The Use of Corporate Social Responsibility Arguments in Communication Campaigns: Does Source Credibility Matter?

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EXTENDED ABSTRACT - More companies than ever engage in Corporate Social Responsibility (CSR) activities. Recent research in marketing, however, shows that communicating about CSR activities does not necessarily result in positive business effects for companies (Sen and Bhattacharya 2001). Furthermore, it seems that companies that are doing the most in the area of CSR are also the ones that are criticized the most (S.E.E. Newsletter 2001). In this context, some companies are afraid of communicating about their CSR activities. Moreover, consumers tend to be increasingly skeptical about sources of information controlled by companies (Elliot et al. 1993). These issues raise the question of the influence of the type of source used to communicate about CSR (i.e., influence of its perceived credibility) and of the long-term profitability of CSR communication.

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EXTENDED ABSTRACT

More companies than ever engage in Corporate Social Responsibility (CSR) activities. Recent research in marketing, however, shows that communicating about CSR activities does not necessarily result in positive business effects for companies (Sen and Bhattacharya 2001). Furthermore, it seems that companies that are doing the most in the area of CSR are also the ones that are criticized the most (S.E.E. Newsletter 2001). In this context, some companies are afraid of communicating about their CSR activities. Moreover, consumers tend to be increasingly skeptical about sources of information controlled by companies (Elliot et al. 1993). These issues raise the question of the influence of the type of source used to communicate about CSR (i.e., influence of its perceived credibility) and of the long-term profitability of CSR communication.

Hypotheses

Mohr, Webb and Harris (2001) report that many consumers are cynical about the positive things described in the media and commercial sources of information. Sources controlled by the company are likely to be considered as less credible and less trustworthy than sources controlled by consumer associations. Hovland and Weiss (1951) have shown that attitude change (in the direction advocated by the message) is much stronger when the source is perceived as highly credible than when the source is not as credible. Eisend (2003) showed that the impact of source credibility has increased over the years. It was therefore hypothesized that CSR activities of the company communicated via consumer-controlled sources of information are likely to have a larger positive impact on consumers’ attitudes than CSR activities communicated via company-controlled sources of information (H1).

Results from Swaen and Vanhamme (2003) indicate that the positive effect of CSR arguments is totally cancelled out if the company is accused of behaving non-socially later on. These results could be explained by a contrast effect (Sherif and Hovland 1961). When a company overtly promotes itself as socially responsible, it creates a more positive context than when it does not mention its CSR activities in its campaigns. As a result, negative information about the company’s alleged irresponsible acts will come across as more discrepant with the context in the former case and may thus result in more negative judgments than in the latter case (H2). This contrast effect should appear no matter the type of medium used.

Methodology

The experimental design is a 2 (CSR vs. NO CSR) by 2 (article of a consumer association vs. company website) by 2 (measures before and after accusation vs. measures only after accusation) between-subject design.

Half of the respondents were asked to read an Internet page printed from the website of a fictive company. The other half of the participants saw exactly the same information, but formatted as an article published by an independent consumer association. For half of the participants the information on the Internet page or in the article contained general statements about the company and its products. Other participants saw identical information, but in addition the text contained information about the firm’s CSR activities. Finally, for half of the participants, the conditions involved a measure of the company and product perceptions, purchase intentions, and trust in the company before (pre-test) and after (post-test) respondents read the newspaper article accusing the company of committing irresponsible acts. For the other half of the respondents, these measures were only collected once, after the negative information about the company’s irresponsible acts. 379 respondents participated in the study.

Results

Before the negative CSR-related information, the scores of company and product perceptions, purchase intentions and trust are significantly higher for respondents who read CSR information in an article published by an independent consumer association than for those who read the same information on the company website. Furthermore, the scores are also significantly higher for respondents who read the consumer association’s article without CSR arguments than for those who read the full description including CSR arguments on the company website. These results support H1 and highlight that the source seems to matter more than CSR arguments. However, after the negative information, the initial stronger positive effect due to the credible source (consumer association) disappears.

Contrast analysis of the ‘pre-test’ measures shows no significant differences between CSR and no CSR conditions. For the ‘consumer association’ conditions the difference approaches marginal significance, however.

Moreover—after the respondents read the newspaper article with the negative CSR-related information—scores for the perceptions of the company and its products, purchase intentions, and trust were significantly lower in all conditions.

But, contrary to what was hypothesized (H2), promoting itself as socially responsible seems to partially protect the company against accusations of irresponsible behaviors. After such accusations, companies promoting themselves as socially responsible through an article from a consumer association are still perceived more positively and have a better product perception than companies not using CSR arguments in their campaigns. Product perception and purchase intentions are also higher for companies that promoted themselves as socially responsible on their websites than for companies that did not use CSR elements on their websites.

Conclusions

This study clearly highlights that using a source that is not perceived as controlled by the company increases the positive impact of CSR campaigns on consumers’ attitudes. The choice of the right source may even lead to better outcomes than using CSR arguments (these ‘source effects’ do, however, not remain stronger than the ‘CSR effects’ if the company is facing accusations of irresponsible acts later on).

This research also confirmed that accusations of irresponsible acts—whatever the source used—do lead to a stronger deterioration of consumers’ attitudes. However, the results showed that—even if CSR campaigns do not necessarily lead to better outcomes for the company in the short term—, they may still partially protect companies facing crises, such as accusations of irresponsible acts.

These results suggest that companies should communicate their CSR campaigns through sources of information that are perceived as
independent from the company. These sources of information generate the highest positive effects in the short term and protect equally against accusations of irresponsible behaviors than other sources of information. Furthermore communicating about the company CSR activities does not seem to backfire if the company is accused of behaving irresponsibly later on.

References