CONSUMERS’ PERCEPTIONS, EVALUATIONS AND REACTIONS TO CSR ACTIVITIES

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ABSTRACT

This paper presents the doctoral project we are currently carrying out with the Institut d’Administration et de Gestion from Louvain-La-Neuve (Belgium), as well as the precious collaboration of the Institut d’Economie Scientifique et de Gestion from Lille (France).

The purpose of our doctoral research is to better understand the concept of Corporate Social Responsibility (CSR) in the context of France and Belgium, as well as to identify the CSR impacts on consumers’ attitudes and behavior intentions. This global purpose could be divided into three principal research questions.

Firstly, since there is no consensus on a precise definition of what a socially responsible company is, our first objective is to clarify the content of the CSR concept. Moreover most of the existing definitions are based on managers’ point of view only, even if gaps are likely to exist between managers’ and stakeholders’ opinions. A model of gaps between managers’ and consumers’ perceptions will then be proposed.

Secondly, the impacts of consumers’ CSR perceptions on important variables in marketing will be evaluated: the influence on consumer satisfaction, trust, commitment and ultimately loyalty toward the socially responsible company will be examined. Indeed, more companies than ever before put into place corporate social responsibility (CSR) initiatives (Drumwright, 1994; Varadarajan and Menon, 1988). This trend translates the belief among business leaders that CSR is an economic imperative in today’s national as well as global marketplace (Sen and Bhattacharya, 2001). Despite this increasing emphasis on CSR in the marketplace, little is known about the effects of CSR actions on consumers (Sen and Bhattacharya, 2001).

Thirdly, we want to highlight the consumers’ characteristics according to the stage of development of their relations with the company. Indeed, some consumers could be uninterested in the socially responsible features of companies; others could express their satisfaction about the CSR activities or their trust in the citizen company. Finally, for the consumers the most sensitive to such topics, they could develop commitment and true loyalty toward that company.

Our methodology design includes two phases: an exploratory phase and a causal phase. The objectives of the exploratory phase are to clarify theoretical constructs and to propose precise hypotheses of relationships between CSR activities and consumers’ attitudes and behaviour intentions. These hypotheses will be tested afterwards in the causal phase.

This paper presents the first results of our exploratory investigations as well as the model we propose to test in a close future. For instance, we will present a new way of conceptualizing CSR into five facets: (a) the consumers’ expectations on CSR activities, (b) the managers’ perceptions of those expectations, (c) the consumers’ perceptions of present CSR activities, (d) the CSR policies put into place by companies, (e) their CSR communication policies. The demonstration of the existence of gaps between these facets highlights the importance of measuring not only the degree of CSR activities but also the consumers’ perceptions of those activities, especially when evaluating consumers’ reactions to CSR policies.

KEYWORDS: Corporate social responsibility, Consumers’ CSR expectations, Consumers’ CSR perceptions, Consumer Trust, Consumer Loyalty, Gap Model.
1. INTRODUCTION

This paper presents the doctoral project we are currently carrying out with the Institut d'Administration et de Gestion from Louvain-La-Neuve (Belgium), as well as the precious collaboration of the Institut d’Economie Scientifique et de Gestion from Lille (France).

The purpose of our doctoral research is to better understand the concept of Corporate Social Responsibility (CSR) in the context of France and Belgium, as well as to identify the CSR impacts on consumers’ attitudes and behavior intentions. This global purpose could be divided into three principal research questions.

Firstly, since there is no consensus on a precise definition of what a socially responsible company is, our first objective is to clarify the content of the CSR concept in the context of France and Belgium and in specific sectors of activities (to be chosen). Moreover most of the existing definitions are based on managers’ point of view only, even if gaps are likely to exist between managers’ and stakeholders’ opinions. In this research, a model of gaps between managers’ and consumers’ perceptions will be proposed. The first originality of our research is then to study the concept of CSR by adopting a consumer perspective, in the context of France and Belgium, while most of studies are based on US and UK managers’ perceptions.

Secondly, the impacts of consumers’ CSR perceptions on important variables in marketing will be evaluated: the influence on consumer satisfaction, trust, commitment and ultimately loyalty toward the socially responsible company will be examined. Indeed, more companies than ever before put into place corporate social responsibility (CSR) initiatives such as cause-related marketing, socially responsible employment and manufacturing practices and environmental protection policies (Drumwright, 1994; Varadarajan and Menon, 1988). This trend translates the belief among business leaders that CSR is an economic imperative in today’s national as well as global marketplace (Sen and Bhattacharya, 2001). Despite this increasing emphasis on CSR in the marketplace, little is known about the effects of CSR actions on consumers (Sen and Bhattacharya, 2001). Often, researchers ask managers to give their opinion about consumers’ reactions to CSR activities (Maignan, Ferrell and Hult, 1999; Maignan and Ferrell, 2001), instead of directly asking consumers the questions.

Thirdly, we want to highlight the consumers’ characteristics according to the stage of development of their relations with the company. Indeed, some consumers could be uninterested in the socially responsible features of companies; others could express their satisfaction about the CSR activities or their trust in the citizen company. Finally, for the consumers the most sensitive to such topics, they could develop commitment and true loyalty toward that company. For instance, we will study the impact of some personal consumers’ characteristics on the proposed model (e.g., age, sex, revenues, education, social activities).

The paper is developed on the following structure. The research theoretical framework is detailed in part 2: different CSR definitions are presented first, followed by a literature review about the potential effects of CSR activities on company financial performance and on company’s stakeholders. The research model is
presented in a third part and part 4 presents the research methodology as well as first results of our exploratory investigation. Finally, the conclusion gives an overview of the principal anticipated learnings of this research as well as some directions for future research.

2. THEORETICAL FRAMEWORK

2.1. CSR definitions

The behaviors characterizing good corporate citizenship have been investigated under various labels: corporate social responsibility (e.g., Carroll, 1979; Sethi, 1979), corporate social responsiveness (e.g., Frederick, 1978; Strand, 1983), corporate social performance (e.g., Stanwick and Stanwick, 1998; Wood, 1991) and corporate citizenship (e.g., Maignan, Ferrell and Hult, 1999; Reilly and Myron, 1994).

While corporate citizenship and corporate social responsibility are commonly used terms (e.g., Andriof and McIntosh, 2001; Brandeleer, 1997; McIntosh et al., 1998), no single definition has been widely accepted and multiple conceptualizations coexist.

Many different business organizations and researchers have attempted to provide their own definitions of CSR, as illustrated in Table 1.

However, two common features appear in existing CSR conceptualizations: (1) companies have social obligations in addition to economic responsibilities; and (2) a socially responsible firm has the duty to address the concerns and satisfy the demands of its main stakeholders - employees, shareholders, customers, suppliers, the media, regulators, and pressure groups.

According to Carroll (1979) and Maignan, Ferrell and Hult (1999), CSR has an economic, a legal, an ethical and a philanthropic face. Socially responsible companies are expected: (1) to be profitable while providing desired goods and services (fulfill their economic responsibilities), (2) to obey the law (fulfill their legal responsibilities), (3) to follow codes of conduct considered as morally right (meet their ethical responsibilities), and (4) to contribute actively to the well-being of the communities in which they operate (address their philanthropic responsibilities). Maignan, Ferrell and Hult (1999) add the fact that these responsibilities are imposed on companies by their various stakeholders.

Given the broad conceptualization of CSR, it is not surprising that the domains of socially responsible behaviors are many and diverse. Sen and Bhattacharya (2001) summarize different CSR action into six broad domains (on the basis of the US database Socrates, Corporate Social Ratings Monitor): (1) community support (arts, education, corporate giving); (2) diversity (sex, race, disability); (3) employee support (job security); (4) environment (environmentally-friendly products, waste management, pollution control); (5) non-US operations (overseas labor practices, operations in countries with human resources violation); and (6) product (safety and research and development).
We just want to remark that these broad domains are typical from the US conception of CSR and it has been noted that the nature of the actions typifying CSR is likely to vary across both countries and industries (ARESE, 2001; Maignan and Swaen, 2000). That’s why we have to examine in which CSR domains companies invest in France and in Belgium.

<table>
<thead>
<tr>
<th>Authors (date)</th>
<th>Definitions</th>
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<tr>
<td>McGuire (1963)</td>
<td>The idea of social responsibility supposes that the corporation has not only economic and legal obligations, but also certain responsibilities to society which extend beyond these obligations</td>
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<td>Davis (1973)</td>
<td>The firm’s consideration of, and response to, issues beyond the narrow economic, technical, and legal requirements of the firm… to accomplish social benefits along with the traditional economic gains which the firm seeks</td>
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<td>Sethi (1975)</td>
<td>CSR implies bringing corporate behavior up to a level where it is congruent with the prevailing social norms, values, and expectations</td>
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<td>Davis and Blomstrom (1975)</td>
<td>CSR is the managerial obligation to take action to protect and to improve both the welfare of society as a whole and the interest of organizations</td>
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<td>Frederick (1978)</td>
<td>Corporate social responsiveness is the capacity of a corporation to respond to social pressure, the literal act of responding ; or of achieving a generally responsive posture to society</td>
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<tr>
<td>Carroll (1979)</td>
<td>The social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a give point in time</td>
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<td>Wood (1991)</td>
<td>Corporate Social Performance is a business organization’s configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm’s societal relationships</td>
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<tr>
<td>Brown and Dacin (1997)</td>
<td>Societal view of CSR = company’s status and activities with respect to its perceived societal obligations.</td>
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<tr>
<td>World Bank / Programme sur la citoyenneté d'entreprise (Altman, 1998)</td>
<td>Social responsibility is the practice of matching companies with the rest of society (…) corporate citizens are engaging in partnerships for community development all over the world</td>
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<td>McIntosh et al. (1998)</td>
<td>Corporate citizenship is concerned with the relationship between companies and society – both the local community which surrounds a business, and whose members interact with its employees, and the wider and increasingly worldwide community which touches every business through its products, its supply chain, its dealer network, its advertising, and so on</td>
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<tr>
<td>Marsden and Andriof (1998) quoted in Andriof and Marsden (2000)</td>
<td>Good corporate citizenship can be defined as understanding and managing a company’s wider influences on society for the benefit of the company and society as a whole</td>
</tr>
<tr>
<td>McIntosh and Mohan (1999)</td>
<td>Responsible business is about recognizing social and environmental concerns as part of core business practice</td>
</tr>
<tr>
<td>Maignan, Ferrell and Hult (1999)</td>
<td>Corporate Citizenship is the extent to which company assumes economic, legal, ethical and discretionary responsibilities imposed on them by its various stakeholders</td>
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<tr>
<td>Warhurst (2001)</td>
<td>A strategy of CSR is defined as the internalization by the company of the social and environmental effects of its operations through proactive pollution prevention and social impact assessment so that harm is anticipated and avoided and benefits optimized. (…) Contribute in ways that go beyond traditional responsibilities to shareholders, employees, and the law, and that internalize indirect socio-economic and biogeophysical effects as well as direct impacts.</td>
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Corporate social responsibility is operating a business in a manner that consistently meets or exceeds the ethical, legal, commercial and public expectations that society has of business.

Although there is not really a “Belgian definition” for Corporate Social Responsibility, CSR Europe presents three main elements that usually reappear in the Belgian conceptualization of CSR:

• On a voluntary basis the company takes on board some other objectives than the maximizing of profits;
• The company has a responsibility, not only to the shareholders, but also to all stakeholders and broader society. This responsibility should show in the policies, decision-making, business processes, daily activities and communication of the company.
• Usually the term also refers to companies that do more than usual, and thus are innovative in their social, ecological or ethical management.

2.2. Effects of CSR on financial performance

CSR may be desirable for stakeholder groups and for society as a whole – but such initiatives are rather unlikely to be welcomed by corporate leaders unless they yield some business benefits.

Many studies have attempted to link CSR to financial performance, yet the findings remain mainly inconclusive (for a recent review, see Stanwick and Stanwick, 1998).

Some authors uncover a positive association (e.g., Cochran and Wood, 1984; Spencer and Taylor, 1987; Wokutch and Spencer, 1987; Graves and Waddock, 1993; Waddock and Graves, 1997; Maignan, Ferrell and Hult, 1999; Maignan and Ferrell, 2001). Some others highlight a negative relationship (e.g., Vance, 1975; Davidson and Worrell, 1988), while a last category of researchers fails to find any significant association between CSR and financial performance (e.g., Alexander and Buchholz, 1978; Preston, 1978; Spicer, 1980; Aupperle, Carroll and Hatfield, 1985; McGuire, Sundgreen and Schneeweis, 1988; Davidson and Worrell, 1990).

These contradictory findings may be explained mainly by (1) the complexity of measuring how socially responsible a given business is, (2) the difficulty of establishing the direction of any potential relationship (does CSR lead to greater performance levels or does improved economic performance allow for expenditure on CSR?), and (3) the use of aggregate measures of financial performance (Swaen and Maignan, 2000).

It may be easier to gauge how CSR can generate “indirect” business benefits through the active support of stakeholders.

2.3. Effects of CSR on different stakeholders

More recently, some studies have been carried out on the effects of CSR on the reactions of specific stakeholder groups (e.g., Brown and Dacin, 1997; Creyer and
Preliminary evidence attests the positive effects of CSR on stakeholders’ attitudes toward the socially responsible company. Table 2 illustrates the potential impacts of CSR on different stakeholders, these information being collected in business press and academic journals.

### Table 2. Potential benefits of being socially responsible

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<th>Stakeholders</th>
<th>Potential benefits of CSR</th>
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| Employees      | • High calibrate graduates are more likely to want to work for socially responsible companies.  
                 | • Increased staff retention.                                                               |
|                | • Increased employees motivation, morale, commitment, job satisfaction, productivity, involvement. |
| Government     | • Avoid more restrictive regulations.                                                      |
|                | • Facilitate relations with regulatory authorities.                                          |
| Shareholders   | • Attract and retain certain categories of investors (those with social concerns), give them more reasons to invest in this company.  
                 | • Investors sensitive to CSR values are more stable and loyal.                             |
| Community      | • Diminish the threat of negative publicity.                                                |
|                | • Securing the right to operate in the community.                                           |
|                | • Positive image among community leaders.                                                   |
| NGO            | • Stimulate NGO support (in debate, newspapers…).                                           |
|                | • Diminish the threat of negative publicity.                                                |

For instance, in a survey conducted by the Conference Board, executives reported that volunteer programmes improved employee productivity and morale, fostered team work, and skill building (Leonard, 1997). Another recent survey indicated that 84 percent of managers regard the achievement of a responsible image in the community as important for employee morale (Business Ethics, 1997). In an academic study, Turban and Greening (1996) demonstrated that businesses with a good reputation for social responsibility were more attractive to college students. Maignan, Hult, and Ferrell (1999) extended the potential benefits of social responsibility to existing employees by highlighting a link between CSR and employee commitment. Corporate social responsibility initiatives may help establish a bond between the organisation and its employees.

Little is known about the effects of CSR actions on consumers (Sen and Bhattacharya, 2001). Just some research have focused explicitly on consumers’ reactions to CSR. In a recent study by Ipsos/Fleishman-Hillard (1999), 86 percent of European consumers claimed to be more likely to buy products from a company which engages in social actions. In addition, 89 percent of the respondents declared they would trust a firm which had demonstrated a genuine commitment to taking social actions.

Research suggests further that there is a positive relationship between a company’s CSR action and consumers’ attitudes toward that company and its products (Brown and Dacin, 1997; Creyer and Ross, 1997). Through a series of laboratory tests, Brown and Dacin (1997) demonstrated that consumers who have a negative image of a firm’s social involvement are likely to have negative product evaluations, whereas consumers with a positive image of a firm’s social responsibility have positive evaluations of its products. Creyer and Ross (1997) found a positive
relation between the extent to which their perceptions of that company’s ethicality exceed their expectations and consumer preferences for a company product.

Sen and Bhattacharya (2001) suggest that CSR can affect consumers’ intentions to purchase not only indirectly - through the creation of a corporate context for purchase intentions - but also directly for some CSR domains and for some consumers. They add company-specific factors (CSR domain and product quality) as well as individual-specific factors (CSR support, CSR related beliefs) as key moderators of consumers’ responses to CSR initiatives. They also highlight the mediating role of congruence between consumers’ own characters and that of the company. The most interesting aspect of their paper is to show that the indirect effect between positive CSR and consumers’ intentions to purchase can be negative under certain conditions (for high CSR support consumers when products of high quality and for low CSR support consumers when products of low quality).

Researchers also tried to show the positive relationship between CSR and customers’ loyalty, but the results of these different studies diverge. While Maignan, Ferrell, and Hult (1999) found a positive relationship between corporate social involvement and customer loyalty, Maignan and Ferrell (2001) concluded to the absence of significant impact\(^1\).

Conversely, well publicized consumer protests and boycotts against companies such as Nike, TotalFina, and Ikea suggest consumers are also ready to take their patronage away from businesses that behave in an irresponsible manner.

In this research, we will try to increase the knowledge about the effects of CSR on consumers’ attitudes and behavior intentions. More specifically, we will work on the consumers’ perceptions of CSR and the influence of their perceptions on their satisfaction, trust, commitment and loyalty intentions toward that company. Our complete research model is presented in the next part.

3. MODEL OF THIS RESEARCH

3.1. Consumers’ perceptions of CSR

As suggested by Parasuraman, Zeithaml and Berry (1985) for service quality, CSR will be conceptualized into five facets: (a) the consumers’ expectations on CSR activities, (b) the managers’ perceptions of those expectations, (c) the CSR policies put into place by companies, (d) their CSR communication policies, (e) the consumers’ perceptions of present CSR activities. Consumers’ perceived CSR is defined as « a global attitudinal judgement about the different dimensions of CSR realized by consumers ».

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\(^1\) In Maignan, Ferrell and Hult (1999) and in Maignan and Ferrell (2001), the same conceptualization of CSR has been used (basis = Maignan, Ferrell and Hult, 1999 definition and measure of CSR). Both authors asked managers to evaluate the degree of their customers’ loyalty and not directly customers’ opinions.
The existence of potential gaps between these facets (see Figure 1) would highlight the importance of measuring the consumers’ CSR perceptions when evaluating consumers’ reactions to CSR policies.

Figure 1 presents an adaptation to the CSR field of the gap model of Parasuraman, Zeithaml and Berry (1985). The advantage of this model is to present consumer and marketer on a same figure and to show the interfaces leading to the notion of perceived CSR.

We will briefly detail the different gaps presented in Figure 1, as all these gaps explains the formation of perceived CSR.

**Gap 1 between consumers’ CSR expectations and managers’ perceptions of consumers’ CSR expectations**

A lack of understanding of consumers’ expectations by managers could lead to misinterpretations about which CSR activities to perform and about which social issues to invest in. Investments in CSR activities or social issues that do not interest consumers at all are not likely to lead to consumers’ support.

It is essential for companies that want to put into practice social activities desired by consumers to have a very good knowledge of consumers’ needs, desires and expectations about social issues and social responsibilities. That’s why companies have to collect data coming directly from consumers themselves, for instance, by
organizing meetings with consumers, listening them and installing a continuous dialogue with them.

*Gap 2 between managers’ perceptions of consumers’ CSR expectations and CSR activities put into place by managers*

Some constraints could have an influence on the operationalization of CSR strategies: for instance, costs of the proposed strategies, the lack of commitment of all managers in the socially responsible action, the lack of social expertise to answer discovered consumers’ expectations. Further research is necessary to explore conditions under which this gap between the CSR strategy and its operationalization is the most reduced.

*Gap 3 between CSR activities put into place by managers and the external communication of such activities*

It is necessary to respect its promises if we do not want to lose all credibility. When external communication of the company gives a better socially responsible image of the company than the real case is, this could lead to a deterioration of consumers’ CSR perceptions if consumers discover the differences.

In the reverse case, when companies tell consumers less than what they really do on the CSR aspects, consumers could not be aware of the CSR activities of the company and cannot react consequently.

*Gap 4 between consumers’ CSR expectations and consumers’ CSR perceptions*

We could imagine that consumers compare their expectations about CSR activities with what they receive (CSR activities put into place by companies). When received CSR is greater than expected CSR, they will probably react favorably toward the company (like in the expectations disconfirmation paradigm for the formation of satisfaction).

Consumers’ reactions to CSR activities depend indirectly from the CSR activities put into place by companies but directly from the perceptions they have about company’s CSR activities. Indeed, consumers CSR perceptions are not only influenced by CSR activities and company’s communication, but also by the communication of other groups (NGO, pressure groups, media, government…) as well as by consumers’ own values and CSR expectations.

As our research is about the potential consumers’ reactions to CSR activities, we will focus on consumers’ perceptions of CSR and their impacts on consumers’ attitudes and intentions to behave.

**3.2. Effects of perceived CSR on consumers’ attitudes and behavior intentions**

According to us, consumers’ CSR perceptions are likely to lead to consumers’ support for the socially responsible organization. We suggest that consumers are demanding more out of organizations than simply a product of quality at low price.
Consumers also expect organizations to demonstrate congruence with some social values as contribution to the community (Handelman and Arnold, 1999). Consumers are not only economic beings but also members of a community. They can choose to evaluate a company based on whether the organization acts in consistence with the welfare of the community and society. Consequently, they can be willing to offer their support for socially responsible companies (Bhattacharya, Rao and Glynn, 1995).

In our research, consumers’ reactions to CSR activities will be investigated, by examining the influence of consumers’ CSR perceptions on:

- **consumer satisfaction** (“evaluation based on the total purchase and consumption experience with a good or service over time”, Anderson, Fornell and Lehmann, 1994);

- **brand reputation** (“extrinsic cue communicating performance information at an aggregate level”, Zeithaml, 1988);

- **trust** (“perception of confidence in the exchange partner’s quality, reliability, honesty, benevolence and integrity”; Garbarino and Johnson, 1999; Morgan and Hunt, 1994; Tax, Brown and Chandrashekaran, 1998);

- **loyalty** (“deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour”, Oliver, 1999). Loyalty includes a behavioural component (intention to rebuy) and an attitudinal component (commitment) (Bloemer and Kasper, 1995; Jacoby and Chestnut, 1978).

- **commitment** (“enduring desire to maintain a valued relationship”, Moorman, Zaltman and Deshpande, 1992, p. 316; Morgan and Hunt, 1994);

These variables have been chosen because of their important role in predicting consumer behaviour and because of their practical importance for companies. Indeed, “manufacturers see brand loyalty as key to superior performance and make efforts to build it through providing superior benefits, promoting the firms’ values (green marketing, corporate philanthropy) and establishing an image as a trustworthy manufacturer” (Morgan and Hunt, 1994).

Our conceptual model is represented in figure 2 and integrates the relationships between consumers’ CSR perceptions and the dependent variables presented above. We briefly present and justify some of the hypothesized relationships.

**CSR → Reputation → Loyalty.** CSR activities could have a positive influence on the company’s reputation (Fombrun and Shanley, 1990; Menon and Menon, 1997; Varadarajan and Menon, 1988) and reputation could lead to consumer loyalty (Assael, 1998; Selnes, 1993).
CSR → Satisfaction → Loyalty. We propose that consumers’ CSR perceptions are contingent to the amount of congruence they perceive between the company’s CSR activities and their expectations according to that criteria (for instance, their values, Oliver, 1997, p. 71). Like in the disconfirmation paradigm (Oliver, 1980), we hypothesise that this disconfirmation could lead to consumer satisfaction. Moreover, a lot of scholars show in different contexts that consumer satisfaction is an antecedent of consumer loyalty (Anderson, Fornell and Lehmann, 1994; Cronin and Taylor, 1992; Garbarino and Johnson, 1999 for low relational customers; Selnes, 1993).

CSR → Trust → Loyalty. Trust is associated to qualities as honesty, fairness, responsibility and benevolence (Dwyer and LaGace, 1986; Morgan and Hunt, 1994). It is likely that CSR perceptions will lead to perceptions of companies’ fairness and responsibility and the company could be perceived as a trustworthy partner. In a recent study by Ipsos/Fleishman-Hillard (1999), 89 percent of the respondents declared they would trust a firm which had demonstrated a genuine commitment to taking social actions. In addition, individual interviews with customers showed us the importance of including trust in our model. Finally, trust has been demonstrated to be a determinant of customer loyalty (e.g., Chaudhuri and Holbrook, 2001).

CSR → Commitment → Loyalty. It has been proven that shared values (“beliefs in common about what behaviour, goals and policies are important or not, appropriate or not, right or wrong”, Morgan and Hunt, 1994) influence trust and commitment (Morgan and Hunt, 1994). As CSR information provides consumers with insight into the company’s value system (Turban and Greening, 1997) or character (Brown and Dacin, 1997), CSR could have an impact on consumer commitment that is a condition to true loyalty (Bloemer and Kasper, 1995; Jacoby and Kyner, 1973).

Furthermore, there exist relationships between the different marketing variables: between satisfaction and commitment (Fornell, 1992; Garbarino and Johnson, 1999 for low relational customers; Williams and Hazer, 1986; Wetzels, de Ruyter and van Birgelen, 1998); between satisfaction and trust (Ganesan, 1994; Garbarino and Johnson, 1999 for low relational customers); between satisfaction and reputation (Oliver, 1980; Selnes, 1993); between reputation and commitment (Beatty, Kahle and Homer, 1988; Zeithaml, 1988); and between trust and commitment (Chaudhuri and Holbrook, 2001; Garbarino and Johnson, 1999 for high relational customers; Morgan and Hunt, 1994; Moorman, Zaltman and Deshpande, 1992).

Finally, the effect of potential moderators could be investigated, such as the effect of individual variables (e.g., age, sex, education, job, level of wages, social and political activities, personal values; Turban and Greening, 1996 ; Murray and Vogel, 1997 ; Sen and Bhattacharrya, 2001) and contextual variables (e.g., involvement, product type, time pressure; Beatty, Kahle and Homer, 1988 ; Brown and Dacin, 1997; Samuelson and Sandvik, 1999).
4. EMPIRICAL RESEARCH METHODOLOGY

Our methodology design includes two phases: an exploratory phase and a causal phase.

4.1. Exploratory phase

In the exploratory phase, our research objective is to analyze the content of the CSR concept, by integrating consumers’ expectations and perceptions of the socially responsible activities of companies delivering products and services.

Different data collection techniques have been used in this exploratory phase: individual interviews with customers (questionnaire, scenario reading\(^2\)) and focus groups with customers (use of projective techniques\(^3\)). 30 individual interviews as well as 4 focus groups (4 or 5 persons) have already been carried out.

During these exploratory discussions, we tried to find first answers to our research questions and difficulties we meet in this research.

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\(^2\) Two presentations of a cosmetic company have been created. The first one gives a relatively positive CSR image of the company (no testing on animals, employees’ diversity, handicapped hiring, good causes supporting), the second one gives a relatively negative CSR image of the company. Respondents read one of these scenarios and tell us what would be their reactions toward that company.

\(^3\) For instance, completing an uncompleted story, completing some sentences, some comics and comparing the socially responsible firm to an animal.
**Objective 1: Do consumers have certain expectations on the CSR activities of companies? Which dimensions do consumers use to evaluate the degree of CSR of a company?**

We want to identify the social actions that interest consumers, the social issues that they feel concerned with. This will highlight different dimensions of expected CSR, the comparison level that consumers use to evaluate the CSR activities of companies.

Consumers think companies have different responsibilities at the present time. These responsibilities are beyond making profits and include different aspects:

- **Respect of consumers’ rights** (offering products of good quality, offering good services to consumers, being honest with consumers, not selling products too expensive in comparison to the quality level),
- **Respect of employees’ rights** (assuming the workers’ security, offering good wages, good working conditions, a good work ambiance, taking care of employees’ children, creating jobs),
- **Protection of the environment** (reducing pollution, reducing resources waste, investing in environmentally friendly products),
- **Respect of human rights** in general (not exploiting people and children, not producing products abroad, in Asia for instance, in order to benefit from low wages),
- **Investment in good causes**,  
- **Diverse other aspects** (respecting ethical codes, respecting the competition law…).

Some consumers add that companies have to take into account the different stakeholders’ points of view in their decisions. They often cite the responsibilities of companies toward the environment, the workers, the shareholders as well as the government.

It seems useful to notice that some respondents think the role of a firm does not include environmental and social responsibilities. According to them, governments must be more demanding on social and environmental aspects of business and companies have “only” to respect all the legal norms.

**Objective 2: Which companies do consumers consider as socially responsible companies?**

We are trying to identify a sector where consumers perceive already a certain level of CSR and where some of them are concerned by CSR activities put into place by companies.

None of the respondents were able to cite spontaneously a company that they really consider as socially responsible. Often, on reflection, they cite their own employer, maybe to rationalize their belonging to that company. Some companies are often cited: Douwe Egberts (because of giving back a part of its profits to a good cause), ESSO (because of its good security norms), The Body Shop (because of no animal testing) as well as ISO-certified companies in general.
Conversely, consumers have no difficulties at all to give some examples of non responsible companies: Nike (because of children working), TotalFinaElf (because of the Erika story), Marks&Spencer and Renault (because of the large number of redundancies).

**Objective 3:** When consumers perceive a certain investment in CSR activities by companies, do they react by buying the products of that company? Other reactions?

We ask consumers to talk spontaneously about the different criteria they use when choosing a product. All of them talks about the product price, product quality and design; some about the product security. None of them cites a more social, environmental or ethical criteria.

When asking them to talk about their potential reactions to positive CSR, they indicate clearly that social, environmental and ethical criteria are not decisive in most of their purchasing decisions. Different reasons could explain this fact.

First of all, consumers think there are some more important criteria to take into account (price and quality) before considering social, ethical and environmental criteria. Furthermore, consumers have the impression that a product produced in a socially responsible way will cost more than others products of equal quality.

Secondly, consumers consider distrustfully all the information provided by companies about their CSR activities: “companies never tell the truth”; “companies never communicate the negative side”; “if a company communicates certain of its positive actions, it means that this company has something to hide from another side”. Consequently, consumers prefer not taking this kind of criteria into account.

Thirdly, even when they have good intentions and the willingness to buy “better” products, consumers admit that it is difficult to change their buying habits. They continue buying what they have the habit to buy, because it is the easiest way to proceed, because it takes less time.

Finally, they think it is totally normal for a company to respect such social, ethical and environmental criteria. So, they are not sure that even if they receive reliable information about positive CSR, this will have an impact on their buying behavior.

However, some cues indicate that this situation is likely to evolve. Indeed, for some consumers, receiving positive CSR information about a company inspires confidence in that company. Other consumers tell us that if they have the choice between two products of equal quality, one with and the other without social and environmental problems, they will choose the second one, to set their mind at rest.

When asking consumers about their reactions in case of negative CSR perceptions, two types of reactions could be observed.
A first type of consumers’ reactions is to take into account only the quality and the price. For instance, a consumer says about Nike accused of using children: “It is a little bit regretful but Nike makes some durable shoes and I am not aware of the rest”. Nike’s products are of very good quality, so he buys them and rationalizes his behavior by ignoring the social issue at stake.

Secondly, most of the respondents directly mention their intention to buy another product when it is possible. For instance, when they see two fuel pumps, TotalFina and another one, they choose the other one. Others tell us that they feel embarrassed to buy products of companies known to have social problems (when buying Nike shoes for instance). However, they cite two conditions to their reactions: they need to be aware of the social and environmental problems the company is facing with and to feel concerned with the problems at stake.

**Objective 4: Identify some problems related to sustainable consumption.**

Consumers raise different problems with respect to socially responsible consumption:

1. **The lack of alternatives at the same level of quality**, for instance in the case of sport shoes. According to respondents, each producer of sport shoes uses the Asian cheapest workforce and there is no difference between the behaviors of the different companies. There is no opportunity to adopt a more socially responsible consumption.

2. **The price of the socially responsible products is perceived as higher** comparatively to products of equal quality. Consumers think that producing in a socially responsible way costs more and that it is normal that the price increases in consequence, but they are not inclined to pay more for that in the absolute. Only if the difference in price is not too big, they will consider the socially responsible alternative.

3. **There is an information problem.** Consumers don’t have a lot of information about socially responsible alternatives and they don’t really trust information coming from companies. That’s why most of them ask for CSR information and communication in the media, information not only about irresponsible actions of companies but also about the positive CSR actions.

**Illustration of a projective technique: the comparison between companies and animals**

To conclude this part, we give some first insights in the results of a projective technique used during focus groups: the comparison between companies and animals. This technique often gives interesting information about the consumers’ perceptions (Pellemans, 1998).

The “traditional” company has been compared to:

- A cat: opportunist, he always lands on his paws, knows what he wants and puts all the means in practice to have it.
A hyena, a tiger, a lion, a bear: eat everything, kill people if necessary, are strong, fierce, aggressive and dangerous, pay attention to nothing.

A shark: kills small fishes, has no respect, tries to be the strongest to produce and sell more, keeps away from the rest.

The image consumers have of the traditional company is far from being positive. It is very clear that they consider the company as a predator that is likely to eat everything to stay alive, that could use all possible means to achieve its aims.

The socially responsible company has been compared to:

- A squirrel: has reservations, tries to make them fructifying.
- An ant: consumers think socially responsible companies are small, but together like ants, they are able to do something good for their community.
- A wolf: lives in a collectivity, there is some mutual aid between wolves.
- A chimpanzee: lives in a social structure, taking into account all the members of the community.
- A bird: looks at what he does, attentive to what is going on around him, pays attention to others, talks a lot and communicates to others messages.
- A dog: loyal, he has respect for you, you can keep it on a lead.
- A little gnawing: incline to be eaten by a stronger and a bigger animal, tries to be quiet and others have nothing to do with what he does.
- An insect that recycles everything, a ladybird that kills plant lousens and tries to do his best to protect plants.

Conversely, the citizen company is seen as a social animal, living in group, for whom the mutual aid and collective life are ends to achieve: they are members of a community.

These exploratory data need to be analyzed more in depth than what is already done. However we think the reader could already have an overview of the richness of the data collected.

4.2. Final phase

Hypotheses will be tested afterwards in the causal phase. We plan to use one (or both) of the methods briefly outlined below.

The first one consists in using the scenario method on a sample of consumers. Three levels of scenarios would be built: (1) with positive CSR (positive issues support); (2) with negative CSR (lack of support of CSR issues); (3) with no CSR information (control level). CSR perceptions, attitudes and behavior intentions will be measured after the scenario reading. The advantage of this method is a better control of the internal validity: if differences exist between the answers of consumers assigned to different scenarios, this could only be explained by the different CSR levels.

The second method consists in sending consumers’ surveys exploring the effects of actual CSR initiatives implementing by companies on consumers’ attitudes and intentions to behave. This method can improve the external validity of the
research. Furthermore, this second method is welcomed in the literature on CSR since most of the existing papers are based on scenarios and experimental design.

The choice between these two techniques will be partly based on the results of a pretest that we will carry out in the next months. This pretest is a questionnaire administrated in face-to-face on a sample of 400 French people. This questionnaire will include questions about consumers’ perceptions on the different dimensions of Corporate Social Responsibility (consumers’ rights, employees’ rights, human rights, environmental protection...), on product/service quality, company reputation, consumers’ satisfaction, trust, commitment, behavioral intentions as well as socio-demographic variables (age, sex, education, revenue, social activities, involvement...).

In case of good results in this pretest, we could decide to use a questionnaire at a larger scale as causal data collection technique.

5. CONCLUSION

From a theoretical point of view, this research will give insight in consumers’ perceptions of CSR activities in France and Belgium. This will contrast with common CSR literature based principally on UK and US managers’ viewpoints.

Moreover, this research investigates the effects of consumers’ CSR perceptions on their reactions toward corporate citizen companies. It will contribute to the consumer behaviour literature where it is rare to work on non-economic buying criteria (Drumwright, 1994; Sen and Bhattacharya, 2001).

From a practical viewpoint, this study would help managers justify expenditures on the development of CSR strategies that would create such long term effects on consumers as brand trust and brand loyalty (Chaudhuri and Holbrook, 2001). We would try to answer questions frequently asked by business leaders such as: « are such social responsibility initiatives a cost or some form of investment with business returns? », « what are the features of “citizen” consumers and what kind of social, ethical or environmental activities do they want my firm to invest in? ».

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