

# “Why Don’t Consumers Care About CSR?”: A Qualitative Study Exploring the Role of CSR in Consumption Decisions

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**Abstract** There is an unresolved paradox concerning the role of corporate social responsibility (CSR) in consumer behavior. On the one hand, consumers demand more and more CSR information from corporations. On the other hand, research indicates a considerable gap between consumers’ apparent interest in CSR and the limited role of CSR in purchase behavior. This article attempts to shed light on this paradox by drawing on qualitative data from in-depth interviews. The findings show that the evaluation of CSR initiatives is a complex and hierarchically structured process, during which consumers distinguish between core, central, and peripheral factors. This article describes these factors in detail and explains the complexity of consumers’ assessment of CSR. These insights then serve as a basis for discussing the theoretical and managerial implications of the research findings. To this end, the article contributes to a better understanding of the role of CSR in consumption decisions.

**Keywords** Corporate social responsibility · Consumer behavior · Purchase intention · Qualitative research

## Introduction

During the past decade, consumers have become progressively more interested in corporate social responsibility (CSR) (Carrigan and Attalla 2001; Maignan 2001). Several reasons for this have been advanced: On the supply side, firms are increasingly engaging in CSR activities and place

more emphasis on communicating their CSR efforts while, on the demand side, consumer advocate groups are highlighting irresponsible corporate behavior and calling for boycotts (Snider et al. 2003). The increased attention placed on CSR also seems to affect consumers’ purchase intentions, as a number of surveys and experiments appear to show (e.g., Brown and Dacin 1997; Mohr and Webb 2005; Sen and Bhattacharya 2001).

However, despite consumers’ interest in CSR and its ostensive impact on purchase intention, in reality, CSR still only plays a minor role in consumption decisions (Mohr et al. 2001). This challenges many findings based on experiments and survey research, which suggest that consumers do take a company’s CSR initiatives into account when making purchasing decisions. Possible explanations point to two shortcomings in this stream of research. First, the experimental setting of many studies induces artificial awareness for CSR. Thus, while such studies offer some useful insights, the effect of CSR on actual consumer behavior may not be fully captured. Second, most of these studies tend to suffer from a social desirability bias: When being asked, consumers declare their willingness and motivation to consider CSR, but when it comes to real consumption, only very few take account of CSR (Auger and Devinney 2007; Devinney et al. 2010). The discrepancy between reported intentions and actual behavior calls for a better understanding of the limited role CSR plays in purchase decisions. Our article seeks to shed light on this issue and attempts to provide a better understanding of the process by which consumers integrate their perceptions of CSR initiatives as a purchase criterion. To this end, we use qualitative data from in-depth interviews. The findings show that the evaluation of CSR initiatives is a complex and hierarchically structured process during which consumers distinguish between core, central, and peripheral factors.

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This article is organized as follows. The next section discusses previous work on CSR and consumer behavior and identifies some of the common limitations inherent in extant research. Subsequently, the methodological approach is explained, and the findings are presented. Finally, the implications of the findings are discussed, and avenues for further research are suggested.

## Background

### Definition of Corporate Social Responsibility

The concept of CSR has been characterized as elusive (Smith and Langford 2009), broad and complex (Mohr et al. 2001), malleable (Devinney 2009), and blurry and fuzzy (Geoffrey 2001). The basic idea behind it is straightforward: Corporations are responsible for more than simply making a profit (Godfrey and Hatch 2007). However, achieving a clear and common understanding of what these corporate responsibilities are has proven to be difficult (McWilliams et al. 2006b). Many scholars have tried to pin down the concept of CSR (see the in-depth literature review by Dahlsrud (2008)), but a unified definition is still missing (e.g., Crane et al. 2008; Godfrey and Hatch 2007; McWilliams et al. 2006a; Mohr et al. 2001; Smith and Langford 2009; Van Marrewijk 2003). Devinney (2009) suggests that there are two kinds of views: those with a narrow focus, which perceive monetary profitability within the framework of the law as the sole responsibility of a company, and those with a broader view, perceiving companies as organizations with a much broader set of obligations. Most definitions are, however, positioned on the continuum somewhere in between these two views (Devinney 2009). This article follows the broader view of CSR in accordance with the European Commission, which has defined CSR as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (European 2001). However, even the definition by the European Commission is company-centric. It gives an idea of what CSR means to corporations, but it remains unclear what the concept conveys to consumers. This is discussed in the following section.

### Consumer Responses to CSR

#### *Impact of CSR on Product and Company Evaluations*

Several studies show that consumers take their commitment to CSR initiatives into account when evaluating companies and products. In both cases, negative CSR information has a much stronger effect on the evaluation

than positive news (Biehal and Sheinin 2007; Brown and Dacin 1997; Marin and Ruiz 2007; Sen and Bhattacharya 2001). Moreover, consumer identification with the company plays a role when evaluating a company. The more consumers identify themselves with a company, the more positively they assess it. Put differently, a company's CSR position leads to consumer identification with the company, which in turn leads to better company evaluations (Sen and Bhattacharya 2001).

#### *Consumers' Perceptions of Motives for Engaging in CSR*

Consumers' perceptions of companies' motives for engaging in CSR also play an essential role in their responses to the concept (Ellen et al. 2006; Vlachos et al. 2009). Ellen et al. (2006) identified different types of attributions: other-centered (stakeholder-driven and values-driven attributions), self-centered (strategy-driven and egoistically driven attributions), and win-win. Other-centered attributions refer to consumers' perceptions that companies feel morally committed and see it as their responsibility to help; self-centered ones depict companies engaging in CSR for strategic reasons (e.g., to increase their profits). Most consumers ascribe mixed motives to corporate engagement in CSR and view companies in a positive light when they credit CSR-related efforts with a combination of values-driven and strategic attributions (Ellen et al. 2006; Vlachos et al. 2009). Vlachos et al. (2009) show that values-driven attributions positively affect trust, while stakeholder-driven, egoistically driven, and strategy-driven attributions have a negative impact or no impact at all. Similarly, Becker-Olsen et al. (2006) conclude that social motivation is essential for a positive consumer reaction, while profit-motivated initiatives have a negative impact.

#### *Consumers' Awareness and the Communication of CSR*

A common problem of most studies researching the link between CSR and consumer behavior is an assumed or artificially induced awareness of CSR. However, consumers generally have a low level of awareness about what CSR is (Pomeroy and Dolnicar 2009; Sen et al. 2006). Nonetheless, when consumers are made aware of what CSR is, it appears that CSR does lead to positive attitudes and stronger behavioral intentions toward buying products from a socially responsible company (Pomeroy and Dolnicar 2009; Sen et al. 2006). Hence, communicating CSR activities is essential to enhance CSR awareness. In particular, communication channels that are not directly controlled by the corporation play a major role in CSR communication, as does the type of CSR program (namely institutional, as opposed to promotional) (Pirsch et al.

2007; Pomeroy and Dolnicar 2009). Institutional CSR programs “provide a comprehensive approach to CSR, attempting to fulfill a company’s social obligations across all stakeholder groups and touching on all aspects of the company” (Pirsch et al. 2007, p. 126). Companies offering institutionalized CSR programs generate CSR policies for all stakeholders and attempt to satisfy their moral obligations. This type of program has a greater impact on customer loyalty, attitudes toward the company, and purchase intention than do promotional CSR programs, which are targeted at selling products (Pirsch et al. 2007).<sup>1</sup>

### *CSR and Purchase Intention*

The type of CSR activity, consumers’ support of the initiative, and their beliefs about the tradeoffs a company makes for the sake of its CSR play a crucial role in consumers’ reactions to CSR activities (Sen and Bhattacharya 2001). Furthermore, the influence of CSR on consumers’ purchase intention can be direct or indirect. The effect is indirect when a corporate context for purchase intention is created, that is when consumers know the company and its CSR efforts. However, a company’s CSR actions can also have a direct influence on the attractiveness of its products. Here, a company’s CSR initiatives directly affect purchase intention, as the CSR initiative corresponds to the consumer’s CSR beliefs and his/her support for the initiatives (Sen and Bhattacharya 2001). Consumers who respond more positively to CSR activities have also been found to take more responsible purchase decisions and act more responsibly in their disposal behavior (Mohr and Webb 2005).

Extant research also showed that CSR only has a positive effect on consumers’ purchase intention when consumers are interested in the CSR activity and support it. Moreover, there must be a good fit between the company’s CSR activity and its business. Furthermore, irresponsible corporate behavior has been found to have a greater impact on consumers’ purchase intention than responsible behavior (Bhattacharya and Sen 2004).

However, Mohr et al. (2001) draw attention to the fact that only a small segment of consumers uses CSR as a purchasing criterion on a regular basis. Building on qualitative data, Mohr and colleagues identified four different groups of consumers: (1) pre-contemplators, (2) contemplators, (3) action-oriented consumers, and (4) maintainers. Pre-contemplators do not base their consumption decisions

on CSR; contemplators think about CSR, but do not actually act on it; action-oriented consumers sometimes use CSR as a purchase criterion; and maintainers are committed to considering CSR when they buy. Most respondents (pre-contemplators and contemplators) have positive attitudes toward companies who engage in CSR activities, but few (action-oriented consumers) consider CSR to be an important purchase criterion. Only a minority (21%) use a company’s CSR position as a purchase criterion sometimes or on a regular basis (Mohr et al. 2001). Current figures of fair trade are in line with this finding, showing that fair trade sales account only for 1% of global trade (Siegle 2009).

Taken collectively, a growing body of literature focuses on CSR and consumer behavior. While the findings of this research show some impact of CSR on consumers’ product and company evaluation, they demonstrate the limited influence of CSR on purchase intention. Moreover, the research points to the importance of the perceived motives of CSR and, in particular, to the central role of consumer awareness and communication of CSR. Similar results have been obtained from a related stream of research on “the ethical consumer.” However, in contrast to the literature on CSR and consumer behavior, the discourse about ethical consumption is already further advanced and focuses on the identification of antecedents of ethical consumption. A recent example of this research stream is a contribution by Bray et al. (2011), who identify exogenous (consumer characteristics) and impeding variables in ethical consumption and their impact on various consumer behavior outcomes (e.g., boycott, self-interest). Our article widens this discussion by moving beyond individual (ethical) product offers to the strategic level, i.e., CSR initiatives. Consequently, we attempt to shed light on the role a company’s CSR activities play in purchase decisions. Therefore we explore consumers’ evaluation process of CSR perceptions as a purchase criterion.

### **Qualitative Research Approach**

As this study aims to understand the meanings that actions by individuals convey rather than to predict their behavior and explore and understand perceptions, beliefs, and values, qualitative inquiry seems to be most appropriate (McCracken 1988). Moreover, qualitative methods are considered most helpful to examine situations where claimed attitudes and actual behavior diverge (Belk et al. 2005) and where a real-life context is important (Sinkovics et al. 2005; Sykes 1990). Given these reasons, in-depth interviews with consumers seem to be most advisable, as they enable researchers to gain “a more accurate and clear picture of a respondent’s position or behavior” (Ghauri and

<sup>1</sup> We would like to alert readers to the fact that there are different opinions regarding cause-related marketing (CRM). While some authors subsume CRM under CSR (Bower and Grau 2009) others argue that there is a difference (Bronn and Vrioni 2001).

Gronhaug 2002, p. 101) and to clarify and calmly elaborate on interesting answers. More precisely, we use an exploratory approach, aimed at developing a grounded understanding of consumers' evaluation of their perceptions of a company's CSR position during the purchasing process.

### Data Collection

Since the investigation of ethics-related topics is vulnerable to social desirability bias, great care must be taken when collecting data (Brunk 2010a; Mohr et al. 2001). Hence, to reduce social desirability bias, several measures have been taken: We decided to use face-to-face interviews over focus groups in order to minimize self-presentational concerns (Wooten and Reed II 2000) and to reduce the pressure on the interviewees to "do and say the right thing" (Bristol and Fern 2003). The interviews were conducted in individuals' homes to make them feel comfortable. The relaxing and familiar atmosphere, as well as the open, yet focused interview style of semi-structured interviews offered the interviewees a trusted environment, encouraging them to answer openly and honestly. Moreover, before the interview, the participants were advised that the focus of the study was to investigate their opinions and beliefs and that there were no right and wrong answers to the interview questions. For particularly delicate questions, we used projective techniques, asking our respondents to interpret the behavior of other consumers (Fischer 1993). Being cognizant of this issue and despite taking measures to prevent social desirability, it cannot be completely eliminated. However, we have the impression that the respondents answered openly and honestly and that social desirability bias was reduced as much as was possible in this type of study.

The interview guidelines for the in-depth interviews were carefully prepared and, after pretesting, slightly adapted. At the beginning of the interviews, the study's real purpose was not revealed to participants. The questions were designed from general to more specific inquiries that followed well-established interview procedures (Bernhard 1988). The realization of the interviews was as follows: First, participants discussed the companies and shops they liked and which products they had bought most recently. Then, they were asked why they visit those particular shops and which purchasing criteria are important to them. In a next step, the interviewees were shown visual stimuli representing the logos of predetermined companies. Again, they were asked to select those companies they like and/or where they buy products. Then, consumers were asked why they like and why they shop at these companies. Subsequently, the discussion moved toward the CSR policies and initiatives of these companies. After that, the conversation

was directed toward the question of whether consumers can influence a company's behavior. Boycotts and support for socially responsible companies were debated. Finally, the real purpose of the study was revealed and discussed.

A total of 22 individual interviews were conducted. Interviewing continued until redundancy was reached, implying theoretical saturation. The interviews took place in a Western European country in fall 2009 and spring 2010. To this end, we expand the research context and provide a contrast to the US-dominated research on CSR and consumer behavior. The interviews lasted between 30 and 105 min. With the participants' permission, each interview was audiotaped and transcribed, resulting in 575 pages of text. Furthermore, interview descriptions and observation notes were taken.

### Sample

As qualitative research focuses on in-depth exploration, a small but diverse sample is recommended. McCracken (1988) advocates that eight long interviews are a sufficient basis for qualitative research projects. In order to obtain a diverse and interesting interviewee selection, we employed theoretical sampling. This means that we chose consumers who could inform us about the research problem addressed in this study (Creswell 2007; Glaser and Strauss 1967). The main underlying dimension for purposive sampling was consumers' attitudes toward CSR, that is varying levels of interest and different attitudes toward CSR-related issues such as organic products, fair trade, etc. However, the objective was also to gather a balanced sample in terms of consumption habits. Consequently, consumers with different shopping habits were selected, ranging from price-conscious to quality shoppers. Furthermore, we chose consumers with diverse backgrounds with regards to demographic criteria such as age, gender, level of education, occupation, and marital status. Thus, our sampling strategy was driven more by theory than by representativeness. Concerning the selection process we identified interviewees using two well-established approaches (e.g., Brunk 2010b): First, the majority of interviewees were selected by convenience. Second, a few interviewees were recommended by participants (snowballing). In these cases, participants were asked if they know consumers with a certain level of interest in CSR and consumption habits. If there was an interesting match, the respondent was asked to make the contact to the potential interviewee and requested not to indicate the real purpose of the study but to find out whether this person would be willing to talk about his/her consumption habits. The detailed sample description and interviewee characterization is shown in Table 1.

## Data Analysis

The basic steps in the analysis of qualitative data consist of coding the data, combining the codes into broader categories and themes, and interpreting the results (Creswell 2007; Sinkovics et al. 2005). The analysis developed gradually during the data collection process (Strauss and Corbin 1990); early analysis of the first transcript enabled the discussion guidelines to be refined for subsequent interviews. After all the data had been collected, the final analysis was conducted. As recommended by Glaser and Strauss (1967), the data analysis was an iterative process of reading, coding, discussing the coding with colleagues, and starting again with the reading. Relevant sections of the transcripts were carefully re-read and analyzed in the search for patterns and themes. This analysis employed various procedures of categorization, abstraction, comparison, dimensionalization, integration, iteration, and refutation (Spiggle 1994).

## Findings: Factors Influencing the Assessment of CSR as a Purchasing Criterion

Overall, the interviewees agreed on the minor importance of CSR compared to other purchase criteria such as price, quality, brand, country of origin, or service. This is in accordance with prior research, which shows that CSR is not “at the top of many consumers’ lists” (Beckmann et al. 2001; Belk et al. 2005; Bray et al. 2011; Lichtenstein et al. 2004) and that only a very small segment of consumers consider CSR when purchasing products (Mohr et al. 2001). The following statements illustrate this conclusion:

For me, it is important that it is affordable, I would say, and that I am able to make use of it. That is what I primarily take into account: that it is inexpensive, that it is a good value-for-money-ratio (male, 25).

In the case of sport equipment, for example, quality is, for me, crucial. I mean, for instance, a running shoe: I look at the functional parts. I think that is important, that it is a good product (male, 41).

I try to buy from smaller shops, since they offer better service. A small bike retailer is often more expensive, but it’s worth paying a bit extra for the service offered (male, 37).

Although a company’s CSR initiatives alone do not trigger a purchasing decision in most cases, there are several determinants that increase the likelihood of taking CSR into consideration when making purchase decisions. Specifically, consumers clearly distinguish between core, central, and peripheral factors. Core factors determine whether CSR is taken into account when deciding about a

purchase. If they are not met, CSR will most likely not play a role in a consumer’s buying decisions. These core factors are information and personal concern. Furthermore, the consumer respondents perceive the financial situation of a buyer as a central factor that determines the assessment of CSR as a purchase criterion. Finally, the interviewees also identified peripheral factors that have an impact on the likelihood of considering CSR as a purchase criterion. These are consumers’ perceptions of the credibility of CSR initiatives, the image of the company, as well as the influence of peer groups. Below, the three factors will be discussed in detail.

## Core Factors

Consumers’ perceive two core factors as decisive for a potential consideration of CSR as a purchase criterion: information and personal concern. They are both prerequisites for considering CSR in the purchasing process.

The most important and complex one is information on a company’s CSR position. Past research also draws attention to the fact that information is a necessity for consumers to consider ethical product features in their consumption decisions (e.g., Bray et al. 2011; Devinney et al. 2006). Information consists of two dimensions: level of information and type of information. The former describes the extent of knowledge (e.g., no, little, or extensive knowledge) consumers have about a company’s CSR initiatives. The second dimension focuses on whether the CSR information consumers have is perceived as positive or negative. The following two statements illustrate how the type of information shapes consumers’ perceptions:

Zotter chocolate is expensive, but also really delicious, and it is a fair trade product. I also know that the company is looking after the employees; and the employees have their own cook, and they can also bring their children and other family members to eat with them, also as relief for the women working there (female, 22).

This problematic nature is, of course, well-known, and you heard often about child labor at Nike, Adidas, and Puma and all of these manufacturers of sports equipment. It is a constantly-recurring issue there (male, 23).

When consumers have no or only little information about a company’s socially responsible behavior, CSR will unlikely be considered a purchase criterion. Put differently, when equipped only with some vague idea of a company’s CSR practices, consumers will tend to overlook this information and continue with their customary purchasing behavior:

I can imagine myself doing that [engaging in a boycott] if I got to know it [that companies employ dubious practices], but I just don't have access to the information. But I am definitely a person that would not go there [to a company employing dubious practices] in case I would learn about something like this (female, 42).

It [whether consumers consider companies' CSR activities] depends on whether you know something about it or not. I think if you are not especially interested in topics like that, consumers do not know anything about it. I mean, when I buy a hair shampoo, I have no clue how the company was producing it. I think it is important to get more information on that (male, 22).

In contrast to the two previous statements, consumers can also have extensive knowledge of a company's CSR behavior. This can relate both to positive and to negative corporate behavior. When well resourced with comprehensive CSR information, the respondents believe that it is easier and more likely for them to integrate CSR into the decision-making process:

I prefer buying products from companies that I consider to be OK, for me OK. For example, I would not buy Nike shoes, and I like Adidas much more. Also, I do not think they [Adidas] have been in the media [for bad practices] (female, 43).

I consciously buy Fair Trade products, including flowers, orange juice and coffee, sure this is only a small product range but here I pay attention to it. I choose these products over others because I know that it is a recognized label and I know that they use the money for a good cause, helping [other people] (male, 25).

If consumers do have enough CSR-related information about a specific company, they will evaluate whether the respective behavior can be reconciled with their own personal concern of CSR-related issues. This is a core factor and comprises the attitudes consumers have toward CSR initiatives, such as non-employment of child labor, fair wages, environmentally friendly practices, fair trade, organic production, etc. This core factor is very subjective in nature. In contrast to other factors, personal concern cannot be influenced by companies:

For me, it is also important how executives behave toward employees and workers, how they treat them... That plays an important role for me (female, 48).

Wal-Mart and its sub-contractors, for example, severely exploit the environment and pay only very

low wages; for me this definitely was a reason for not buying there (male, 25).

In the sample, there are even a few respondents who do not consider child labor or similar practices negatively, because they attach little personal importance to these and would not refrain from buying products associated with such issues:

There is a multitude of people that are not concerned with the environment. They will not feel addressed by this kind of information [the environmental conduct of a company]. These people are still driving with their 20-year-old cars or with their huge cars that consume 20 liters of petrol. They will not be affected by it (male, 22).

Sure, H&M always was blamed for using child labor, or from time to time you see those labels "Made in Turkey", or "Made in Bangladesh", which you do not associate with something positive, but yes, you put up with it because it is cheap; unfortunately this is the way it is (female, 22).

I am aware of the problems, but I think every company makes negative headlines; so, for me this is no reason to stop shopping at H&M (female, 51).

Most of our interviewees stated that they wait to be informed and then assess whether they can reconcile the obtained information with their personal concern.

There should be definitely more information [on CSR initiatives]. This should not be hidden, but rather used for propaganda purposes. I really think this should be done. For me, it would be very important to know that, for instance, a grocery store, if they have a surplus, they do not throw it away, but rather give it to charities (female, 65).

However, in a few cases, this process is reversed: Some respondents have strong negative attitudes concerning certain issues and proactively seek corporate information on these issues:

Nowadays, consumers question certain things. I do not randomly go into [any shops] and say I do not care [about their CSR activities]. Instead, I ask what is behind it [the company], what are they doing [in terms of CSR] (female, 48).

#### Central Factor

The interviewees stress that the financial situation of a consumer constitutes a central factor in this process. The factor not only describes the consumers' price perception and willingness to spend money on products from socially

responsible companies, but also the actual monetary resources of a person. With price being a very important criterion in decision-making among interviewees, the financial situation of the consumer is highly relevant when purchasing goods. These findings are in accordance with previous research on the importance price (Carrigan and Attalla 2001) and the dominance of financial rather than ethical values in purchase decisions (Bray et al. 2011). Thus, sufficient financial resources are a prerequisite for considering a company's CSR activities as a purchase criterion.

Price is frequently only a justification for not considering products of socially responsible companies. Our respondents assume that products of a socially responsible company are more expensive than alternatives. In some cases, such as fair trade products, this conclusion seems justified. However, there is a multitude of products of socially responsible companies that are not higher priced. Consumers may be willing to opt for the products of a socially responsible company when these are not more expensive than "regular" products. However, they often make wrong price assumptions. From the data, it becomes clear that consumers infer that they will not be able to afford products of a socially responsible company.

I can imagine that products that take care of certain issues and adhere to all regulations just cause higher production costs and sales costs than other products that do not care, that are just cheap and produced at an ecological minimum (male, 45).

Finally, sometimes a company's CSR efforts are actually incorporated into a product's price, as in the case of fair trade. Consequently, there are consumers who do not have the financial resources to buy these products.

It is definitely dependent on the money you have at your disposal. If you have a job where you don't earn a lot and you maybe still have to support a family, it might be possible that you would like to [consider a company's commitment or CSR efforts], but you just can't (female, 23).

Respondents agreed that, in most cases, purchasing products of companies with positive CSR activities is related to the assumed price premium of such products: If the price differs only slightly, they would prefer the product of a socially responsible company over a company with a negative CSR profile:

I would rather pay more for coffee from fair trade than from Tchibo [coffee chain] (...) I won't pay 100 euro more, but if it is a question of 20 or 30 cents, then I will pay more for fair trade than for normal (female, 60).

It depends on the product and if the price is acceptable for me; it has to be within reason that I say, "OK, I will pay five euros more for a product because there are better working conditions." I do not think it is possible. But that I pay two or three euros more, this I would definitely do (female, 25).

In order to consider CSR as a purchase criterion, respondents stress that the two discussed core factors and the central factor have to be met.

A lot of people do not know it [whether a company behaves socially responsible]. They might care about these issues, but do not know it. Then, if it [the product from a socially responsible company] is more expensive, it depends on the customer base. There are definitely some customer groups that say they would rather pay 10% more; [...] First of all, they do not know about it, and then, second, they do not care (male, 22).

I think that products made under socially responsible practices and terms, they [people] do not buy them because of their lack of knowledge, their disinterest, and shortage of money (male, 45).

These prerequisites limit the group of consumers who may take account of CSR initiatives in their purchase decisions. And, worse still, our interviewees experience the assessment of the core and central factors as a complex process that demands much more involvement than other criteria, such as brand familiarity, which is easy for them to determine when standing in front of the shelf. This complexity already offers a first explanation of the minor importance of CSR as purchase criterion. Moreover, the process follows a hierarchical structure, as the central factor will not come into play without the presence of both core factors. However, even when all core and central factors are met, our respondents argue that CSR does not automatically become relevant in their decision-making.

#### Peripheral Factors

When all core factors are met and the central factor—price—is perceived acceptable, our interviews revealed that the respondents consider three additional factors before they incorporate a company's CSR initiatives into their purchasing decisions. These peripheral factors include the image of the company, the credibility of CSR initiatives, and the influence of peer groups. The label "peripheral factors" indicates that these factors, by themselves, are not able to trigger an inclusion of CSR criteria in the decision-making process. However, consumers state that they might further enhance or decrease the probability of considering CSR in purchase decisions.

The image of a company is, according to the respondents, an indication of whether or not it employs socially responsible practices when conducting business. A positive perception of a company's image evokes the association that the company behaves socially responsible. Our respondents believe that this, in turn, increases the likelihood to consciously opt for a company's products and incorporate CSR efforts into their purchasing decisions.

On no product it says, "I am a socially responsible company" or "I am not." It's not marked anywhere, but rather you know the company. Yes, it either has a good image or a less good image, and this is what matters in the end. Eventually, it is an overall picture. If it [the company] treats everyone fair and makes a good product, it will certainly have a good reputation (male, 52).

The credibility of CSR initiatives constitutes another peripheral factor. The respondents agree that credibility is influenced by the fit between a company's CSR initiatives and its core business. Many consumers only consider a CSR initiative credible if it is aligned with a company's core business. The respondents conceive that initiatives totally detached from the business a company is operating in appear less credible and are interpreted as a marketing ploy. Furthermore, initiatives are less credible if they involve only a monetary donation.

I think it is not credible if Mr. Hill,<sup>2</sup> with his newspaper, supports a village in Africa. On the other hand, if KTM tries to heal backbone injuries because they sell products which might provoke something like that, then I think it is well received (male, 37).

Besides the fit, the credibility of CSR initiatives strongly depends on the channel of communication.

The more "low-key" the communication is, the better. The more offensive, aggressive, or bold it [CSR initiatives] gets communicated, the more unpleasant I perceive it. Being listed as a sponsor on the program of a music event is OK, but a huge newspaper ad is quite annoying (female, 43).

Finally, the influence of peer groups, which is closely connected to the image of a company, is the last peripheral factor. A company's image frequently develops through interactions with colleagues, friends, or family. Consumer respondents stress that peer groups can also directly influence their assessment of CSR as a purchase criterion. Family and friends can either dissuade or encourage consumers to buy from a socially responsible company. According to the interviewees, this leads consumers to

either refrain from buying certain products or to support a specific company.

At one time, I really liked shopping at H&M. But then I got to know, from my circle of friends, that the cheap products are just available because children have to do the work. This really shocked me, and I also know some others who stopped buying there for this reason. I also have a hard time shopping there (female, 42).

## Synopsis

Our research identifies core, central, as well as peripheral factors and their hierarchical relation. For the assessment of CSR as a potential purchasing criterion, it is important to evaluate the presence of core factors and the acceptability of the central factor price. If consumers do not have any information or do not care about CSR initiatives, they do not consider CSR as a purchase criterion. If they do have relevant information, consumers will next evaluate whether they have the financial resources and are willing to spend money on products from socially responsible companies. This hierarchical process is reflected in previously cited consumer quotes. Of course, the interpretation of these quotes was also based on interview observations and field notes. In addition, this dynamic is also mirrored in the following quotes:

Somebody who does not even know about it [CSR activities of a company] and/or who is not interested in it, has no attitude toward firms that do not engage in CSR. Such a person will still buy the product because it is cheap and good and he keeps within budget (male, 45).

I think people do not care about it [CSR activities] because they do not know about it, they are not interested in it and/or they do not have the money when they compare it because I can image that products that take certain things into account or that adhere to standards that they naturally imply higher production costs and sales costs than products that do not care about this and are manufactured very cheap and under ecologically detrimental circumstances (male, 45).

Peripheral factors can explain why some consumers are still skeptical about CSR although all core factors are met and the central factor is deemed acceptable. The complexity of the assessment of all core, central, and peripheral factors leads a large number of consumers to ignore CSR as a purchase criterion.

It is important to acknowledge the inter-relatedness of these factors. This is particularly evident for peripheral

<sup>2</sup> Name changed to ensure anonymity.

factors, where image, for instance, is often affected by both peer groups and the credibility of CSR initiatives. However, the inter-relatedness is also visible across different layers of factors: Personal concern can exert an influence on the acceptability of price, or personal concern can be linked with peer groups. It is, therefore, important to assess these factors not as separate entities, but as integral elements of the overall process. Eventually, both context and person could have an influence on the purchase intent. It might be possible that acceptability of price becomes a peripheral factor for wealthy individuals. The following consumers verbatim show the inter-relatedness between the factors:

I often buy gifts at The Body Shop, and from now and then I also buy something for myself when I want to reward myself [...] because I like their philosophy. Nevertheless I do not buy there regularly because currently their products are too expensive for me (female, 21).

It [whether a person considers CSR activities] always depends on the social class you are in. Somebody who has no money will not care about it, but if you have a good income and you are concerned about your nutrition for example I do think you will consider it (male, 23).

Despite these caveats, the process of assessing core, central, and peripheral factors remains the same.

## Conclusions and Implications

This article set out to assess the role of CSR in the purchase decision-making process and to explain the limited role of CSR in these decisions. The main contribution is the investigation of a complex process that explains why CSR is hardly ever of prime importance in consumer decision-making. To this end, our research contributes to a better understanding of the attitude-behavior gap: Consumers report positive attitudes toward buying products from socially responsible companies, but these positive attitudes are not transferred into actual purchase behavior. Our research explains this discrepancy and identifies a large number of factors that influence the assessment of CSR as a purchase criterion. This illustrates the complexity of the evaluation process. This complexity may hinder even consumers with a positive attitude toward CSR to incorporate CSR into their decision-making process. Moreover, our research discovered that the evaluation process follows a hierarchical structure. While certain factors at the core level are a prerequisite for an inclusion of CSR as purchase criterion, others just exert a moderating effect on this decision. The distinction between core, central, and

peripheral factors offers new insights into the complexity of the assessment and consumers' involvement in the process.

This research also offers several managerial implications. Managers face two fundamental options: First, they could ignore consumers' interest in CSR and not integrate CSR initiatives into their marketing activities. In this case, it is recommended to focus on a positive corporate image, as consumers who are interested in CSR deduce CSR associations from an overall corporate image. Second, managers could focus on CSR positioning and CSR in marketing communication. Here, managers have to bear in mind the complex consumer evaluation process required to achieve consumers' appreciation of CSR efforts. First and foremost, managers have to make CSR information more easily available and point out in which ways a product or the entire company is connected to CSR initiatives. Companies should only communicate those CSR initiatives that are related to the company's core business—thereby accommodating the peripheral factor of credibility. Moreover, they would be well advised to disseminate their CSR efforts through various channels of communication, taking into account that the credibility of the information is highly dependent on the channels chosen for disseminating the information. Thus, managers have to assess the trade-off between the communication credibility and the audience reached. Second, personal concern is the most difficult core factor to take account of when incorporating this research's findings into business practice. The most valuable approach, although difficult, would be to segment consumers according to their personal concern and communicate different CSR efforts to different target groups. Companies could, for example, use direct marketing communication with interested target markets. Social media such as Facebook, Twitter, etc. could be employed to initiate tightly targeted CSR campaigns to certain segments. Third, concerning consumers' price perceptions, managers have to be aware that income will influence a person's ability to take CSR into account. Where applicable, the focus should be on communicating that the products of a socially responsible company are not pricier than other products. In case the price is indeed higher, managers need to watch the differences to prices of competing products, as consumers pay a lot of attention to the proportionality of price differences. Pricing is particularly important for managers in high price/high-quality niches, as consumers interested in CSR also look for high-quality products. If managers decide to ignore consumers' potential CSR interest, it is better to offer products in the low-price segment.

As a qualitative study, this research suffers from a limitation inherent in all such studies, namely that the results cannot be generalized. However, the objective of

qualitative research is exploration and conceptualization, rather than generalization (McCracken 1988). Thus, future research on the influence of CSR in purchase decisions could employ quantitative methods. More specifically, the identified factors could be cast in a questionnaire, and a large-scale survey could attempt to measure the influence of the factors we identified in different consumption situations. In addition, the relationship between the identified factors, i.e., the inter-relatedness of the factors and feedback-loops, would offer another promising possibility for further research. Another interesting avenue for future investigation would be a cross-cultural study to assess whether the identified factors differ in various cultural

settings. Furthermore, as level of information is acknowledged to be a crucial point for evaluating corporate CSR initiatives, further research could focus on potential communication strategies and their impact on the target audience. Finally, the relationship between CSR initiatives and price perceptions as well as the role of consumers' personal value system offer promising avenues for further research.

## Appendix

See Table 1.

**Table 1** Sample description

Interview #	Gender	Age	Consumer characterization
Interview 1	Female	42	This interviewee has a high school degree and is employed as a medical technical assistant. She is married and has two children, lives in a rural area. She has an average interest in CSR and fair trade, but not as a last consequence
Interview 2	Male	52	The respondent has completed a vocational training and is employed in public service. He is married, has two children, and lives in a rural area. With regard to CSR, he questions companies' philosophies and expects that they behave responsibly
Interview 3	Female	62	She has a vocational training and is currently retired (from being a seamstress) and a housewife. She is married, has two children, and lives in a rural area. In general, she is not interested in CSR. When purchasing products, high quality is key
Interview 4	Female	25	This interview partner has a university degree in politics and is currently unemployed. She is single and lives in a rural area. Even though she generally has a positive attitude toward CSR, she is critical when it comes to specific initiatives. When shopping, she mainly looks for high-quality products
Interview 5	Male	35	The civil servant has a high school degree, is married, and lives in a rural area. When shopping, price is the most important criterion, followed by quality. He attaches great importance to experience of peers. The interviewee has an average interest in CSR.
Interview 6	Male	49	This interviewee has completed a vocational training, is self-employed, and works as a farmer. He is single and has one child. He is interested in CSR initiatives, especially the ones focusing on local community and environment
Interview 7	Female	48	Our seventh respondent is a housewife (and former teacher) and has a high school degree. She is married, has four children, and lives in a rural area. She is quality-conscious; price is not really a criterion. She mainly buys organic and fair trade products and products from local farmers
Interview 8	Female	65	This former surgeon has a university degree and is currently retired. She is divorced, has three children, and lives in an urban area. She always buys organic and/or fair trade products and cares greatly about the environment
Interview 9	Female	43	This respondent works as a freelance university lecturer and holds a PhD in business. She is married, has three children, and lives in an urban area. She cares about environmental protection, buys organic products, and is partly skeptical about the true motives of companies' CSR engagement
Interview 10	Female	60	She has a high school degree and is self-employed, working as a trainer. She is divorced, has one child, and lives in an urban area. She is rather price-sensitive, but if there is no difference in price, she prefers fair trade and organic products
Interview 11	Male	23	This geography student has a high school degree, is single, and lives in an urban area
Interview 12	Male	55	Our 12th interview partner is a craftsman and has completed a vocational training. He is divorced, has two children, and lives in an urban area. In purchasing situations, he does not care about CSR. However, he questions companies' philosophies and expects that they behave responsibly
Interview 13	Male	37	After finishing vocational training, this interviewee became a locksmith. He is single and lives in an urban area. He is not at all interested in CSR and is very price-conscious
Interview 14	Female	23	This student has a high school degree, is single, and lives in an urban area. She has an average interest in and knowledge of CSR initiatives. She occasionally buys fair trade products, but only if the price is acceptable
Interview 15	Male	34	This respondent has a high school degree and is currently enrolled at university. He is single and lives in an urban area. He is very critical and questions everything (including price and quality). He generally considers CSR to be important, but is very skeptical

**Table 1** continued

Interview #	Gender	Age	Consumer characterization
Interview 16	Female	22	She is a student with a high school degree, single, and lives in an urban area. She is not very interested in CSR, but rather price-conscious and would also buy products from companies known for bad practices. In her opinion, it is the government's responsibility to take care of corporate practices and not that of consumers
Interview 17	Male	41	As a high school teacher in arts, this interviewee holds a university degree. He is married and lives in an urban area. He regularly buys organic and local products and is critical of MNE's practices. He has an average interest in CSR, but does not consider it in purchasing decisions
Interview 18	Female	51	This woman is a medical technical assistant, has a university degree, one child, and is widowed. She prefers organic and healthy ingredients when shopping for groceries. However, her overall interest in CSR is rather low, and she is very skeptical about CSR initiatives. She rarely buys fair trade products, but also considers price when there are special offers
Interview 19	Male	45	Our next respondent is a cook and has a high school degree. He is divorced and lives in an urban area. He generally considers CSR to be a good thing, but questions most initiatives because he assumes that the real motives are profit-driven. Due to his rather low income, he is very price-sensitive
Interview 20	Male	25	This interview partner has a university degree and works as a consultant. He is concerned about CSR aspects and thinks that consumers have a responsibility as well. He is critical and questions companies' CSR engagement. (They sometimes appear like a marketing ploy to him.). Therefore, he occasionally seeks more information, e.g., which criteria have to be fulfilled for certain labels, etc.
Interview 21	Female	21	She is a graduate student and holds a bachelor's degree in social sciences. She is single and lives in an urban area. Even though she has restricted financial resources, she tries to consider fair trade and local production when buying products. If she buys from companies where she is unsure about their practices, she has a bad conscience
Interview 22	Male	22	This respondent has a high school degree and is currently enrolled at university. He is single and lives in an urban area. When purchasing products, he pays attention to quality and price. He is also an impulse buyer and influenced by packaging. He does not really consider CSR in purchasing decisions and feels poorly informed

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