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The effect of corporate social responsibility: Exploring the relationship among CSR, attitude toward the brand, purchase intention, and persuasion knowledge

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The Effect of Corporate Social Responsibility: Exploring the Relationship among CSR,
Attitude toward the Brand, Purchase Intention, and Persuasion Knowledge

by

Duangkaew Chaisurivirat

A thesis submitted in partial fulfillment
of the requirements for the degree of
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The Effect of Corporate Social Responsibility: Exploring the Relationship Among CSR, Attitude Toward the Brand, Purchase Intention, and Persuasion Knowledge

Duangkaew Chaisurivirat

ABSTRACT

The purpose of this study is to test the general belief that CSR leads to positive attitudes toward a brand and results in an increase in consumers' purchase intentions on the basis of the Affect Transfer Hypothesis (ATH). This study replicates and extends previous research by examining the effect of consumers' persuasion knowledge, based on the Persuasion Knowledge Model (PKM), as one variable that can affect consumers' attitudes toward CSR initiatives and brands. A post-test only experiment was conducted using stimulus materials derived from Starbucks Coffee Company. Four of the stimulus materials containing CSR messages corresponded with four CSR initiative types identified by Kotler and Lee (2005), and one contains no message related CSR.

This study indicates supports for the belief of positive relationships among attitude toward CSR, attitude toward brand, and purchase intention, regardless of the type of CSR initiative. In regard to types of CSR initiatives, only attitude toward CSR was influenced by CSR initiatives. Also, the results indicate that corporate philanthropy produced the most positive attitude among the types of CSR. However, when it comes to consumer's persuasion knowledge, the results are slightly different. Although there is not enough evidence to conclude that people use different levels of persuasion knowledge with different types of CSR, persuasion knowledge influences attitude toward CSR and

attitude toward brand, and these relationships are negative. In addition, the study found that corporate volunteering appeared to be the most favorable type of CSR initiative when considering with persuasion knowledge. Finally, the study did not find an interaction effect between CSR initiative type and persuasion knowledge.

Chapter 1: Introduction

“Business functions by public consent, and its basic purpose is to serve constructively the needs of society—to the benefit of society.” (The Committee for Economic Development, 1971, as cited in Grunig & Hunt, 1984, p. 52). This philosophy indicates the importance of social responsibility to organizations operating in a competitive marketplace. Over the past decade, “Corporate Social Responsibility” (CSR) has become a popular catch-phrase in American corporations. By definition, CSR refers to socially responsible acts performed by companies to benefit their stakeholders, shareholders, and communities (Cetindemar & Husoy, 2007). It has become an important topic among researchers, reflecting its increasing importance to consumers and the corporate bottom line. According to Catchpole, “...corporate citizenship, or CSR, is no longer a nice-to-have element of business strategy—it has evolved to must-have status.” (2009, p. 8).

Recent research demonstrates the significance of this topic to organizations (i.e., Baron, 2007; Branco & Rodrigues, 2006; McWilliams, Siegel, & Wright, 2006). In 2005, a survey conducted by the Boston College Center for Corporate Citizenship and the U.S. Chamber of Commerce showed that, of 1,189 businesses in the U.S., a large majority consider corporate citizenship their main concern (Price, 2007). Many companies have adopted CSR as part of their mission. For example, Starbucks Coffee Company has made CSR one of its six principles of business. The company states on its Web site:

We work together on a daily basis with partners (employees), suppliers, and farmers to help create a more sustainable approach to high-quality coffee production, to help build stronger local communities, to minimize our environmental footprint and to be responsive to our customers' health and wellness needs. (n.d.).

Also, Coca-Cola is significantly concerned about this topic. Coke Chairman and CEO E. Neville Isdell stated, "The Coca-Cola Company must be both a great business and a great corporate citizen" (as cited in Price, 2007, p. 652). In addition, on a global scale, the United Nations showed its considerable concern about CSR by officially launching The United Nation Global Compact in 2000 hoping to drive companies to adopt environmentally responsible practices (Cetindamar & Husoy, 2007). These examples indicate the growing awareness of the value of CSR among corporate decision-makers and the accompanying need for greater understanding of the effects of CSR on consumers' attitudes and purchase intentions.

From a strategic communications perspective, CSR is viewed as an important element in corporate communication with stakeholders. Some research suggests that CSR produces positive attitudes toward a company, its brand, products, and services (Brown & Dacin, 1997; Creyer & Ross, 1997; Ellen, Mohr, & Webb, 2000). These findings support the Affect Transfer Hypothesis (ATH), which states that people will transfer their attitude toward one object to a closely associated object (Shimp, 1981). Favorable public perceptions can lead to organizational benefits, such as gains in profits, market share, and brand loyalty.

In addition, research on CSR is appearing more frequently in the public relations literature (Capriotti & Moreno, 2007), as this area of inquiry is seen as particularly relevant to public relations management. Being responsible to the public is a significant part of public relations management. As Edward L. Bernays stated in August 1980, in the public relations division of Association for Education in Journalism meeting at Boston University, “Public relations is the practice of social responsibility. It holds the key to America’s future” (as cited in Grunig & Hunt, 1984, p. 47). According to Grunig and Hunt (1984), two-way symmetrical communication is the ideal model of public relations, and socially responsible business practices facilitate this type of communication. “Public responsibility is a basic tenet of public relations. If the organization does not need to be responsible to its publics, it also does not need a public relations function.” (Grunig & Hunt, 1984, p. 52). Thus, the study of CSR is central to the study of public relations.

Research suggests that CSR can produce positive outcomes for a company; however, there is little understanding of the relationship between CSR and consumers’ attitude toward brand and purchase intentions. Some research suggests that these variables are positively associated (i.e., Werder, 2008; Kim, 2006). They argue that CSR leads to positive brand attitudes and can also result in an increase in purchase intentions among consumers. Especially in time of economic recession, CSR helps an organization survive. Based on a 2004 survey of 1,800 people from 12 nations, Quelch and Jocz (2009) found that CSR is the key brand factor for global brands. Consumers prefer to buy products from a brand with good social responsibility, even though they have to pay a premium price. However, some researchers have found that CSR can negatively impact an organization if consumers are suspicious of a company’s CSR initiatives, seeing the

corporate actions as only profit-driven (Chakaraborty et al., 2004; Friedman, 1970; Smith, 2003). Though a company enacts CSR initiatives, those initiatives must be genuine commitments, not just short-term maneuvers for a company to cope with economic distress. “Consumers have an increasingly acute radar for hypocrisy” (Quelch & Jocz, 2009, p. 39). This perspective is supported by the Persuasion Knowledge Model (PKM) which explains how people use persuasion knowledge to deal with marketers’ persuasive attempts and how people use that knowledge to process their attitudes toward a product or marketer (Friestad & Wright, 1994).

The inconsistent results of previous research provide evidence to warrant further research on the effect of CSR initiatives on the attitudes and behavioral intentions of organizational stakeholders. The purpose of this study is to explore the relationship among CSR initiatives, consumers’ attitudes toward brand, and consumers’ purchase intentions. This study seeks to support previous research indicating that CSR leads to positive attitudes toward brand and results in an increase in consumers’ purchase intentions. The Affect Transfer Hypothesis (ATH) and the Persuasion Knowledge Model (PKM) provide the theoretical foundation for this research. An experiment was conducted to determine the effect of consumers’ persuasion knowledge on consumers’ attitudes toward CSR initiatives and corporate brands, as well as their purchase intentions.

Chapter 2 provides a review of relevant literature. Chapter 3 explains the procedures and methods used in this research. Chapter 4 provides the results of this research, and Chapter 5 provides a discussion of the findings, limitations, future research, and implications of the findings of this study to strategic communication scholarship and practice.

Chapter 2: Review of Literature

This chapter provides a review of literature relevant to this study. This chapter reviews the concept of corporate social responsibility, including types of CSR initiatives, the relationship between CSR, attitude toward companies or brands and purchase intentions, and the relationship between CSR and persuasion knowledge.

Corporate Social Responsibility

Much literature indicates that CSR has become a part of corporate practice in the 20th century and has visibly become more widespread since 1970 (i.e., Cetindemar & Husoy, 2007; Quaak, Aalbers, & Goedee, 2007). According to Frederick (1994), CSR became a new practice for many companies in 1970. He also stated that, at that time, there was a growth of corporate social responsiveness and the corporate capacity to react to social pressures. In 1986, he argued that it was essential to place an ethical emphasis on the study of business and society (Frederick, 1994).

In addition, researchers commonly suggest that the CSR became prevalent due to concerns about negative social outcomes from large companies or manufacturers, and those companies or manufacturers should be responsible for those negative outcomes. For instance, Quaak et al. (2007) argue that the concept of CSR grew out of the rapid increase in negative social consequences of corporate actions. These negative outcomes lead to societal view that companies should be responsible for the negative consequences of their actions. The reason for the increase in CSR provided by Chahal and Sharma (2006) seems to be easy to understand. They state the following:

The factors that are driving this move towards corporate social responsibility include new concerns and expectations of stakeholders, citizens, consumers, public authorities and investors, influence of social criteria in the investment decisions of individuals and institutions both as consumers and as investors, increased concern about the damage caused by economic activities to the environment, and transparency of business activities brought about by the media and modern information and communication technologies. (p. 206)

At present, the term CSR is popular in the business and academic sectors. Many companies have become more aware of the importance of CSR and include their CSR activities in their annual report. Cetindamar and Husoy (2007) explain that the year 2000 was a turning point for CSR. They also state that many governments began to require companies to be responsible to society. For instance, the Johannesburg Declaration and Plan of Implementation of the World Summit on Sustainable Development indicated government's call for greater corporate environmental and social responsibility and accountability (The United Nations, 2002, 2003, as cited in Cetindamar & Husoy, 2007). In addition, in 2001, there was the publication of the Commission of the European Communities, *Promoting a European Framework for Corporate Social Responsibility* (Aaronson & Reeves, 2002; Tencati, Perrini, & Pogutz, 2004). Moreover, there was supporting evidence that indicated more concern about CSR. In Europe, for example, there was a report indicating that 62% of fund managers and financial analyst noted a growth of Socially Responsible Investment interest (CSR Europe, 2003, as cited in Cetindamar & Husoy, 2007). In addition, an online survey indicated that, among FTSE 100 companies, 97 of them had information about CSR on their Web sites, and 81 of

them provided a full report of CSR (CTN Communication, 2003, as cited in Cetindamar & Husoy, 2007).

Definitions of CSR have been provided by many academics, researchers, and corporations. For instance, the World Business Council of Sustainable Development (WBCSD) refers to CSR as, "...the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life" (2000, p. 10). According to Fox (2007), the three main issues of sustainability are profits, people, and the planet. If companies can achieve all these aspects, they will be included on the Corporate Citizenship list and the Most Admired Companies list, as well as the Dow Jones Sustainability World Index (DJSWI), which includes the top 250 companies in terms of economic, environmental, and societal criteria (Fox, 2007).

Chahal and Sharma (2006) define CSR as a firm's commitment to protect and improve society and its organizational welfare by utilizing different business and social actions to ensure that it provides equal and sustainable benefits for diverse stakeholders (Chahal & Sharma, 2006). In addition, Branco and Rodrigues (2006) found that CSR includes many issues, such as human resource management, healthy and safe working conditions, and building relationships with local communities, suppliers, and consumers. They also suggest that firms should deal with problems resulting from their operation independently, without being forced by laws and governmental regulation.

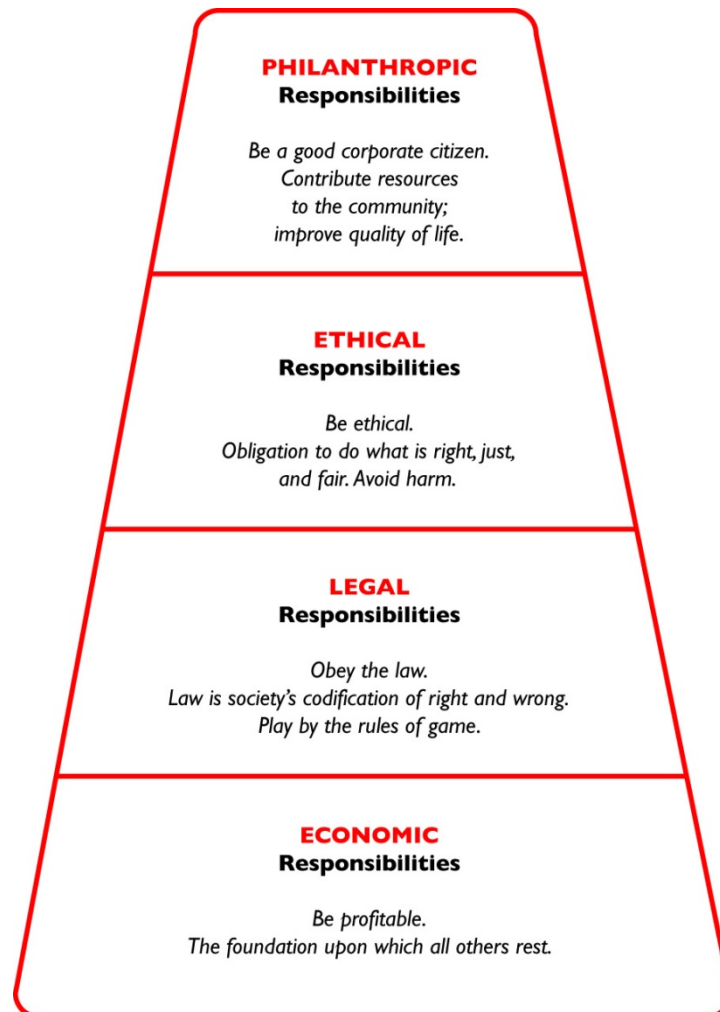
Carroll (1991) considers CSR as a multi-layer concept encompassing four related responsibilities: economics, legal, ethical, and philanthropic. These four levels of responsibility are placed on an organization by society at any given point in time (Carroll

& Buchholtz, 2000). In addition, Carroll proposed a model called *The Pyramid of Corporate Social Responsibility*, as shown in Figure 1.

Figure 1.

The Pyramid of Corporate Social Responsibility

(Carroll, 1991, p. 42)



Economic Responsibility. This facet is the very basic responsibility of business firms. Historically, business firms are responsible for properly functioning as an economic unit in a society. They are basically responsible for providing products and

services needed by a society. This facet is considered a basis of subsequent facets (Carroll, 1991).

Legal Responsibility. Business firms are also expected by a society to operate within the framework of laws and regulations. Laws and regulations are codification of society's norms; thus, business firms must comply with them in order to fulfill their responsibility to a society. All corporations must have this responsibility in order to continue to operate (Carroll, 1991).

Ethical Responsibility. This facet reflects the ethical obligation for business firms to do things that are considered right, fair, and just by a society, regardless of whether they are codified into law. This facet is not just the next layer of the pyramid; it also has a dynamic interplay with legal responsibility. In other words, ethical responsibility regularly broadens legal responsibility and pushes business firms to operate their business above or at the same level required by law (Carroll, 1991).

Philanthropic Responsibility. This responsibility is at the top of the pyramid. Business firms are expected to be good corporate citizens by providing goodwill to a community, such as engaging in charitable events and providing financial resources to a non-profit organization. This facet is distinct from ethical responsibility. That is, philanthropic responsibility is not required by society like ethical responsibility is. People will not consider a business firm unethical if it does not have philanthropic responsibility, but it is the desire of society (Carroll, 1991).

Cetindamar and Husoy (2007) see CSR as including “sustainable economic development,” reflecting its economic side, and “working with stakeholders,” reflecting its ethical side (p.166). Yet, theoreticians may differently interpret what motivates a

company to adopt CSR practices, depending on which field (economic or ethical) they come from (Cetindamar & Husoy, 2007). From an ethical perspective, a company may adopt CSR because it is purely the right thing to do for the good of society. On the other hand, from an economic aspect, CSR may be used as a tool to achieve a company's economic purpose and wealth creation, which is a part of its responsibility to shareholders. From this perspective, a company will adopt CSR as long as it contributes to profits (Cetindamar & Husoy, 2007).

Similar to Cetindamar and Husoy, Smith (2003) argues that it is viable to divide CSR into two cases: the normative case, which focuses on doing good, and the business case, which is motivated by corporate self-interest. He explains that if a company views CSR as the normative case, it is because it believes in socially responsible behaviors. In contrast, if a company views CSR as the business case, it is because a company believes that investing in social responsibility will further its economic success. Although the two cases are obviously different, companies might engage in CSR for reasons associated with both cases. In fact, it is typical for companies to combine these motivations. For example, the production of environmentally sound technology is a good example of how the two motivations are combined. On one hand, a company's concern about environmental issues is based on the sustainable development and the common good approach. On the other hand, adopting that action can be seen to be economically practical (Cetindamar & Husoy, 2007). From an economic perspective, being environmentally responsible to society might cause companies to invest in new technology, methods, tools, and material. Yet, these investments might also lead to financial advantages for a company (Cetindamar & Husoy, 2007).

Therefore, it is not easy to separate CSR from economic or business concerns. Many business practitioners and scholars still believe that CSR is a way for companies to increase profits. And it is difficult to say that those companies that launch CSR initiatives aim only to be socially responsible without seeking to gain profit. For example, Friedman (1970) considers CSR as business case. He stated that the responsibility of corporations is "...to conduct the business in accord with [shareholders'] desires, which generally will be to make as much money as possible while conforming to the basic rules of the society, both those embodied in law and those embodied in ethical custom." (as cited in Baron, 2007, p. 683). He also suggests that CSR is the way to maximize companies' profits. Similarly, Chakaraborty et al. (2004) view CSR as a way to achieve business success through ethical behaviors, valuing people, communities and environment, and maintaining organizational practices that have an impact on societal well being.

Types of CSR initiatives

CSR includes a variety of socially responsible activities. Kotler and Lee (2005) identified six different types of CSR initiatives: cause promotion, cause-related marketing, corporate social marketing, corporate philanthropy, community volunteering, and socially responsible business practice.

Cause Promotion. A goal of this initiative is to build awareness and concern for social causes by informing the public of the facts and statistics about a cause. It tries to persuade people to find out more about the cause, donate time, donate money, donate nonmonetary resources, and participate in events. Contributions or support provided to a cause are not tied to the sale of specific products. Cause promotion does not intend to

change people's behaviors, related to the cause; it only calls for action related to buying certain products over others. Also, it involves business activities such as developing and distributing material, volunteering, participating in public relations activities, and engaging in sponsorships (Kotler & Lee, 2005).

Cause-Related Marketing. "A corporation commits to making a contribution or donating a percentage of revenues to a specific cause based on product sales. Most commonly this offer is for an announced period of time and for a specific product and a specified charity" (Kotler & Lee, 2005, p. 81-82). In this CSR initiative type, the distinctive feature is the relationship with product sales. A company cooperates with a non-profit organization to create a mutual relationship that intentionally provides increased product sales as well as financial support to the charity. Moreover, it usually involves the marketing department because its intention is to increase sales (Kotler & Lee, 2005). However, according to Smith (2003), this initiative potentially causes a problem when customers assume that a company is engaging in this activity only to increase the company's profits.

Corporate Social Marketing. According to Kotler and Lee (2005), intention to change behavior is the focus of this initiative. They refer to corporate social marketing as when "a corporation supports the development and/or implementation of a behavior change campaign intended to improve public health, safety, the environment, or community well-being" (p. 23). In addition, it tends to be a cooperation between a company and the public sector such as federal, state, health department, and utilities. Examples of this initiative are the Philip Morris campaign to encourage parents to talk to

their children about tobacco and Home Depot's collaboration with a water utility to promote water conservation tips.

Corporate Philanthropy. In this type of CSR initiative, a company directly contributes to charity or causes in the form of cash, donations, and/or in-kind services. This is the most traditional form of CSR. Typical programs include donating cash/products/services, providing technical expertise, offering the use of equipment, and allowing the use of facilities and distribution channels. Corporate philanthropy, sometimes known as community giving, community relations, corporate citizenship, or community affairs, has been strategically used to build good images for companies (Kotler & Lee, 2005).

Community Volunteering. Kotler and Lee indicate community volunteering is an initiative in which "a corporation supports and encourages employees, retail partners, and/or franchise members to volunteer their time to support local community organizations and causes" (2005, p. 24). They also state that a corporation may mandate a form of community volunteering itself or let employees choose an activity to be supported by a company in the form of getting paid time off. This initiative is perceived as the most genuine and satisfying of all types of CSR. Thus, this initiative can build the strongest relationship between a corporation and a community as a result of a sincere corporate spirit of doing something good for a community. Community volunteering employs a real commitment and requires more effort by a corporation and its employees to actually do something rather than just write a check (Kotler & Lee, 2005).

Socially Responsible Business Practices. In this initiative, "A corporation adopts and conducts discretionary business practices and investments that support social causes

to improve community well-being and protect the environment” (Kotler & Lee, 2005, p. 24). The concepts of *discretionary activities, community, and well-being* distinguish this type of CSR initiatives from others. Discretionary activities are not mandated by law. They are about the morality and ethics of a corporation. Community refers to everyone who is involved with a business. Well-being refers to psychological and emotional health and safety (Kotler & Lee, 2005).

Relationship between CSR, attitude toward brand, and purchase intention

Many researchers have demonstrated a positive relationship between CSR and consumers’ attitudes toward companies or brands (Brown & Dacin 1997; Maignan & Ferrell, 2001; Sen & Bhattacharya, 2001). Since organizations are a part of society, they have to rely on society’s acceptance to continue to operate without interference. Consequently, acceptance from society allows organizations to build positive consumer attitudes toward their brands and services (Duagherty, 2001; Werder, 2008). Consumers expect business firms to contribute to the public (Quelch & Jocz, 2009). Branco and Rodrigues (2006) state that firms are expected to fulfill stakeholders’ expectations to gain reputations. Thus, engaging in CSR is one of the most effective ways to demonstrate that firms care about stakeholders and their expectations. Moreover, Fombrun, Gardberg, and Barnett (2000) argue that CSR will provide companies a positive image and help those companies tie themselves to stakeholders. Because corporate reputation comes from stakeholder support (Branco & Rodrigues, 2006), the more firms illustrate that they care about their stakeholders, the better their corporate reputation will be.

Ben and Jerry’s Ice Cream is one example of a successful company that enacts CSR campaigns. Ben and Jerry’s Ice Cream was founded on the basis of fun, earning a

living, and providing something of value to the community. It also became aware that, if companies hold the same values as their potential customers, they would not have to create a spurious image (Cohen & Greenfield, 1997). Likewise, Chahal and Sharma (2006) indicate that CSR initiatives can help a company improve its image and build company equity. So, companies that are perceived as having strong CSR tend to also have a good reputation.

In addition, the belief that CSR initiatives can influence consumers' beliefs and attitudes toward a company was supported by Werder's study in 2008. The results of the study demonstrate that salient beliefs predict attitudes, and those attitudes, in turn, predict behavioral intentions. Also, CSR initiatives influence consumers' beliefs about the company in terms of contributions to a community and trustworthiness. Unsurprisingly, a CSR campaign can be perceived as a good strategy to build a good image for a company. Perceptions of socially responsible behaviors of a company also influence consumers' valuation of service and long-term loyalty to the company. According to Salmones, Crespo, and del Bosque (2005), in service sectors, CSR positively influences the overall evaluation of services. As for the consumers' loyalty, CSR has an indirect effect on loyalty through service valuation.

Many CSR initiatives do not only provide a positive image for companies and result in increases in positive attitudes toward companies and their brands, but they also positively affect consumers' purchase intentions. Creyer and Ross (1997) found that ethics and consumer choices have a positive relationship. In other words, since consumers feel favorably toward socially responsible companies, they remember those companies and will be more likely to purchase products and services from them.

Consequently, CSR can lead to good financial performance. According to Branco and Rodrigues (2006), a relationship between CSR and financial performance has been an important topic since 1960. Although the relationship between CSR and financial performance is still not clear due to a lack of theory and measurement of social responsibility outcomes, there is limited evidence about the direction of the relationship between CSR and increased financial performance. There is evidence to suggest that CSR and financial performance have a positive relationship (Branco & Rodrigues, 2006). Many scholars believe that CSR and financial performance are interrelated. They argue that social performance is both a cause and a result of financial performance (i.e., Orlitzky, Schmidt, & Rynes, 2003; Waddock & Graves, 1997). Branco and Rodrigues (2006) state that companies can also attain better financial performance by engaging in CSR. For instance, for firms that sell products that are consumed or used before consumers can evaluate or value them, reputation is the primary criteria that consumers use to decide whether they want to buy a product or not. It is more likely for consumers to choose products from a company with a better reputation (Branco & Rodrigues, 2006). In contrast, companies that do not care about CSR can be perceived as socially irresponsible, and this perception can bring about a community's negative attitudes toward the company and can result in financial problems (Werder, 2008).

Especially in today's economic recession, CSR has become more significant than ever before. One of the reasons that makes CSR more relevant is that it can reestablish consumers' trust in a company. In other words, the economic downturn has decreased consumer's trust in corporations and caused people to reconsider their core values. Materialistic value decreases and is replaced by idealistic value; that is, consumers expect

companies to be more trustworthy and socially responsible. Therefore, being more socially responsible will provide companies with perceived goodwill and help them build long-term relationships with a community (Quelch & Jocz, 2009).

Although there is a lot of agreement on the positive relationship among CSR initiatives, attitudes toward companies, and purchase intentions, some inconsistent findings exist. For example, Kim (2006) did not find support for previous research results that favorable attitudes would be likely to influence purchase intentions. Similarly, Werder (2008) did not find that CSR initiatives influence consumers' attitudes and behavioral intentions. Moreover, many studies have found that the effects of CSR initiatives are moderated by other factors, such as the type of CSR initiatives and the congruence between a brand and cause (Ellen, Mohr, & Webb, 2000; Menon & Kahn, 2003). Due to the inconsistency in research findings related to CSR outcomes, it is important to try to gain more understanding about whether CSR actually has a positive effect on consumers' attitudes and purchase intentions.

Persuasion Knowledge Model

Even though CSR initiatives appear to benefit companies in many ways, they have some disadvantages. Since some people believe that companies engage in CSR primarily to maximize profits (Friedman, 1970), consumers may be suspicious of a company's motives for engaging in CSR. Yoon, Gurhan-Canli, and Schwarz (2006) state that CSR activities will "backfire" for companies when consumers become doubtful or "suspicious" and assume the real purpose of a company's CSR is to improve its image (p. 377). Moreover, if consumer skepticism exists, CSR activities will more likely lead to

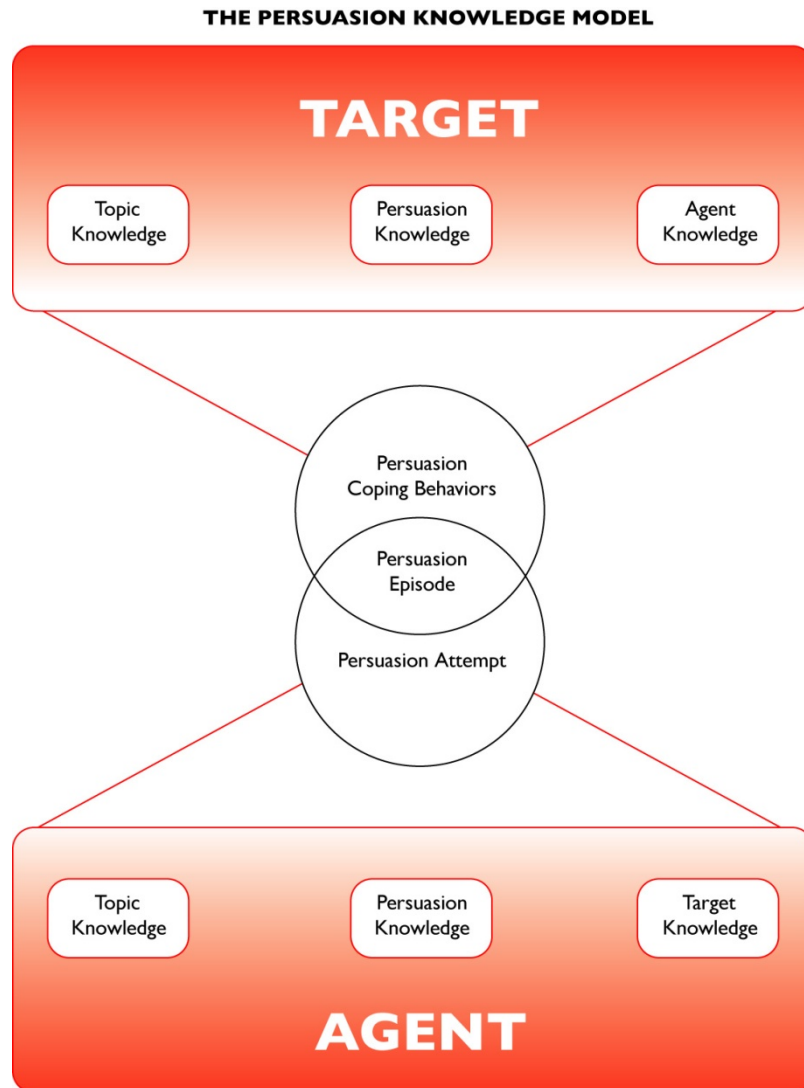
negative perceptions about a company rather than positive perceptions (Yoon, Gurhan-Canli, & Schwarz, 2006).

Based on this literature, it is helpful to consider one relevant model, the *Persuasion Knowledge Model*. The PKM has been used in business, advertising, and public relations. One of the most prominent studies was by Friestad and Wright in 1994. According to Friestad and Wright (1994), the assumption of this theory is that consumers judge persuasion attempts based more on persuasion knowledge than product information. Basically, this model explains how consumers' persuasion knowledge influences their responses to persuasion attempts in ads, campaigns, or sales promotion, and helps them cope with those persuasion attempts. The PKM includes three important elements: 1) Targets, which refer to the people whom persuasion attempts are aimed at; 2) Agent, which refers to whoever targets perceive as the source of persuasion attempts; and 3) Persuasion episode, which refers to a situation when agents and targets communicate, as shown in Figure 2. Friestad and Wright (1994) also argue that consumers process messages differently in different settings. In other words, they process information in nonpersuasive settings differently than in persuasive settings.

Figure 2.

Persuasion Knowledge Model

(Friestad & Wright, 1994, p.2)



Campbell and Kirmani (2000) indicate that the accessibility of ulterior motives and cognitive capacity on perception of influence agents are important factors that determine consumers' use of persuasion knowledge. Their study focuses on an interpersonal sales setting, and they propose the following:

...when the situation makes ulterior motives accessible, or consumers have unconstrained resources, persuasion knowledge will be used to infer an underlying persuasion motive and will thus influence the evaluation of the salesperson. In contrast, when ulterior motives are less accessible and consumers are cognitively constrained, persuasion knowledge will not be used in evaluating the salesperson. (p. 69-70)

The accessibility of ulterior motives leads to the formation of suspicion that can result in less favorable impressions of salespersons/marketers. If consumers wonder whether a salesperson's remark is motivated by persuasion to buy products, they may perceive the salesperson as insincere. The strength of influence agents' (salespersons') association with motives can affect the accessibility of ulterior motives. To illustrate, in the context of sales, a salesperson is initially perceived as having the motive of selling rather than building the relationship with consumers because one of the goals for salespersons is to be able to influence someone to buy a product. Thus, the ulterior motive of selling is often the most accessible motive (Campbell & Kirmani, 2000).

As for advertising, one study used PKM to explain product placement in television shows. Cowley and Baron (2008) study the effect of program liking (high/low) and product placement prominence. They found that the persuasion knowledge of viewers who are higher in program liking is more likely to be activated to consider the intent of the prominent placement both with and without a persuasive-intent prime because this condition interrupted their experience of viewing television. Also, viewers with higher program liking have a greater negative response to exposure to prominent product placement than viewers with lower program liking. Viewers with lower program

liking who are exposed to a persuasive-intent prime reported lower attitude toward brand than ones who were not exposed to a prime. As for the field of marketing, Wei, Fischer, and Main (2008) use the PKM to investigate the effects of consumers' persuasion knowledge on their evaluations of a brand employing covert marketing. The results of their study supported previous studies that showed the activation of consumers' persuasion knowledge has negative effects on their evaluations of embedded brands. Also, they found that consumers' perceived appropriateness of marketing tactics and brand familiarity moderate those effects. That is, negative effects of activation of consumers' persuasion knowledge on brand evaluation were diminished when consumers perceived that a tactic was acceptable and when an embedded brand is highly familiar. Moreover, they found that with highly familiar brands, covert marketing (like disclosing that a brand paid to be mentioned in a radio program) can have positive effects.

Within the public relations scholarship, many researchers apply the PKM as a theoretical framework. For example, Wood, Nelson, Atkinson, and Lane (2008) used the PKM to explain people's use of persuasion knowledge when assessing video news releases (VNRs). The study found that positive and negative effects were enhanced when participants read about VNRs and viewed labeled VNRs in a newscast. They also were the least likely to perceive VNRs as credible. However, there was no effect on evaluation of a VNRs message or the companies featured in the VNRs from people who were in reading or labeling conditions.

The PKM has also been applied to CSR initiative areas. Many studies focus on consumers' suspicions toward a corporate sponsor and how it affects corporate credibility, attitude towards the corporation, and purchase intentions (i.e., Bae &

Cameron, 2006; Becker-Olsen, Cudmore, & Hill, 2005). Consumers' suspicions toward corporate CSR activities may play an important role in consumers' use of persuasion knowledge (Campbell & Kirmani, 2000). According to Fein (1996), suspicion refers to "...a dynamic state in which individual actively entertains multiple, plausibly rival hypotheses about the motives or genuineness of a person's behavior" (p. 1165).

Applying CSR, Bae and Cameron state, "It is clear that publics (perceivers) become suspicious of a for-profit company's motives when the company donates money to social causes because a for-profit company's main objective is to maximize corporate profits..." (2006, p. 146). They found that public suspicions mediate prior corporate reputation on consumers' attitude toward a company. That is, prior corporate reputation can prompt consumers' suspicions toward corporate prosocial activity; then those suspicions can affect consumers' attitude toward a company. In the same study, the researchers found that low suspicions toward corporate charitable giving positively affects consumers' attitude toward a company and vice versa (Bae & Cameron, 2006). Similarly, Becker-Olsen, Cudmore, and Hill (2005) looked at the effect of consumers' perception of corporations' motivations (profit-motivated versus social-motivated) in engaging corporate social responsibility with consumers' perception of the fit between a company and a cause. Overall, the study found that low fit CSR initiatives negatively affect consumers' beliefs, attitudes, and intentions regardless of the firm's motivation. Particularly, profit-motivated CSR led to less favorable thoughts, focus on the firm motive, negative attitudes toward a company, and lower purchase intentions. Yet, the profit-motivated CSR did not affect consumers' perception of corporate credibility.

As CSR initiatives can have different forms, some evidence suggests that consumers respond differently to and use different levels of their suspicions or persuasion knowledge regarding different types of CSR initiatives. For instance, Menon and Kahn (2003) studied whether two different types of corporate philanthropic activities, cause promotions and advocacy advertising, have different effects. They used the PKM as the theoretical framework. They suggested that people will perceive advertisers' tactics or persuasion attempts in the ad messages when people elaborately process those messages. And, the factor that can cause people to engage in elaborate thought process is the format of the advertisements. The researcher suggested that cause promotion provides transparent benefits to corporations because it is designed to increase sales by using a cause as a purchase incentive; thus, consumers perceive it as "business-as-usual" (p. 317) and are less likely to elaborately think about advertisers' motives. Meanwhile, consumers are more likely to elaborate on an advocacy advertising messages because consumers perceive them to be more unusual than cause promotion; it directly provides a philanthropic message but indirectly identifies a corporation's name or logo. Therefore, consumers are more likely to have favorable attitudes toward cause promotion as compared to advocacy advertising.

Moreover, Menon and Kahn (2003) found that perceived fit between sponsor and social cause is an important factor that moderates effects of the two types of corporate philanthropic activities, especially with advocacy advertising. However, whether the perceived fit is considered will depend on consumers' focus on corporate sponsorship. In other words, if consumers focus on social issues or messages (advocacy advertising), fit between sponsor brand and cause is not necessary. On the other hand, if consumers focus

on corporate sponsors (cause promotion), the perceived fit seems to be necessary, but only when consumers are led to elaborate about its sponsorship activity messages.

In addition, some research has attempted to identify what types of CSR initiatives are more likely to be perceived as conditional and hide a corporation's motives. Many researchers have suggested that cause-related marketing (CRM) can cause negative attitudes toward a company because a company benefits before any commitment to donate is made, and consumers perhaps perceive self-interest motives of a company (i.e., Varadarajan & Menon, 1988; Webb & Mohr, 1998). Also, CRM is perceived as a strategy for marketing rather than a philanthropic activity (Dean, 2003, 2004; Varadarajan & Menon, 1988). So, it is possible to say that CRM was the least effective way to decrease the effect of unethical corporate activity (Creyer & Ross, 1997). Similarly, sponsorship can be considered to be contaminated prosocial activities because sponsors have the exclusive right to promote the brand in the sponsored event (Rodgers, Cameron & Brill, 2005). While cause-related marketing can cause the most public suspicions of a company's motive, corporate philanthropy can be perceived as the most effective CSR type because of its unconditional nature (Bae & Cameron, 2006).

Similarly, Dean (2003, 2004) studied consumer perceptions of corporate donations and the effects of corporate reputation for social responsibility (firms described as scrupulous, average, or irresponsible in the discharge of their social responsibilities) and type of donation (conditional, which was CRM, and unconditional). He found that people perceived a conditional donation (CRM) as creating a mercenary perception than an unconditional one. However, his study demonstrates different support. Despite the mercenary perception created by the conditional donation, he concludes that it has a small

negative effect on firms in practice. Specifically, both types of donations were beneficial for an irresponsible firm. As for an average firm, only an unconditional one was beneficial, and a conditional one did not damage a firm's image. As for a scrupulous firm, an unconditional one had a small effect on a firm, but a conditional one damaged a firm's image.

Theoretical Frameworks and Hypotheses

As mentioned earlier, many researchers seem to agree on a positive relationship among CSR, attitude toward companies/brands/services, and purchase intentions. This relationship can be explained through the process of "affect transfer."

The Affect Transfer Hypothesis (ATH) has been mostly applied in the areas of advertising and marketing and was conceived as one of the important models to explain the mediating role of attitude toward an ad (i.e., Moore & Hutchinson, 1983, 1985; Shimp, 1981). According to Mackenzie, Lutz, and Belch (1986), the hypothesis posits a direct one-way causal relationship from attitude toward an ad to attitude toward a brand, as shown in Figure 3.

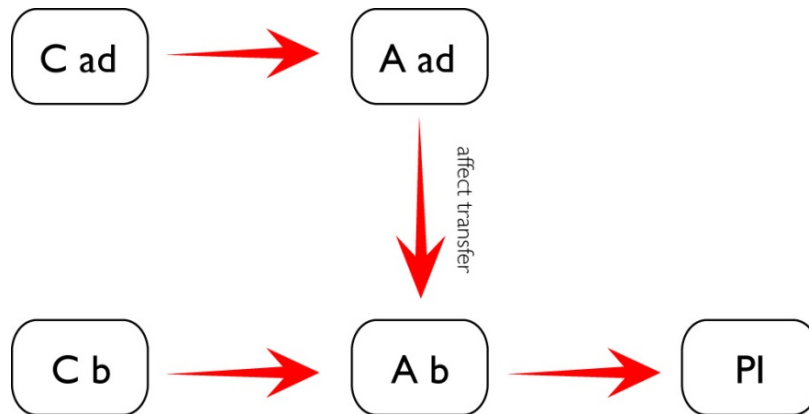
The basic assumption of the ATH is that, "At the most general level, we learn to like (or have) favorable attitudes toward objects we associate with 'good' things, and we acquire unfavorable feelings toward objects we associate with 'bad' things" (Fishbein, Martin, & Ajzen, 1975, as cited in Shimp, 1981, p.12). Therefore, affect transfer occurs when audiences have low involvement in processing the content of persuasive messages. Rather, they use simple cues, such as attractive sources, in order to decide whether they will believe those messages or not (Mackenzie, Lutz, & Belch, 1986). Similarly, Hoyer and MacInnis (2007) state that, in the case that a consumer has low-effort to process

information about products, attitude toward the ad can be useful. They argue that liking an ad can sometimes be transferred to a positive attitude toward an advertised brand.

Figure 3.

The Affect Transfer Hypothesis (ATH)

(Mackenzie, Lutz, and Belch, 1986, p. 131)



C ad represents ad cognitions.

C b represents brand cognitions.

A ad represent attitude toward the ad.

A b represents attitude toward the brand.

PI represents purchase intentions.

Shimp (1981) indicates some empirical evidence that supports this hypothesis; for instance, Mitchell and Olson's study in 1979 (as cited in Shimp, 1981) tested the mediational role of attitude toward an ad and found that the subjects' affect for the ads determine attitude toward brand and purchase intentions. Moreover, Shimp and Yokum's study in 1980 (as cited in Shimp, 1981) investigated the effect of attitude toward an ad on purchase intentions through two experiments that used hypothetical brands of cola dispensed in cups. The results of the study support the assumption that the subjects'

attitudes toward an ad were a significant determinant of their purchase intentions and their taste rating.

In terms of corporate social responsibility, many researchers have observed affect transfer. For example, Crimmins and Horn found that consumers' favorable attitudes toward sponsoring brands were influenced by their positive attitudes toward the sponsoring event (1996). Also, Nan and Heo (2007) applied the Affect Transfer Hypothesis to their study of how consumers respond to corporate social responsibility and defined affect transfer as "the process wherein people's preexisting affect associated with one object is transferred to a closely related object, toward which people may not hold prior affect" (p. 66). They suggested that the affect transfer process can be seen in the use of cause-related marketing (CRM). In other words, consumers transfer their general positive attitudes toward a non-profit organization (social cause) to the sponsoring brand. Additionally, when the brand promises to donate money or be responsible to a social cause, consumers perceive the brand as favorable, which leads them to have more positive brand evaluation. Based on this assumption, they suggested that, "...consumers will respond more favorably to a company/ brand engaging in CRM versus a similar one that does not engage in this philanthropic activity" (p. 66).

This review of literature suggests further study of the outcomes of CSR initiatives is needed. This study seeks to add more insight into current understanding of the effect of corporate social responsibility initiatives. Particularly, this study seeks to support previous research indicating that CSR leads to consumers' positive attitudes toward a brand and results in increased purchase intentions, as posited by the ATH. Also, this study uniquely focuses on consumers' persuasion knowledge as having moderating

effects on the relationship between CSR initiatives and consumers' attitudes and intentions. This study argues that the ATH is useful for understanding CSR outcomes and is applicable to the study. Thus, two hypotheses were proposed:

H1: Attitude toward CSR positively influences attitude toward brand.

H2: Attitude toward brand positively influences purchase intention.

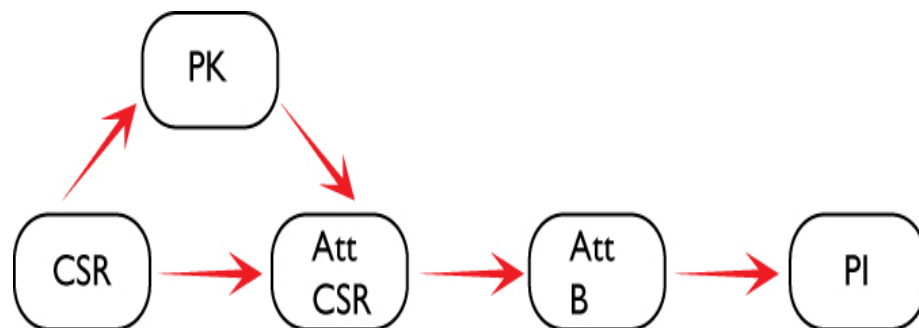
Studies about the affect transfer of attitude toward an advertisement to attitude toward a brand sometimes look at some other variables that moderate the relationship between them. For example, the study of Machleit and Wilson in 1988 about emotional feelings and attitude toward the advertisement examined brand familiarity of ad as a moderating effect on the relationship. They found that attitude toward an ad significantly influences attitude toward a brand when it is an unfamiliar one. In the present study, consumers' persuasion knowledge is thought to have a moderating effect on the affect transfer process. The PKM explains how people use their persuasion knowledge to cope with a persuasive situation (Friestad & Wright, 1994). The model proposes that accessibility of ulterior motive and cognitive capacity on perception of an influence agent are important factors that determine consumers' use of persuasion knowledge. These two factors also determine the strength of an influence agent's association with motives that can affect the accessibility of ulterior motives (Campbell & Kirmani, 2000). Hence, it is possible to assume that consumers' persuasion knowledge can have an effect on the relationship between attitude toward CSR and attitude toward brand, as well as purchase intention.

Based on this review of literature, it is appropriate to suggest that consumers may respond differently to different kinds of CSR initiatives due to the accessibility of ulterior

motive. They might perceive a particular CSR initiative to be more sincere than another (Bae & Cameron, 2006; Dean, 2003, 2004; Menon & Kahn, 2001; Varadarajan & Menon, 1988). In the context of CSR, a company assumably is an influence agent who sends messages (remarks) of doing good through CSR to consumers (targets). Thus, consumers may use more persuasion knowledge with types of CSR that have a stronger relation with the motive of selling like cause-related marketing than with one that has less relation with the motive of selling—like volunteerism. This suggests that consumers' persuasion knowledge moderates the relationship among CSR initiatives, attitude toward CSR initiatives, attitude toward a brand, and purchase intention because consumers' persuasion knowledge changes the direction of the strength of the relationship between an independent variable and a dependent variable (Baron & Kenny, 1986), This is illustrated in Figure 4.

Figure 4.

Proposed Model



CSR represents CSR initiatives.
Att CSR represents attitude toward CSR initiatives.
Att B represents attitude toward brand.
PI represents purchase intention.
PK represents persuasion knowledge.

Based on the model above, four hypotheses were proposed:

H3: Persuasion knowledge will differ across CSR initiatives.

H4: Persuasion knowledge negatively influences (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention.

H5: CSR initiatives influence (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention.

H6: The impact of CSR initiatives on (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention will be moderated by consumer's persuasion knowledge.

The next chapter explains the methodology used in this study. It includes information about research participants, instrumentation, procedures, and treatment conditions of the study. Also, results of a manipulation check are revealed.

Chapter 3: Methodology

This study seeks to add more insight into current understanding of the effect of corporate social responsibility initiatives. Particularly, this study seeks to support previous research indicating that CSR leads to consumers' positive attitudes toward a brand and results in increased purchase intentions, as posited by the Affect Transfer Hypothesis (ATH). Also, this study uniquely focuses on consumers' persuasion knowledge as having moderating effects on the relationship between CSR initiatives and consumers' attitudes and intentions.

To achieve the purpose of the study, a controlled experiment was conducted using stimulus materials based on an actual organization's (Starbucks) CSR initiatives. According to "The Best Socially Responsible Corporation 2006" from *Fortune magazines*, Starbucks Coffee Company was ranked at the seventh of the best socially responsible corporations. Not only was it ranked number seven, it was also perceived as one of the most admired companies by its peers for social responsibility (Gunther, 2006). This is because Starbucks engages in various corporate social responsibility initiatives. It offers health-care benefits and the Bean Stock Program, which gives an opportunity to own Starbucks stock to every employee—even the part-time ones,. It partners with coffee growers around the world to offer a fair price for their beans. Also, it encourages its retailers to be more environmentally friendly. For example, Starbucks offers a 10 cent discount to customers for bringing their own cups or reusable cups (Gunther, 2006). Since 2001, Starbucks has published a CSR annual report in addition to its annual fiscal

report (Werder, 2008). For these reasons, Starbucks Coffee Company was selected as the corporation to be used in this experiment.

Research participants

The participants used in this research were undergraduate students enrolled in an introductory mass communication class at a large southeastern university. Students were asked to voluntarily participate in the study. The responses of 189 were included in data analysis. Of these participants, 109 (57.7%) were female and 79 (41.8%) were male. The average age of participants was 20. The majority of students held a class rank of sophomore (51.9%), followed by junior (31.7%), freshman (10.1%), and senior (5.3%).

In addition, 128 (67.7%) students were Caucasian, 19 (10.1%) students were African-American, 16 (8.5%) students were Hispanic, 6 (3.2%) students were Asian, and 13 (6.9%) students were other ethnicities.

Instrumentation

A questionnaire was administered to measure the variables of interest: attitude toward CSR, attitude toward the brand, purchase intention, persuasion knowledge, and demographic variables. The questionnaire was included in a booklet that also contained instructions and stimulus materials.

Procedures

The controlled experiment was conducted in a large auditorium-style classroom at the university. The participants were randomly assigned to one of six different conditions: cause promotion, cause-related marketing, corporate philanthropy, corporate volunteering, a control condition with a message unrelated to CSR, and a control condition with no message. Participants were told about the purpose of the study after

arriving at the research setting. Booklets that contained instructions, stimulus materials, and a questionnaire to measure the variables of interest were randomly assigned to each participant. After receiving the booklet, each participant was exposed to a treatment condition and spent about 3 minutes reading the material. Then, the participant completed the questionnaire.

Stimulus Materials

Five treatment conditions and one control condition were developed to test the hypotheses. Four treatment conditions included a type of CSR initiative: cause promotion, cause-related marketing, corporate philanthropy, and corporate volunteering, as defined by Kotler and Lee (2005). The treatments contained CSR messages from Starbucks about the Ethos water fund. Corporate social marketing was excluded from the study because it has a very close connection with cause-related marketing. In addition, socially responsible business practices, another form of CSR initiative, was excluded from this research because of its focus on internal policies and procedures.

CSR initiatives were taken from the Starbucks Coffee Company 2007 CSR annual report (http://www.starbucks.com/aboutus/csrreport/Starbucks_CSR_FY2007.pdf) and used supplemental information gathered from the Ethos water Web site (www.ethoswater.com). Some initiatives used original messages from the company, while some were adapted to best represent each CSR initiative. A fifth treatment condition included a message from Starbucks that was unrelated to CSR. This treatment was manipulated to control for CSR initiative type. Each of the five treatment conditions was printed in black-and-white on a full-page 8.5x11 paper with identical Starbucks logo (see Appendix A).

A sixth condition acted as an overall control for the experiment. This condition contained no message from Starbucks and was used to control for pre-existing attitude toward brand and purchase intention. All six conditions contain the same instrument to measure the variables of interest.

After the researcher had given a booklet to each participant, participants were asked to look at the stimulus material, and then complete the questionnaire.

Corporate Social Responsibility Treatment: Cause Promotion

More than 1 billion people around the world lack clean, safe drinking water, and more than 2.6 billions lack adequate sanitation services. This problem affects children most and is becoming the most significant public health issue of our time. Starbucks Foundation, in partnership with Ethos Water and other organizations, is working to increase awareness of the world water crisis. Starbucks provides in-store messages about the world water crisis in order to educate employees and customers about how they can help solve the problem. Additionally, Starbuck is a major sponsor of and contributor to 2007 World Water Day. We encourage our employees and customers to participate in this important social change.

Corporate Social Responsibility Treatment: Cause-Related Marketing

Starbucks is the primary distributor of Ethos™ bottled water. For each bottle of Ethos water purchased in the United States, 5¢ is donated to the Starbucks Foundation Ethos Water Fund. For each bottle purchased in Starbucks stores in Canada, 10¢ is donated to The Starbucks Foundation Ethos Water Fund. Our goal is to donate \$10 million by January 2010 to non-profit organizations working to solve the world water crisis. In addition, we have announced grants of more than \$4.2 million, which will benefit over 370,000 people in Ethiopia, India, Indonesia and Kenya.

Corporate Social Responsibility Treatment: Corporate Philanthropy

Starbucks is a direct contributor to WaterAid in Madhya Pradesh, India, where millions of residents struggle daily with the consequences of a poor water supply and lack of water sanitation. In 2007, WaterAid embarked on a three-year plan to bring water and sanitation to 80 rural villages and 40 urban slums, where an estimated 120,000 people will benefit. Supported by a grant of \$1 million from Starbucks, WaterAid will teach the most impoverished and vulnerable communities how to advocate for their water need, and will work with the community and government representatives to plan and construct integrated water, sanitation and hygiene initiatives. In addition, Starbucks donates water sanitation machines to Madhya Pradesh.

Corporate Social Responsibility Treatment: Corporate Volunteering

The volunteer program Make Your Mark (MYM), started 7 years ago, brings Starbucks employees and customers together to work on projects that directly affect their communities. Starbucks donates \$10 to fund MYM projects for every hour volunteered by our employees and customers – up to \$1,000 per project. Starbucks employees and customers took part in 2007 World Water Day events such as Walk for Water in 26 cities in the U.S. and Canada. The Walk for Water raises awareness about the daily struggle people in developing countries to obtain access to safe, clean drinking water. Nearly 11,000 Starbucks partners volunteered to participate in last year's World Water Day event.

Corporate Social Responsibility Treatment: Control for CSR Initiative Type

Thanksgiving Blend Starbucks and 2008 Bon Appétit Restaurateur of the Year Tom Douglas present Starbucks® Thanksgiving Blend. Specially blended for the sweet and savory foods shared around the holiday table – from herbal sage-rubbed turkey to spicy pumpkin pie. Geography is a flavor Fancy beans from Guatemala that adds subtle spice, cocoa notes and a light sparkle that complement full-bodied beans from Sumatra with their hint of fine herbs. Try it with the richness of autumn.

Measures

The variables measured included: attitude toward CSR initiative, attitude toward brand, purchase intention, persuasion knowledge, and demographics. Separate measures that were adapted from previous research (Bearden & Netemeyer, 1999; Werder, 2008; Lefa & Laroche, 2007) were created to measure the variables of interest.

The first variable is attitude toward CSR. An attitude refers to a consumer's positive or negative feeling toward an object (Mowen, 1987). Therefore, attitude toward CSR initiative refers to a consumer's positive or negative feeling toward a company's CSR initiatives. Consequently, attitude toward CSR initiative was measured by eight 7-point semantic differential items. The statement, "I think Starbucks' corporate social responsibility initiatives are," was rated on scales anchored by *bad/good*, *unfavorable/favorable*, *not trustworthy/trustworthy*, *not beneficial/beneficial*, *negative/positive*, *unimportant/important*, *insincere/sincere*, and *fake/authentic*.

The next variable is attitude toward brand. An attitude toward brand in this study represents a consumer's negative or positive feeling toward Starbucks brand. Thus, one statement, "The Starbucks brand is:" was rated also on a 7-point semantic differential items, which was anchored by *bad/good*, *unfavorable/favorable*, *negative/positive*, *poor-quality/high-quality*, *unappealing/appealing*, *insincere/sincere*, *fake/authentic*, and *not trustworthy/trustworthy*.

Purchase intention is the next variable. Mowen (1987) refers intention to "a determination of a consumer to engage in some act, such as purchasing a product or service." (p. 43). Thus, in this study, purchase intention refers to a consumer's determination to purchase Starbucks products. Purchase intention was measured through

three statements: “I intend to drink Starbucks coffee in the next month”; “I intend to buy more products from Starbucks”; and “I intend to purchase a beverage or other product from Starbucks during the next month.” Participants rated these statements on a Likert-type scale, ranging from *1(unlikely)* to *7 (likely)*.

Finally, six statements were used to measure persuasion knowledge, which basically refers to consumers’ knowledge about marketers’ persuasion attempts. The statements are “I believe that Starbucks uses corporate social responsibility to increase its profits”; “I believe Starbucks is really concerned about the cause”; “I think some of Starbucks’ claims about its corporate social responsibility are inflated to make it seem better than it is”; “I believe that Starbucks’ corporate social responsibility initiatives are manipulative”; “I am suspicious of Starbucks’ motives regarding social responsibility”; and “I believe that Starbucks has an ulterior motive.” Participants rated their opinion about these six statements on a Likert-type scale, ranging from *1(strongly disagree)* to *7 (strongly agree)*.

Additionally, the respondents were asked to answer demographic questions, including gender, age, academic level, and ethnicity (see Appendix B).

Manipulation check

Since this study is experimental research which included manipulations of the four types of CSR initiative, it was important to conduct a manipulation check to test whether the CSR treatments were successfully manipulated. Prior to hypothesis testing, the manipulation check was conducted to assess the degree to which the CSR treatments agreed with the definitions of the CSR initiatives defined by Kotler and Lee (2005). An instrument was developed and administered to 38 mass communications students. The

participants were given the questionnaire, which asked them to rate their agreement of the fit between the treatments and the definitions provided by Kotler and Lee (2005). To illustrate, the participants were given a questionnaire that contained a particular CSR message type on the top of the page followed by the definitions of the four types of CSR initiatives tested in this study. Then, participants were asked to rate their agreement of how much they think each definition reflects the message given on a Likert-type scale ranging from 1 (*strongly disagree*) to 7 (*strongly agree*).

An omnibus ANOVA was performed to see if there was a significant difference between CSR treatments. As for the cause promotion treatment, the results indicate significant difference across the four treatments, $F(3,31) = 3.632, p = .024$. Also, it produced the highest mean score among the treatments as reported in Table 1. This indicates that most of the participants agreed that the cause promotion treatment reflected the definition provided by Kotler and Lee (2005). The LSD post hoc also indicated significant differences between cause promotion and corporate philanthropy ($p = .004$).

Table 1.

Cause Promotion Definition Mean Score for each CSR treatments

| CSR Initiatives | N | Mean | Std. Deviation |
|-------------------------|----------|-------------|-----------------------|
| Cause Promotion | 9 | 5.44 | .882 |
| Corporate Volunteering | 9 | 5.22 | 1.093 |
| Cause-Related marketing | 9 | 4.89 | .928 |
| Corporate Philanthropy | 8 | 3.75 | 1.581 |
| Total | 35 | 4.86 | 1.264 |

The next treatment is cause-related marketing, the results indicate no significant difference across the four treatments, $F(3,31)= 1.891, p= .152$. However, it produced the highest mean score among the treatments, as reported in Table 2. This indicates that most of the participants agreed that the cause-related marketing treatment reflected the definition provided by Kotler and Lee (2005). Also, the LSD post hoc indicated significant difference exists between cause-related marketing and corporate philanthropy ($p=.037$).

Table 2.

Cause-Related Marketing Definition Mean Score for Each CSR Treatment

| CSR Initiatives | N | Mean | Std. Deviation |
|-------------------------|----------|-------------|-----------------------|
| Cause-Related Marketing | 9 | 5.44 | 1.590 |
| Cause Promotion | 9 | 4.89 | 1.537 |
| Corporate Volunteering | 9 | 4.11 | 1.833 |
| Corporate Philanthropy | 8 | 3.62 | 1.923 |
| Total | 35 | 4.54 | 1.788 |

As for corporate volunteering treatment, the analysis showed no significant difference across the four treatment types, $F(3,31)= 2.497, p=.078$. However, it produced the highest mean score among the treatments, as reported in Table 3. This indicated that most of the participants agreed with the fit between the corporate volunteering treatment and the definition provided by Kotler and Lee (2005). The LSD post hoc indicated significant differences between corporate volunteering and cause-related marketing ($p=.020$).

Table 3.

Corporate Volunteering Definition Mean Score for Each CSR Treatment

| CSR Initiatives | N | Mean | Std. Deviation |
|-------------------------|----------|-------------|-----------------------|
| Corporate Volunteering | 9 | 4.00 | 1.500 |
| Cause Promotion | 9 | 3.89 | 1.764 |
| Corporate Philanthropy | 8 | 3.50 | 1.604 |
| Cause-Related Marketing | 9 | 2.33 | .707 |
| Total | 35 | 4.54 | 1.788 |

For the corporate philanthropy treatment, the results indicated no significant differences across the four treatments, $F(3,31) = 1.542, p = .223$. However, it produced the highest mean score among the treatment types, as reported in Table 4. This indicated that most of the participants agreed that the corporate philanthropy treatment reflected the definition provided by Kotler and Lee (2005). The LSD post hoc indicated significant difference exists between corporate philanthropy and cause-related marketing ($p = .050$).

Table 4.

Corporate Philanthropy Definition Mean Score for Each CSR Treatment

| CSR Initiatives | N | Mean | Std. Deviation |
|-------------------------|----------|-------------|-----------------------|
| Corporate Philanthropy | 8 | 5.75 | 1.669 |
| Cause Promotion | 9 | 4.78 | 2.048 |
| Corporate Volunteering | 9 | 4.33 | 1.871 |
| Cause-Related Marketing | 9 | 4.00 | 1.414 |
| Total | 35 | 4.54 | 1.788 |

Although there was only one treatment that showed significant differences across CSR treatments, every treatment produced the highest mean score for its own definitions. Therefore, this indicates that most of the participants agreed that each treatment reflected

its corresponding definition. The results provide satisfactory treatment validity, so the decision was made to proceed with these manipulations.

Data Analysis

To test all the hypotheses, data were analyzed by SPSS 17.0 Windows. An alpha level of .05 was required for significance in all data analysis. Cronbach's alpha was used to assess internal consistency of multi-items indexes. Statistical procedures used to test the hypotheses included linear regression and analysis of variance (ANOVA).

The next chapter is the result chapter. Data analysis and tests of hypotheses of this study are presented.

Chapter 4: Results

This study seeks to add more insight into current understanding of the effect of corporate social responsibility initiatives. Particularly, this study seeks to support previous research indicating that CSR leads to consumers' positive attitudes toward a brand and results in increased purchase intentions, as posited by the Affect Transfer Hypothesis (ATH). Also, this study uniquely focuses on consumers' persuasion knowledge as having moderating effects on the relationship between CSR initiatives and consumers' attitudes and intentions. The following hypotheses were tested in this study:

H1: Attitude toward CSR positively influences attitude toward brand.

H2: Attitude toward brand positively influences purchase intention.

H3: Persuasion knowledge will differ across CSR initiatives.

H4: Persuasion knowledge negatively influences (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention.

H5: CSR initiatives influence (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention.

H6: The impact of CSR initiatives on (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention will be moderated by consumer's persuasion knowledge.

Data analysis began by assessing descriptive statistics for each item used to test the variables of interest in this study. The mean and standard deviation for each item are reported in Table 5.

Table 5.

Item Mean and Standard Deviation

| | N | Mean | Std. Deviation |
|---|----------|-------------|-----------------------|
| Attitude toward the CSR | | | |
| I think Starbucks' corporate social responsibility initiatives are good/bad. | 188 | 5.03 | 1.290 |
| I think Starbucks' corporate social responsibility initiatives are unfavorable/favorable. | 188 | 4.62 | 1.330 |
| I think Starbucks' corporate social responsibility initiatives are not trustworthy/trustworthy. | 188 | 4.18 | 1.348 |
| I think Starbucks' corporate social responsibility initiatives are not beneficial/beneficial. | 188 | 4.75 | 1.386 |
| I think Starbucks' corporate social responsibility initiatives are negative/positive. | 188 | 5.06 | 1.328 |
| I think Starbucks' corporate social responsibility initiatives are unimportant/important. | 188 | 4.70 | 1.522 |
| I think Starbucks' corporate social responsibility initiatives are insincere/sincere. | 188 | 4.38 | 1.276 |
| I think Starbucks' corporate social responsibility initiatives are fake/authentic. | 188 | 4.60 | 1.450 |
| Attitude toward Brand | | | |
| The Starbucks brand is bad/good. | 188 | 5.14 | 1.469 |
| The Starbucks brand is unfavorable/favorable. | 188 | 4.85 | 1.531 |
| The Starbucks brand is negative/positive. | 187 | 5.02 | 1.424 |
| The Starbucks brand is poor-quality/high-quality. | 187 | 5.39 | 1.304 |
| The Starbucks brand is unappealing/appealing. | 187 | 5.35 | 1.614 |
| The Starbucks brand is insincere/sincere. | 187 | 4.59 | 1.501 |
| The Starbucks brand is fake/authentic. | 187 | 4.70 | 1.638 |
| The Starbucks brand is not trustworthy/trustworthy. | 186 | 4.52 | 1.449 |
| Purchase Intention | | | |
| I intend to purchase a beverage or other product from Starbucks during the next month. | 188 | 4.35 | 2.513 |
| I intend to drink Starbuck coffee in the next month. | 188 | 3.98 | 2.617 |
| I intend to buy more products from Starbucks. | 187 | 3.91 | 2.375 |
| Persuasion Knowledge | | | |
| I believe that Starbucks uses corporate social responsibility to increase its profits. | 187 | 5.39 | 1.337 |
| I believe Starbucks is really concerned about the cause. | 187 | 3.87 | 1.371 |
| I am suspicious of Starbucks' motives regarding social responsibility. | 188 | 3.89 | 1.707 |
| I believe that Starbucks' corporate social responsibility initiatives are manipulative. | 185 | 4.09 | 1.506 |

| | | | |
|---|-----|------|-------|
| I think some of Starbucks' claims about its corporate social responsibility are inflated to make it seem better than it is. | 187 | 4.91 | 1.551 |
| I believe that Starbucks has an ulterior motive. | 186 | 4.33 | 1.776 |
| Valid N (listwise) | 177 | | |

Prior to hypothesis testing, Cronbach's alpha was used to assess the internal consistency of the multiple-item scales of the variables of interest (attitude toward CSR, attitude toward brand, purchase intention, and persuasion knowledge). According to social science standards, alphas for multiple-item indexes should not fall below .80 (Carmines & Zeller, 1979). Also, Berman (2002) stated that alpha values between .80 and 1.00 indicate high reliability. The results of the reliability analysis for each variable measured in this study are reported in Table 6.

Table 6.

Cronbach's Alpha for Multiple-Item Indexes

| Variable | Cronbach's Alpha | Composite Mean | N of Items |
|-----------------------|------------------|----------------|------------|
| Attitude toward CSR | .938 | 4.6646 | 8 |
| Attitude toward Brand | .915 | 4.9660 | 8 |
| Persuasion Knowledge | .794 | 4.4262 | 6 |
| Purchase Intention | .938 | 4.0753 | 3 |

The eight-item scale used to measure attitude toward CSR yielded a coefficient alpha of .938. The eight-item scale used to measure attitude toward brand yielded a coefficient alpha of .915. The six-item scale used to measure consumers' persuasion knowledge yielded a coefficient alpha of .794. And, the three-item scale used to measure purchase intentions yielded a coefficient alpha of .938.

Although the coefficient alpha of consumers' persuasion knowledge fell below .80, the decision was made to accept this coefficient alpha in this case because it is very

close to the standard reliability score mentioned above, and the argument for this finding can be made that those multiple items were newly developed for this study.

In addition, composite mean scores for the multiple item indexes ranged from 4.0753 to 4.9660. The composite measure of attitude toward brand produced the highest mean score ($M=4.9660$), followed by attitude toward CSR ($M=4.46646$), and persuasion knowledge ($M=4.4262$). The composite measure of purchase intention produced the lowest mean score ($M=4.0753$).

Tests of hypotheses

To test H1, which posited that attitude toward CSR positively influences attitude toward brand, a correlation analysis was first conducted to assess the relationship among variables. The results are reported in Table 7. Correlations among composite measures were all significant and ranged from .291 to .699. The strongest correlation was between attitude toward CSR and attitude toward brand ($r= .699, p=.000$). The weakest correlation was between attitude toward CSR and purchase intention ($r= .291, p= .000$). Attitude toward a brand and purchase intention produced a moderate positive correlation ($r= .481, p=.000$).

Table 7.

Attitude toward CSR/Attitude toward Brand/Purchase Intention Correlations

| | | Attitude toward CSR | Attitude toward brand | Purchase Intention |
|-----------------------|---------------------|---------------------|-----------------------|--------------------|
| Attitude toward CSR | Pearson Correlation | 1.000 | .699** | .291** |
| | Sig. (2-tailed) | | .000 | .000 |
| | N | 188.000 | 182 | 185 |
| Attitude toward brand | Pearson Correlation | .699** | 1.000 | .481** |
| | Sig. (2-tailed) | .000 | | .000 |
| | N | 182 | 182.000 | 179 |
| Purchase Intention | Pearson Correlation | .291** | .481** | 1.000 |
| | Sig. (2-tailed) | .000 | .000 | |
| | N | 185 | 179 | 186.000 |

Linear regression was conducted to evaluate how well attitude toward CSR predicts attitude toward brand. The attitude toward brand measure was regressed on the attitude toward CSR measure. The results are shown in Table 8. The analysis indicates that attitude toward CSR accounted for 49% of the variance in attitude toward brand, $R^2 = .488$, $Adj. R^2 = .485$, $F(1,180)=171.513$, $p=.000$. The attitude toward CSR measure was a positive predictor of attitude toward brand. Therefore, H1 is supported.

Table 8.

Regression Model for Attitude toward CSR Predicting Attitude toward Brand

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|---------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.591 | .265 | | 5.998 | .000 |
| | Attitude toward CSR | .721 | .055 | .699 | 13.096 | .000 |

To answer H2, which posited that attitude toward brand positively influences purchase intention, a correlation analysis was first conducted to assess the relationship among variables. The results are reported in Table 7. Linear regression analysis was conducted to evaluate how well the attitude toward brand measure predicts purchase intention. The purchase intention measure was regressed on the attitude toward brand measure. The results are reported in Table 9. The analysis indicated that attitude toward brand accounted for 23% of the variance in purchase intention, $R^2 = .231$, $\text{Adj. } R^2 = .227$, $F(1,177)=53.207$, $p=.000$. These results support H2 and indicate that attitude toward brand was a positive predictor of purchase intention.

Table 9.

Regression Model for Attitude toward Brand Predicting Purchase Intention

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|-----------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -.691 | .672 | | -1.027 | .306 |
| | Attitude toward brand | .961 | .132 | .481 | 7.294 | .000 |

H3 posited that persuasion knowledge will differ across CSR initiatives. To test H3, an analysis of variance (ANOVA) was conducted to evaluate differences in persuasion knowledge mean scores for the CSR initiative types. The mean scores for persuasion knowledge for each initiative treatment are shown in Table 10. The ANOVA indicated that no significant difference exists in persuasion knowledge across the CSR initiative types, $F(5,177)=.985$, $p=.429$. The results do not support H3.

Table 10.

Persuasion Knowledge Mean Scores for Each CSR Initiative Treatment

| CSR initiatives | Mean | Std. Deviation | N |
|-------------------------|-------------|-----------------------|----------|
| Control Message | 4.7976 | .97432 | 28 |
| Cause Promotion | 4.4611 | .97839 | 30 |
| Overall control | 4.4323 | 1.12710 | 32 |
| Corporate Philanthropy | 4.3810 | 1.13480 | 28 |
| Cause Related Marketing | 4.3281 | 1.07304 | 32 |
| Corporate Volunteering | 4.2071 | 1.21266 | 33 |
| Total | 4.4262 | 1.08977 | 183 |

Although no significant differences in persuasion knowledge across CSR treatments was found, findings indicate that the CSR message control treatment ($M=4.7976$) produced the highest mean among the six treatments, followed by the cause promotion ($M=4.4611$), the overall control ($M=4.4323$), and the corporate philanthropy treatments ($M=4.3810$). Cause-related marketing ($M=4.3281$) and corporate volunteering ($M= 4.2071$) produced the lowest mean scores among the six treatments.

In addition, follow-up tests were conducted to evaluate pairwise differences among the means. Post hoc comparison using LSD was conducted, and it shows that the corporate volunteering treatment was significantly different from the CSR control messages ($p=.036$).

Hypothesis 4 posited that persuasion knowledge negatively influences (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intentions. To test H4 (a), (b), and (c), a correlation analysis was first conducted to assess the relationship among variables. Results are reported in Table 11. Correlation analysis indicated that persuasion knowledge has negative relationships with attitude toward CSR, attitude toward brand,

and purchase intention. Correlations among composite measures ranged from -.077 to -.331. Two correlations between persuasion knowledge and attitude toward CSR ($r = -.331$, $p = .000$) and persuasion knowledge and attitude toward brand ($r = -.304$, $p = .000$) were significant. There was no significant correlation between persuasion knowledge and purchase intention ($r = -.077$, $p = .302$).

Table 11.

Persuasion knowledge/ Attitude toward CSR/ Attitude toward Brand/ Purchase Intention
Correlations

| | | Persuasion Knowledge | Attitude toward CSR | Attitude toward Brand | Purchase Intention |
|----------------------|---------------------|----------------------|---------------------|-----------------------|--------------------|
| Persuasion knowlwdge | Pearson Correlation | 1.000 | -.331** | -.304** | -.077 |
| | Sig. (2-tailed) | | .000 | .000 | .302 |
| | N | 183.000 | 183 | 177 | 183 |

Three linear regression analyses were conducted to evaluate how well persuasion knowledge influences (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention. The results are shown in Tables 12, 13, and 14. The results indicate that attitude toward CSR and attitude toward brand were influenced by persuasion knowledge. The analysis indicated that the persuasion knowledge measure accounted for 11% of the variance in attitude toward CSR, $R^2 = .11$, $\text{Adj. } R^2 = .105$, $F(1,181) = 22.273$, $p = .000$. Therefore, H4(a) is supported.

As for the influence of persuasion knowledge on attitude toward brand, the analysis indicated that the persuasion knowledge measure accounted for 9% of the

variance in attitude toward brand, $R^2 = .093$, Adj. $R^2 = .087$, $F(1,175)=17.840$, $p=.000$.

Therefore, H4(b) is supported.

Purchase intention does not seem to be influenced by persuasion knowledge (Table 11). The regression analysis produced no significant findings, $R^2 = .006$, Adj. $R^2 = .000$, $F(1,181)= 1.070$, $p=.302$. Thus, H4(c) is not supported.

Table 12.

Regression Model for Persuasion Knowledge Predicting Attitude toward CSR

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|----------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 6.197 | .337 | | 18.385 | .000 |
| | Persuasion knowledge | -.349 | .074 | -.331 | -4.719 | .000 |

Table 13.

Regression Model for Persuasion Knowledge Predicting Attitude toward Brand

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|----------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 6.429 | .358 | | 17.938 | .000 |
| | Persuasion Knowledge | -.334 | .079 | -.304 | -4.224 | .000 |

Table 14.

Regression Model for Persuasion Knowledge Predicting Purchase Intention

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|----------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 4.850 | .733 | | 6.613 | .000 |
| | Persuasion knowledge | -.166 | .161 | -.077 | -1.034 | .302 |

Hypothesis 5 posited that CSR initiatives influence (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention. Hypothesis 6 further posited that the relationships among these variables are moderated by the level of persuasion knowledge. Before testing the hypotheses, a median split was used to group participants into low and high persuasion knowledge groups. H5 and H6 were synchronously tested through three two-way analyses of variance (ANOVA).

In the first two-way ANOVA, the independent variables were CSR initiative treatments and persuasion knowledge (low and high), and the dependent variable was attitude toward CSR. Results are reported in Table 15. ANOVA indicates no significant interaction between CSR initiatives and persuasion knowledge, $F(5,164) = .730, p = .602$, partial $\eta^2 = .022$. However, there is significant main effects for persuasion knowledge, $F(1,164) = 10.160, p = .002$, partial $\eta^2 = 0.58$. The persuasion knowledge main effects indicate that people with low-level persuasion knowledge tend to have a more positive attitude toward CSR initiatives than people with high persuasion knowledge; however, this is not the focus of this test. The purpose of this analysis is to determine whether CSR initiatives influence attitude toward CSR, as H5(a) posited. Results indicate that significant differences exist across CSR initiative type, $F(5,164) = 3.120, p = .010$, partial $\eta^2 = .087$. Specifically, 8.7% of the variance in attitude toward CSR is due to CSR initiative type. Therefore, H5(a) is supported.

Table 15.

Interaction Effect of CSR Treatments and Persuasion Knowledge on Attitude toward
CSR

| Source | Type III Sum of Squares | df | Mean Square | F | Sig. | Partial Eta Squared |
|---------------------------------------|-------------------------|-----|-------------|----------|------|---------------------|
| Corrected Model | 41.965 ^a | 11 | 3.815 | 3.357 | .000 | .184 |
| Intercept | 3342.755 | 1 | 3342.755 | 2941.569 | .000 | .947 |
| CSR Treatments | 17.728 | 5 | 3.546 | 3.120 | .010 | .087 |
| Persuasion Knowledge | 11.545 | 1 | 11.545 | 10.160 | .002 | .058 |
| CSR Treatments * Persuasion Knowledge | 4.147 | 5 | .829 | .730 | .602 | .022 |
| Error | 186.367 | 164 | 1.136 | | | |
| Total | 4036.566 | 176 | | | | |
| Corrected Total | 228.332 | 175 | | | | |

The mean scores of attitude toward CSR for each CSR initiative treatment are shown in Table 16. Results indicate that the corporate philanthropy treatment ($M=5.299$) produced the highest mean among the six treatments, followed by the corporate volunteering treatment ($M=5.091$), the cause-related marketing treatment ($M=4.752$), and the cause promotion treatment ($M=4.538$). The CSR control treatment ($M=4.417$) and the overall control treatment ($M= 4.378$) produced the lowest mean scores among the six treatments.

Table 16.

Attitude toward the CSR Mean Scores for Each CSR Initiative Treatment

| CSR initiatives | Mean | Std. Error | N |
|-------------------------|-------------|-------------------|----------|
| Corporate Philanthropy | 5.299 | .212 | 27 |
| Corporate Volunteering | 5.091 | .192 | 32 |
| Cause Related Marketing | 4.752 | .197 | 31 |
| Cause Promotion | 4.538 | .223 | 28 |
| Control Message | 4.417 | .247 | 27 |
| Overall Control | 4.378 | .211 | 31 |

In addition, the follow-up tests consisted of pairwise comparisons among the six CSR treatments. The LSD post hoc analysis procedure was conducted as shown in Table 17. The results of this analysis indicate that the corporate philanthropy treatment mean is significantly different from the cause promotion ($p=.014$), control CSR message ($p=.002$), and the overall control treatment ($p=.000$). The cause related-marketing treatment mean was significantly different from the overall control treatment ($p=.033$). The corporate cause promotion treatment was significantly different from the corporate philanthropy treatment ($p=.014$). The corporate volunteering treatment was significantly different from the CSR message control ($p=.013$) and the overall control treatment ($p=.001$). Overall, the ANOVA test and post hoc comparison indicate that corporate philanthropy produced the most positive attitudes toward CSR initiatives among participants in this study.

Table 17.

Post Hoc Comparison for Attitude toward CSR across CSR Treatments

| (I) CSR TYPE | (J) CSR TYPE | Mean Difference (I-J) | Sig. |
|-------------------------|-------------------------|------------------------------|-------------|
| Corporate Philanthropy | Cause Related Marketing | .5079 | .072 |
| | Cause Promotion | .7109* | .014 |
| | Corporate Volunteering | .1902 | .496 |
| | Control Message | .8935* | .002 |
| | Overall Control | 1.0886* | .000 |
| Cause-Related Marketing | Corporate Philanthropy | -.5079 | .072 |
| | Cause Promotion | .2030 | .466 |
| | Corporate Volunteering | -.3177 | .239 |
| | Control Message | .3856 | .171 |
| | Overall Control | .5806* | .033 |
| Cause Promotion | Corporate Philanthropy | -.7109* | .014 |
| | Cause Related Marketing | -.2030 | .466 |
| | Corporate Volunteering | -.5206 | .061 |
| | Control Message | .1826 | .526 |
| | Overall Control | .3777 | .176 |
| Corporate Volunteering | Corporate Philanthropy | -.1902 | .496 |
| | Cause Related Marketing | .3177 | .239 |
| | Cause Promotion | .5206 | .061 |
| | Control Message | .7033* | .013 |
| | Overall Control | .8983* | .001 |
| Control Message | Corporate Philanthropy | -.8935* | .002 |
| | Cause Related Marketing | -.3856 | .171 |
| | Cause Promotion | -.1826 | .526 |
| | Corporate Volunteering | -.7033* | .013 |
| | Overall Control | .1950 | .488 |
| Overall Control | Corporate Philanthropy | -1.0886* | .000 |
| | Cause Related Marketing | -.5806* | .033 |
| | Cause Promotion | -.3777 | .176 |
| | Corporate Volunteering | -.8983* | .001 |
| | Control message | -.1950 | .488 |

*Post hoc comparison used LSD procedure.

In the second two-way ANOVA, the independent variables were CSR initiative treatments and persuasion knowledge, and the dependent variable was attitude toward brand. The results are reported in Table 18.

Table 18.

Interaction Effect of CSR Treatments and Persuasion Knowledge on Attitude toward Brand

| Source | Type III Sum of Squares | df | Mean Square | F | Sig. | Partial Eta Squared |
|---------------------------------------|-------------------------|-----|-------------|----------|------|---------------------|
| Corrected Model | 22.304 ^a | 11 | 2.028 | 1.440 | .160 | .091 |
| Intercept | 3685.976 | 1 | 3685.976 | 2617.889 | .000 | .943 |
| CSR Treatments | 6.814 | 5 | 1.363 | .968 | .439 | .030 |
| Persuasion Knowledge | 9.453 | 1 | 9.453 | 6.714 | .010 | .041 |
| CSR Treatments * Persuasion Knowledge | 4.161 | 5 | .832 | .591 | .707 | .018 |
| Error | 222.463 | 158 | 1.408 | | | |
| Total | 4421.957 | 170 | | | | |
| Corrected Total | 244.767 | 169 | | | | |

The ANOVA test indicated no significant interaction between CSR initiatives and persuasion knowledge, $F(5,158) = .591, p = .707$, partial $\eta^2 = .018$. However, main effect of persuasion knowledge emerged, $F(1,158) = 6.714, p = .010$, partial $\eta^2 = .041$. The persuasion knowledge main effect indicates that people with low-level persuasion knowledge tend to have a more positive attitude toward brand than people with high persuasion knowledge, but this is not the focus of this test. The purpose of this analysis is to determine whether CSR initiatives influence attitude toward brand, as H5(b) posited.

Results indicated that there is no significant difference for attitude toward brand across CSR initiative treatments, $F(5,158) = .968, p = .439$, partial $\eta^2 = .030$. Therefore, H5(b) is not supported.

The mean scores for attitude toward brand for each treatment type are shown in Table 19. Results indicate that the corporate philanthropy treatment ($M=5.442$) produced the highest mean among the six treatments, followed by the corporate volunteering treatment ($M=5.128$), the cause-related marketing treatment ($M=5.003$), and the CSR control treatment ($M=4.936$). The overall control treatment ($M=4.920$) and the cause promotion treatment ($M=4.741$) produced the lowest mean scores among the six treatments. However, no significant difference was found among treatments for attitude toward brand.

Table 19.

Attitude toward Brand Mean Scores for Each CSR Initiative Treatment

| CSR initiatives | Mean | Std. Error | N |
|-------------------------|-------------|-------------------|----------|
| Corporate Philanthropy | 5.442 | .239 | 26 |
| Corporate Volunteering | 5.128 | .219 | 30 |
| Cause Related Marketing | 5.003 | .221 | 30 |
| Control Message | 4.936 | .275 | 27 |
| Overall Control | 4.920 | .236 | 30 |
| Cause Promotion | 4.741 | .250 | 27 |

In addition, the follow-up tests consisted of pairwise comparisons among the six CSR treatment conditions. The LSD post hoc analysis procedure was conducted as shown in Table 20. The results of this analysis indicate that only the corporate philanthropy treatment mean is significantly different from the cause promotion treatment ($p=.050$). Overall, the ANOVA test and post hoc comparison indicate that corporate philanthropy

produced the most positive attitudes toward CSR initiatives among participants in this study.

Table 20.

Post Hoc Comparison for Attitude toward Brand across CSR Treatments

| (I) CSR TYPE | (J) CSR TYPE | Mean Difference (I-J) | Sig. |
|-------------------------|-------------------------|------------------------------|-------------|
| Corporate Philanthropy | Cause Related Marketing | .3787 | .235 |
| | Cause Promotion | .6440* | .050 |
| | Corporate Volunteering | .2245 | .481 |
| | Control Message | .3662 | .263 |
| | Overall Control | .5704 | .075 |
| Cause Related Marketing | Corporate Philanthropy | -.3787 | .235 |
| | Cause Promotion | .2653 | .401 |
| | Corporate Volunteering | -.1542 | .616 |
| | Control Message | -.0125 | .968 |
| | Overall Control | .1917 | .532 |
| Cause Promotion | Corporate Philanthropy | -.6440* | .050 |
| | Cause Related Marketing | -.2653 | .401 |
| | Corporate Volunteering | -.4194 | .185 |
| | Control Message | -.2778 | .391 |
| | Overall Control | -.0736 | .815 |
| Corporate Volunteering | Corporate Philanthropy | -.2245 | .481 |
| | Cause Related Marketing | .1542 | .616 |
| | Cause Promotion | .4194 | .185 |
| | Control Message | .1417 | .653 |
| | Overall Control | .3458 | .261 |
| Control Message | Corporate Philanthropy | -.3662 | .263 |
| | Cause Related Marketing | .0125 | .968 |
| | Cause Promotion | .2778 | .391 |
| | Corporate Volunteering | -.1417 | .653 |
| | Overall Control | .2042 | .518 |
| Overall Control | Corporate Philanthropy | -.5704 | .075 |
| | Cause Related Marketing | -.1917 | .532 |
| | Cause Promotion | .0736 | .815 |
| | Corporate Volunteering | -.3458 | .261 |
| | Control message | -.2042 | .518 |

*Post hoc comparison used LSD procedure.

In the third two-way ANOVA, the independent variables were CSR treatment type and persuasion knowledge, and the dependent variable was purchase intentions. The results are reported in Table 21.

Table 21.

Interaction Effect of CSR Treatments and Persuasion Knowledge on Purchase Intention

| Source | Type III Sum of Squares | Df | Mean Square | F | Sig. | Partial Eta Squared |
|---------------------------------------|-------------------------|-----|-------------|---------|------|---------------------|
| Corrected Model | 43.484 ^a | 11 | 3.953 | .694 | .743 | .044 |
| Intercept | 2663.678 | 1 | 2663.678 | 467.454 | .000 | .740 |
| CSR Treatments | 17.940 | 5 | 3.588 | .630 | .677 | .019 |
| Persuasion Knowledge | 8.118 | 1 | 8.118 | 1.425 | .234 | .009 |
| CSR Treatments * Persuasion Knowledge | 17.066 | 5 | 3.413 | .599 | .701 | .018 |
| Error | 934.515 | 164 | 5.698 | | | |
| Total | 4030.778 | 176 | | | | |
| Corrected Total | 977.999 | 175 | | | | |

The ANOVA indicates no significant interaction between CSR initiatives and persuasion knowledge, $F(5,164) = .599, p = .701$, partial $\eta^2 = .018$. Moreover, there was no significant difference for the main effect of CSR treatment types, $F(5,164) = .630, p = .677$, partial $\eta^2 = .019$, and the main effect of persuasion knowledge $F(1,164) = 1.425, p = .234$, partial $\eta^2 = .009$. Therefore, H5(c) is not supported.

The mean scores of purchase intention for each CSR initiative are shown in Table 22. Results indicate that the corporate philanthropy treatment ($M = 4.785$) produced the highest mean among the six treatments followed by the cause-related marketing

($M=4.610$), corporate volunteering ($M=4.151$), and the cause promotion ($M=4.104$) treatments. The CSR control treatment ($M=3.917$) and the overall control treatment ($M=3.851$) produced the lowest mean scores among the six treatments.

Table 22.

Purchase Intention Mean Scores for Each CSR Initiative Treatment

| CSR initiatives | Mean | Std. Error | N |
|--------------------------|-------------|-------------------|----------|
| Corporate Philanthropy | 4.785 | .476 | 27 |
| Cause- Related Marketing | 4.610 | .440 | 31 |
| Corporate Volunteering | 4.151 | .430 | 32 |
| Cause Promotion | 4.104 | .499 | 28 |
| Control Messages | 3.917 | .553 | 27 |
| Overall Control | 3.851 | .472 | 31 |

Hypothesis 6 posited that the impact of CSR initiatives on (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention will be moderated by the level of persuasion knowledge; however, the results of the three two-way ANOVAs did not provide any support for this hypothesis.

The following chapter discusses the findings of this study. Also, limitations, areas of future research, and implications for future research are provided.

Chapter 5: Discussion

Discussion of the findings

This study attempted to contribute to the current body of knowledge of the effect of corporate social responsibility initiatives. Particularly, this study attempts to find support for the belief that CSR leads to positive attitudes toward a brand and results in increases in a consumer's purchase intention, as posits by the Affect Transfer Hypothesis (ATH). Also, this study uniquely focuses on consumers' persuasion knowledge as having moderating effects on the relationship among CSR initiatives, attitudes toward brand, and purchase intentions.

The first two hypotheses (H1 and H2) tested a positive relationship among CSR initiatives, attitudes toward brand, and purchase intention. The results of H1 suggest that CSR can positively influence attitude toward brand. In addition, the results of H2 confirm that attitudes toward the brand can positively lead to purchase intentions. These results indicate support for the Affect Transfer Hypothesis (ATH), which posits that people will transfer their attitudes toward an advertisement to their attitude toward an advertised brand, and they have a tendency to purchase a product from the brand (Shimp, 1981). In this study, the results demonstrate that consumers transfer what they feel about CSR initiatives to what they feel about the brand; the more positive they feel about the CSR initiatives, the more favorable they feel toward the brand, and the more likely they are to buy its products. These two hypotheses help emphasize the current body of knowledge and support the Affect Transfer Hypothesis (ATH).

This study furthers previous studies by looking at consumers' persuasion knowledge. The Persuasion Knowledge Model (PKM) proposes that if consumers can access an ulterior motive of a company's persuasion, engaging in CSR initiatives in this case, they probably use their persuasion knowledge to cope with the persuasive attempt (Campbell & Kirmani, 2000). Consequently, if consumers perceive a company's profit-motive in engaging with CSR, this might affect their attitudes toward the company or the brand. Based on this model and previous studies about consumers' different responses to different types of CSR initiatives, H3 tested whether different types of CSR initiatives can cause consumers to use different levels of persuasion knowledge. This hypothesis is not supported. There is not enough evidence to say that people use different levels of persuasion knowledge with different types of CSR initiatives.

A possible reason of the results of H3 might be because of the design of the study that exposes each participant to only one type of CSR treatment. Findings might be different if participants are allowed to be exposed to more than one type of CSR treatment. The other possible reason is that persuasion knowledge is a factor that already exists in people's information processing. People develop their persuasion knowledge over their lifetime (Friestad & Wright, 1994). Persuasion knowledge is not easily changed just by reading one message. In addition, persuasion knowledge toward the brand may be qualified by many factors such as individual differences (Boush, Friestad, & Rose, 1994; Friestad & Wright, 1994, 1995; Kirmani & Campbell, 2004), and brand familiarity (Wei, Fischer, & Main, 2008). Therefore, only being exposed to CSR initiative messages might not have a great impact on consumers' persuasion knowledge toward CSR initiatives.

Additionally, cause importance and cause proximity are two important factors that increase consumers' personal relevance, which can affect their elaboration levels (Landreth, 2002). According to Friestad and Wright (1994), persuasion knowledge lies dormant until triggered by a stimulus (CSR messages in this case). Consequently, when participants are exposed to the messages, persuasion knowledge is activated. And the more consumers elaborate the messages, the more likely persuasion knowledge will be ready to be used to form a valid attitude. However, in this study, participants might not see the cause as relevant to them and the donation is not in their community. Thus, they might not devote so much critical thought to the messages, and so this does not trigger any persuasion knowledge toward each initiative. So, differences in the use of persuasion knowledge did not emerge across the six treatments.

Although it cannot be said that people used different levels of their persuasion knowledge in evaluating different CSR initiatives, the hypothesis testing indicates one interesting finding. Participants who are exposed to the corporate volunteering treatment produced significantly lower mean scores from ones who are exposed to non-related CSR messages. This implies that people seem to be more suspicious of the brand itself. However, when the brand engages in CSR initiatives, people tend to have less suspicion toward the brand. The non-related CSR messages have an obvious purpose of selling a product, and this might make people tend to have less favorable feelings toward the brand compared to the CSR messages. Thus, it is important to organizations to communicate with the public about their CSR initiatives in order to retain consumers' positive attitudes.

As for other initiatives, the cause promotion treatment created the most persuasion knowledge among participants, followed by the corporate philanthropy, cause-related

marketing, and corporate volunteering initiatives. This might be because the nature of cause promotion is to promote a cause. People might perceive it as not really providing anything to the community. It is just a company talking about how important a cause is. A company does not really involve or participate as much as the corporate volunteering in which the contribution is based upon employees' involvement. Corporate volunteering has both employees' involvement and the company's contribution. And, this might be the reason that people feel less suspicious toward it than cause promotion.

As Kotler and Lee (2005) state the following:

It seems that anyone can write out a check or provide a space for cause promotional materials in retail stores. But it takes real commitment and caring to give your employees time away from the production lines or for people who have a full-time job to give some of their free time to support a cause. (p. 178)

Although persuasion knowledge did not differ across CSR initiatives, it is interesting to see whether it has any effect on other variables. Hypothesis 4 tested whether persuasion knowledge affects (a) attitude toward the CSR, (b) attitude toward the brand, and (c) purchase intention. If so, the relationship should be negative; the more people are suspicious of CSR initiatives, the less favorably they feel about CSR initiatives, a brand, and purchase intention. Results demonstrate mixed support. Findings indicate that the negative relationship among these three variables emerged; however, it can only be said that consumers' persuasion knowledge influences attitude toward the CSR and attitude toward the brand, but not purchase intention. One possible reason why persuasion knowledge did not influence consumers' purchase intentions is that the brand used in this study is very familiar to consumers, and there is a lot of availability of the

brand to consumers. The brand is easy to recognize and find. So, people tend to buy products from the brand without considering any other factors. Brand familiarity can qualify negative effects of persuasion knowledge activation (Wei, Fischer, & Main, 2008). Consequently, brand familiarity possibly reduces the importance of persuasion knowledge people have toward the brand in this case.

Hypothesis 5 attempted to investigate the influences of CSR initiative types, defined by Kotler and Lee (2005), on (a) attitude toward CSR, (b) attitude toward brand, and (c) purchase intention. The results show that only attitude toward CSR was influenced by CSR initiatives. The specific findings of this study indicate that the corporate philanthropy treatment appears to be the most favorable type of CSR initiative, followed by the corporate volunteering initiative. This suggests that consumers respond differently to different kinds of CSR initiatives. A brand or an organization that shows an altruistic motivation to support a social cause is more favorable than the one that shows profit-motivated support (Barone, Miyazaki, & Taylor, 2000). Congruent with this study, participants feel most favorably toward the corporate philanthropy initiative, and this can be because of the outright giving characteristic of this initiative. Corporate volunteering is the next most favorable one for participants. This might be because the nature of the initiative, which indicates employees' involvement. That is, it is not just giving away things, but employees must take an action contributing to the community. Therefore, it is perceived as one of the most genuine and satisfying forms of corporate social involvement (Kotler & Lee, 2005).

Cause-related marketing and cause promotion do not appear to provide as good a result as corporate philanthropy treatment does. This might be because participants

perceive it as being profit-motivated. A company gets revenues first before it gives the percentage of the revenue to a charity. This type of CSR initiative causes consumer suspicions (Becker-Olsen, Cudmore, & Hill, 2005), so it can reduce consumers' favorability toward the CSR initiative itself. As for cause promotion, consumers might not have a great attitude toward it because it does not show much of how an organization contributes to the community except promoting the cause compared to corporate philanthropy initiative in which most of the time an organization contributes tangible resources (i.e., fund, products) to the community.

Findings indicate that CSR initiatives do not influence attitude toward the brand and purchase intention. These results are congruent with previous studies (Werder, 2008). The argument for the findings goes back to the brand familiarity. That is the organization that was used in this study is a very familiar one. The familiarity may affect the way consumers feel about the brand and how likely they will purchase its products regardless of what types of CSR initiatives the organization is engaging in. Therefore, this study is open to the further research to look at the effect of brand familiarity in this area.

Although there is no support for the attitude toward the brand and purchase intention, the study indicates some important findings. That is, the corporate philanthropy initiative appears to be the most beneficial initiative for a company. The corporate philanthropy initiative produced the highest mean scores among the six treatment conditions. This confirms the importance of corporate outreach to the community. Distributing to the community without any condition can benefit organizations in terms of attitude toward organizations and attitude toward brands. This seems to be congruent

with many previous studies (i.e., Bae & Cameron, 2006, Dean, 2003, 2004; Varadarajan & Menon, 1988) that suggest that corporate philanthropy can be perceived as the most effective CSR type because of its unconditional nature.

Moreover, these findings also indicate the importance of engaging CSR initiatives. Overall, the results show that the mean scores of the control CSR treatment and the overall treatment are the lowest among the six treatment conditions, and that is to say that with the CSR initiatives, regardless of what type they are, an organization can get advantages from them. CSR initiatives still are a good way to strategically provide an organization's positive image to the public. Therefore, it is very important to organizations to keep on engaging in socially responsible activities.

The last hypothesis is a unique and important part of this study. This study does not individually look only at the influence of CSR initiatives and persuasion knowledge, but it extends to investigate those two variables together through the last hypothesis. H6 attempts to discover an interaction effect of these two variables. That is, the hypothesis seeks to investigate whether the level of persuasion knowledge moderates the strength of the relationships among CSR initiatives, attitude toward the CSR, attitude toward the brand, and purchase intention. Unfortunately, the analysis of this hypothesis demonstrates that there was no interaction effect between the two variables. So, there is not enough evidence to conclude that the impact of CSR treatment types on attitude toward the CSR, attitude toward the brand, and purchase intention will be moderated by the level of persuasion knowledge. To illustrate, people do not feel less or more favorably toward the CSR initiative type that they already like or dislike due to the persuasion knowledge they have. Level of persuasion knowledge does not strengthen or weaken the relationship

among CSR initiatives, attitude toward the CSR, attitude toward the brand, and purchase intention. Both CSR initiative types and level of persuasion knowledge are independent from each other.

Although there was no interaction effect between CSR types and level of persuasion knowledge, the results show that there were some main effects found. The first two-way analysis of variance indicates that CSR types and level of persuasion knowledge independently influence attitude toward CSR initiatives. CSR types cause different attitudes toward CSR initiatives. As for level of persuasion knowledge, attitude toward CSR is more positive with a low level of persuasion knowledge group.

Limitations and future research

Some limitations can be found in this study. The first and the most obvious limitation is that this study employs experimental research in which the results cannot be generalized beyond these participants. The results might be different with different settings. Also, playing with attitudes is not easy. Studying individual's attitude is always a challenge for researchers. Either how to create a good, accurate attitude measure or how to accurately interpret all the answers is very difficult. This difficulty still faces all researchers, and they still have to find an effective way, which is not easy. The next limitation is the manipulation for this study. Although it appeared that most of the participants in the manipulation check agreed that each message reflects its definition, the results did not show that there was a significant difference for every message. The ideal manipulation should provide a significant difference both in-group and between group. Another limitation was the use of an existing brand, which may impact the results because

of the familiarity of the brand. It is somewhat easy for respondents to answer neutral on every question, and this situation might affect the results of the study.

Based on the study and the limitations, some opportunities for future research in this area could be developed. It might be interesting to change the study design to survey research with a different set of participants that might produce different results, since it can provide more generalizable results than experimental research. Moreover, it would be interesting to investigate how different groups of people react to CSR initiatives or which types of CSR initiatives are suitable for a particular group of people. In other words, persuasion knowledge can be qualified by age, gender, level of education, or even ethnicity. So, it would be interesting to investigate the level of persuasion knowledge with all of these demographic variables and conduct further research to see which type of CSR is most effective with particular groups. This can be very helpful to scholars of strategic communication and communication professionals in being able to effectively choose the right type of CSR initiative for the right group of people.

The manipulation check can be approached in a different way to obtain more rigorous results. In this study, CSR messages were placed at the top of the page, followed by each definition; a different approach is to put each definition first, followed by the messages. The latter method seems to be congruent with current teaching practice and may provide better results.

In addition, a limitation may exist in that a familiar brand was used in this study, which can have an effect on the results. Thus, future research should consider conducting an experimental study using a fictional brand. Results will probably be different because

participants have never known the brand before. So, this way can limit the possibility of brand familiarity effect.

Implications

As mass communication practitioners, understanding how corporate social responsibility (CSR) affects an organization and how consumers react to it are important because an important aspect of mass communication practitioners' jobs is to build effective communication with the public. Regardless of which type of corporate social responsibility (CSR) is appropriate to use, this study shows that corporate social responsibility can be used to benefit an organization. Corporate social responsibility can be used as a tool for an organization to communicate its good images to the public. Corporate social responsibility initiatives can still be a good strategy to make people have more positive attitudes toward an organization, as well as tend to purchase more products from the organization. Consequently, it is very important for an organization to communicate its CSR activities to the public.

Specifically, the study suggests that the most effective CSR initiative is corporate philanthropy because, overall, it produced the most favorable attitudes among participants. Results enable evidence-based recommendations to be made to practitioners and organizations that the outright giving seems to be effective. Corporate volunteering appears to be the next effective initiative, especially when it comes to consumers' persuasion knowledge. Therefore, an organization should consider using these two types of initiatives together. As corporate volunteering is noteworthy in that it integrates employees' effort into existing corporate social initiatives (Kotler & Lee, 2005), an

organization might consider using corporate volunteering to support existing corporate philanthropic initiative in order to overcome consumers' suspicions.

In addition, when it comes to consumers' persuasion knowledge, this factor seems to be difficult to change because it already exists in people. In addition, persuasion knowledge depends on many factors (like education, age, even gender), so simply seeing different types of CSR messages is not enough to easily change people's level of suspicions. Consequently, the most reasonable way for an organization to benefit from using CSR initiatives might be to keep up with, engage in, and communicate CSR initiatives to the public. The long-term contribution to a cause may help consumers see an organization's sincere motivation and have good attitudes toward it. Moreover, "A long-term commitment would engender mutual trust between the organizations, allow managers to formulate a long-term strategy for promotional efforts, and facilitate the planning and coordination of events with the nonprofit" (Dean, 2003, 2004, p. 101). However, it is important to keep in mind that these results might not be able to be inferred in every situation. Different factors might have to be considered when it comes to a different setting.

Not only does this study provide support for previous studies, it also extends the Persuasion Knowledge Model (PKM) into the area of CSR effects. In other words, the research on PKM has been limited to the area of marketing and sales (Wei, Fischer, & Main, 2008). So, this study helps extend the use of the model.

Since the area of the effects of corporate social responsibility has become very popular, and many academics and scholars in the strategic communication field across the country have paid attention to it, this study helps contribute more understanding to the

area. This study not only provides more support for the current body of knowledge in corporate social responsibility, but it also attempts to extend the body of knowledge, which can be practically helpful. Also, this study provides an opportunity for future research that can help build insight and knowledge in the field of strategic communications, which will also be beneficial for the pedagogy of strategic communications and future strategic communication practitioners.

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Appendices

Appendix A
Treatments

Cause Promotion

More than 1 billion people around the world lack clean, safe drinking water; and more than 2.6 billions lack adequate sanitation services. This problem affects children most and is becoming the most significant public health issue of our time. Starbucks Foundation, in partnership with Ethos Water and other organizations, is working to increase awareness of the world water crisis. Starbucks provides in-store messages about the world water crisis in order to educate employees and customers about how they can help solve the problem. Additionally, Starbucks is a major sponsor of and contributor to 2007 World Water Day. We encourage our employees and customers to participate in this important social change.



Cause- Related Marketing

Starbucks is the primary distributor of Ethos™ bottled water. For each bottle of Ethos water purchased in the United States, 5¢ is donated to the Starbucks Foundation Ethos Water Fund. For each bottle purchased in Starbucks stores in Canada, 10¢ is donated to The Starbucks Foundation Ethos Water Fund. Our goal is to donate \$10 million by January 2010 to non-profit organizations working to solve the world water crisis. In addition, we have announced grants of more than \$4.2 million, which will benefit over 370,000 people in Ethiopia, India, Indonesia and Kenya.



Corporate Philanthropy

Starbucks is a direct contributor to WaterAid in Madhya Pradesh, India, where millions of residents struggle daily with the consequences of a poor water supply and lack of water sanitation. In 2007, WaterAid embarked on a three-year plan to bring water and sanitation to 80 rural villages and 40 urban slums, where an estimated 120,000 people will benefit. Supported by a grant of \$1 million from Starbucks, WaterAid will teach the most impoverished and vulnerable communities how to advocate for their water need, and will work with the community and government representatives to plan and construct integrated water, sanitation and hygiene initiatives. In addition, Starbucks donates water sanitation machines to Madhya Pradesh.



Corporate Volunteering

The volunteer program Make Your Mark (MYM), started 7 years ago, brings Starbucks employees and customers together to work on projects that directly affect their communities. Starbucks donates \$10 to fund MYM projects for every hour volunteered by our employees and customers – up to \$1,000 per project. Starbucks employees and customers took part in 2007 World Water Day events such as Walk for Water in 26 cities in the U.S. and Canada. The Walk for Water raises awareness about the daily struggle people in developing countries to obtain access to safe, clean drinking water. Nearly 11,000 Starbucks partners volunteered to participate in last year's World Water Day event.



Control for CSR Initiative Type

Thanksgiving Blend Starbucks and 2008 Bon Appétit Restaurateur of the Year Tom Douglas present Starbucks® Thanksgiving Blend. Specially blended for the sweet and savory foods shared around the holiday table – from herbal sage-rubbed turkey to spicy pumpkin pie. Geography is a flavor Fancy beans from Guatemala that adds subtle spice, cocoa notes and a light sparkle that complement full-bodied beans from Sumatra with their hint of fine herbs. Try it with the richness of autumn.



Appendix B
Questionnaire

Dear Participants,

This research investigates organizational communication about corporate social responsibility initiatives. Please read the informed consent statement below.

Informed consent statement: This research is being conducted under the supervision of Dr. Kelly Page Werder, USF School of Mass Communications, 4202 East Fowler Ave, CIS1040, Tampa, FL 33620; (813) 974-6790. Your responses will remain confidential to the extent provided by law. You do not have to answer any questions you do not wish to answer, and you have the right to withdraw consent at any time without consequence. There are no anticipated risks associated with your participation in this research and you will receive no compensation for your participation. If you decide not to participate in this study, your course grade will not be affected in any way. If you have any questions concerning the procedures used in this study, you may contact me at the e-mail address dchaisur@mail.usf.edu. Questions or concerns about your rights as a participant can be directed to the University of South Florida Institutional Review Board, 12901 Bruce B. Downs Blvd., MDC35, Tampa, FL 33612.

This questionnaire attempts to determine consumer attitudes. Please spend a few minutes reviewing the attached print advertisement on the next page. After reviewing, answer the following questions to the best of your ability. Responses will remain anonymous. Thank you in advance for your time and effort.

Please rate your level of agreement with the following statements about Starbucks Coffee Company by circling the number on the scale below that best describes your opinion. Please be sure to answer all items, and only circle one number on a single scale.

Attitudes toward CSR initiatives:

I think Starbucks CSR initiatives are...

Bad _____ Good

Unfavorable _____ Favorable

Not impressive _____ Impressive

Not beneficial _____ Beneficial

Negative _____ Positive

Unimportant _____ Important

Implausible _____ Plausible

Attitudes toward brand:

I see Starbucks as...

Unfavorable _____ Favorable

Negative _____ Positive

Poor-quality _____ High-quality

Unappealing _____ Appealing

Unsatisfactory _____ Satisfactory

Purchase intentions:

I intend to drink Starbucks coffee in the next month.

Unlikely _____ Likely

I intend to buy more products from Starbucks.

Unlikely _____:_____:_____:_____:_____:_____ Likely

I intend to purchase a beverage or other product from Starbucks during the next month.

Unlikely _____:_____:_____:_____:_____:_____ Likely

Persuasion Knowledge:

I believe that Starbucks use CSR just for the profits.

Strongly Disagree _____:_____:_____:_____:_____:_____ Strongly Agree

I believe Starbucks really concerns about the cause.

Strongly Disagree _____:_____:_____:_____:_____:_____ Strongly Agree

I think some of Starbucks claims about its CSR are inflated to make it seem better than it

is. Strongly Disagree _____:_____:_____:_____:_____:_____ Strongly Agree

I am suspicious of Starbucks motives regarding social responsibility

Strongly Disagree _____:_____:_____:_____:_____:_____ Strongly Agree

I believe that Starbucks has an ulterior motive.

Strongly Disagree _____:_____:_____:_____:_____:_____ Strongly Agree

I believe that the Starbucks CSR initiatives can possibly be manipulative.

Strongly Disagree _____:_____:_____:_____:_____:_____ Strongly Agree

Demographic variables

Sex

_____ Male _____ Female

Age _____

Academic Level:

_____ Freshmen

_____ Sophomore

_____ Junior

_____ Senior

Ethnicity:

_____ Caucasian

_____ African-American

_____ Hispanic

_____ Asian

_____ Other _____