6. To what degree are consumers interested in engaging in a dialogue on CSR with Barista?
7. What are the root causes of consumers’ skepticism towards Barista’s CSR engagement and how could it be reduced in the eyes of consumers?

For the aforementioned examination and understanding of consumer perceptions, values and emotions related to CSR communication from a holistic perspective, we consider a qualitative approach to be most suitable (McCracken, 1988; Sinkovics, Penz & Ghauri, 2005). Sinkovics, Penz and Ghauri (2005) point out that the high degree of flexibility and creativity offered by qualitative research approaches enables the creation of tailor-made research designs for specific and often complex research problems. Being a complex and to a large part unexplored field which demands more examination, the area of consumer perceptions of CSR communication needs to be approached in a creative and thought-out way in order to gather the desired information (Belk, Devinney & Eckhardt, 2005; Brunk, 2010). The research is
thus to be of exploratory nature based on the application of an iterative approach, meaning that we are gaining research results by moving “back and forth between data and [existing] theory” (Bryman & Bell, 2011:13). Due to the fact that we aim to gain “a more accurate and clear picture of a respondent’s position” we decide to conduct in-depth interviews with consumers (Ghauri & Gronhaug, 2002:101). Although quantitative approaches, such as for instance the use of a survey questionnaire, would allow us to gather a larger number of consumer perceptions, we consider in-depth interviews to be more suitable for the purpose of this study, as they will provide the possibility to explore the object of study in a more detailed way (Bryman & Bell, 2011). By asking follow-up questions on consumers’ answers we intend to gain valuable insights concerning the emotional drivers that motivate their answers, which are as important to us as the answer itself. Furthermore, the design of a survey questionnaire would demand that we already have a clear vision of what we are aiming to explore. Since previous research efforts in the area of consumer perceptions of CSR communication only took place to a rather moderate extent, leaving large fields of this topic unexplored as mentioned before (Illia et al., 2010), this would however bear the risk of narrowing down the research focus too early and thus to miss out valuable information. Qualitative in-depth interviews on the other hand allow us to approach the topic in an entirely open and unbiased way (Bryman & Bell, 2011).

3.4.1 Sampling Strategy

Brunk (2010:256) states a “small and diverse sample” to be a typical choice for a qualitative in-depth research. When it comes to the exact number of participants, Bryman and Bell (2011) underline that there is no definite answer as the choice of the sample size depends on different factors such as time, cost and most importantly the minimization of sampling error. Taking these factors into consideration, we decided on a minimum of 10 and a maximum of 15 respondents and carried on with our interviews until our most critical resource, namely time, was used up. This happened to be the case after 12 interviews. We applied a purposive sampling strategy, meaning that we chose respondents who were available and had the matching prerequisites to contribute useful information to our research question (Berg, 2001; Kaur, 2013). We thus chose a number of friends and acquaintances who were interested in the participation of our study. The only prerequisite in order to participate, besides the interest and willingness to do so, was to be a consumer of Barista coffee. However it has to be underlined that we did not explicitly focus on permanent customers but willfully chose a mixture of loyal and occasional Barista customers. We aimed at creating a diverse sample in order to reach a representative diversity of individuals, reflecting Barista’s actual customer base. The sample resulted in being diverse in terms of age, gender, nationality and degree of customer loyalty, even though a slight majority of students has to be recorded, resulting from the availability aspect of the aforementioned purposive sampling strategy. For the city of Lund, however, accommodating around 50,000 students, the sample is probably representative to a high degree. The sample of 12 respondents includes individuals between the age of 20 and 58, represents four different nationalities and ranges from very occasional Barista visitors to highly loyal customers. A more detailed overview of the consumer sample can be found in Appendix A.
3.4.2 Data Collection

Since the focus of the research is related to CSR and the overall topic of ethics, we need to be aware of the fact that the data collection process is liable to social desirability bias. Therefore it is important to carefully adapt the data collection procedure in order to minimize the risk of bias to the greatest possible extent (Brunk, 2010; Mohr, Webb & Harris, 2001; Kaur, 2013). To avoid self-presentational concerns as well as mutual influence among participants, which are likely to occur in focus group interviews and thus lead to a manipulation of results, we decided to carry out individual face-to-face interviews (Wooten & Reed II, 2000). In order to further reduce the risk of social desirability bias we made sure that the participants were thoroughly informed about the purpose of the research (Bryman & Bell, 2011). By explaining to the respondents that we are exclusively interested in their individual perceptions and personal evaluations, we underlined that there do not exist any wrong or undesired answers, which in our eyes contributed to a relaxed atmosphere during the interviews. The interviews were conducted both in participants’ homes as well as in separate rooms prepared for the purpose of interviews. In any case we tried to generate a calm and familiar atmosphere to make the interview participants feel comfortable and to answer the questions in an open manner. The fact that the sample of interviewees consisted of friends and acquaintances furthermore led to our participants answering the questions without any inhibitions. The interviews conducted were of semi-structured nature. By using an interview guide including a certain number of core questions, the comparability of the interviews was ensured. The interview guide however only served as means of orientation, ensuring that “the interviewee[s] [still had] a great deal of leeway in how to reply” (Bryman & Bell, 2011:467). As suggested by McCracken (1988), the interview guide and the practical performing of the interview were pre-tested. The interview guide used can be found in Appendix B.

The interviews were structured as follows: We opened the interviews by asking a number of general questions, such as for instance about the interviewees’ reasons for visiting Barista as well as what they generally knew and liked about the café. After the introduction phase we confronted the participants with six different CSR initiatives, based on the six major types of social initiatives identified by Kotler and Lee (2005): Cause promotions, cause-related marketing, corporate social marketing, corporate philanthropy, community volunteering and socially responsible business practices. Each type of initiative was represented by the description of an example of a CSR initiative of Barista. To give an example, the initiative type ‘corporate philanthropy’ was represented by Barista giving away free coffee for the homeless during certain periods of time throughout the year. Due to the fact that Barista is not actively practicing all of the six types of CSR initiatives, we made up two examples for the respective missing categories ‘community volunteering’ and ‘corporate social marketing’. The interviewees were now asked to rank the different CSR initiatives regarding their individual perceptions, values and emotions, ranking the initiative they perceived as most appealing number one and continue in this manner until the least appealing initiative was ranked number six. Afterwards they were asked to reflect on their choices, for instance to describe what made them prefer certain initiatives to others and what made them perceive some initiatives in a positive or negative way. The purpose of this first ranking was to find out, if there exist general preferences for certain types of CSR initiatives and if certain
patterns in consumers’ reactions and answers could be observed. The same procedure was then repeated; this time the respondents were given examples of different communication channels used for the communication of the CSR initiatives introduced, such as for instance TV adverts, social media channels, the company’s website and CSR report, packaging and labels, and recommendations of friends. Following Berens’ and Popma’s (2014:385) approach, which identifies three types of CSR messages, we made sure to include mixed communication channels in terms of messages that are “constructed and verified by the firm”, messages that are “constructed by the firm and verified by a third party” and messages that are “constructed and verified by a third party.” Again the interviewees were asked to rate the different options and reflect on their respective choices. The purpose of the second ranking was the examination of consumers’ perception of and reaction to different means of communication, and was aiming to shed light on whether certain communication channels were generally more or less preferred, trusted or perceived in a more or less authentic way. Other important questions covered the areas of consumers’ expectations towards firms’ social obligations, their individual perceptions of firms’ motives for engaging in CSR, as well as their individual preferences when it comes to CSR communication content and the way of message delivery.

In total, a number of 12 in-depth interviews has been conducted. The interviews lasted between 30 and 50 minutes. All participants gave us the permission to audio-record the interviews.

3.4.3 Data Analysis

The transcribed interviews were analyzed individually with the help of coding, “whereby data are broken down into component parts, which are given names” (Bryman & Bell, 2011:577). The process of coding can be described as a continuous comparison and interpretation of the textual data collected, with the aim to “identify the right ‘container’ for ideas and concepts” (Sinkovics, Penz & Ghauri, 2005:27). As suggested by Corbin and Strauss (1990) we went through different stages of coding, moving from open coding, which can be depicted as the identification of initial categories and subcategories gained through a first open comparison of the ‘raw’ textual data, towards selective coding, which describes a more advanced level of coding towards the end of the analysis process, where the identified categories are revised and arranged. The outcome of the coding procedure, which can be described as an extensive discussion and which took place in the form of an iterative process, served as basis for the development of theory resulting from this research (Bryman & Bell, 2011; Spiggle, 1994).

3.5 ETHICS AND POLITICS

Due to the fact that the research design of this thesis is based on a close collaboration both with consumers as well as the organization Barista, it is of crucial importance to ensure the correct handling of those collaborations from an ethical and political perspective.
3.5.1 Ethical Considerations

The AoM Code of Ethical Conducts points out that “it is the [researcher’s] duty [...] to preserve and protect the privacy, dignity, well being and freedom of research participants. This duty requires both careful research design and informed consent from all participants” (Bryman & Bell, 2011:133). It was therefore of paramount importance to ensure that our research participants were not harmed in any way, taking into account that harm cannot only occur in a physical but also in a psychological form, for example in the form of stress (Bryman & Bell, 2011). We made sure that all respondents were thoroughly informed about the content and purpose of the research beforehand so that they were given the free choice whether or not to participate. Additionally we assured a highly confidential treatment of the data and offered each participant the opportunity to stay anonymous. When we came across a respondent’s statement which we would like to use as an in-text citation, we double-checked the use of the quote with the respective research participant.

3.5.2 Political Considerations

Collaborating with an organization implies accepting its internal corporate guidelines and restrictions. When working with Barista our task was therefore to respect the company’s code of conduct as well as confidentiality guidelines. Easterby-Smith et al. (2012:92) recommend the development of “co-operative relationships”, which are based on mutual commitment. It was our task to not only use the outcomes of the research for our own purpose but to provide Barista with useful information and feedback. In return Barista provided us with the in-depth insights needed to carry out the study. Towards the end of our research, a feedback meeting with Barista was held, in which the outcomes and recommendations resulting from our research were thoroughly discussed with the company.

3.6 LIMITATIONS

Although we consider our research design to be a reasonable choice for the purpose of our research project, it is inevitable to carefully analyze and understand its downsides. The possible risks and disadvantages of this research design will be therefore examined in the following.

One issue which is often considered as a main weakness of qualitative research is the fact that it may be regarded as “being too impressionistic and subjective” (Bryman & Bell, 2011:408). According to Bryman and Bell (2011:408) the issue of subjectivity is rooted in the fact that findings of qualitative research “rely too much on the researcher’s [...] views about what is significant and important”. Since we are collecting and interpreting the empirical data by ourselves, it is undeniable that the research outcome will automatically be influenced by our personal views and evaluations. At the same time it may be problematic to carry out a true replication of our research project, caused by different reasons, such as for instance the fact that interviewees’ responses are influenced by the researcher’s characteristics and behavior, meaning that the outcome of the same research project could be different when conducted by another researcher. Easterby-Smith et al. (2012:28) issue the warning that “especially policy-makers may give low credibility to studies based on apparently ‘subjective’ opinions”. Since
factors such as the issue of subjectivity and replicability can be seen as typical characteristics of qualitative research designs, the above described weaknesses are thus to be evaluated as being of rather minor importance. The main weakness of the research is represented by the issue of generalization. As underlined by Bryman and Bell (2011:408), “when [...] interviews are conducted with a small number of individuals in a certain organization or locality, [...] it is impossible to know how the findings can be generalized.” Due to the limited amount of time available, our sample contains a number of 12 interviewees, which can be regarded as relatively small. We noted that, even at an advanced stage of our interviews, each interviewee still contributed at least a small number of new viewpoints and aspects, which previous participants had not mentioned yet. The limited timeframe therefore prevented us from reaching a true saturation of information, which could have been achieved by carrying out a greater number of interviews. Furthermore, as mentioned earlier, the sample is characterized by a relatively high share of students, which may well represent Barista’s customer base in Lund, however, it might be less representative for another location. The issue of generalization is further influenced by the fact that the case example Barista can probably be described as an exceptional case in comparison to its competitors due to its unique business model, being based on sustainability and environmental friendliness. We can therefore not exclude, that consumers may have had a slightly more positive attitude towards the firm from the beginning, which may have been different if another case example had been chosen. As a last argument it further has to be considered that the facts of Barista representing a Swedish corporation and the research having been conducted in the Swedish region of Skåne, may lead to the results being predominantly valid for this specific country. The same holds true for the industry sector; since the study was conducted using a case example from the service industry, generalizability for other industries cannot be guaranteed.
4 BARISTA FAIR TRADE COFFEE

This chapter presents the case example of Barista Fair Trade Coffee, which forms the basis of our empirical investigation. It includes an overview of the company, its business model as well as its CSR engagement and current communication strategy.

4.1 COMPANY FACTS AND FIGURES

Barista Fair Trade Coffee was established in the Swedish city of Malmö in 2006 by its three founders Björn Almér, Nina Forsberg and Maria Andersson, offering its customers high quality Fairtrade coffee as well as a to a large extent organic range of other products. Starting out with one coffee shop in 2006, Barista has experienced fast growth over the past nine years and encompasses 19 coffee shops at seven different locations in Sweden today. The rapid expansion has in turn made Barista Sweden’s fastest growing restaurant chain in 2012. At present Barista is able to record about 1.5 million customers per year. Despite being owned by the three founders, a stock option program exists for employees. The company further opens up increasingly to external investors, among which inter alia prominent businessmen and – women, such as for instance H&M’s CEO Karl-Johan Persson and Indiska’s CEO Sofie Gunolf, can be found. The capital resulting from its ownership expansion in 2014 is chiefly used for the coffee chain’s further expansion in Gothenburg and Stockholm (Barista, 2015; Advantage Environment, 2014).

4.2 THE BARISTA CONCEPT

Barista Fair Trade Coffee was born out of the idea to create a sustainable business model and thus offering consumers an alternative to ordinary global restaurant chains, being determined “to change the world one cup at a time.” The company’s business concept rests on a combination of high quality coffee and organic products, knowledgeable staff, and, most importantly, a transparent value chain including the engagement in Fairtrade as well as a cooperation with the UN. Positioning themselves in the field of high coffee quality and expertise, Barista’s direct competitors with regards to the price are coffee chains such as Starbucks and Espresso House. In order to meet the high standards claimed, the company invests approximately SEK 2 million in the equipment of each coffee shop. The differentiating factor to competitors and the ‘heart’ of the organization is the factor of sustainability. This interest is also visible through the company’s engagement in the CSR domains of ‘environment’ and ‘society’. Being driven by the wish to make the world a better place, Barista engages in Fairtrade agreements with Ethiopian coffee farmers in order to ensure improved living and working conditions of the individuals involved in its value chain. The company thus offers 100% Fairtrade coffee in its shops without exception. What is more, Barista has a board seat in the Swedish UN Foundation, collaborating with the United Nations in school feeding and education initiatives in Ethiopia, which are subsidized by fixed amounts of money donated when purchases are made by Barista customers. Since the corporation strives to convey the idea of sustainable business practices in every detail of its business, Barista is determined to follow the approach of ‘greenness’ in every business area, be it the purchase of environmentally certified electricity, the usage of recyclable or biodegradable
packaging and materials in-store, or the recycling of coffee grounds into eco-friendly fertilizer (Barista, 2015; Advantage Environment, 2014).

4.3 THE COMMUNICATION CHALLENGE OF CSR

In an interview with one of Barista’s founders, Björn Almér, we depicted the purpose and research question of our study, namely to find an answer to the question how consumers understand and perceive a corporation’s CSR engagement and communication efforts, as well as what kind of CSR communication tone, content and channels consumers prefer, to which his response was:

“That is a good point, we don’t know it either.”

Björn gives us a brief overview of Barista’s CSR communication history, stating that “in the beginning, Barista addressed its consumers using the wrong tone.” The pursuit of a strongly activist approach, emphasizing the motto ‘We only have one planet – We have to do something’, resulted in consumers being put off, since it addressed the consumer’s conscience in a too direct way and was thus perceived as too obtrusive. “Now”, he explains, “we aim to be on the lighter side, with a touch of seriousness. We try to ‘talk the consumers’ talk, by for example using humorous in-store messages in order to make them aware of initiatives.” Furthermore, he states that advertising has been tried out, but that it has been both unsuccessful as well as unsuitable for the company Barista. Reflecting on this experience, he points out that the communication strategy needs to suit the corporation’s character and values: “Barista’s communication is not supposed to take place via commercial advertisement – we don’t intend to be like Coca Cola.” Björn underlines that Barista’s current communication strategy is rather to be described as low-key approach: “We aim to be really good at what we do.” He states that winning prizes by simply doing the right thing leads to third parties communicating in a positive way about the company, which is seen as favorable promotion for Barista. Seeing himself in the role of a brand builder, Björn further makes use of the opportunity to speak at universities, congresses and fairs to educate different target audiences about Barista’s concept. What is more, Barista considers its staff to be of key importance when it comes to CSR communication, describing them as “a soft way to deliver the message.” Additionally, Barista tries to embed its CSR engagement into the appearance of its coffee shops in a subtle way, aiming at “delivering the message in the ambience and make customers ‘feel’ it.”

Nevertheless, Björn highlights the difficulty in the decision concerning the extent, the content and the channels of CSR communication, claiming it to be a “tough act of balance”, since insights into consumers’ perceptions of CSR, their preferences, interests and information needs, are missing. He further refers to one of the biggest issues of CSR communication today, namely consumers’ fear of greenwashing and their resulting high level of skepticism, stating that:

“Everything we say is marketing, which people don’t really trust.”

“It is really hard to approach them and know what to say.”
It becomes evident that the purpose of our research is of high relevance for Barista Fair Trade Coffee, since the company is equally lacking answers to the catalogue of research questions identified earlier. To be able to address our research questions with the help of Barista as a case example, an overview of the company’s main CSR initiatives as well as the communication channels chosen for the delivery of CSR information is needed, which is going to be presented in the following.

4.4 BARISTA’S CSR INITIATIVES

UN School Feeding

As already indicated, one of Barista’s main CSR initiatives is its engagement in the Ethiopian school feeding project in collaboration with the United Nations, which can, according to Kotler and Lee (2005), be classified as a cause-related marketing initiative. For every purchase made with a Barista loyalty card, the consumer receives a discount on their purchase while at the same time the amount of SEK 2 is given to the school feeding initiative, which currently results in about 1,200 children being fed every day. At present, approximately 100,000 loyalty cards are in circulation, leading to SEK 0.5 million being donated to the UN project every year. It becomes obvious that the success of the initiative depends on the effective communication of the idea and advantage of a Barista loyalty card.

Fairtrade

Barista’s engagement in Fairtrade represents another key pillar of the company’s CSR activity; however this topic is more difficult to bring close to consumers since the results of its Fairtrade engagement, such as the actual amount of money being transferred into the Fairtrade system as well as the effects on the coffee farmers and their workers are more difficult to quantify. Barista engages in raising awareness for the importance of the topic of Fairtrade with the help of cause promotions, such as for instance the sponsorship of local events.

Coffee for the Homeless

With its social initiative ‘Coffee for the Homeless’ Barista further engages in the field of corporate philanthropy. During certain periods of time throughout the year, the company gives away free coffee to homeless people. In the past year around 40,000 cups of coffee were given away.

Socially Responsible Business Practices

In addition, Barista generally adopts a number of socially responsible business practices, meaning that the company acts in a much more socially and environmentally friendly way than it is demanded or sometimes even expected by consumers and other stakeholders. Examples for those business practices are Barista’s continuous striving for offering 100% organic products, the exclusive usage of recyclable or biodegradable packaging and in-store materials, and the purchase of provably green electricity.
4.5 BARISTA’S CSR COMMUNICATION CHANNELS

Barista communicates through a number of different communication channels. High uncertainty does however exist with regards to consumers’ perceptions of these and their resultant effectiveness. Overall the company uses the following communication channels:

**In-store Communication**

This is one of the main communication channels used by Barista, consisting of signs and pictures displayed inside the coffee shops. Barista’s collage, one of the most noticeable means of communication, can be found on the walls of some coffee shops. It consists of pictures and short descriptions, aiming to convey the story of Barista and its engagement in CSR activities. According to Björn Almér an internal debate currently exists within the company regarding the question whether or not this communication channel should be kept or removed. Further, little messages on tables or near the cash desk, often just consisting of a key-word or a short sentence, can be found. What is more, Barista strives to turn the interior design of its coffee shops into a reflection of the company’s green core values, by using all natural and sustainable materials.

**Product Packaging**

Barista uses some product packages to deliver small CSR messages. An example would be the statement ‘This napkin has already been used’ printed on the napkins offered, in order to raise consumers’ awareness of the fact that Barista is concerned about waste reduction by providing recyclable materials.

**Online Channels**

Barista makes further use of its company website to educate visitors about its social initiatives. Additionally the company is actively represented in the most popular social media networks such as Facebook, YouTube, LinkedIn, Twitter and Instagram, however it has to be underlined that social media seems to be predominantly used for the communication of product offers and news concerning the coffee shops and product portfolio.

**Staff**

Barista considers its staff as a key communication channel, arguing that every purchase is to be seen as a small meeting between a member of Barista’s staff and the consumer. The company thus strives for committing its staff to the Barista concept in order to educate consumers about Barista’s CSR initiatives. Additionally, Barista regards its staff as a great driver of new product development, since for instance the introduction of the Fairtrade Cola has been initiated by a member of staff.
5 PRESENTATION AND ANALYSIS OF EMPIRICAL RESULTS

In this section the results of the empirical study are presented and analyzed, including a comparison of the empirical findings to the previously outlined theoretical framework, and an interpretation of the results. Calling to mind the purpose of this research, namely to investigate how consumers understand and perceive a corporation’s CSR engagement and communication efforts, the outcomes of this analysis will further provide the foundation to formulate an answer to our research question. The chapter will follow the structure of the seven research dimensions identified earlier.

5.1 ANALYSIS OF RESEARCH DIMENSIONS

As a first step, the findings of each research dimensions will be presented and analyzed referring to the theory presented in the literature review.

5.1.1 Consumer Interest in CSR

As previously explained, research dimension number one deals with the exploration of consumers’ general interest in the topic of CSR as well as their expectations towards a corporation’s degree of social responsibility, since the personal level of stakeholder interest and involvement in the issue has a strong impact on the effectiveness of a firm’s CSR communication efforts.

5.1.1.1 Personal Level of CSR Interest

To begin with, the respondents were asked to reflect on their personal level of interest in the overall issue of CSR. As a result, the majority (6) of our respondents claimed their interest in CSR to be high, whereas one third (4) evaluated their interest in the topic to be on moderate level. A minority (2) of the interviewees described their level of interest to be rather low.

When being asked to reflect on their personal evaluations, those respondents claiming a high interest in CSR underlined the overall high importance of sustainability issues, not only on a corporate level but also referring to themselves as individuals. Some of them gave examples of themselves implementing certain sustainability aspects in their own homes. Overall the aspect of saving the planet for future generations was a frequently mentioned argument.

It is very high. I am interested in CSR both in practice, as well as from an ethical and political point of view. The older generation, like myself, we will be gone in 20, 30 years. So we should put all efforts in actually changing something. (Respondent 9)

I am very interested in it. I think it is really important to save our planet and to be conscious about it. In my eyes more people should care about it. (Respondent 11)

Those respondents who evaluated their interest in the topic to be on a medium level often described their degree of interest to be varying, depending on specific circumstances. It
became evident that variables such as for instance industry and product type seem to have an effect on our interviewees’ degree of personal involvement.

As a consumer I would describe my interest as rather moderate. It depends on factors such as for example the industry. Also the level of my personal involvement plays a role.  
(Respondent 4)

The two participants who described their personal interest in CSR to be rather low could be characterized as having a highly skeptical attitude towards the concept of CSR. Their cynical view on the subject was further underlined by the statement that they are mainly interested in reading about headlines being related to CSR in a negative way:

If I am confronted with for example negative headlines about a company behaving unethically, I am interested in it. Other than that I would describe my interest as rather low.  
(Respondent 3)

Reflecting on the results, it seems as if, with the exception of a small minority of respondents, the overall interest in the topic of CSR among our sample group tends to be high, which would support the claim put forward by Komodromos and Melanthiou (2014), stating that a shift in society’s interest concerning the issue of sustainability has taken place, leading to CSR being regarded as a topic of high importance nowadays. It needs however to be taken into consideration that the nature of the question, namely asking people to evaluate their interest in a widely acknowledged ‘worthy cause’ such as CSR, is highly liable to social desirability bias. As a consequence, some respondents may have depicted their personal interest in the topic in a slightly exaggerated way, in order to either consciously or unconsciously provide us with an answer they perceived as desired on our part. Although, we generally do not doubt the sincerity of our interviewees’ interest, and furthermore tried to avoid the phenomenon of social desirability bias by choosing friends and acquaintances as respondents for our study to ensure a familiar atmosphere, we nevertheless cannot know for sure if some answers to a certain extent have been manipulated.

5.1.1.2 CSR in Purchase Decisions

As stated by previous researchers, such as Carrigan and Attalla (2001), our results equally confirm a big difference between consumers’ general interest in the issue and their actual behavior, which can also be referred to as attitude-behavior gap. Interestingly, the existence of this gap has been pointed out by many interviewees without having been asked directly.

I am interested in the topic and like to read and learn about it. However I don’t necessarily act upon it. I don’t live it out. (Respondent 7)

The difference between consumer interest in CSR and their actual behavior became more visible, when asking the respondents to reflect on the extent to which they consider CSR in their purchase decisions: Although (6) of the respondents have previously stated a high
personal interest in the issue of CSR, only (3) respondents do now claim to actively consider CSR when it comes to purchase decisions. This observation might support the aforementioned presumption that some of the previous answers stating a high CSR interest may have been influenced by social desirability bias, based on consumers’ wish to be able to say that they are conscious about CSR. Furthermore it was noticeable that some respondents seemed to feel slightly uncomfortable about not acting in a socially responsible way when making purchase decisions, showing signs of feeling bad conscious about not proactively considering it in their purchases.

All (3) of those respondents stating a high CSR awareness when purchasing goods can be characterized by a high level of personal involvement and interest in the topic of CSR, showing the willingness to actively seek for information on firms’ CSR engagement.

*I do. I try to get this information and base my decisions on it. (Respondent 1)*

*Yes, I do. I am actively seeking information on CSR. I am very interested in knowing what CSR projects companies engage in. (Respondent 8)*

Another group of (3) respondents stated to rarely pay attention to CSR as a purchase criterion, indicating that other purchase criteria are of higher importance when deciding on a product.

*No, it is not one of the first criteria I consider when making a purchase. (Respondent 10)*

The majority of respondents (6) answered that they do occasionally consider the social activities of firms and frequently pay attention to whether the product is Fairtrade or organic. At the same time however this group of respondents admitted to not being consistent in their purchase decisions. During our coding process, we were able to identify three main drivers, which were repeatedly mentioned by our interviewees to explain their inconsistency in socially responsible purchase behavior: convenience, price and type of product.

**Convenience**

The most influential driver mentioned by a vast majority of our respondents was the aspect of convenience, referring to the fact that most consumers are not actively seeking for information on a corporation’s CSR engagement.

*I make purchases depending on what I know. But I am not actively seeking for CSR information - mainly due to time constraints. I like to make the ‘lazy’ choice and buy, for example, fair trade products. Labeling plays an important role because it ‘tells me’ what is good. (Respondent 9)*

*If I had all the facts about what they are doing in front of me, I would always pick the product which is the most responsible or ‘good’. But I don’t make the effort to find it out by myself. (Respondent 5)*
The aspect of convenience seems to be a very honest and genuine aspect influencing consumers’ consideration of CSR in purchases, having been mentioned by an impressive majority of respondents. Some interviewees showed tendencies to justify their lack of CSR consideration in purchases by referring to personal time constraints or a lack of transparency when it comes to searching for CSR information, whereas others openly admitted to be outright lazy. Overall, it became evident that the desire for receiving CSR information in a convenient way, which implies not actively having to look for it, turned out to be the predominant reason behind the different explanations. Convenience thus represents a crucial influencing factor of CSR communication effectiveness, which in turn means that a corporation should ensure the convenient access to CSR information in order to reach the large group of consumers, who are no active seekers.

Price

The second driver identified deals with the price of ‘green’ products, which is considered a hindrance of continuously responsible purchase behavior by many of interviewees, especially by students.

*I think it is a question of budget. I would like to buy all organic and all fair trade, but it is not always possible for me because being a student I don’t have the money to do so. (Respondent 11)*

It became evident that socially and environmentally friendly products were generally considered to be more expensive than other products by the majority of our respondents, not only by students. Most of the students, but also many of the employed respondents thus stated the financial aspect to be a reason for not consistently making responsible choices when purchasing goods.

*I is definitely much more expensive. I can see it on my bank account. I would even say that it is a class issue in the sense that you need to be an above average middle-class family to have fika at Barista. It’s not affordable to everyone. (Respondent 9)*

Again it is important to underline that social desirability bias need to be taken into account. Whereas we suspect the price issue to be used by some respondents as an excuse for not being able to make responsible purchase decisions, for other interviewees it seems to be a genuine reason and a seriously frustrating hindrance to be consistent in making responsible choices. Reflecting on the price issue itself, it has to be underlined that many, but not all ‘green’ products are more expensive than others. The currently existing association ‘green’ equals ‘more expensive’ calls for a higher need for consumer education on product prices in order to diminish the aforementioned association for those products, for which this equation is not applicable. Providing transparency on prices can therefore be a corporation’s key to those consumers, who truly consider the price of socially responsible products to be an obstacle.
Type of Product

Thirdly, the product category and overall type of industry was noted to be another important influencing factor. A large majority of respondents stated to be more concerned about the aspect of CSR when it comes to nutrition than for example clothes.

*For certain products I would say I am more aware, such as food. (Respondent 6)*

*Having 3 kids has made me even more aware of what I buy since I am now also feeding them – and I don’t want them to eat anything bad. (Respondent 9)*

This result reveals a certain tendency towards egoistic motives being tied to purchase decisions. Since the quality of food for instance has a direct impact on the well-being of the individual who makes the purchase, it seems to be of a much higher concern than the quality and origin of for example clothes, as factors such as the circumstances under which the garments have been produced do not directly affect the buyer. Relating this finding to our case example of Barista, the fact that the firm is operating in the field of food and beverages is thus an advantage and could be stressed in a more strategic way by placing greater emphasis on the ‘good’ consumers do both to the environment as well as themselves, when purchasing organic and Fairtrade products.

Overall, the findings of this research dimension support the theory put forward by scholars such as Öberseder, Schlegelmilch and Murphy (2013), who state that CSR can have a positive impact on consumers’ purchase decisions. More importantly however the results underline the critical importance of educating consumers about a corporation’s CSR activities, as pointed out by Kaur (2013), who emphasizes that unawareness on the part of the consumer will make a purchase based on the topic of CSR unlikely. Furthermore, the results strongly support the view presented by Du, Bhattacharya and Sen (2010), namely that a corporation’s business returns on CSR are critically dependent on the consumer awareness of the firm’s CSR engagement. Our results imply that the aforementioned awareness can be increased by taking into consideration the previously identified critical factors ‘convenience’ and ‘price’. By providing both, easily accessible CSR information to educate the ‘lazy’ consumer, and transparency concerning the price, especially for those socially responsible products that are not more expensive than other products, consumer awareness and thus the business returns on CSR can be increased.

5.1.1.3 Expected Degree of a Firm’s Social Responsibility

Moving from consumers’ personal interest in CSR towards their expectations concerning a firm’s extent of socially responsible behavior, we confronted our respondents with Carroll’s (1979) CSR pyramid and its four levels of social responsibility, asking them to reflect on their expected degree of a corporation’s social responsibility. As noted from the respondent’s answers, all (12) acknowledged that the role of corporations have changed over the past decades and thus support the view presented by Henderson (2009), that it is no longer sufficient for companies in the 21st century to only focus on maximizing profit:
Nowadays it’s not enough to only fulfill their economic and legal obligations. I think they should at least include the level of ethical responsibility. (Respondent 2)

A large majority of two thirds (8) stated that they expect corporations today to fulfill at least their ethical obligations, but respond positively if companies go beyond being ‘just’ ethical:

My expectations are that they have at least the clear ethical stance, but of course I appreciate it very much if they are going one step further. (Respondent 1)

I wish all firms were philanthropic, but I expect them all to be ethical. (Respondent 12)

The general tendency which can be noted in the comments above is that consumers regard firms to act ethically responsible as a minimum requirement, but indicate an overall desire of them taking on a philanthropic action. This in turn confirms the statement presented by Wilburn and Wilburn (2013) that consumers have taken an interest in business practices that are socially responsible.

The remaining third (4) stated that they expect today’s corporations to go beyond their ethical obligations and to be good corporate citizens, which requires them to be on the top of the pyramid.

A couple of years about it would probably have been enough to obey the first three levels: ethical, legal and economic. Today however I would expect companies to undertake the responsibilities on the top of the pyramid. (Respondent 8)

Being a ‘good corporate citizen’ demands much more than just being ethical. (Respondent 9)

In many of the comments a discrepancy was identified between consumers’ expectations of what companies should do and what they perceive them to do. From the comments below it becomes evident that good corporate citizenship is perceived by many to be a rare achievement among companies today, but something which should be strived for.

I don’t think it’s not enough anymore to stop at the ethical level. But I don’t know many companies who go beyond that and are on the highest level of CSR engagement (Respondent 7)

I react positive to companies that are good corporate citizens. Not that this happens very often, because I think that there are not many companies that are really good corporate citizens. (Respondent 6)

The overall findings reveal that the participants of this study seem to side more with the stakeholder theory than the shareholder theory in their belief that corporations should not only exist to serve their own economic interests, thereby endorsing the statement put forward by Stiegson (2002:24), that “it is clear that society expects much more from companies than
simply a well-made product or a reliable service at the right price.” The results also validate the claims presented by scholars such as Porter and Kramer (2006) and Komodromos and Melanthiou (2014), acknowledging the arrival of new consumer expectations concerning firm’s socially responsible behavior and the resulting pressure on corporations to portray that they are good corporate citizens.

5.1.2 Consumer Perceptions of CSR Initiatives

This second research dimension deals with consumers’ awareness, as well as their personal perceptions and evaluations of different types of CSR initiatives.

5.1.2.1 Consumer Awareness of Barista’s CSR Initiatives

Firstly, in order to gain an impression of the current effectiveness of Barista’s CSR communication strategy, we tested our participants’ awareness of the corporation’s CSR activities, by asking them if they could recall any of the firm’s current CSR initiatives. Despite many of the respondents being returning consumers of Barista, their overall awareness level of Barista’s CSR initiatives turned out to be surprisingly low. These findings are consistent with earlier research showing a low awareness among the public for corporation’s social and environmental activities (Dawkins, 2005).

Only (1) respondent proved to be highly aware of Barista’s CSR engagement. This minority was represented by a highly active and interested CSR advocate, who was proactively seeking for information on the firm’s CSR engagement.

*If I had not gone to the wall [referring to in-store information in the form of a collage on the wall] I would not have known about their initiatives. An average person might not read everything and miss out on what they do. (Respondent 8)*

The above presented quote underlines that Barista’s current CSR communication strategy, due to its subtle nature, only catches the attention of those consumers, who proactively seek for information, driven by the wish to inform themselves. Consumers being less interested and personally involved in the issue of CSR might thus “miss out” important information, as it is expressed by our respondent in a matching way.

One third (4) of the respondents were found to have moderate level of awareness, being able to recall basic pieces of information.

*I know a little bit - that they fund school meals for kids. (Respondent 10)*

*I know that if you get a coffee to go, they have those paper cups made of some kind or organic material. (Respondent 2)*

It could be noted that the existing knowledge of this group of respondents only refers to very basic and often superficial pieces of information on single initiatives, since they lack the active drive of the proactively searching respondent presented earlier.
The majority (7) of the interviewees turned out to have an extremely low level of awareness concerning the company’s CSR activities, not being able to recall a concrete initiative and being only vaguely informed about the role that sustainability plays for the corporation.

*I’m not sure. They are Fairtrade and organic I think. (Respondent 5)*

*I don’t really know a lot about it. I only have some general ideas of what they do.*

(Respondent 6)

Among the respondents with low awareness we were able to identify two different consumer characters. While some respondents seemed to generally have a rather moderate to low interest in the topic of CSR and thus did not seem to be bothered about their lack of knowledge, others, on the contrary, seemed overall interested in the issue, conveying the impression to regret their unawareness. The latter group seems to belong to those consumers, to whom the previously identified aspect of convenience in accessing CSR communication plays an important role, which implies that they could be reached by Barista with the help of a more proactive CSR communication approach.

Overall it becomes evident that our sample group of Barista customers, except from a small minority, lacks substantial information on the corporation’s CSR activities. Surprisingly this holds true both for occasional and loyal Barista customers. Consequently, the corporation’s current CSR strategy seems to be ineffective in reaching a majority of Barista’s customers. The root causes of this ineffectiveness shall be further explored in the course of this research.

### 5.1.2.2 Consumer Perceptions of CSR Initiatives

In order to identify respondents’ individual preferences for CSR initiatives and to determine which ones are perceived as most or least appealing, the respondents were confronted with six examples of different CSR initiatives, each representing one of the initiative types identified by Kotler and Lee (2005), and asked to rank them with regards to their personal preferences. The interviewees were further asked to reflect on the motivations of their choices. The detailed description of all six CSR initiatives can be found in the interview guide used, which is attached as Appendix B. The results of the consumer ranking are shown in the figure below.
Figure 3: Consumer Ranking of Barista’s CSR Initiatives

As an overall result, Barista’s UN school feeding initiative was ranked number one, closely followed by Barista’s striving for offering 100% organic products. The voluntary education of school kids about fair trade, which was made up by ourselves to offer an example for the initiative type ‘community volunteering’, was ranked third, followed by an equally made up online awareness campaign on the fair trade issue, which represented the initiative type ‘corporate social marketing’. Barista’s philanthropic coffee for the homeless initiative was ranked number five, whereas Barista’s sponsorship of a local football game was given rank number six by our respondents.

Since we linked each type of CSR initiative to an example, it needs to be clearly underlined that the outcome of this ranking cannot be used to conclude, that certain types of initiatives are generally more successful than others. This is caused by the fact, that the interviewees were influenced to a high extent by the characteristics of the examples chosen, rather than by the type of initiative itself. To give an example, the low ranking of the initiative coffee for the homeless does not mean that consumers generally dislike corporations acting philanthropically, but simply indicates that certain characteristics of those initiatives ranked higher have been perceived as more appealing. Exactly those characteristics represent the focus of our interest. By asking our respondents to reflect on their choices and try to explain the motivations behind their ratings, we were able to identify three main themes and resultantly three major factors, which crucially influenced our respondents preference of certain initiatives over others: the impact of the initiative, the fit between the initiative and the corporation, and the active involvement of the consumer offered by the initiative.

**Impact**

The degree of an initiative’s impact was identified as a factor, which was mentioned remarkably often when our respondents reflected on the choice of their most preferred
initiatives. Concerning the UN school feeding initiative, which was ranked number one, consumers stated:

*In my eyes it shows the most concrete results and makes the biggest change.* (Respondent 2)

*I think it has the biggest impact. I like companies who are making a difference in the community.* (Respondent 3)

In relation to the initiative ranked number two, namely to offer 100% organic products, interviewees further added:

*This initiative aims at a real change in consumption behavior on the long term.* (Respondent 9)

The argument was used likewise when reflecting on the least appealing CSR initiatives, represented by the football sponsoring and the coffee for the homeless initiative.

*The football sponsoring is nice and generally raising awareness is a good thing - but it does not have a real impact.* (Respondent 2)

*The coffee for the homeless initiative is a very nice initiative, but in the end they just give away free coffee. It is a very local initiative with limited impact.* (Respondent 10)

Interestingly, the long-term aspect and the overall impact of a CSR initiative is claimed by our respondents to be one of the most important factors when comparing and evaluating different CSR initiatives.

**CSR Fit**

An equally important criterion influencing our participants’ preferences of CSR initiatives was found to be the perceived fit between the initiative and the company. Especially when reflecting on the least appealing initiatives, the level of CSR fit seemed to play a crucial role.

*Neither there is a fit between Barista and football, nor between fair trade and football.* (Respondent 4)

*It is nice but in the end it is just an act of giving away free coffee. It has no connection to Barista’s core values.* (Respondent 8)

Our findings thus seem to confirm the high importance of a fit between a corporation and its chosen initiatives, as pointed out by scholars such as Becker-Olsen, Cudmore and Hill (2006) and Sen and Bhattacharya (2001), in the existing CSR literature. Driven by the interest to further investigate the role of CSR fit, we dedicated an additional question to the CSR fit perceived by consumers between the initiatives and Barista, by explicitly asking our respondents for their opinions on the initiatives with the highest and lowest fit. Interestingly,
two of the initiatives with the highest perceived CSR fit, namely the 100% organic products initiative and the UN school feeding initiative are also rated to be the overall most appealing ones, whereas the initiatives with the lowest perceived CSR fit, namely the coffee for the homeless and the football sponsoring, are equally rated as least appealing initiatives. This result confirms the above indicated conclusion that a high fit between the CSR initiative and the firm triggers positive consumer perceptions. When being asked to reflect on their perceived high importance of the CSR fit, respondents state:

There must be a fit between the company and the initiative. If a company produces something that is not in line with its core values, I don’t think it is credible. (Respondent 8)

From the quote presented above it further becomes evident, that a low fit between the firm and the initiative bears the risk of CSR initiatives being perceived as less genuine, trustworthy and generally less appealing.

Overall our findings strongly support the view offered by Levy (1999) and Becker-Olsen, Cudmore and Hill (2006), who argue in favor of choosing CSR initiatives that are consistent with the firm’s core business and values.

Consumer Involvement

The third main driver identified, which strongly influences consumers’ perceptions of CSR initiatives, is the level of active involvement offered to consumers. It became evident that many interviewees were attracted by the opportunity to actively contribute to a CSR initiative, as offered by the cause-related marketing initiative in the form of school-feeding.

I like the fact that my own money goes to a good cause. It makes me feel good. (Respondent 7)

It gives you the opportunity to have a direct impact. (Respondent 2)

When being asked to reflect on the importance of their personal involvement, many consumers admitted to being attracted to CSR initiatives offering them an easy, but at the same time effective way to participate in ‘doing good’. Referring to Barista’s school feeding initiative, respondents claim that they like the fact that participating in the initiative does not demand them to do anything additional to their purchase, but still enables them to actively donate SEK 2 of their own money to a good cause. Interestingly these statements show that within the area ‘consumer involvement’ two of the previously identified factors, namely convenience and impact, again play an important role: A large number of consumers wishes to actively participate in an initiative and have a direct impact on a cause, but at the same time the involvement needs to be easy, not being tied to the demand of proactive behavior. As a last observation, which is underlined by the above presented quotes, there is to mention a tendency towards a certain egoistic desire of consumers. The direct impact on a cause, through for instance a cause-related marketing initiative, seems to satisfy many consumers’ latent desire to feel good about themselves when making a purchase, which becomes evident in the answers of many respondents stating that active involvement gives them a good feeling. It can thus be concluded, that the consumer involvement aspect is an important factor
corporations should be aware of and consider in their selection of initiatives as initiatives that involve consumers may trigger feelings of identification with the company and lead to an overall stronger emotional attachment to it.

Overall the above presented results indicate that the success of a CSR initiative is not necessarily depending on its sheer type, but on its characteristics. Our study has identified the key themes impact, CSR fit and consumer involvement as the most influential factors determining consumer perceptions of CSR initiatives.

5.1.3 Perceived Motives of CSR Engagement

The consumer perceptions of a firm’s motives of CSR engagement are identified to be another critical factor, which has a crucial influence on the success of a corporation’s CSR communication efforts. In this research dimension we are thus planning to investigate our participants’ perceived motives of Barista’s CSR engagement and the arising consequences for the corporation. We are further striving to find an answer to the question which factors corporations should take into consideration in order to influence consumers to perceive their CSR motives in a positive light.

When reflecting on their overall perceptions of corporations’ motives for CSR engagement, a largely skeptical attitude among our respondents becomes visible.

I think companies engage in CSR for all sorts of reasons. A lot of them are doing it because it is what they have to. (Respondent 6)

In my eyes a lot of companies just jump on the bandwagon. They make use of the opportunity of CSR to increase their likes among consumers. (Respondent 8)

The quotes presented above clearly emphasize the existence of a high level of consumer skepticism, as equally recognized by scholars such as Skarmeas and Leonidou (2013), resulting from greenwashing attempts and the overall misuse of the CSR concept by corporations without genuine interest and sincere intentions. Many of our respondents further underline that those negative examples in combination with today’s existing communication overload make it very difficult for corporations with upright intentions to ‘break through the noise’. This problem is also reinforced by Reisch (2006:198), in her claim that “a major barrier for communication efforts is the information overload in today’s attention economy.”

When being asked about their perceptions of motives in the case of Barista, however, we were confronted with surprising results. Overall a number of three different perceived motives were mentioned by the interviewees: CSR as a marketing ploy, CSR as a differentiation strategy and genuine interest in CSR.

A minority of (1) respondent perceived Barista’s CSR engagement to be a marketing strategy and thus profit driven. It could be noticed that the level of consumer skepticism among this small group was remarkably high.
Another (3) of the respondents stated to perceive Barista’s CSR activities to serve as a differentiating factor in order to position themselves differently than competitors. The majority of interviewees holding this view underlined however, that they did not judge this strategic move in a negative way.

I think they are trying to position themselves in a different way than all the other coffee shops. (Respondent 4)

I think it is a smart strategic move. I don’t judge that though. (Respondent 12)

Surprisingly, a large majority of two thirds (8) claimed to perceive Barista’s motives for its CSR engagement to be based on genuine interest on the part of the company. Some of the interviewees stated to base this evaluation on a gut feeling:

I have no facts to back this up, but I have the feeling that they are actually caring about people and the environment. (Respondent 5)

I don’t really know why, but it feels like their interest might be overall genuine. (Respondent 7)

Others however, were able to reflect on the drivers forming their perceptions. The following three factors were repeatedly mentioned as most important drivers of our respondents’ positive perceptions of Barista’s motives: consistency, longevity and value-driven CSR efforts.

Communicating the same messages through all their channels makes it trustworthy. (Respondent 11)

Barista has incorporated the concept of CSR in their business from the very start. (Respondent 8)

CSR belongs to their core values and is part of their identity and personality. (Respondent 2)

The overall first impression of the findings presented above might lead to the conclusion that consumer skepticism towards companies that are genuinely interested and highly engaged in the issue of CSR tends to be easy to overcome. However, it needs to be taken into consideration that our chosen case example Barista is a very exceptional case, since Barista’s entire business model is based on a concept of sustainability and ‘greenness’. Our respondents personal reflections on Barista may thus be slightly more positive than if we had chosen another case example. Even though this finding does not guarantee generalizability for other businesses, however, another important key finding, being represented by our three key
drivers identified, which positively influence consumer perceptions of a firm’s motives: consistency, longevity and value-driven CSR engagement, has been detected. When being asked to further elaborate their positive perceptions of Barista, respondents stated Barista’s consistency in its communication efforts in terms of the message communicated through all channels, its integration of sustainability issues into the business strategy from the very start, as well as its CSR engagement being reflected in the firm’s core values, to be of crucial importance.

Summarizing there is to conclude that our findings strongly support Kaur’s (2013), claim that the way consumers’ perceive a corporation’s motives for its CSR engagement has a big impact on consumers’ overall response to the concept of CSR. Further, the view put forward by Yan, Yee-Man and Jung-Feng (2012), and Ellen, Webb and Mohr (2006), can be confirmed, stating that motives being perceived as genuine, society-serving and other-centered are likely to result in positive perceptions of and reactions towards a corporation. Additionally, the argument presented by Ellen, Webb and Mohr (2006) that consumers are highly skeptical against firms who only engage in CSR as a result of external pressure instead of being proactive in their CSR approach, is supported by our findings. We were further able to identify three key drivers influencing consumers to perceive a firm’s CSR engagement in a positive light, namely consistency in CSR communication throughout the corporation, the message content and the channels used, longevity in CSR engagement and CSR engagement being backed up by the corporation’s core values.

5.1.4 Consumer Perceptions of CSR Communication Channels

Having established the existence of conflicting views regarding the question which communication channels corporations should use to deliver their CSR messages, this research dimension aims to examine the issue from a consumer perspective. More specifically, it will be illuminated, which communication channels consumers ascribe the highest and lowest level of credibility to, which channels consumers perceive as most or least desirable to receive CSR information from and who is perceived as the preferred communicator of CSR messages.

5.1.4.1 Credibility of Communication Channels

The following ranking shows consumers’ perceptions of CSR communication channels, being asked to rate them with regards to their level of credibility.
Figure 4: Communication Channels Perceived as Most Credible

As the figure above shows, results overall indicate that respondents have diverse preferences regarding CSR communication channels and hold different perceptions of their level of credibility. Despite these differences, it could be established that the channels ‘WOM’ and ‘external media coverage’, both representing channels that are not controlled by the company, were rated as the most trusted sources. Other trusted communication channels were stated to be the ‘company’s CSR report’ and ‘in-store information’. The channels ‘advertisements’ and ‘company website’ turned out to be the least trusted sources of CSR information among consumers.

In order to determine why the communication channels ‘WOM’ and ‘external media coverage’ were ascribed the highest level of credibility among consumers, pursuing the underlying aim to determine the key factors influencing a channel’s credibility, our respondents were further asked to reflect on the motivations driving their answers. When analyzing our interviewees responses, four essential factors affecting the credibility of communication channels could be identified, namely the perceived motive of the communicator, the level of familiarity with the source, the company’s control over it and its level of transparency.

When reflecting on the perceived high credibility of the communication channel ‘WOM’, consumers stated:

*I feel like if my friends and family tell me that something is good I’ll trust them.*

*(Respondent 7)*

*Friends and relatives to me are simply the most natural way to receive information from and they also have a great impact on my thinking.* *(Respondent 5)*
It became evident that friends and family were considered to be a more genuine and trustworthy source of information, which was stated by our respondents to be predominantly driven by the fact that they do not have a reason to lie or to try to deceive them. The following conclusions can be deduced from the answers given: First of all, they confirm that the perceived motive of the communicator for communicating the information strongly affects the level of credibility. What is more, our respondents’ statements further emphasize the existence of an underlying skepticism towards corporations and their motives for communicating the information. The second identified factor influencing credibility is the level of familiarity with the source, since our interviewees clearly underline that a high familiarity with the source translates into higher credibility.

The third factor identified to have an effect on the credibility of the source, as confirmed in the statement below, is a company’s degree of control over the channel.

*External media coverage is outside the company’s control, it’s open, it can be challenged.*
(Respondent 6)

In alignment with previous research findings, such as for instance of Du et al. (2010), the majority of respondents were found to be more trusting of channels that are of external nature and not controlled by the company. The fact that the information published is accessible to the public and thus can be challenged was seen by some respondents as a crucial factor enhancing a source’s credibility. However, despite the high ranking of ‘external media coverage’, some respondents underlined that information coming from third parties cannot always be trusted, as identified in comments below.

*It depends on the kind of the third party - the journalist, the magazine, the NGO, the politician.* (Respondent 7)

*On one hand I don’t trust this channel because I think that they have their own agenda [...] on the other hand it is outside the company which makes it less controlled.* (Respondent 8)

When asking the respondents to motivate the high ranking of ‘external media coverage’, it became clear that while many considered it to be a more credible source than other channels owned by the company, a skepticism was still detectable towards the source, based on questionable motives of third parties for publishing the information. When asked to clarify, respondents stated that third parties equally act upon their own agendas, which leads to the fact that it cannot be excluded that they might want to portray a company in a bad light for egoistic reasons. Some respondents therefore underlined that information from third party sources should be “taken with a grain of salt.” These findings further emphasize the importance of companies not to rely entirely on third parties to communicate their CSR messages for them, since third party channels are largely uncontrolled. Information should thus be additionally transported through company owned channels, in order to ensure that both sides of the coin are presented to consumers.
The ‘company’s CSR report’ and ‘in-store information’ are two other sources with a relatively high degree of trust, being ranked number three after ‘WOM’ and ‘external media coverage’. An argument presented in favor of these two company controlled channels is that any content displayed openly can be challenged, thus making it difficult for corporations to present untrue content:

*Since they kind of are ‘in the open’ and can be challenged, it provides some sort of credibility.* (Respondent 6)

*[The CSR report] is backed up by evidence in form of hard facts and numbers.* (Respondent 5)

The fourth identified factor to influence the credibility of an information source is its degree of transparency. The more transparent and accessible a source is to different parties who can challenge its content, the higher its perceived credibility tends to be. Additionally, what also can be deduced from the interview discussions is that consumers are looking for evidence to back up and validate the claims made by companies. Thus, to raise the perceived credibility of the information, firms should beware not to make sweeping promises and statements without providing some sort of evidence to support their claims.

**5.1.4.2 Credibility versus Desirability of Communication Channels**

As a next step, respondents were asked to rate the CSR communication channels presented with regards to their perceived level of desirability.

![Figure 5: Communication Channels Perceived as Most Desirable](image-url)

Figure 5: Communication Channels Perceived as Most Desirable
When comparing the ranking results of the channels perceived as most credible and those perceived as most desirable, it becomes evident that three of the top ranked most credible channels, namely ‘WOM’, ‘external media coverage’ and ‘in-store information’, are equally represented among the top three most desirable channels. The credibility of a channel thus seems to play a highly important role in consumers’ preferences of CSR communication channels. Other identified factors that had an influence on channels desirability were apart from credibility, the convenience of the source and degree of perceived intrusiveness.

Analyzing the desirability rating in more detail, it can be noted that the weighting and order of the channels ranked slightly differs from the credibility ranking. The channel ‘WOM’ remains on spot number one. As indicated above, most of the respondents found friends and relatives to be the channel having the strongest influence on their purchase decisions, being evaluated both the most credible as well as the most desirable source of information:

Friends and relatives do probably have the strongest impact on my consumption.
(Respondent 6)

A conclusion that may be drawn from the above comment is that the greater the trust in the source, the greater the impact it has on consumers and their choices. Interestingly, however, the company-owned channel ‘in-store information’ was clearly ranked number two, leading to ‘external media coverage’ ending up on rank number three. Two interesting points were revealed in respondent’s answers, presented in favor of the ‘in-store information’ channel, namely accessibility and subtleness. Several respondents stated that they would like to be informed of a company’s CSR activities at the point of purchase providing the reason that it is more convenient for them to get access to the information:

I would like to hear about the sustainability initiatives at the point of sale, when I purchase their products. Other channels require that I look for the information myself. In-store is the easiest channel for me to access information, also the most transparent one if it is done well.
(Respondent 8)

The in-store channel is desirable because it’s accessible. When I make the decision the information needs to be where I am. There has to be some kind of signal or information very close to where I buy it, telling me that this is good.
(Respondent 6)

From the interview discussions with the respondents, it became clear that secondary to credibility, consumers value convenience concerning the accessibility of the source. This finding does in turn suggest that corporations should not focus their communication efforts on channels that require consumers to be proactive and look for the information themselves, such as for instance on their company website, but instead concentrate on communicating the information to them in a more direct way.

Apart from credibility and accessibility, a third factor that was found to influence the desirability of the source was the perceived intrusiveness of communication channel. ‘In-store
Information’ was ranked high in terms of desirability, because it was considered by several of the respondents to be a channel that is more subtle and less intrusive.

*Usually I’d prefer the more subtle way. Sometimes there are signs in-stores saying that they are doing. And I think that’s good. It’s not right in your face but a bit more subtle.*

*(Respondent 5)*

*I like signs on walls and tables. You are the one who decides if you want to read it or not and I think that makes it more credible.* *(Respondent 2)*

Respondents’ reflections clearly underline that they value the free choice to decide whether they want to read a CSR message, or not. A majority of the respondents stated that they have an interest in CSR, but underlined that it is important that the message is not communicated in a way that feels intrusive to them. Strengthened by the statements presented above, it can therefore be concluded that corporations should consider selecting channels of a more subtle nature, as those were found to trigger more favorable consumer responses and may even raise a firm’s credibility.

Overall, the fact that the company-owned channel ‘in-store information’ was rated the second most desirable channel to receive CSR messages from is an interesting finding that opposes the statement put forward by Du et al. (2010), namely that communication via company owned channels will evoke more skepticism and reduce credibility. While it is true that corporate owned sources are generally perceived as less credible when compared to external ones, our results indicate that consumers value the source ‘in-store information’ for its accessibility and subtlety, which in turn seems to have reduced the skepticism towards this information source. The conclusion that can be drawn from this finding is that a generalization with regards to corporate channels and their credibility cannot be made, instead it should be noted that they vary in their perceived degree of credibility.

**5.1.4.3 Undesired and Least Credible Communication Channels**

The final ranking shows consumers’ evaluations of communication channels being perceived as least desirable for the delivery of CSR related information.
A vast majority of the respondents rated ‘advertisements’ to be the least trusted and most undesirable source of information, which supports previous research findings of scholars such as Du et al. (2010) and Morsing and Schultz (2006). In addition to this, the ‘company’s website’ was further considered to have very low perceived credibility among consumers, being ranked among the top three most undesirable communication channels on a tie with a ‘company’s social networks’ and ‘CSR report’. Many of the respondents stated that advertisements triggered their skepticism and that the information on a company’s website would not be reliable since corporations never communicated ‘the whole picture’:

*I would trust most of the channels to a certain extent, but I would probably be skeptical about advertisements and company websites. Usually because these are kind of artificial and created to highlight all the good things, but hiding the bad things. (Respondent 5)*

*I don’t like ads. I don’t read them, I don’t trust them. I am skeptical towards them. The second most undesired channel is the company website, simply since I never ever go to a company’s website. (Respondent 6)*

In addition to the previously discovered factors influencing the credibility and desirability of communication channels, namely the motives of the communicator as well as the perceived level of intrusiveness of the channel, our respondents’ reflections further confirm that channels are perceived as undesirable and untrustworthy when being of intrusive nature and resultantly perceived as intentionally manipulating the audience. The statements presented above further underline the undesirability of company websites as information source for two major reasons: On the one hand they require consumers to proactively search for information, which reflects the previously identified consumer desire for convenience in accessing CSR information. On the other hand, due to their filtered content, they are perceived as dishonest.
by many consumers. From a corporate perspective these findings imply that firms should consider to ‘play with more open cards’ by communicating both, their achievements and failures to consumers, as well as their learnings drawn from mistakes, in order to raise their credibility and reduce consumer skepticism.

5.1.4.4 Employees as a Communication Channel

The great diversity in consumer preferences of CSR communication channels becomes evident when examining the contradictory evaluations of the respondents concerning employees as information source. While employees are ranked as the fourth most desirable communication channel, they are at the same time to be found on second place in the ranking of the least desirable channels. The conflicting results thus underline opposing consumer preferences, indicating the existence of different consumer types or interest groups. Opponents of employees as communication channels perceive employees to be intrusive, which they claim to consequently result in consumer skepticism:

> I feel that employees always try to take every chance to promote their products. I don’t really care what they say. Also, if I want to go there for a coffee I don’t want to be force-fed information the employees. (Respondent 4)

> It has to do with credibility. Employees are usually sales people, which means that you cannot trust them. Salespeople should never be trusted. (Respondent 6)

From the respondents’ reflections it became obvious that one group of consumers explicitly stated to not want any interaction at all with employees, considering them as a highly untrustworthy communication channel. Respondents belonging to this group perceived employees to have an ulterior motive as a company representative and thus only strive to “sell”. The low faith in employees and perceived strategic motives, suggests that this group of respondents might best be reached using channels that are external to the company. Contrary to this consumer group, another group of respondents strongly disagreed with this view, perceiving employees to be a highly trustworthy and desirable channel to receive information from, motivating their stand with arguments such as a high level of individuality and interactivity provided by employees:

> I think they are more credible for some reason. It has this human element to it. I would believe their stories and feel their stories even more. I also trust them, because they have more inside knowledge. (Respondent 8)

> To me employees are a desirable channel because it is interactive and you can ask them your questions. (Respondent 11)

When asked to motivate their ratings, it became evident that respondents value employees as an information channel both for its convenient aspect as well as its interactive nature. It could be derived from discussions with interviewees and from comments above that respondents view employees to be an overall effective channel to obtain additional information from as
well as answers to their individual questions. Interestingly, the interactive aspect of employees as a communication channel was found by this group of consumers to raise and not reduce the credibility of information communicated to them, in contrast to opinions of the aforementioned group. Another noticeable difference between the two groups is their perception of employees’ motives. Respondents who were found to be critical of employees as a source of information hold the belief that employees only act as a firm’s salespersons, whereas the second group of respondents, with a favorable attitudes towards employees, views them as “educators” and not as sellers. These findings yet again underline the influence and importance of the perceived motives of the communicator of the message.

The final conclusion that can be drawn is that only certain types of consumers can be addressed using an inside-out communication approach. In the light of our findings, it can be claimed that there exists a consumer type endorsing the statement put forward by Du et al, (2010), namely that employees should be considered a new emerging powerful source of information. However it needs to be emphasized that this communication channel cannot be applied to a corporation’s broad customer base, but needs to specifically target the aforementioned consumer group.

5.1.4.5 The Communicator of CSR Messages

As noted from the above discussion, consumer perceptions of communication channels in terms of personal preferences and credibility are very diverse. However, when confronting our participants with the question who should be the communicator of the CSR message, a clear majority of respondents (8) stated that they prefer CSR information to come from a mix of channels, both of company-owned and external nature:

*The ultimate communication process would be a mix of company controlled channels and external third parties. (Respondent 8)*

*I would prefer having different sources. I would then decide myself and not only rely on one source. (Respondent 1)*

As underlined by the consumer statements presented, the majority of respondents prefer information coming from both types of sources, since adding information that has been verified by third parties makes corporations’ claims more credible. This view is in accordance with the findings of the study conducted by Wiener et al. (1990), stating that the verification by unbiased parties enhances the credibility of the communication channels. Moreover, another mentioned factor increasing the preference for a mixture of channels is the fact that corporations thereby leave consumers in charge of deciding which communication channel they would like to be informed through. This sense of “power” in having the choice to decide between channels and thus which one to rely on, is found to be a highly valued criterion by many of the respondents and consequently a factor corporations should reflect upon in their selection of CSR communication channels.
Contrarily to the above presented group of respondents, one third (4) of our interviewees was found to be more skeptical towards company claims, stating that they preferred third parties to be the only communicator of the message. This group of respondents expressed a highly skeptical attitude towards any information coming from the company and therefore tends to prefer non-corporate controlled communication channels only:

*I think that the corporation as a communicator is basically not to be trusted. It’s not because corporations are evil, but it’s because they cannot tell the truth - because if they did they would die. External sources, however, don’t need to lie. They can, of course, but they don’t need to do it.* (Respondent 9)

*I perceive information coming from third parties more trustworthy. Even though there is still a risk they might not be true as well. What makes them credible is that they don’t have any advantage from not telling you the truth.* (Respondent 2)

The importance and influence of the perceived motive of communicators is again reinforced in the above statement. Corporations are, according to the views of this group, not credible as communicators and the information they communicate does not reflect the truth but is a twisted version of it. The statements above further underline that this group of respondents supports the claim presented by Du et al. (2010:13) “the less controllable the communicator is, the more credible it is.” The respondents belonging to the group with a more skeptical attitude towards corporations as the communicator can henceforth best be addressed by an endorsed communication approach. This finding further strengthens our claim that the preferred communicator of the CSR message depends on the consumer group, thereby highlighting the need for corporations to be aware of who its target group is and what their attitudes are, as this information in turn will enable it to adopt an effective communication approach.

**5.1.4.6 One-Way versus Two-Way Communication**

The last question of this research dimension confronts our respondents with the way, in which CSR communication should take place between stakeholders and the corporation in their eyes. Whereas some firms apply a one-way approach, meaning that CSR information flows from the company to its stakeholders only, Morsing and Beckmann (2006) emphasize the importance of a two-way communication in the form of a dialogue, giving stakeholders the opportunity to evaluate and challenge corporations. Our respondents were thus asked to reflect on their view concerning the necessity of a two-way approach, as well as their personal interest to engage in a dialogue with a firm.

Findings reveal yet again that consumers hold very different perceptions with regards to the desired level of personal involvement and the ideal CSR communication process. Supporting evidence of this is the tied first place between one-way communication and two-way communication. (5) of our respondents argue in favor of a one-way communication process, stating that they are not interested in being involved in a dialogue on a corporation’s CSR efforts and providing feedback on its engagement:
I don’t feel the need to talk to them. They should rather tell me what they do and I’ll interact by buying their products. (Respondent 6)

It becomes evident that many respondents belonging to this group can be characterized by a rather moderate personal degree of interest and involvement in the issue of CSR. When being asked to reflect on the reasons for their choice, many respondents stated simply not to be interested in the direct communication on the topic with a corporation, as indicated in the quote presented above. We were thus able to observe the desire of certain consumers to willfully maintain a distance towards corporations, which has in turn to be taken into considerations by firms when addressing this consumer type.

Contrary to this group, another (5) respondents expressed a desire to be more actively involved in the company’s CSR efforts and to engage in a dialogue with corporations:

I think that it is fine that the company itself chooses what kind of initiatives it wants to support and what CSR engagements they want to commit to, but once they do that I think that it is important that they listen to customers and get feedback. Also they should offer the opportunity for consumers to ask questions in case they want to know more. I think it is important that companies use some channels that enable consumers to ask questions. I think that it is a good way to engage people and get them committed as well. (Respondent 11)

In opposition to the aforementioned distance seeking consumer group, the respondents quoted above distinguish themselves by an overall high personal level of interest and involvement concerning the topic of CSR. Their proactive nature is reflected by the strong desire to actively engage in a dialogue with the corporation, both in order to give critical feedback as well as to be able to ask questions.

A number of the respondents who admitted to having an interest in a two-way communication with the corporation, emphasized however the prerequisite for it to take place on a voluntary basis and that the option of a dialogue is presented to them in a discrete and subtle manner:

I’d probably be interested in a dialogue. Especially if it was a voluntary questionnaire or something like that. As long as it is not presented in a pushy way and I can give feedback if I feel like it is a good thing. I would not want them to send me anything via mail or email. But as long as I could do it in-store that would be fine. (Respondent 7)

Yes I think a dialogue could be interesting, but not on a daily basis. I would have to decide when I’d like to do it. It could be like little surveys or comparable things on the desk, which you can fill in quickly if you’d like to. I usually like to give my opinion on things, for example, on the behavior of corporations. But it is hard to do it in a way that is not intrusive. So it should not be in a way that they make me feel bad if I don’t do it, but more subtle. (Respondent 5)
This sub-group of respondents differs from both, the highly active as well as the distant consumers mentioned before, since the respondents belonging to this group express a general interest in a two-way communication, but wish it to be offered in a discrete manner, without pressure to actually make use of the dialogue option.

A small minority consisting of (2) of the respondents stated that they are indifferent towards the communication process employed by corporations.

Overall the findings point out that consumers’ preferences concerning their personal level of involvement into a corporation’s CSR communication vary. Although the application of a two-way communication approach, as suggested by Morsing and Beckmann (2006), may offer the opportunity to monitor consumer reactions and to gain valuable insights from a corporate point of view, the desire to actually engage in a dialogue with a corporation can only be confirmed by a certain group of our respondents. This in turn implies that corporations need to take into consideration the different needs of involvement expressed by the aforementioned consumer groups.

5.1.5 CSR Communication Content

The research dimension of CSR communication content aims to explore whether there exist overall preferences among consumers, or certain consumer groups, concerning the type of CSR content communicated. Referring to Du, Bhattacharya and Sen (2010), who have identified different key areas of communication content, such as for instance a firm’s commitment to a cause, it’s impact on a cause and the company’s reasons for engagement, our respondents are asked to reflect upon their preferred type of CSR content.

5.1.5.1 Preferred CSR Information

The interviewees’ answers clearly underline that consumers are not all interested the same content area of CSR and hold different opinions about where the focus of a corporation’s communication efforts should lie. The majority of respondents (6) found information about a firm’s achievements to be the most preferred type of content. According to several of the interviewees, CSR information on:

*I think that I would prefer to hear about what is actually happening. The end product. The outcomes. Because I think that you as a customer want to see that what the company is striving for is actually happening. Even though I think it’s important as well that you know why they do what they do, but the ‘why’ is most of the time very obvious. So that’s why I think it’s most important to get to know about the results.* (Respondent 5)

The quote presented above underlines that this group of respondents is driven by a certain amount of skepticism in the effectiveness of corporations’ CSR engagement, which causes their desire to learn about actual achievements, being perceived by them as true evidence of the firm’s undertaken CSR efforts and thus serve to overcome their doubts. From a corporate perspective, by communicating result focused CSR content, a firm can strengthen its credibility and reduce consumer skepticism when addressing this consumer type.
A slightly smaller part of respondents (4) stated to be more interested in hearing about why a firm engages in CSR activities, as opposed to only receiving information about the results.

_I would be interested in the reasons why. Then I can decide whether there is a fit between the company and the CSR initiative. I can take a stand and decide whether I think that they have a genuine interest or not. Credibility depends on the reasons for engagement. If there is a clear connection between the business’ core values and the incentives I trust the company and the information they provide._ (Respondent 8)

Analyzing the above presented quote, it becomes obvious that knowledge about the reasons behind a corporation’s CSR engagement is claimed by some consumers as indispensable, in order to be able to evaluate whether the firm’s motives are genuine or not. Interestingly the CSR fit, this time referring to a match between the corporation’s core values and its incentives for CSR engagement, seems to play a crucial role once again.

A small minority consisting of (2) of the respondents selected a firm’s commitment as their most desired CSR content.

_I would say it is commitment. To me it does not really matter what they do, as long as they are trying to do good. They might even fail. Based on the complexity of many problems they are trying to solve, I am fine with them having no or little impact, as long as they try._ (Respondent 6)

Reflecting on this group of consumers, it could be observed that this minority could be characterized by a remarkably low level of skepticism towards corporations’ CSR engagement. When being asked to explain their motivations behind their choice, they stated that in their eyes the sheer try and willingness to ‘do good’ would count more to them than the actual outcome.

From the findings presented it can be concluded that consumers’ interests in certain CSR areas are various. Even though a broad tendency towards the interest in the content area ‘achievements’ could be detected, it became evident that consumers, depending on certain character traits and previous experiences with the issue of CSR, have different information needs. Corporations should therefore avoid to place their attention on one key area of CSR content only, but communicate about all three key areas identified, in order to ensure that the information needs of all consumer types are met.

### 5.1.5.2 Preferred CSR Communication Style

Closely connected to the unresolved question of communication content preferred by consumers, we are next approaching the equally unanswered question concerning the communication style preferred by consumers concerning the delivery of CSR messages. When asked whether corporations should adopt a rather emotional or factual approach to convey CSR information, as suggested by Andreu et al. (2015), a majority of the respondents (6) expressed their preference to be approached emotionally, which is often connected to the usage of a story.
I would prefer the emotional way. It is always nice to get a picture from the employees doing something or telling a story. Or showing the kid in Africa being happy about its school meal. I think the emotional factor matters a lot. Instead of just presenting facts and figures, which is very anonymous. (Respondent 2)

The emotional approach is more suitable. I just think if you tell a story it touches people more, and they are more willing to help as well. (Respondent 11)

Other respondents further described the emotional approach as an effective way to oppose today’s existing flood of information and to attract consumers’ attention:

As a customer, I am sick and tired of numbers and figures. Grab my attention, break through the clutter using emotions. (Respondent 12)

The quotes presented above underline that consumers who advocate the usage of an emotional communication style tend to perceive it as more transparent, referring to the delivery of CSR content through for instance employees as very genuine and appealing. An emotional communication style is further perceived as a more personal way of message delivery, which many respondents describe as the most suitable way to present CSR related content. Furthermore, as underlined by the last quote, many consumers seem to evaluate the emotional approach as the only way to differentiate the communicated content from the “clutter” caused by today’s communication overload, and thus a valuable key to consumer attention. Interestingly we could observe that the consumer group favoring an emotional communication style was overall characterized by a high personal interest in the issue of CSR.

Contrarily to the consumer group presented above, a minority of (2) interviewees states to prefer corporations choosing a factual approach, presenting CSR information by using hard facts and figures.

No, I wouldn’t want any emotional things. I’d probably just want facts and figures. I sometimes find it really annoying when you can tell that a firm tries to ‘catch’ you with emotional pictures and stories. To me, facts and figures are just much more honest and interesting. (Respondent 7)

The above described perceived attempt of firms to “catch” consumers by approaching them with emotional CSR communication indicates a much higher level of consumer skepticism among this group of consumers in comparison to the group analyzed before. By emphasizing that the usage of an emotional approach would not work on them and may in some cases even trigger an unfavorable attitude towards the corporation, this group of respondents claims to attribute a much higher level of desirability and credibility to facts and figures.

The remaining third (4) and thus the final group of our respondents holds the view that there should be a combination of the emotional and the factual approach when delivering CSR messages.
I think there should be a mix. It is a very fine line. If you only give naked facts and figures to people this is going to be very boring. However, if you only get the emotional part without results it is not very convincing and you get the feeling that they just try to catch you emotionally without really achieving anything. So it should be a mix of hard facts and emotions. (Respondent 5)

I think I need a mix of both, but it depends on who is communicating to me. If it’s an unknown entity then I’d like to see more facts. But if it’s a company that I know about and trust, then they can approach me more emotionally. No facts needed. (Respondent 6)

From analyzing the explanations of those respondents preferring a mixed communication style, it becomes clear that hard facts and figures are perceived as evidence and thus the communication aspect that delivers trust and credibility, whereas the emotional side of communication is evaluated as the rather entertaining aspect, triggering consumers’ attention and interest. A combination of both is thus stated to be the most desirable approach to reach this consumer group. An interesting new finding put forward by a respondent is the connection between the communication style used and the degree of familiarity and trust of the consumer to the company, as stated in the last quote presented. Hence some consumers seem to feel more comfortable with a firm applying an emotional communication style, the more familiar they are with the corporation, and in turn prefer a more factual approach when the level of trust and knowledge concerning a firm is low.

Overall, the results underline that consumers’ preferences and perceptions concerning the two communication styles presented vary to a large extent, indicating the existence of different consumer types who differ in terms of their personal characteristics and their attitude towards CSR and corporate communication in general. The discovery that the effectiveness of the communication style to some extent depends on the company who communicates and the degree of familiarity and trust in the company is a new interesting finding. Previous research has only identified a connection between the effectiveness of the approach and the stakeholder’s personal level of interest in the social cause. Our findings, however, are contradictory to the theory presented by Petty and Cacioppo’s (1984), which contends that an emotional approach is more effective when the stakeholder’s personal interest in the issue is low, whereas a factual approach is more effective when it is high. Comparing our respondents’ level of personal interest and involvement in the topic of CSR with their statements regarding the desired communication style, it becomes evident that especially those interviewees being highly interested in CSR argue in favor of an emotional approach applied by corporations, whereas some of the less interested interviewees even express a skeptical attitude towards an emotional communication style. In order to ensure the effectiveness of CSR communication, the results underline that a corporation should not focus on one communication style only, but rather try to address different consumer types by tailoring the communication style to their needs and demands.
5.1.6 Perceived Appropriate Degree of Social Disclosure

In order to address the unresolved debate in existing CSR literature dealing with consumer perceptions of the appropriate degree of social disclosure, in this sixth research dimension our participants are confronted with the question whether a corporation should apply a proactive CSR communication approach or rather follow a low-key strategy. Using the case example of Barista, which is currently following a low-key communication approach, respondents were asked whether Barista in their eyes should stick to its current, subtle strategy or adopt a ‘louder’ communication approach. We further aimed to explore the motivations behind our interviewees’ opinions, striving to find an answer to the question under which circumstances consumers perceive a certain strategy to be the most appropriate.

Our respondents’ reflections on their preferences and personal recommendations concerning Barista’s CSR communication strategy were characterized by a surprisingly high level of agreement among the participants. A minority of only (2) respondents stated that they consider a low-key communication approach to be the most suitable for Barista.

*I don’t think Barista should be more proactive. I believe that skepticism is really high among consumers and that more communication would increase it. (Respondent 10)*

*I prefer companies to be rather quiet about their CSR achievements. (Respondent 3)*

It could be noted that this consumer group distinguished itself by its highly skeptical attitude towards corporations’ CSR engagement. Furthermore a largely cynical attitude towards the concept of CSR in general, as well as a rather moderate to low personal interest in the issue could be observed. All these character traits resulted in this consumer group emphasizing that they generally prefer corporations to remain rather silent concerning their CSR engagement.

The vast majority (10) of respondents however stated that Barista could be more daring in their CSR communication, by adopting a more proactive approach.

*At the moment it is not very obvious what they actually do and in how many initiatives they engage. (Respondent 10)*

*The way it is now makes all the good things they do ‘go by the board’. (Respondent 11)*

When being asked to reflect on the motivations behind their evaluation, the argument of Barista’s high level of CSR commitment has been put forward by a large number of our respondents.

*A firm that has anything to hide, like Barista, really can afford to be louder in their communication and be proud of what they do. (Respondent 2)*

*A company that is doing really good things should communicate about it. (Respondent 5)*
Reflecting on the respondents’ explanations it becomes evident that the degree of a firm’s social disclosure perceived as appropriate by consumers depends to a large extent on the corporation’s individual level of CSR engagement and commitment. A highly committed and engaged firm like Barista is thus encouraged by a majority of the respondents to apply a more proactive communication approach, as it becomes visible in the statements listed above. Overall, the findings gathered in this research dimension reject the view presented by Morsing and Schultz (2006), stating that corporations should in any case adopt discrete CSR communication strategies in order to avoid being perceived as self-absorbed. At the same time, however, the results show that the recommendation to adopt a proactive CSR strategy is closely tied to Barista’s high level of commitment towards CSR. This finding turns out to be strongly in line with the argument put forward by Öberseder et al. (2013), who claim that the degree of a firm’s CSR disclosure highly depends on its level of commitment to CSR: Whereas truly committed firms are encouraged to adopt a more confident communication strategy, the authors recommend firms operating on a minimalistic level of CSR engagement to stick to a rather silent approach to avoid unfavorable backfire effects.

5.1.7 Reduction of Consumer Skepticism

Since the phenomenon of consumer skepticism is a main driver of our research question, playing a crucial role in each of the other six research dimensions identified, this last research dimension deals with a direct confrontation of consumers with the issue of skepticism, by asking them to reflect on the root causes of their own skeptical attitudes and thus on their recommendations, what actions corporations could possibly undertake in order to reduce it.

The respondents’ reflections on the general issue of consumer skepticism underline the great extent to which it influences consumers’ attitudes towards corporate communication and thus point out the high degree of complexity attached to the communication of a sensitive topic like CSR. The interviewees emphasize that negative examples such as for instance greenwashing attempts, but also the sheer aspect of today’s existing information overload, make consumers more suspicious and careful in their decisions what to believe and whom to trust.

*For a consumer it is really hard to differ between what is marketing and what is real CSR interest.* (Respondent 3)

*There is this constant suspicion that corporations are constantly lying. Which sadly means, even if they have honest motives and interests in something, they can never win.*

(Respondent 9)

Despite the complexity of the issue, our respondents presented a number of valuable suggestions concerning the question what a firm could to in order to reduce skepticism on the part of consumers. The key findings are depicted in the diagram below.
Figure 7: Factors Reducing Consumer Skepticism

Consistency

A frequently mentioned recommendation to take into consideration is the factor of consistency in CSR communication, which refers to aspects such as the message content, the message channels as well as the communication durability:

Consistency is important. If you say or do something, you should stick to it and give people the chance to believe that you stick to your values. (Respondent 2)

It is really important that the company communicates the same message through all channels and at every point they get in touch with the customer. (Respondent 11)

Having already been identified earlier as an important factor influencing consumers’ perceptions of a firm’s motives, our respondents claim consistency to be an overall highly important key to reduce consumer skepticism. When reflecting on their statements, consumers point out that the continuous and steady communication of the same CSR messages throughout the entire portfolio of a corporation’s communication channels is likely to result in increased trust and thus increases the probability that a firm is perceived as more genuine and sincere in their CSR engagement.
Results and Transparency

A number of interviewees further underline the importance of backing up CSR claims with concrete results, in order to prove the corporations’ honesty. The claim for more results goes hand in hand with another recommendation put forward by our participants, namely to provide transparency concerning the initiatives undertaken and the results achieved.

*Outcomes such as numbers and figures give you room for building your own opinion on the effectiveness of companies’ CSR initiatives.* (Respondent 4)

*They could reduce my skepticism by offering more transparency. Make me able to follow their processes, and give me updates from time to time. They should invite people in to have a look inside.* (Respondent 10)

Having explored the important role of presenting results as evidence of a firm’s successful CSR engagement during the analysis of our fifth research dimension on CSR content, our respondents stress that the communication of concrete outcomes overall represents an important factor to reduce skepticism among consumers. Furthermore it becomes evident that corporations could diminish consumer skepticism by satisfying the need ‘to look behind the scenes’ of a firm’s CSR engagement, which is expressed by a number of respondents. This could take place by openly stating their goals, stressing what has been achieved, and equally importantly, what has not been achieved yet.

NGO Cooperations

Additionally, cooperations with nongovernmental organizations are found to be perceived as a positive influencing factor:

*I sometimes consider cooperations with NGO’s to be helpful to support a company’s authenticity.* (Respondent 4)

As stated by a number of our respondents, both the direct cooperation of a firm with a nongovernmental organization, as well as the certification of certain products or initiatives by the latter, can help to support a firm’s upright intentions in the eyes of some consumers.

CSR Fit

Not only when it comes to the choice of single CSR initiatives, but also for the firm’s overall CSR strategy, consumers state to react positively to a fit between the CSR activity and the corporation’s core values:

*It is important that the CSR engagement overlaps with what the company stands for.*

(Respondent 11)
Respondents stress that a ‘read thread’ throughout a corporation’s activities is necessary in order to avoid consumer skepticism, which can be ensured by securing that a firm’s corporate values are both transparently communicated as well as aligned with its CSR engagement.

**Consumer Involvement**

Furthermore, especially those interviewees having a high personal interest in the issue of CSR put forward the recommendation to offer consumers the possibility to get actively involved in a corporation’s CSR engagement.

*I would like to see more engagement - a dialogue between companies and consumers. Having conversations with employees.* (Respondent 8)

*They should involve consumers. Ask them what they would like to know and what matters to them.* (Respondent 1)

During the analysis of research dimension four, dealing with consumer perceptions of CSR communication channels, the desire of a certain consumer group to actively engage in a dialogue with corporations in order to give critical feedback and to ask questions could be detected. As emphasized by the above presented quotes, which represent the view of the aforementioned active consumer type, proactively offering the opportunity of customer involvement is additionally perceived as a key factor to decrease consumer skepticism by some respondents.

**Avoid being Intrusive**

Even though it has been revealed that our respondents do not want corporations to remain silent about their CSR engagements, a great number of our interviewees highlights the importance of ensuring not to be intrusive when communicating CSR messages:

*If you shout too loudly, people tend to become suspicious that there is nothing behind it.*

*(Respondent 9)*

*I don’t want to be force-fed information.* (Respondent 7)

When reflecting on their statements, respondents underline that the issue of corporations ‘shouting too loudly’ is perceived as a main root cause of consumer skepticism, since exaggerated communication automatically causes the suspicion that the claim presented might be untrue. Consequently firms are advised to choose communication channels and styles, which are not perceived as intrusive by consumers.

**5.2 CONSUMER TYPES IN CSR COMMUNICATION**

Reflecting on the above presented analysis of our empirical data, it becomes evident that even though a number of overall tendencies and preferences could be detected, the stakeholder group of consumers turns out to be of largely heterogeneous nature. Whereas Dawkins
(2005:110) underlines the essential need to “[tailor CSR] messages to the different interests, information needs and preferred channels of different stakeholders”, we identify the same need also within the stakeholder group of consumers. Contradictions in our findings, such as conflicting preferences, opinions and perceptions among our respondents, clearly reveal the existence of different consumer types, which are to be distinguished with regards to their personal level of interest in CSR, their general attitude towards the topic and their degree of skepticism, which is further influenced by the consumers’ personal characteristics as well as their experiences. This, in turn, strongly affects their preferences concerning numerous variables, such as for instance the CSR content communicated, the communication channels used and the desired level of involvement. As a consequence, a corporation can not successfully address the stakeholder group of consumers by providing a single mainstream communication approach for all of them. In order to ensure to reach every consumer type in the best possible way, a company should offer tailored CSR communication strategies, which meet the specific needs and demands of the different existing consumer groups. In the course of our research, we were able to identify four different consumer types, which are depicted in the model below.

Figure 8: Consumer Types in CSR Communication

The existence of different consumer types is a research outcome that confirms revelations of previous research efforts, such as for instance Mohr, Webb and Harris’ (2001) study on consumer expectations in relation to CSR, which likewise identifies a heterogeneity among
the stakeholder group of consumers. However, as equally underlined by the aforementioned researchers exploring consumer perceptions and CSR, what those studies do not provide is a guideline concerning the question how to practically approach the different existing consumer types. In the following, our four consumer types detected are going to be introduced by both presenting a brief characterization for each, as well as formulating a CSR communication strategy stating how to best reach each of the four consumer types.

5.2.1 Involvement Seekers

The first type of consumers identified shows a high personal interest and level of involvement concerning the topic of CSR. The fact that they are actively seeking for CSR information and strongly desire involvement into a corporation’s CSR engagement, results in our designation of this consumer type as Involvement Seekers. This consumer group is characterized by a high degree of emotional attachment to the issue, which makes them receptive for emotional approaches concerning the firm’s CSR message delivery. They furthermore actively consider the aspect of CSR in their purchase decisions. Individuals belonging to the consumer type of Involvement Seekers can be described as activists and strong promoters of socially responsible behavior, not only with regards to corporations but also on a personal level.

*It is really important to save our planet. I think more people should care about it.*

(Respondent 11)

Involvement Seekers are attracted by CSR initiatives following an inside-out approach, meaning that the corporation starts from the inside when pursuing a higher long-term goal. They further value a high level of involvement of a company’s employees throughout the entire CSR strategy. Additionally, caused by the fact that they are usually very knowledgeable both about the topic of CSR as well as the corporation, the fit between the firm and its CSR initiatives chosen plays a crucial role to them.

*There must be a fit between the corporation and the initiative. Otherwise I think it’s not credible.* (Respondent 8)

Due to their strong opinions and high level of CSR interest, Involvement Seekers strongly advocate a two-way communication approach, evaluating the dialogue with corporations as a desired opportunity to share their thoughts. Since the information need of this consumer group is remarkably high, they strongly favor interactive communication channels, which enable them to ask questions and discuss their thoughts openly with the corporation.

*How to Address Involvement Seekers*

Resulting from the characteristics described above, Involvement Seekers need to be addressed by providing them with the opportunity to interact with the corporation. Due to their proactive nature and their inherent high level of CSR interest, they do not need to be further activated,
but simply satisfied by meeting their need for interactive communication. The key to Involvement Seekers is thus to be found in a company’s employees.

*I’d really like to hear about CSR from employees, being educated in the shop.*  
*(Respondent 11)*

This does however not mean that employees should try to educate every single customer about the company’s CSR initiatives, since this would lead to them approaching other consumer types than Involvement Seekers as well, who might in turn react negatively. A company should much rather encourage Involvement Seekers to get in contact with its employees, by for instance providing inviting in-store messages. Another suggestion put forward by our respondents included companies to offer educational in-store events, encouraging interested consumers to discuss their questions, ideas and concerns directly with the firm. Furthermore, different sorts of interactive communication channels, such as for instance social media, should be used to provide a platform for interested consumers to discuss their views and opinions concerning the corporation’s CSR engagement.

### 5.2.2 Sleepers

The second consumer type identified can be described as being generally interested in the topic of CSR. Other than Involvement Seekers, this consumer group however lacks the drive of active personal engagement in the issue, which results in them not actively seeking for CSR information. According to their unawareness due to the aforementioned lack of information, we describe this consumer category as Sleepers. Convenience plays a crucial role for Sleepers when it comes to accessing CSR information. Respondents state that they generally would like to consider the issue of CSR more often when making purchase decisions. At the same time they express their wish to be informed to a higher extent, but to the smallest possible effort involved.

*I am a person who would care, if they would tell me about it.*  
*(Respondent 7)*

*I usually don’t make the effort to find out about CSR by myself.*  
*(Respondent 5)*

The lack of active seeking for CSR information leads to Sleepers only occasionally considering CSR in their purchase decisions. Labels and certificates, such as for instance the Fairtrade label, play an important role to them, since they support them in making ‘lazy’ but at the same time good choices. The consumer group of Sleepers generally values the concept of CSR to a high extent and often expresses tendencies to feel bad conscious about not being more active.

*I think I could do more. I am interested, but I don’t necessarily act upon it.*  
*(Respondent 7)*

Like the consumer type of Involvement Seekers, they are likely to respond positively to an emotional way of CSR message delivery. Since they lack however the ‘activist mindset’ of Involvement Seekers, they do not exactly demand a dialogue with firms; however they state to
appreciate the opportunity to engage in a dialogue offered on a voluntary basis, and in a time-efficient and subtle way.

**How to Address Sleepers**

Other than Involvement Seekers, the consumer group of Sleepers needs to be activated. Their biggest need is to receive CSR information in a convenient way, which in turn enables them to base their purchase decisions on the aspect of CSR and thus to feel good about themselves. It needs however to be underlined, that their lack of personal commitment strongly differs them from Involvement Seekers, which has to be carefully considered when choosing the communication channels for Sleepers. Our findings reveal that Sleepers strongly prefer subtle CSR communication in the form of in-store information, underlining both the importance to reach them right at the point of sale, as well as the voluntary aspect provided by in-store messages.

*It's not right in your face. And I can decide whether I'd like to read it or not.*

(Respondent 5)

Since a general interest in a two-way communication could be detected among Sleepers, corporations should provide them with the opportunity to give feedback. When doing so, however, the voluntary aspect again needs to be considered. Respondents indicate that they would appreciate short questionnaires they could fill in, if desired. They further emphasize their perception of too direct and interactive communication attempts, such as for instance the direct dialogue with employees, as deterrent.

**5.2.3 Distance Seekers**

The third consumer group revealed can be referred to as Distance Seekers. Consumers who fall into this category have a general interest in CSR and consider it from time to time in their purchase decisions. They are interested in hearing about corporations’ social activities, but are not actively seeking for this information. What distinguishes this consumer type from Involvement Seekers and Sleepers, is that this group is not interested in engaging in a conversation with corporations about their CSR activities or to provide feedback. Distance Seekers prefer to have a bit of distance between themselves and the company, and wish for a top-down communication approach, taking place in a one-way communication process.

*I don’t feel the need to talk to them.* (Respondent 6)

Thereupon this group can be classified to have ‘basic’ information needs. Moreover, Distance Seekers expect corporations to be ethical, but don’t demand that they are philanthropic. They appreciate firms’ efforts to do good, but are in contrast to Involvement Seekers not interested in a corporation’s motives for CSR engagement. They accept the capitalist nature of firms and the fact that corporations mainly exist to generate profit, and do therefore not judge a firm for having extrinsic CSR motives, as long as it delivers on its promises.
The reason why they do it - whether it’s a good or bad reason - does not really matter to me. As long as they do it. (Respondent 6)

How to Address Distance Seekers

Other than Involvement Seekers and Sleepers, this consumer type neither wants nor needs to be activated. The CSR communication needs of Distance Seekers are limited to the sheer delivery of basic CSR information. There are two recommended communication channels to reach Distance Seekers. Because of the ‘convenient’ characteristic of this consumer type, the corporation should select communication channels that are more proactive, to ensure that the information reaches the consumer. The first recommended channel to use is in-store information, in order to ensure that the consumer is informed at the point of sale before making a purchase. It needs to be underlined that the communication in-store must be noticeable and not subtle, in order to attract the attention of Distance Seekers.

For me it would be important that they would do more in-store because that’s where I would see it. I would not see it in an advert, in a newspaper or on TV. (Respondent 12)

The second recommended channel to use is endorsed CSR communication. Distance Seekers have a skeptical character trait. In order to overcome this skepticism towards company information and to raise the credibility of the CSR messages, the communicated content should be delivered or at least endorsed by third parties. Distance Seekers furthermore highly appreciate labels and symbols from external parties, since those are seen as ‘evidence’ and validation of the claims made by the company.

Labels and licenses help me a lot. So if you really want to convince me that this product is Fairtrade or organic, then having a license or some sort of labeling connected to an external party investigating the company’s claims is the best for me. When I’m purchasing things I am definitely looking for some sort of symbols on it. (Respondent 6)

Equally important as the choice of communication channel, is the choice of communication style. In order to satisfy the needs of Distance Seekers and to raise the effectiveness of the CSR communication, our results indicate that corporations should use a mixture of emotional and factual elements in their message delivery approach.

5.2.4 Cynics

The fourth and final consumer type identified can be depicted as Cynics. Cynics are characterized by having a very low personal interest in CSR, which in turn translates into a limited influence of CSR on their purchase decisions. Their overall cynical attitude towards the concept of CSR, resulting from the belief that firms are only undertaking these activities for their own benefit and thus exploit CSR as a strategic beacon for stakeholders, has led to us naming this group of consumers accordingly. Unlike the other three consumer types, Cynics are not interested in hearing about the good deeds of corporations and strongly oppose the opinion that companies should advertise their CSR efforts. This consumer group prefers a
silent CSR strategy, representing the view that “companies should do good instead of talking about doing good” (Öberseder, 2013:1849). Due to their low interest in a corporation’s CSR activities and the preference of not being involved in a corporation’s CSR activities at all, the information needs of Cynics can therefore be described as being close to non-existent. Moreover, what draws their attention to the subject of CSR are scandals and negative headlines about corporations’ unethical deeds, which again reflects their cynical attitude towards the topic.

If I for example see or read a negative headline about companies behaving unethically, I am interested in it. Other than that I would say my interest is rather low. (Respondent 3)

**How to Address Cynics**

The characterization presented above underlines clearly that Cynics, caused by their highly skeptical attitude towards corporations and their disbelief in firms’ upright intentions concerning CSR engagement, strictly reject any attempt of a direct approach by corporations. However, although Cynics generally prefer no communication at all about a firm’s CSR efforts, it was found that they tend to not reject information presented by third parties. The results of our research show that the only opportunity to present CSR information to this consumer group is represented by the delivery of hard facts and figures through external communication channels. The selection of a factual communication approach would further serve to tackle the existing problems of skepticism and cynicism.

I would prefer the facts (...). It would be nice not having to face the Steven Spielberg logic everywhere. (Respondent 9)

Moreover, it was also stated by one of the respondents belonging to this group that there should be an option to find information about a company’s CSR activities, should they have the need to inform themselves. The preferred channel to find such information was stated to be the company’s CSR report.

I prefer to receive information from third parties cause for me it’s more credible and more authentic. But I still think that companies can also directly communicate, for instance in the form of CSR reports, which I can read if I feel like it. (Respondent 3)

**5.3 CONSUMER TYPES MODEL APPLIED TO BARISTA**

As noted from the discussion above, we have identified that consumers have different needs, interests and expectations concerning the overall issue CSR and resultantly a firm’s delivery of CSR communication. These differences among consumers have lead to the natural development of the four different consumer types identified: Involvement Seekers, Sleepers, Distance Seekers and Cynics. When formulating CSR communication strategies, corporations thus need to be aware of these four consumer types and their various interests, and adapt their strategies accordingly in order ensure the effectiveness of their communication efforts,
generate favorable consumer responses and finally, to reduce the existing problems of skepticism and cynicism. In the course of our analysis we have detected a surprisingly low level of consumer awareness concerning Barista’s CSR engagement, which has led to our conclusion that the current CSR communication strategy applied by the company is not effective. With the aim to detect the root causes of this ineffectiveness, we are going to apply our model of CSR consumer types to Barista, planning to answer the question: What consumer type(s) does Barista reach with its current communication approach?

5.3.1 Channels

The main CSR communication channel used by Barista is in-store information, which can be evaluated as an overall good choice, since the findings of our study emphasize that consumers attach a high degree of desirability to this channel. However, when it comes to the practical implementation, it could be observed that the current in-store communication is taking place in a too subtle way. Barista’s main means of in-store communication consists of displaying CSR related content in the form of a collage at one wall in each store, which gives consumers the opportunity to read about the firm’s CSR engagement. As revealed by our study, however, the fact that this communication channel demands consumers to proactively go to the wall in order to read the information, leads to this channel reaching predominantly the highly active consumer group Involvement Seekers. Also other means of in-store communication, such as for instance signs near the cash desk, remain largely unnoticed by less observant consumer types, such as Sleepers and Distance Seekers. Another communication channel used by the company consists of online communication; it needs however to be underlined that only the company website includes CSR related information, whereas Barista’s social media sites are mainly used to display product information than to educate consumers about CSR. Since the company website yet again represents a source that requires consumers to proactively search for information, its reach is equally restricted to the consumer group of Involvement Seekers. Even though Barista claims its staff to play a key role in its CSR communication, our findings reveal that consumers do not perceive the company’s staff to be very active in offering consumer education. Whereas this could be positive when addressing consumer types who do not want to be educated directly by the staff, the consumer type Involvement Seekers claims to miss being encouraged to have a dialogue with the staff. The last communication channel ‘used’ and highly valued by Barista is external media coverage; however, due to its company-external nature Barista has no influence on both the content communicated as well as the communication frequency.

Furthermore, Barista currently operates using a one-way communication process with no consumer involvement. Consumers are not offered any possibility to provide feedback on Barista’s CSR engagement or to engage in a dialogue with them. As a consequence, Barista only satisfies two out of the four consumer types: Distance Seekers and Cynics. The Involvement Seekers’ high information needs however, as displayed in the model presented above, can only be satisfied through a two-way communication process, that enables them to ask questions and to give critical feedback. Also the latent need of Sleepers to be given the voluntary opportunity to become more involved in the corporation’s CSR activities, requires a two-way communication process.
5.3.2 Content

The focus of Barista’s communication efforts is narrow and predominantly aimed at the content area ‘achievements’, as illustrated by the following two examples: Barista communicates to consumers in-store that they, through the purchase of a coffee with a Barista loyalty card, donate 2 SEK to the funding of children school meals in Ethiopia. Secondly, they communicate that the purchase of a take-away coffee results in 35 cups of brewed Barista Fair Trade Coffee for the homeless. While this information satisfies the content needs of one group of consumers, namely those who are solely interested in the outcomes of CSR initiatives, it fails to satisfy the needs of those who want to be educated about Barista’s reasons for engagement and its commitment to the social cause. To satisfy the diverse needs of consumers, the focus should not only lie upon one key area of content, but on all three: reasons for engagement, commitment and achievements.

5.3.3 Communication Style

With regards to Barista’s CSR communication style, the company has adopted a mixed approach: On the one hand, it decorates one wall in each of its stores with pictures of its CSR engagement and its cooperation with NGOS, thereby addressing the emotional needs of its consumers. On the other hand it presents hard facts and figures on displays in-store and on its website. The combined approach of an emotional and a factual communication style allows Barista to reach all four consumer types: the consumers who have a desire to be approached emotionally through pictures displayed on the wall (Involvement Seekers, Sleepers), those who are interested in both (Distance Seekers), and the consumer group being only interested in facts and figures (Cynics).

5.3.4 Evaluation of Barista’s CSR Strategy

As pointed out previously, Barista has adopted a low-key communication strategy with a main focus placed on subtle in-store communication efforts. With its current communication approach, however, Barista only reaches the consumer group of Involvement Seekers and, to some degree, Distance Seekers, if third party communication takes place. The problem with Barista’s current communication approach is, that its subtle nature requires the consumer to be proactive and go, for instance, up to the wall in-store, or to visit Barista’s company website in order to read about the firm’s different initiatives. As the model illustrates, the consumer type Involvement Seekers is the only one out of the four that is actively searching for information and consequently the only group that is informed about Barista’s CSR efforts. This finding is further confirmed by the fact that the small number of our respondents having a high level of knowledge on Barista’s CSR engagement was found to exclusively consist of Involvement Seekers. In order to equally reach Sleepers and Distance Seekers, Barista needs to be more proactive in its communication in-store and highlight its CSR messages to a greater extent, since many of them currently go unnoticed. As a suggestion some interviewees put forward the idea to provide little readings directly on the tables, stating that especially when having a coffee on their own, they would usually appreciate having something to read. Others suggested to print more CSR related information on take-away coffee cups for the same reason. The company should further consider to offer its consumers the possibility to
engage in a dialogue with them, in order to satisfy the needs of the two important consumer
groups Involvement Seekers and Sleepers. As suggested in the above developed strategic
approaches concerning how to best address Involvement Seekers and Sleepers, this dialogue
could be offered in various ways, for instance by offering voluntary questionnaires (for
Sleepers), by providing engaging messages that encourage consumers to seek dialogues with
employees (for Involvement Seekers) as well as by the organization of educational events
where the firm offers consumers room for joint discussions (for both Involvement Seekers and
activated Sleepers). In addition, Barista could think about using its social media channels as
platforms for consumer discussions, rather than for displaying product information only. As a
final suggestion, deriving from the findings related to the currently communicated CSR
content, the company should ensure that the focus is not placed on the key area of
‘achievements’ only, but to further provide information on the firm’s commitment and
reasons for its CSR engagement, in order to meet the information needs of all consumer
groups.
6 CONCLUSION

This final chapter summarizes the outcomes of our empirical analysis presented above, aiming at formulating an answer to our research question. Furthermore, besides concluding thoughts and theoretical implications, managerial implications will be presented, as well as suggestions for future research.

6.1 CONCLUSIONS AND THEORETICAL IMPLICATIONS

Corporate Social Responsibility is a topic that over the past decades has gained an increased foothold in both the academic and the corporate world. Consumers’ expressed interest in the phenomenon, along with their increasing expectations on companies to undertake social activities, is a main driver behind researchers’ curiosity to explore it on a deeper level, and its increased implementation in practice (Green & Peloza, 2011). Corporations have been left with little choice, but to conform to the changing demands of society and to incorporate CSR into their business strategies in order to satisfy consumer needs and thereby defend their market position and secure their future success. The increased pressure on corporations to adopt a socially responsible behavior and communicate their achievements within this area, has lead to CSR becoming a strategic issue for managers and naturally contributed to its transformation from being a low to a high priority on corporations’ agendas. One aspect of CSR that corporations are experiencing significant problems with is that of communication, more precisely the question whether to adopt a subtle or proactive communication approach and to what extent a firm’s social disclosures should be communicated in order to evoke positive consumer responses and avoid skeptical attitudes and perceptions of greenwashing. The uncertainty regarding the degree of transparency and the identified communication paradox have raised questions both among academics and practitioners. Birth, Illia and Zamparini (2008:184) further underline the challenge for corporations in their claim that transparency is essential, but “a difficult matter.” Corporate efforts within the area of CSR communication have until now been largely unsuccessful and consumers’ rising skepticism and low awareness of companies’ CSR activities are both indicators of firms’ struggle in this area and evidence of their ineffective communication strategies (Dawkins, 2005; Skarmeas & Leonidou, 2013). The rare achievement of effective communication of CSR programs in practice, along with the nascent stage of research within the area of consumer-related CSR communication, formed the basis of this study with the main objective being to develop a deeper understanding of consumers’ perspectives on corporations’ CSR engagement and communication efforts followed by the secondary aim of generating new insights with regards to their expectations, information needs and personal preferences concerning the area of CSR communication. Additionally, this study sought to address earlier research questions raised by other scholars within the field, by conducting a qualitative exploration of 12 consumer attitudes and perceptions of a corporation’s CSR engagement and communication efforts.

With regards to consumers’ perceptions of corporations’ CSR engagement our results were found to support the findings by other scholars in relation to consumers’ interest in CSR and expectations regarding firms’ social and environmental responsibilities. It was found that the majority of respondents have an interest ranging from moderate to high in corporations CSR
practices, however as concluded by previous studies, it seldom translates into actual purchases. Furthermore, it was also confirmed that consumers’ expectations regarding corporations’ social responsibility have increased with the majority expecting firms to at least fulfill their ethical obligations. At the same time they expressed a clear preference for corporations with a philanthropic behavior. Our results were also found to be consistent with previous research findings concerning low consumer awareness of corporations’ CSR engagement, as well as with regards to consumer skepticism of corporations’ social behavior and their perceived motives for undertaking CSR practices (Fatma & Rahman, 2015). A contradictory finding worth mentioning is that other than Schmeltz’ study, which found that the younger generation prefer a more proactive communication approach, our sample revealed that the demographic factor, age, is not a determining factor of consumers’ preference for communication approach.

A new discovery and implication of the study is that a corporation’s communication strategy must be segmented and tailored to the different needs of consumers. Our findings suggest that corporations should not only make distinctions between consumers and other stakeholder groups, but also within the consumer group itself, thereby indirectly addressing the research question posed by Reisch (2006), whether consumers should be targeted as a separate group. It has been detected that consumers have different expectations, interests and information needs when it comes to CSR, which in turn highlights the difficulty for corporations to satisfy the diverse needs and expectations using the same communication strategy. Failing to segment their communication and treating consumers as ‘one’ entity, is a major mistake most companies are committing today, with consequences of ineffective delivery of CSR content, unawareness of corporate sustainability efforts among consumers and unsatisfied information needs. The main theoretical contribution within our study does therefore lie within the development of a consumer types CSR model, which describes four different consumer types and details a matching communication strategy for each. Our research has identified several key factors that have an impact on effectiveness of firms’ communication strategy. Choice of channel, content and communication style are considered the main factors controlled by companies, and these do in turn influence consumers’ perceptions of the firm’s CSR engagement and their degree of skepticism, which ultimately affects their attitudes and response towards the corporation’s CSR program and communication efforts. The underlying purpose of the model, from a managerial perspective, is to provide managers with new consumer insights regarding their preferences and expectations concerning CSR communication with the ultimate aim to facilitate their decision making in the selection of communication strategies. From a theoretical perspective, our model provides an enhanced understanding of consumers’ different information needs, interests and preferences with regards to CSR communication, more specifically to the channels, content and communication style desired. In addition, the model provides answers to previously unaddressed questions on the subject. Mohr, Webb and Harris (2006) had raised an earlier presented question concerning CSR communication channels, and which of those is the most influential one. As our model illustrates, the channel’s influence is dependent upon the consumer type. Interactive channels such as employees are considered the most influential for the consumer type Involvement Seekers, whereas in-store communication is found to be the most influential for Sleepers. Moreover, Du et al. (2010) called into question what kind of
CSR content should be communicated. Our findings reveal that consumers have very different preferences that could not be ascribed to one of the four identified consumer types, however the diversity of consumers preferences does stress the importance of corporations to not only focus their efforts on one area of content, but on several, preferably the three key areas: achievements, reasons for engagement and commitment to the cause. Finally, Reisch (2006) raised the question whether consumers should be reached by using emotionalized campaigns. As our model illustrates, to reach all four groups a mixed approach between factual and emotional message delivery is recommended.

This study has shed light upon the complexity of communicating CSR-related information to consumers and emphasized the cruciality of using a segmented communication approach. The model of CSR consumer-types aims to provide guidance for corporations, by helping them to develop more effective communication strategies, resulting in positive effects such as reduced consumer skepticism, higher consumer awareness of companies’ CSR practices and satisfied information needs. A market research study analyzing a company’s consumers followed by the development of a segmented communication approach are our final recommendations that we believe will aid corporations in overcoming the existing CSR communication paradox and to reduce uncertainty regarding the questions what, how much and through which channels to communicate CSR efforts. With corporations starting to take the abovementioned advice into consideration, there is a higher likelihood that effective CSR communication approaches will not remain a rare sight in practice for much longer.

6.2 MANAGERIAL IMPLICATIONS

Besides theoretical contributions, the above presented outcomes of our study, as briefly mentioned previously, have an impact on the managerial level, influencing a corporation’s practical handling of the issue CSR communication. The following managerial implications have resulted from our research:

Emerging from the main finding of our study, namely the fact that the stakeholder group of consumers is diverse in itself and thus cannot be treated as one entity, the strong need for corporations to develop tailored CSR communication approaches arises, to effectively meet the demands of the different consumer types and thus to ensure maximum efficiency of their communication efforts. From the practical application of our consumer types model to the case example Barista, it becomes clear that the choice of one single CSR communication approach, which fails to acknowledge the demands of the existing consumer groups, leads to a reduced effectiveness in CSR communication, due to the fact that some consumer types are either not, or only partly reached. Barista’s current low-key CSR communication, for instance, has been found to mainly address the consumer type of Involvement Seekers, being the only consumer group that is proactive enough to independently look for the information. Other consumer types such as Sleepers and Distance Seekers, which were identified to represent a considerable part of Barista’s customer base, remain largely unaddressed, which results in an overall low awareness among consumers concerning the company’s CSR engagement. By offering targeted CSR communication approaches, tailoring CSR communication channels, content and style to the preferences of consumer types, the issue of
low awareness, which often goes hand in hand with the problem of consumer skepticism, can be reduced.

An overall managerial implication emerging from the above presented finding is the fact that the segmentation of consumers for the purpose of CSR communication needs to take place in a different way than for other corporate communication purposes. Since our study underlines that consumer types in CSR vary with regards to their personal interest and involvement in the topic, as well as their experiences, beliefs and inherent character traits, traditional segmentation criteria such as age, gender and other demographics are not applicable in the case of CSR communication.

Since our research has been carried out by using a case example from the service sector, which was chosen for its high degree of personal interaction between corporations and consumers, we suggest that our findings mainly serve as a basis for businesses equally operating in the service sector to draw their strategic CSR communication decisions upon. The highest degree of fit is likely to be found between our study and businesses operating in the field of food and beverages, however service sector firms operating in other fields may draw conclusions from our research as well.

6.3 FUTURE RESEARCH

Reflecting on the earlier presented limitations of our study as well as on our research findings gained, a number of suggestions for the dedication of future research emerge, which are going to be presented in the following.

First of all, in order to overcome the previously presented limitations of our research, namely the relatively small sample size, the focus on a single corporation in a single industry sector, as well as the geographic focus on the Swedish area of Skåne, we suggest to carry out an extensive quantitative study to verify our findings. By choosing a large consumer sample with a more diverse demographic background concerning factors such as age, level of education and nationality, and additionally by referring to consumers in different industry sectors, the existing weaknesses of our study could be diminished. The quantitative study could further serve to ensure that we have not left out any important influencing factors or even another consumer type, which may have not been represented in our small consumer sample.

Secondly, since the shares of consumers belonging to the four identified consumer categories are likely to vary from corporation to corporation, being dependent on the numerous factors which have been identified previously, such as the industry the firm is operating in and the company’s individual level of commitment to CSR, future research could be dedicated to the development of a tool that helps firms to analyze and characterize their customer base, and thus to examine to what extent the different consumer groups are represented. To give an example, in the case of Barista the share representing Cynics was found to be very low, followed by a slightly bigger share of Involvement Seekers, whereas the majority of consumers seemed to consist of Sleepers and Distance Seekers. For a company operating in another industry sector, operating on a business model that is less focused on the aspect of sustainability, the distribution of consumer types is likely to be entirely different. A tool to identify the approximate occurrence of consumer types among a firm’s customer base would
thus be helpful in order to facilitate the company’s decision, on which of the four CSR communication strategies the main emphasis should be placed.

The third suggestion that came to mind was to practically test the effectiveness and thus the validity of the consumer type model identified, by carrying out a longitudinal experiment with different test groups. The study could investigate the effectiveness of CSR communication by for instance examining the reactions and perceptions of one consumer group, which is addressed by a single mainstream CSR communication approach, to those of another group, which is addressed by tailored CSR communication approaches to the needs of different consumer types, as suggested by our model. If our findings are valid, it should be possible to detect a decreased level of consumer skepticism, as well as an increased level of awareness concerning the CSR content communicated among the second test group.

A final thought refers back to the finding that the stakeholder group of consumers is heterogeneous in itself, leading us to the question whether a similar diversity can be discovered for other stakeholder groups as well. For the purpose of CSR communication to other stakeholder groups, such as employees or investors, but also for general corporate communication purposes, it might be interesting to dedicate future research to examine possible types of individuals within other stakeholder groups, which to date might be wrongfully treated as homogeneous entities.
REFERENCES


Parguel, B. and Benoıt-Moreau, F. (2011). Much to tell to consumers about CSR, but who should talk or not talk about it? Available Online: https://halshs.archives-ouvertes.fr/halshs-00636241/file/Talk_or_not_talkEMAC_PDF.pdf [Accessed 29 March 2015].


## APPENDIX A

### CONSUMER SAMPLE INFORMATION

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<th>Profession</th>
<th>Age</th>
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<th>Length of Interview (min)</th>
<th>Degree of Barista Loyalty</th>
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APPENDIX B

INTERVIEW GUIDE

Consumer Awareness of CSR:

• Are you a frequent customer of Barista?

• What makes you go there?

• Do you know anything about Barista’s sustainability initiatives? Can you think of a specific initiative they undertake?

Consumer Interest in CSR:

• To what extent do you think that firms have social obligations? (Show Carroll’s CSR Pyramid)

• Do you consider the environmentally & socially responsible behaviour of companies when making a purchase decision?

• How would you describe your personal interest in sustainability issues? (Highly interested, interested, neutral, hardly interested, not interested at all)

CSR Initiatives Ranking:

• Can you think of preferred CSR initiatives you like corporations to undertake?

• Please read carefully through the different sustainability initiatives described below and rank them afterwards. (Most appealing = number 1, least appealing = number 6) Take as much time as you need.

1) In co-operation with the UN school feeding initiative, Barista donates 2 SEK of every purchase to a school meal project in Ethiopia (Cause-Related Marketing)

2) Barista employees visit schools to educate kids about the concept of Fair Trade and sustainability (Community Volunteering)

3) During certain periods of time Barista gives away free coffee to the homeless (Corporate Philanthropy)
4) Barista carries out an online campaign that promotes the idea of Fair Trade in order to achieve a general change in the minds of the consumers when making purchase decisions (Corporate Social Marketing)

5) Barista strives to offer 100% organic products and materials in their stores (Socially Responsible Business Practices)

6) Barista sponsors a football game to raise awareness for the topic of fair trade (Cause Promotion)

Consumer interests and personal perceptions:

- You ranked initiative X first/last. What made you do this? Why do you perceive this initiative to be most/least appealing?

CSR Fit:

- Which initiative do you think suits Barista best/least?

Consumers’ perception of motives:

- Why do you think Barista engages in CSR activities? What do you think are Barista’s motives? (Genuine interest, profit maximisation, image improvement, strategic differentiating factor etc.?)

CSR Communication Channels Ranking:

- Through which channels should information about sustainability initiatives be communicated?

- Please do now read through the given examples of communication channels and choose:

  a. The top 3 that are the most credible ones to you
  b. The top 3 most desirable ones to receive CSR information from
  c. The top 3 most undesirable ones to receive CSR information from

  1) Advertisements
  2) Employees
  3) Company website
  4) Company’s social networks
  5) In-store information (e.g. signs on walls, tables)
  6) External media coverage
  7) Friends and relatives (WOM)
  8) Packaging and labels
9) Company CSR Report
10) No CSR communication at all

Consumers’ personal perceptions:

- Why do you perceive channel X to be the most credible/desirable/undesirable one?

- Would you feel sceptical or question the credibility of the information coming from any of these channels?

- Is the credibility of the information influenced by who communicates it to you? (Show Morsing and Schultz’ model) Should firms communicate their actual initiatives at all or should this be left to third parties?

Content:

- What kind of information are you interested in? Where do you think should the focus of the communication be? (E.g. the company’s commitment to a cause, its impact, its reason for engagement)

- Would you perceive a company’s communication about sustainability results/achievements as marketing (in a negative way, as an exploitation of the cause)?

Communication Style:

- Do you prefer to receive factual information and figures or would you rather like to be approached more emotionally (campaign-like)?

Closing Questions:

“A company’s authentic commitment to CSR can easily be misunderstood as being a marketing attempt”, which is leading to skepticism among consumers.

- Do you agree with this statement?

- If yes, how can scepticism in your opinion be reduced or avoided?

- Should a company like Barista whose entire business approach rests upon the idea of social responsibility and is deeply embedded within the organization and its practices use a low-key or a rather proactive communication strategy? Do you think that Barista should maintain its subtle communication strategy or should they be more proactive in their communication?