

Understanding the Effect of Corporate Social Responsibility on Consumer Purchase Intention

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Modern corporate social responsibility (CSR) has many names, such as corporate citizenship, corporate philanthropy, corporate giving, corporate community involvement, community relations, community affairs, community development, corporate responsibility, global citizenship and corporate social marketing. Likewise, the definition of CSR changes from researcher to researcher. For example, CSR can be generally defined as the organization incurring responsibilities to society beyond profit maximization. (Pava and Krausz 1995, 1) A more specific definition of CSR is offered by Business for Social Responsibility: "operating a business in a manner that meets or exceeds the ethical, legal, commercial, and public expectations that society has of business" (Kotler and Lee 2005, 3).

LITERATURE REVIEW

Purchase intention can most readily be understood as the likelihood that a consumer intends to purchase a product. The concept of purchase intention is rooted in psychological and behavioral studies; therefore, the theory of reasoned action works well for identifying and understanding associations between CSR and purchase intentions for this study. Armitage and Christian (2004) explained that the theory of reasoned action holds that "behavior is solely dependent on personal agency (i.e., the formation of an intention), and that control over behavior (e.g., personal resources or environmental determinants of behavior) is relatively unimportant" (p. 6). In other words, the theory of reasoned action was designed to deal with relatively simple behaviors in which the prediction of behavior required only the formation of an intention.

Although the core of CSR is concerned with responsibilities beyond profit maximization, the relationship between an organization's involvement in socially responsible practices and its effects on the financial performance of organizations have yet to be conclusively determined. It is important to recognize the relationship between consumers' purchase intentions and organizations' involvement in socially responsible programs because often CSR is dismissed as merely another public relations tool. However, understanding the underlying reasons consumers make purchases in relation to CSR would contribute to the understanding of CSR as a strategic management function overall. Furthermore, the literature addressing CSR in relation to an organization's financial performance is conflicting; however, the majority of literature recognizes that a positive association exists between CSR and organizations' financial performance. Auger et al. (2007) posited that, "The literature on the importance of social product attributes is much less developed than the branding literature. Most research, both commercial and academic, on the importance of these attributes suggests that a growing number of consumers are taking ethical and social issues into account when purchasing products" (p. 2). To put this in numbers form, Harrison (2003) found that, "By 1996, 67 percent

of adults were claiming to consider a company's ethical stance when buying a product and 55 percent would not deal with a company if they disliked its ethics" (p. 129). More importantly, however, Harrison (2003) cited that in 2001, 80 percent of consumers surveyed in the UK believed that companies should attach at least as much importance to social responsibility as profitability when making business decisions. (p. 129) Despite evidence that consumers appear to feel so strongly about organizational involvement in socially responsible programs, Abouzeid and Weaver (1978) determined that social responsibility was not a dominant goal in any of the 220 companies they studied.

Therefore, this study sought to go straight to the source of an organization's financial performance, the consumer. Most indicative of the need for this study, Thompson (1995) stated that, "...knowledge about marketing ethics has increased substantially over the last several years, in large part because of the many empirical studies that have been conducted. However, the majority of this research has analyzed the ethical judgments of marketing professionals—consumers' considerations of ethical issues has been neglected" (Creyer and Ross 1997, 422).

Much of the research regarding CSR has focused on the financial aspects of the topic. McGuire et al. (1988) offered an excellent overview of the dilemma encountered when examining the relationship between CSR and financial performance: "One view is that firms face a trade-off between social responsibility and their financial performance. Those holding this view propose that firms incur costs from socially responsible actions that put them at an economic disadvantage compared to other, less responsible firms" (p.854). Thus, many organizations see involvement in socially responsible activities as a negative association.

Contrary to this viewpoint, McGuire et al. suggested the alternative view that the cost of CSR is minimal and that firms may actually benefit. Likewise, in interviews with corporate executives, Holmes (1976) found that, "A significant change in executive opinions and corporate philosophies of social responsibility has occurred over the past five-year period. Executives anticipated more positive than negative outcomes from the social efforts of their firms, and almost all executives believed that corporate reputation and goodwill would be enhanced through social endeavors" (p. 40). Therefore, CSR and financial performance was viewed by many organizations as having a positive association.

A third and final perspective suggested by McGuire et al. stated that no association could be seen between CSR and financial performance or "that the costs of socially responsible actions are significant but are offset by a reduction in other firm costs" (854). The relationship between CSR and financial performance is controversial; however, the majority of research and studies have revealed a positive association between CSR and financial performance. For example, Pava and Krausz (1995) analyzed 21 noteworthy studies related to CSR and financial performance. Their results indicated that of the 21 studies analyzed, the majority revealed a positive association, and more studies revealed that no association existed than that a negative association existed.

Bragdon and Marlin (1975) conducted one of the earliest studies of CSR as it relates to financial performance studies. The researchers used measures of financial accounting in

comparison to levels of pollution to show that lower levels of pollution had a positive association with better financial performance. Belkaoui (1976) also used pollution as a CSR topic of choice to show that stock returns were higher for firms that disclosed pollution control information in annual reports than for a control sample. In addition, Cotrill (1990) used *Fortune* magazine's annual survey of corporate reputations in comparison to market share. Cotrill concluded a positive association existed between CSR and market share. Roberts (1992) tested the stakeholder theory (McGuire et al., 1988) explained that, "Stakeholder theory suggests that a firm must satisfy not only stockholders and bondholders, but also those with less explicit, or implicit, claims" (p.854) using financial accounting measures to conclude, once again, that a positive association existed between CSR and financial performance. Finally, Cochran and Wood (1984) used accounting data across five years and compared it to three categories of socially responsible corporations (best, honorable mention, and worst) identified by Moskowitz (1975). Cochran and Wood concluded that with operating earnings/sales as the financial performance measure, firms with "best" rankings outperformed "honorable mention" firms, which, in turn, outperformed "worst" ranked firms. Therefore, a positive association between CSR and financial performance was recognized.

However, research and studies on the association between CSR and financial performance have not always revealed a positive association, and it is important to address some prominent studies that have concluded that the relationship between CSR and financial performance has been identified as negative or nonexistent. Vance (1975) used Moskowitz's (1975) social responsibility index in comparison to a percentage change in stock prices. He concluded that a negative association existed between CSR and financial performance.

While the majority of studies in CSR and financial performance have indicated a positive association, the literature clearly lacks an examination of purchase intentions in relation to CSR. It is important to recognize the relationship between consumers' purchase intentions and organizations' involvement in socially responsible programs in order to both fill this gap in the literature and position CSR activities as a strategic management function of public relations.

In order to predict the importance CSR plays in consumer's purchase intentions, it is necessary to review the relevant research studies in behavioral theory. The present study is foundationally based on Ajzen and Fishbein's (1980) theory of reasoned action; however, the theory is complex and controversial. Therefore, it is important to specifically address attitudes as they are capable of predicting behavior through the theory of reasoned action.

Derived from Fishbein's extension of Dulaney's theory of propositional control (1967), researcher Martin Fishbein introduced the theory of reasoned action in 1967 (See Dulaney 1967 and Fishbein 1967). Originally termed the Fishbein model, the theory of reasoned action is based on the assumption that human beings are usually quite rational and make systematic use of information available to them with the ultimate goal being the prediction and understanding of behavior. The theory is founded on the idea that the influence of attitude on behavior is mediated through behavioral intentions, and that behavioral intention is a function of two basic determinants: attitude toward the behavior and subjective norms. A person's attitude toward a behavior is basically the individual's positive or negative evaluation toward

performing the behavior, and subjective norms are the individual's perception of the social pressures from relevant referents to perform (or not perform) the behavior.

Ajzen and Fishbein (1980) posit that a person's beliefs underlie a person's attitudes. Ajzen and Fishbein add that, "Although a person may hold a large number of beliefs about any given object, it appears that he can attend to only a relatively small number of beliefs—perhaps five to nine—at any given moment. According to our theory, these salient beliefs are the immediate determinants of the person's attitude" (63).

Therefore, according to the theory of reasoned action, the first step in predicting behavior is elicitation of salient beliefs, and because elicitation usually produces sets of beliefs that differ from respondent to respondent, Ajzen and Fishbein (1980) recommend eliciting beliefs from a representative sample of the population and selecting the most frequently elicited beliefs to create a modal set for the population, termed "modal behavioral beliefs." Next, the strength of beliefs is measured through weighting. For example, respondents are asked to indicate the likelihood that performing the behavior will result in a given outcome. According to the theory of reasoned action "a person's attitude toward a behavior can be predicted by multiplying their evaluation of each of the behavior's consequences by the strength of their belief that performing the behavior will lead to that consequence and then summing the products for the total set of beliefs" (Ajzen and Fishbein 1980, 67).

Subjective norms, which beliefs are also considered to underlie, must also be measured in order to predict behavior. Ajzen and Fishbein (1980) recommend assessing not only a person's normative beliefs (a person's belief that a specific referent thinks he should or should not perform a behavior) but also, the person's motivation to comply with each of his or her referents or the weight of those referents.

Finally, Ajzen and Fishbein (1980) state, "We have argued that with the aid of appropriate elicitation and measurement procedures, it is possible to predict a person's attitude toward a behavior from a weighted sum of his or her beliefs about performing the behavior and to predict his or her subjective norm from a weighted sum of his normative beliefs. Since attitude toward a behavior and subjective norm are the determinants of intention, it should theoretically be possible to predict intention directly from the two sets of beliefs" (76). However, in order to predict behavior, Ajzen and Fishbein (1980) argue that certain conditions must be met: the set of behavioral beliefs must predict the attitude toward the behavior, the set of normative beliefs are predictive of the subjective norm and the attitude toward the behavior and subjective norm must be shown to predict the intention. (76)

Additionally, Ajzen and Fishbein (1980) contend that in order for behaviors to be predicted using the theory of reasoned action, each component above must correlate specifically in terms of target, context, time and action. For example, "an individual's attitude toward exercising (action), to get fit (target) in the gym (context) in the next week (time) should be more closely related to a measure of behavior designed to tap exercising to get fit in the gym in the preceding week, than (say) an index of fitness" (Armitage and Christian 2004, 3).

Since the theory's conception in 1967, many researchers have found that it has adequate predictive utility. Bagozzi (1981) concluded that behaviors under an individual's complete volitional control showed that attitude influences behavior only through its impact on intentions, as described by Ajzen and Fishbein's (1980) theory of reasoned action.

Like Bagozzi (1981), Burnkrant and Page (1982) assessed the determinants of the intention to donate blood. Based on Bagozzi's (1981) findings, Burnkrant and Page assumed that intention would fully mediate intention, resulting in behavior. Burnkrant and Page concluded that, "Our results provide strong support for the validity of a two-component (i.e. attitudinal and normative) conceptualization of the determinants of behavioral intention" (560). Moreover, Schlegel et al. (1977) extended the generalizability of the theory of reasoned action through measuring alcohol drinking by adolescents. Schlegel et al. concluded that their research had shown the theory of reasoned action to be sufficiently strong and "compared favorably with results obtained from applications of the [theory] to other behaviors" (428).

Davidson and Jaccard (1975) tested the theory of reasoned action using phone interviews of women on the topic of family planning. The researchers attempted to show the predictivity and generalizability of the theory. Davidson and Jaccard concluded that, to the degree that attitudinal and normative components predict behavioral intention, the theory provides highly active predictions of family planning intentions. (1077)

Possibly, the most overwhelming evidence of the theory's predictive utility is Sheppard et al. (1988). Sheppard et al. (1988) conducted two meta-analyses of past studies utilizing the Ajzen and Fishbein model. Sheppard et al. (1988) found that,

"Based on the data [...], a frequency-weighted average correlation for the intention-behavior relationship was .53. This correlation is based on 87 separate studies with a total sample of 11,566 and is significant at the 0.01 level. Based on the data [...], a frequency-weighted average correlation for the attitude-subjective norm-intention relationship was .66. This correlation is based on 87 separate studies with a total sample of 12,624 and is significant at the 0.001 level. These results provide strong support for the overall predictive utility of the Fishbein and Ajzen model" (336).

Ryan and Bonfield (1975) found that across the relevant literature, the average correlation between behavioral intention and behavior was .44. (125) Moreover, it is important to note, as Ryan and Bonfield (1975) have, that much of the marketing research based on the theory of reasoned action has not actually measured behavior, rather much of the research, both positive and negative, has measured the relationship between variables in the theory of reasoned action.

Wilson et al. (1975) concluded that the theory of reasoned action can be applied in a marketing context, and that attitude toward action (as suggested by the theory of reasoned action) predicted behavioral intention better than other models. Additionally, it was argued that attitude toward action has considerably greater predictive power in purchase situations where barriers exist to purchase (e.g. financial, status effects, time etc.), (47). Tuck (1973) used the

theory of reasoned action to show correlation across different user groups of a specific brand of bedtime drink, Horlicks. Tuck (1973) found that when the total sample was considered, the correlation was .74, and all correlations were significant at over the .005 level. (347) Tuck added, "Predictions of behavior will be improved (in my experience and that of other users of the model) by the measurement of normative beliefs according to the [theory of reasoned action]" (347).

Ryan and Bonfield (1980) used questionnaires and interviews of prospective loan customers at a credit union to study the theory of reasoned action as it resulted in behavior (loan application).

Several researchers have concluded that the theory requires revision in order to increase accuracy, and this is important to note. Most of this research focuses on alteration of one or more of the theory's components. Sheppard et al. (1988) explains that the theory, although it is frequently applied in these situations, is not applicable to situations in which "(1) the target behavior is not completely under the subjects' complete volitional control, (2) the situation involves a choice problem not explicitly addressed by Fishbein and Ajzen and/or (3) subjects' intentions are assessed when it is impossible for them to have all of the necessary information to form a completely confident intention" (325).

It is important to note that the theory was later revised to include behaviors that may not be under the individual's complete volitional control (the Theory of Planned Behavior); however, for the purposes of this study, it was assumed that purchase intentions are completely under the consumer's volitional control.

Because the majority of research indicated a positive association between financial performance and CSR, this perspective will be the basis for determining the relationship between CSR and purchase intention. Therefore, this research assumes the relationship between financial performance and purchase intention to be similar. Furthermore, assuming that intent implied behavior, the theory of reasoned action worked well for predicting associations about attitudes of consumers in regards to CSR and purchase intention for this study. In addition, it was interesting to research consumers' awareness of organizational involvement in socially responsible practices on a basic level.

H1: A positive association exists between an organization's involvement in CSR programs and consumers' purchase intention. Thus, consumers are more likely to purchase an organization's product if that organization is involved in socially responsible practices.

RQ1: Are consumers aware of specific organizational involvement in socially responsible practices?

RQ2: Are consumers aware of a lack of specific organizational involvement in socially responsible practices?

METHOD

This study followed the established guidelines of Ajzen and Fishbein's (1980) theory of reasoned action in order to answer the proposed hypothesis. After assessing consumers' salient beliefs and forming a modal set of behavioral beliefs for this study, consumers were initially asked to explain what CSR means to them. Next, consumers were asked a series of questions based on the predetermined salient beliefs to determine the level of importance that CSR plays in their purchase decisions. Finally, respondents were asked to indicate which organizations they deemed to be doing an effective and ineffective job with CSR activities. These answers were compared with *Fortune* magazine's 2007 top and bottom ranked socially responsible companies.

Participants

Participants were general consumers from a variety of backgrounds, ages, ethnicities, education and income levels or representative of U.S. consumers in the Midwest region.

Procedures

Thirteen intercept interviews were initially conducted at a popular Midwest business. These interviews lasted approximately 20 minutes and were used to collect qualitative data and to establish parameters for the survey instrument. A total of 287 surveys (N=2,000, response rate 14%) were collected through an online instrument using a midsized Midwest university webmail listserve.

Interview participants were asked to respond to general questions about corporate social responsibility, including their views of CSR and to what degree CSR was effective or ineffective. Survey participants were asked indicate advantages and disadvantages of CSR (see Table 1), and then to rate the value of those efforts.

RESULTS

Results of this study were encouraging in regards to the indication of a positive relationship between corporate social responsibility and consumer purchase intention. Also, comparisons between Fortune data and this study's data had moderately positive results.

Demographics

Of the 287 responses, the majority (37.6 percent) of respondents indicated that they were between the ages of 18 and 25 (n=108). Fifty-eight respondents (20.2 percent) indicated that they were between the ages of 26 and 35, 33 respondents (11.5 percent) indicated that they were between the ages of 36 and 45, 46 respondents (16 percent) indicated that they were between the ages of 46 and 55 and 41 respondents (14.3 percent) indicated that they were 56 or older. Also, the majority (62.9 percent) of respondents indicated that they were female (n=180), and 106 respondents (37.1 percent) indicated that they were male.

Respondents were also asked to indicate marital status and if they had any children. In regards to marital status, similar amounts of respondents indicated single (n=135) and married

(n=137), 47.4 percent and 48.1 percent, respectively. Only 12 respondents (4.2 percent) indicated that they were divorced, and one respondent (0.4 percent) indicated that they were widowed. Also, in regards to children, 59.4 percent of respondents (n=170) indicated that they did not have any children, and 40.5 percent (n=116) indicated that they had between one and five or more children.

The highest level of education completed and annual household income of respondents was also assessed. The majority of respondents (47.4 percent) indicated that they had completed a graduate degree or higher (n=135). Ten respondents (3.5 percent) indicated that high school was the highest level of education they had completed, 59 respondents (20.7 percent) indicated that some college was the highest level of education completed, eight respondents (2.8 percent) indicated that an associate’s or professional degree was the highest level of education they had completed, and 73 respondents (25.6 percent) indicated that the highest level of education they had completed was a bachelor’s degree. Also, in regards to annual household income, similar amounts of respondents indicated an annual household income of less than \$25,000 (n=92) and an annual household income of more than \$75,000 (n=90), 33.5 percent and 32.7 percent, respectively. Fifty-one respondents (18.5 percent) indicated an annual household income of between \$25,000 and \$50,000, and 42 respondents (15.3 percent) indicated an annual household income of between \$51,000 and \$75,000.

Finally, respondents were asked if they identified with a political party, to indicate which one. The majority of respondents (n=118 or 41.3 percent) indicated that they identified with the Democratic Party. Fifty-two respondents (18.2 percent) indicated that they identified with the Republican Party, 27 respondents (9.4 percent) indicated that they identified with the Independent Party, 14 respondents (4.9 percent) indicated that they identified with an other party, and 36 respondents (12.6 percent) indicated that they identified with no or “none” party. Thirty-nine respondents (13.6 percent) chose “not to answer this question.”

Hypothesis

Study participants were asked to select from a set of advantages and disadvantages. They were asked to select all that apply to the advantages and disadvantages of purchasing products from socially responsible businesses in the next six months. The resulting beliefs and the frequencies of these beliefs can be seen in Table 1.

| No. | Buying from socially responsible businesses... | Percent | Frequency |
|------------|---|----------------|------------------|
| 1. | Helps the community (advantage) | 89.2% | 256 |
| 2. | Helps the environment (advantage) | 85.7% | 246 |
| 3. | Helps with human/workers’ rights (advantage) | 73.2% | 210 |
| 4. | Higher prices for consumers (disadvantage) | 64.8% | 186 |
| 5. | Helps decrease poverty (advantage) | 53% | 152 |
| 6. | Helps with health care (advantage) | 40.8% | 117 |
| 7. | Higher costs for businesses (disadvantage) | 38.3% | 110 |
| 8. | Helps prevent crime (advantage) | 27.9% | 80 |
| 9. | Supports causes I don’t believe in (disadvantage) | 22.3% | 64 |
| 10. | None (disadvantage) | 17.4% | 50 |

| | | | |
|---------------|---|-------|--------------|
| 11. | Wastes time, money and/or energy (disadvantage) | 15.3% | 44 |
| 12. | Does not help me (disadvantage) | 10.8% | 31 |
| 13. | Other advantage | 10.5% | 30 |
| 14. | Other disadvantage | 6.3% | 18 |
| 15. | None (advantage) | 3.5% | 10 |
| TOTAL: | | | 1,604 |

Ajzen and Fishbein (1980) recommend using the least arbitrary decision rule by choosing as many beliefs as necessary to account for a certain percentage, typically 75 percent. The strength of each belief was then measured by the assessment of salient belief strengths gathered through an initial interview process. However, only four of the belief strengths (helps the environment, helps with human/workers' rights, helps the community and higher prices for consumers) were predicted from those ascertained through the initial interviews because the majority of survey participants selected "unsure/none" for the remaining outcome evaluations, which results in the product of the belief strength and the outcome evaluation being "neutral" or zero. The initial interview results showed that each of the four aforementioned belief strengths can be predicted to be *moderate*.

Outcome evaluations were assessed by participants responses to the question "how good/bad are socially responsible businesses at the advantages/disadvantages you selected?" Participants selected from the following: extremely good (3), quite good (2), slightly good (1), unsure (0), slightly bad (-1), quite bad (-2), extremely bad (-3). Table 2 adds the outcome evaluations and belief strengths and takes the product of each outcome evaluation and its belief strength in order to predict attitudes.

| No. | Buying from socially responsible businesses... | Outcome Evaluations | Belief Strength | Product |
|---------------|---|---------------------|-----------------|-----------|
| 1. | Helps the community (advantage) | +2 | 2 | 4 |
| 2. | Helps the environment (advantage) | +2 | 2 | 4 |
| 3. | Helps with human/workers' rights (advantage) | +2 | 2 | 4 |
| 4. | Higher prices for consumers (disadvantage) | -1 | 2 | -2 |
| 5. | Helps decrease poverty (advantage) | 0 | 0 | 0 |
| 6. | Helps with health care (advantage) | 0 | 0 | 0 |
| 7. | Higher costs for businesses (disadvantage) | 0 | 0 | 0 |
| 8. | Helps prevent crime (advantage) | 0 | 0 | 0 |
| 9. | Supports causes I don't believe in (disadvantage) | 0 | 0 | 0 |
| TOTAL: | | | | 10 |

Results indicate that participants have a moderately positive attitude (+10) toward purchasing products from socially responsible businesses.

The next step in Ajzen and Fishbein's (1980) theory of reasoned action involves determining subjective norms or beliefs that important others (referents) think that participants should or

should not perform the behavior in question (in this case, purchasing products from socially responsible businesses in the next 6 months). Table 3 (below) displays the results of participants' identification of specific referents who believe they should or should not purchase products from socially responsible businesses.

| Table 3: Identification of Appropriate Referents | | | |
|---|------------------------|----------------|------------------|
| Identification of Appropriate Referents | | | |
| No. | Referents | Percent | Frequency |
| 1. | Friends | 55.1% | 158 |
| 2. | Family | 50.9% | 146 |
| 3. | Spouse | 32.8% | 94 |
| 4. | Church | 28.9% | 83 |
| 5. | Community members | 28.2% | 81 |
| 6. | Co-workers | 22.3% | 64 |
| 7. | Employer | 22% | 63 |
| 8. | Union | 12.5% | 36 |
| 9. | Other group/individual | 7% | 20 |

In order to determine the subjective norm, participants were then asked to indicate their normative beliefs and motivation to comply with these referents. Other group or individual responses included: teachers, students, universities, advocacy groups, nonprofit organizations, businesses, myself and the U.S. government.

Normative beliefs were assessed by asking participants to indicate how much the referents they had selected think they should or should not purchase products from socially responsible businesses. Participants selected from the following scale: Should (3), (2), (1), (0), (-1), (-2), (-3) Should Not.

Motivation to comply was assessed by asking participants, in general, how much they want to do what the referents they selected think they should do. Participants selected from the following scale: not at all (0), slightly (1), moderately (2), strongly (3).

Using the referents identified (Table 3), modal normative beliefs and motivation to comply were assessed, and each referent's modal normative beliefs were multiplied by the motivations to comply. The results of each referent's product were then added. Table 4 shows the results of the subjective norm.

| Referents | Normative Belief | Motivation to Comply | Product |
|---------------------------|------------------|----------------------|-----------|
| 1. Friends | +3 | 2 | 6 |
| 2. Family | +3 | 2 | 6 |
| 3. Spouse | +3 | 3 | 9 |
| 4. Church | +3 | 0 | 0 |
| 5. Community members | 0 | 2 | 0 |
| 6. Co-workers | 0 | 1 | 0 |
| 7. Employer | 0 | 1 | 0 |
| 8. Union | 0 | 0 | 0 |
| 9. Other group/individual | 0 | 0 | 0 |
| TOTAL: | | | 21 |

Participants have a highly positive (+21) subjective norm, or most of their important referents think they should purchase products from socially responsible businesses.

When combined, the products of the attitude (Table 2) and subjective norm (Table 4), indicate the overall intention toward the behavior (purchasing products from socially responsible businesses in the next 6 months).

Therefore, the attitude (10) is *moderately* positive, and the subjective norm (21) is *highly* positive. The average shows a positive intention toward the behavior. In so much, the high products and average of these variables show that a positive relationship exists between corporate social responsibility and consumer purchase intention. Therefore, the hypothesis is confirmed: Consumers are more likely to purchase products if the company that produces them is perceived to be socially responsible.

Additionally, demographic comparisons were established. The results of those comparisons among populations and with overall results are presented in the following table (5).

| | Product 1 (Attitude) | Product 2 (Subjective Norm) | Average (Products 1 & 2) | Difference (15.5) Overall |
|-------------|----------------------|-----------------------------|--------------------------|---------------------------|
| Overall | 10 | 21 | 15.5 | 0 |
| Male | 9 | 19 | 14 | -1.5 |
| Female | 10 | 32 | 21 | +5.5 |
| Single | 10 | 12 | 11 | -4.5 |
| Married | 14 | 15 | 14.5 | -1 |
| <\$25,000 | 10 | 24 | 17 | +1.5 |
| \$25-50,000 | 8 | 22.5 | 15.3 | -0.2 |
| \$51-75,000 | 4 | 24.5 | 14.3 | -1.2 |
| >\$75,000 | 12 | 21 | 16.5 | +1 |

| | | | | |
|------------------------------------|----|------|------|-------|
| High School | 8 | 51 | 29.5 | +14 |
| Some College | 12 | 14 | 13 | -2.5 |
| Associate's or Professional Degree | 11 | 39.3 | 25.2 | +9.7 |
| Bachelor's Degree | 8 | 10 | 9 | -6.5 |
| Graduate or higher | 8 | 39 | 23.5 | +8 |
| Age 18-25 | 8 | 27 | 17.5 | +2 |
| Age 26-35 | 10 | 12.5 | 11.3 | -4.2 |
| Age 36-45 | 12 | 24.4 | 18.2 | +2.7 |
| Age 46-55 | 12 | 25 | 18.5 | +3 |
| Age 56+ | 10 | 34 | 22 | +6.5 |
| Democratic Party | 10 | 27 | 18.5 | +3 |
| Republican Party | 12 | 14 | 13 | -2.5 |
| Independent Party | 7 | 13.6 | 10.3 | -5.2 |
| Other Party | 7 | 52.5 | 29.8 | +14.3 |
| None (Party) | 10 | 21 | 15.5 | 0 |
| No Children | 10 | 12 | 11 | -4.5 |
| Children | 8 | 17.7 | 12.9 | -2.6 |

Gender

A significant difference exists between male and female populations in regards to subjective norms or the person's beliefs that specific individuals or groups think he or she should or should not purchase products from socially responsible businesses and his or her motivation to comply with these referents. Both males and females have a positive attitude toward purchasing products from socially responsible businesses, which is consistent with the overall results; however, it can be determined that females are more likely to purchase products from socially responsible businesses provided their important others think that they should based on the significant difference in subjective norms. In comparison to the overall results, females are moderately (+5.5) more likely and males are slightly (-1.5) less likely to purchase products from socially responsible businesses.

Marital Status

Based on marital status, the researcher chose to only compare single and married participants (n=272) because the amount of participants in the divorced and widowed categories were not enough to represent the sample. The differences of the products indicate that married individuals are slightly more likely than single individuals to purchase products from socially responsible businesses; however, in comparison to overall results, both single and married individuals are slightly (-4.5 and -1, respectively) less likely to purchase products from socially responsible businesses.

Income

Participants indicating annual household incomes less than \$25,000 and more than \$75,000 were both slightly more likely to purchase products from socially responsible businesses (+1.5 and +1, respectively). Participants indicating annual household incomes between \$25,000 and \$50,000 and between \$51,000 and \$75,000 were slightly less likely to purchase products from socially responsible businesses (-0.2 and -1.2, respectively).

Education

Each group was analyzed, and, in comparison to overall results, participants indicating high school as the highest level of education completed were extremely more likely to purchase products from socially responsible businesses (+14). Participants indicating associate's or professional degree and graduate degree or higher were moderately more likely than the overall results to purchase from socially responsible businesses (+9.7 and +8, respectively). Also, participants indicating some college were slightly less likely (-2.5) and bachelor's degree were moderately less likely (-6.5) to purchase from socially responsible businesses. It is important to note that participants indicating high school education indicated the second highest subjective norm of all demographic populations, meaning this group is much more likely to purchase products from socially responsible businesses if they believe their referents think they should.

Age

Each group was analyzed, and, in comparison to overall results, ages 18-25, 36-45 and 46-55 were slightly more likely (+2, +2.7 and +3, respectively) to purchase products from socially responsible businesses. Interestingly, ages 18-25 were slightly less likely (-4.2), and ages 56+ were moderately more likely (+6.5) to purchase products from socially responsible businesses. Also, it is important to note that ages 56+ indicated a higher subjective norm than other age groups, which indicates that this age group is much more likely to purchase products from socially responsible businesses provided their important others think that they should.

Political Affiliation

Individuals indicating a political affiliation with the Democratic Party were slightly more likely (+3), individuals indicating a political affiliation with the Republican Party were slightly less likely (-2.5), and individuals indicating a political affiliation with the Independent Party were moderately less likely (-5.2) to purchase products from socially responsible businesses. The product of individuals indicating "none" for political affiliation exactly matched (15.5) the overall intent to purchase from socially responsible businesses. Most interestingly, individuals indicating a political affiliation with an "other" party were much more likely (+14.3) to purchase products from socially responsible businesses. This population shows the highest intent to purchase from socially responsible businesses than any analyzed in this study, but also has the highest subjective norm (52.5) than any population analyzed in this study.

Children

Participants without children are more likely to *not* purchase from socially responsible businesses than those with children. In comparison to overall results, both participants with and without children are slightly less likely (-2.6 and -4.5, respectively) to purchase products from socially responsible businesses.

Research Questions

Participants were also asked to identify specific businesses that they considered to be particularly socially responsible and irresponsible. The following are the top answers given for most responsible corporations: Starbucks (n=30), Patagonia (n=18), Target (n=16), Wal-Mart (n=14), McDonald's (n=11) and Eli Lilly (n=11), Apple (n=9) and Ben & Jerry's (n=9) and Walt Disney (n=8) and Whole Foods (n=8). The following businesses were identified as socially

irresponsible, in order of frequency: Wal-Mart (n=78), AIG (n=19), Exxon Mobil (n=15), GM (n=15), McDonald's (n=14), Nike (n=10), Enron (n=8) and Ford (n=6).

Research question 1 revealed that, in comparison to *Fortune* magazine's top ranked socially responsible companies for 2007 (CHS, United Parcel Service, Whole Foods Market, McDonald's, Alcan, YRC Worldwide, Starbucks, International Paper, Vulcan Materials and Walt Disney), participants in this study identified four of the *Fortune* top ten: Starbucks, McDonald's, Walt Disney and Whole Foods. However, Starbucks was ranked 8th by *Fortune*, whereas participants in this study identified it more often than any of the other businesses cited. This is not necessarily indicative of a ranking of 1st by participants, but it was the most often indicated. Likewise, participants in this study ranked McDonald's 5th, while *Fortune* ranked it as the 4th most socially responsible business. Walt Disney and Whole Foods tied for 9th and 10th rankings by participants in this study; however, Whole Foods was ranked 3rd by *Fortune*, but Walt Disney was ranked 10th as most socially responsible.

Research question 2 revealed that, in comparison to *Fortune*'s ten bottom ranked least socially responsible companies for 2007 (Visteon, Dana, CA, Delphi, Federal-Mogul, ArvinMeritor, Huntsman, Navistar International, Lyondell Chemical and Toys "R" Us), participants in this study did not identify any of the same businesses as *Fortune* did. However, *Fortune* ranked Delphi as the 4th most socially irresponsible business, and participants in this study identified GM, which is operated in part by Delphi, as the 4th most often cited socially irresponsible business. Also, it is interesting to note that Wal-Mart was identified both 4th as socially responsible and 1st as socially irresponsible by participants.

Overall, it appears that participants in this study had at least a moderate degree of awareness of social responsibility as it applies to specific businesses, identifying four to five of the ten same businesses as experts in the industries. Thus, the research questions can affirmatively be answered that consumers are moderately aware of specific organizational involvement in socially responsible activities and are slightly aware of specific organizational involvement in socially irresponsible activities.

Qualitative Results

Participants were initially asked to define what CSR means to them because CSR has proven to be an ambiguous and controversial topic. While it seemed that participants generally understood CSR, many participants in this study were skeptical about organizational participation and promotion of CSR. One respondent commented, "Social responsibility on a corporate level is a ploy to increase sales. Nothing more." Another respondent stated, "I believe social responsibility is just a PR and marketing ploy. Starbucks may be paying a living wage to South American coffee growers, but are they offering decent health insurance and retirement plans to their coffee house employees?"

Despite skepticism, this study still shows that consumers are more likely to purchase products from socially responsible businesses, and, therefore, businesses should seek to implement and promote CSR activities, and many participants in this study agreed, indicating that CSR was an important, necessary business activity aimed at genuinely responsible business practices. One respondent commented, "It is very important. For things to change in this world,

socially, environmentally, etc., businesses need to take a leading role.” Another respondent commented, “I think social responsibility comes from the corporate top executives and trickles down. When a company is socially responsible everybody wins, not just the top echelon. I believe these companies will prosper even in difficult times.”

Respondent comments support the proposed hypothesis. One respondent stated, “I am more likely to purchase products from socially responsible companies over socially neutral or irresponsible companies. The bad thing is that socially irresponsible companies do a good job of hiding any questionable activities they may be involved in, so sometimes I don't have this piece of information to inform my shopping. I try to choose responsibly whenever I can.”

Many of the respondents indicated that higher prices associated with socially responsible businesses prevented them from purchasing products from those companies. For example, one respondent commented, “I believe that there will always be a struggle when it comes to social responsibility, mostly because of the money issue, where companies who are socially responsible generally charge higher prices for their products because it is harder to be socially responsible. It comes down to whether or not people are willing to do what is ethical and what is cheap, and unfortunately, most have to choose cheap over ethical because they do not make enough money to choose what is ethical.”

DISCUSSION

The primary purpose of this study was to recognize the relationship between consumers' purchase intentions and organizations' involvement in socially responsible programs. The study's H predicted that a positive association exists between an organization's involvement in CSR programs and consumers' purchase intentions or that consumers in this study are more likely to purchase an organization's product if that organization is involved in socially responsible practices. Additionally, consumers' awareness of specific organizational involvement in socially responsible and irresponsible activities was identified.

Overall, the results of this study support the H. Specifically, a positive association exists between an organization's involvement in CSR programs and consumer's purchase intentions. The attitude toward the behavior (10) is decidedly moderately positive, and the subjective norm (21) is decidedly highly positive. The average of these two numbers is 15.5, showing a positive intention toward the behavior. The high products and average of these variables show that a positive relationship exists between corporate social responsibility and consumer purchase intention.

Also, the research questions were affirmatively answered in regards to participants' awareness of specific organizational involvement in socially responsible and irresponsible activities. It appears that consumers have at least a moderate amount of awareness in this regard. It is recommended that further research be conducted on this specific area.

Limitations

The major limitation to this study could be that belief strength was not assessed with the survey participants. This could be eliminated by including belief strength questions in the

survey; however, interviews are preferred to the survey method because the amount of questions can be overwhelming, resulting in survey fatigue. Also, this study did not use frequency-averaged weighted sums, as many other studies on this topic have used. This can be seen as a limitation in regards to comparisons of this study with other similar studies using the theory of reasoned action. Future researchers should analyze this data with more statistical competency than this researcher had at her disposal during the time research was conducted.

Following the guidelines of the theory of reasoned action, purchase intention should result in purchase behavior; however, it can be argued that several other mediating variables exist that result in purchase behavior, as addressed in the literature review of this study. For example, qualitative data from this study indicated that price was a major variable in purchasing behavior.

Implications

Possibly most important to the implications of this study is the comparison of numbers among demographic consumer groups in this study. For example, it is possible to compare the products of attitudes and subjective norms in terms of age, gender, marital status, etc. From this, it can be determined if particular demographic groups in this study are more likely than others to purchase products if the company that produces them is perceived to be socially responsible. From the results of participants in this study, it seems that female consumers whose highest level of education completed is high school or a graduate degree and whose annual household income is less than \$25,000 and who are associated with an “other” political party are the most likely demographics to purchase products from businesses based on CSR.

Businesses patronized by consumers in this population should seek to invest in the implementation and promotion of CSR activities among applicable demographics. Promotion of CSR activities per demographics is needed in order to make the public aware of these activities, thus, making consumers in this study more likely to purchase the business’s products.

In so much, a future implication of the positive relationship between consumer purchase intention and CSR, as determined by this study, may be an increase in demand for practitioners with a strong background in CSR. For example, a respondent to this research stated,

“I believe that being 'socially responsible' will become a greater issue in the years to come. Differing viewpoints on it will also unearth. It's somewhat similar to ethics. Those companies that stick with topics that are more common ground for many consumers will be the most successful. For example, a fight against cancer campaign, a cause for human freedoms, giving to foster children, using clean energy, recycling and helping people who want to have a better future are all great ways for companies to show good will and make a powerful difference in our world.”

Practitioners with the abilities to understand the many facets of and viewpoints on CSR will be most likely to succeed in promoting a company’s CSR efforts. Moreover, practitioners able to

replicate this study or similar studies for a specific business's demographics would be in greater demand.

In addition, practitioners often have difficulties proving the financial worth of public relations because results of public relations' activities are difficult to measure in terms of monetary units. However, the combination of public relations' activities aimed at the implementation and promotion of CSR programs and the replication of this study could be used to show an increase in profits for the business based on aiming CSR activities at specific demographics. For example, profits per demographics could be assessed at varying times prior to implementation of a CSR program, throughout the implementation and promotion processes and following the campaign or, in the case that the activities are of a more permanent nature, once the program has been established. Thus, public relations could demonstrate its financial worth to a business.

Based on the results of this study and implications for businesses, it can be concluded that CSR is a multi-faceted challenge, but worth the associated risks. It is in the best interest of consumers, businesses, and public relations practitioners that businesses patronized by consumers in this study undertake the challenge of implementing socially responsible programs and activities as a strategic management function aimed at increasing profits; however, future research and studies are still necessary to generalize the findings of the current study.

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