CORPORATE SOCIAL RESPONSIBILITY: A CONSUMER SURVEY AT THE NATIONAL ZOOLOGICAL GARDENS OF SOUTH AFRICA

by

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CHAPTER 1: INTRODUCTION

1.1 INTRODUCTION

A major shift has been observed in the social contract between business and society in the past few years due to factors such as unethical, irresponsible and even destructive corporate behaviour (Carroll & Buchholtz, 2006:19, 31). Globalisation has challenged the domestic frameworks (“nationally defined rules of the game”) companies used to follow in order to maintain their legitimacy within society. The once stable laws and moral customs are eroding and companies have to find more creative ways of keeping their licences to operate (Palazzo & Scherer; Suchman in Scherer & Palazzo, 2011:907). Stakeholder pressure and expectations have driven organisations to contribute to society by means of corporate social responsibility (CSR) activities in order to prove themselves as good corporate citizens. This institutional change challenges the legitimacy of organisations (Johansen & Nielsen, 2012:435). In order to obtain legitimacy, organisations have to justify their right to exist for acceptance within a community, market place and/or the value chain (Maurer in Johansen & Nielsen, 2012:435).

The social contract can be defined as the mutual agreements that signify the interaction between main institutions (Carroll & Buchholtz, 2006:19). There are two elements on which the social contract between business and society are based, including laws and regulatory aspects that society expect the organisation to operate in as well as mutual understandings between the groups (Carroll & Buchholtz, 2006:19-20). The factors affecting society led to criticism against business which resulted in an increased concern for the social environment along with a gradual change in the social contract on which the business assumption of CSR was established (Carroll & Buchholtz, 2006:31). Business’ assumption of CSR gave rise to the concepts of social responsiveness, social performance and corporate citizenship resulting in a more satisfied society and less factors leading to business criticism but higher expectations leading to more criticism (Carroll & Buchholtz, 2006:31). This is a cycle that continues and pushes companies towards more responsibility (Carroll & Buchholtz, 2006:31).
Companies spend enormous amounts communicating their CSR initiatives; so much so that this activity has become the third biggest expense for communication departments (Hutton et al. in Parguel, Benoît-Moreau & Larceneux, 2011:15). Focal to the increase in the sophistication of CSR, is the consumer and his/her perceptions, attitudes, and behaviour. Interestingly enough, Babin and Harris (2011:13) hold that consumers’ purchasing and consumption behaviour ultimately define the society in which they live.

The umbrella term for a company’s formal participation in good causes is CSR which consists of, but is not limited to, the following dimensions: sustainability and sustainable development, corporate social development, corporate citizenship, corporate social investment, corporate philanthropy, cause-related marketing, corporate social accountability and corporate social performance.

Little research has been done on the dynamic interaction between the consumer and NPOs in the South African context. The academic value of this study therefore includes the fact that it will focus on consumer perceptions, attitudes and behaviour in the South African CSR context – with special attention to the applicability thereof in the NPO sphere of this developing country. Second, as a replication of a study originally conducted in the United States (Cole, 2008:i-53), it contributes to the body of literature by testing the generalisability of the research instrument to a South African context.

To provide more background on the context applicable to this study, a brief overview of CSR development in South African is discussed in the next section.

1.2 BACKGROUND: DEVELOPMENT OF CSR IN SOUTH AFRICA

The development of CSR in South Africa can be divided into three main eras (Trialogue, 2007:3): the pre-democratic era; the first decade of democracy and political transition; and the era of economic transformation. The pre-democratic era ranges from the 1970’s to 2004; after which the first decade of democracy and
political era stretched from 1994 to 2004; with the era of economic transformation ranging from 2004 to 2007 (Trialogue, 2007:3). In South Africa, Feldberg of the University of Cape Town, first spoke of prominent industry leaders who ought to be more participative in the societies in which their companies operate (Trialogue, 2007:5). The Sullivan Principles were also laid down during 1977 which were regarded as a formal structure to enhance goodwill from the United States’ companies doing business in South Africa, whereby these companies were encouraged to spend a certain amount of their profit on good causes (Trialogue, 2007:6). In 1983 the Development Bank of South Africa also originated as a financial source to invest in development projects in the country (Trialogue, 2007:5).

In the United States, the concept of a “good neighbourhood agreement” (GNA) was first used as a means to improve environmental standards and to make companies more liable to communities (Lund-Thomsen, 2005:621). A full discussion of corporate citizenship with specific reference to corporate entities’ efforts to become a “neighbour of choice” and obtain a “licence to operate” within communities will conceptualise the corporate entity as a member to the community assuming specific responsibilities. Locally, the Engen Petroleum Refinery went into a voluntary agreement with the South Durban Community Environmental Alliance (SDCEA) in 1998 (Lund-Thomsen, 2005:621). This was the first agreement of its nature in South Africa, which also incorporated a plan to improve the environment (Lund-Thomsen, 2005:621). It stretched over a period of five years and the plan was the result of a “negotiated settlement”, otherwise spoken of as a “good neighbourhood agreement (GNA)” (Lund-Thomsen, 2005:621).

Many factors contribute to the increased awareness and importance of CSR today, including: first, consumers are better informed and more willing to engage in issues which they perceive to be unjust; second, various frameworks to report on issues other than pure financials are being established to track a company’s contributions to society and their CSR reputations; third, principles are drawn up by the Department of Trade and Industry of South Africa to guide companies’ actions (Kaelo Worldwide Media, 2006:7).
1.3 PROBLEM STATEMENT AND RESEARCH OBJECTIVES

There is a lack of clarity on the relationship between consumer perceptions of, and consumer attitudes towards, a corporate sponsor’s CSR activities and the impact thereof on consumer behaviour.

The purpose of this research is therefore to investigate whether there is a relationship between consumer perceptions of, and consumer attitudes toward, a corporate sponsor’s CSR activities and the hypothesised impact thereof on consumer behaviour. In this study Coca-Cola is the corporate sponsor and the consumers are visitors of the National Zoological Gardens of South Africa (NZG).

The following research objectives guided the study:

i. To investigate consumers’ ability to recall a corporate sponsor of an NPO.
ii. To investigate consumer perceptions of a corporate sponsor’s CSR activities.
iii. To investigate the nature of consumer perceptions of CSR in general.
iv. To investigate the effect of perceived corporate philanthropy on consumers’ corporate citizenship attitudes towards a corporate sponsor.
v. To investigate consumers’ business and personal use of a corporate sponsor’s products.
vi. To investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour towards a corporate sponsor.

The following two subsections will indicate the main constructs of this study and the underlying interaction between these constructs in the fulfilment of the abovementioned research objectives. A list of the hypotheses in support of these research objectives will then be provided under a separate subsection.
1.3.1 **Main constructs**

As seen in the research objectives, various constructs are of main importance to this study and attention needs to be given to each construct’s role and relationship with each of the other main constructs. Therefore, this subsection will list the main constructs and briefly mention the significance and proposed interconnectedness of each construct with the other based on the research objectives. There are six main constructs which are listed below.

i. **Consumers’ ability to recall a corporate sponsor of an NPO**

Because corporate reputation has been depicted as something that exists within the hearts and minds of a wide range of internal and external stakeholder groups and individuals, it is necessary to acknowledge that corporate reputation cannot be limited to a single stakeholder group’s perceptions and attitudes. However, for this specific study the focus will be on the consumer of a corporate sponsor’s products. The significance of the first construct is to reveal the extent to which the specific corporate brand is positioned within the memory of the consumer as a corporate sponsor to an NPO. Consumers’ ability to correctly remember which brand is involved with an NPO will already indicate whether a corporate sponsor has successfully achieved a most probable strategic CSR objective of consumer brand awareness. If a consumer is not aware of a brand, they cannot form any solid perceptions, attitudes and behavioural intentions towards a corporate sponsor. If a brand contact experience has not been initiated, a consumer would not be likely to demonstrate the desired actions such as purchasing a product, spreading positive word-of-mouth about the brand, or repeat purchasing (becoming loyal consumers).

ii. **Consumer perceptions of a corporate sponsor’s CSR activities**

Classically, consumer perceptions have been described as an initial response to stimuli from the environment and are usually based on, and sometimes subconsciously compared to, an existing framework of past (similar) stimuli experiences against which a consumer assesses current and new situations. The
stimuli (brand message, a product, or an idea) perceived will then either go unnoticed due to selective perception or it will be noticed initiating an attitude towards the stimuli and consumer behaviour. This process does not only start with consumer perceptions – it can start with an attitude or an impulse purchase (behaviour). If a consumer buys or experiences a new product first, initially negative perceptions can be changed by a positive experience leading to changes in future buying behaviour. Even though this study aims to uncover possible correlations between the constructs of consumer perceptions, consumer attitudes, and consumer behaviour in a CSR and NPO context, these processes are not to be underestimated in their complex and highly individualistic nature within the mind of each consumer.

Because only consumer perceptions, attitudes and behaviour are considered, it would be theoretically incorrect to refer to these consumer perceptions of a corporate sponsor’s CSR as the corporate sponsor’s CSR reputation. As mentioned earlier, a company’s (CSR) reputation cannot be viewed in isolation and is equal to the sum of multiple stakeholder groups’ perceptions and attitudes. Therefore, a corporate sponsor’s CSR activities will indirectly refer to the isolated consumer perceptions of a corporate sponsor’s CSR reputation as it is embodied in the specific CSR-related activities the consumers experience with the corporate sponsor’s brand.

How consumers perceive a specific corporate sponsor’s CSR actions will assist with the hypotheses stated to determine whether there is a correlation between consumer awareness (recall) of a corporate sponsor and how they perceive the corporate sponsor’s CSR efforts/activities. Also, whether there are any relationships between consumer perceptions of a corporate sponsor’s CSR activities and consumer scepticism; consumer corporate citizenship attitudes; and consumer intended behaviour toward a corporate sponsor respectively. The latter constructs will be discussed under the relevant headings below.

iii. Consumer perceptions of CSR in general

Consumer perceptions can be positive, negative, or neutral. But, for the purpose of this study, reference will be made to the two sub-constructs of consumer regard (positive perceptions) towards CSR and consumer scepticism (negative perceptions)
about CSR. The significance of this construct is to determine whether consumers who feel positive about CSR as a business practice, will also hold positive (corporate citizenship) attitudes towards a specific corporate sponsor who is involved with an NPO. Secondly, the researcher attempts to determine whether there is a correlation between consumers who feel positive about CSR and their current/intended positive consumer behaviour in benefit of the corporate sponsor. In terms of the second sub-construct, consumer scepticism is measured to determine whether consumers who are sceptical about CSR as a business practice will have less positive perceptions towards a corporate sponsor’s CSR activities.

iv. Consumer corporate citizenship attitudes towards a corporate sponsor

Attitudes can be much stronger than perceptions and include established resolves that ultimately impact on behavioural choices. The consumers’ attitudes towards a brand’s citizenship within a community is the fourth main construct and involves aspects of the consumers’ confidence in a brand to behave as a responsible and trustworthy citizen in a community. The brand can refer to the sum of all perceptions of a company as a whole, or individual elements such as a specific product, service, or prominent individual within a company and the perceived impact of this brand on society or within a specific community. This study aims to determine if consumers who have positive perceptions about CSR in general and consumers who have positive perceptions towards the company’s CSR activities, will have more positive attitudes towards the corporate sponsor’s level of corporate citizenship.

v. Consumers’ business and personal use of a corporate sponsor’s products

From a corporate sponsor’s perspective, the ultimate desired objective is the building of their brand reputation in some way. The stronger a brand, the more powerful it will become in attracting positive attention from the public, in particular the consumers. Consumers expect popular brands to deliver nothing but the best value which makes it easier for them to make purchase decisions on a business or personal level. Therefore, the way in which a brand’s CSR reputation in perceived collectively by various stakeholder groups can potentially have an impact on whether consumers
decide to use the brand within their companies and at home. Consumers tend to use brands with which they identify and that they perceive to fulfil personal values they wish to be associated with. For example, if a consumer values charity, he or she would find it appealing if a brand serves a charitable purpose whilst simultaneously fulfilling a specific want or need.

vi. Consumer behaviour towards a corporate sponsor

As mentioned, consumers associate easier with brands that strengthen specific values that enhance their self-concept. Consumers who value CSR in general and perceive a specific corporate sponsor’s CSR activities in a positive light will demonstrate it in their behaviour – whether it be by talking positive about the brand, basing purchase decisions on these perceptions and becoming loyal consumers over time.

1.3.2 Hypotheses

The constructs discussed in the previous section form the basis on which the seven hypotheses for this study are derived. The null and alternative versions of each hypothesis are provided here.

$H_1$ (null): There is no significant difference in consumer perceptions of Coca-Cola’s CSR activities between the consumers who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.

$H_1$ (alt): There is a significant difference in consumer perceptions of Coca-Cola’s CSR activities between consumers who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.

$H_2$ (null): Consumer scepticism toward CSR is not related to consumer perceptions of Coca-Cola’s CSR activities.
H₂(alt) : Consumers who are sceptical of CSR will have low perceptions of Coca-Cola’s CSR activities.

H₃(null) : Consumers’ regard for CSR is not related to positive consumer corporate citizenship attitudes towards Coca-Cola.

H₃(alt) : Consumers who have regard for CSR are likely to report positive consumer corporate citizenship attitudes towards Coca-Cola.

H₄(null) : There is no relationship between consumer perceptions of Coca-Cola’s CSR activities and consumer corporate citizenship attitudes towards Coca-Cola.

H₄(alt) : Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer corporate citizenship attitudes towards Coca-Cola.

H₅a(null) : There is no significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ business use and non-use of Coca-Cola’s products.

H₅a(alt) : There is a significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ business use and non-use of Coca-Cola’s products.

H₅b(null) : There is no significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ personal use and non-use of Coca-Cola’s products.

H₅b(alt) : There is a significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ personal use and non-use of Coca-Cola’s products.

H₆(null) : There is no relationship between consumer perceptions of Coca-Cola’s CSR activities and consumer behaviour towards Coca-Cola.
H₆(alt) : Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer behaviour towards Coca-Cola.

H₇(null) : There is no relationship between regard for CSR and consumer behaviour towards Coca-Cola.

H₇(alt) : Consumers with positive regard for CSR are likely to report positive consumer behaviour towards Coca-Cola.

1.4 IMPORTANCE AND BENEFITS OF THE STUDY

CSR in South Africa was initially driven by globalisation as well as local motivators namely the “King II Report on Corporate Governance” (Kaelo Worldwide Media, 2006:10). The Institute of Directors in Southern Africa (IoDSA) compiled the King III report providing South African directors with principles related to best practices in industry, including principles demonstrating regard for CSR (IoDSA, 2009:20). In South Africa, UNISA’s Centre for Corporate Citizenship, together with the Bureau of Market Research found that corporate entities’ CSR choices influence consumers’ “investment decisions, purchasing decisions and brand loyalty” (Kaelo Worldwide Media, 2006:10). To mention more noteworthy statistics from the same South African study (Kaelo Worldwide Media, 2006:10): 47.4% of respondents indicated that they would rather buy from “good corporate citizens” regardless of whether their products or services are priced higher; 55% admitted to buy from companies due to its devotion to charity and good causes; 69% are of the opinion that companies that engage in unethical or irresponsible behaviour should be uncovered to the public with the help of the media. The literature indicates that consumers who feel positive about CSR also foster positive feelings towards companies partaking in CSR programmes (Cole, 2008:34). Consumers who are positive about CSR are more likely to also demonstrate it in their behaviour (Cole, 2008:36).

Considering that South Africa is a developing country and that NPOs play an invaluable role in raising large-scale awareness and harnessing resources for the uplifting of society, this study aims to stimulate further research on the linkages
between CSR, NPOs/the cause, the corporate sponsor and consumers in South Africa. Furthermore, the fact that this study replicated a study conducted in the United States (Cole, 2008:i-53), contributes to the body of literature by applying the research instrument in a South African context. With regard to the last-mentioned academic contribution, the ability to replicate (repeat/reproduce) a study, is a core necessity of the research process (University of Pretoria, 2010:2). Singh, Ang and Leong (2003:534) define replication as “the duplication of a previously published empirical study to determine whether the findings of that study are repeatable”. Different categories of replication can be identified and thus it is not limited to exact duplication. A more practical discussion of these categories will be addressed in the research and methodology chapter (Chapter 5).

1.5 DELIMITATIONS AND ASSUMPTIONS

As with all forms of research, the execution and interpretation of findings are based on specific delimitations and assumptions which are briefly mentioned in the following sections.

1.5.1 Delimitations

From a corporate perspective, one of the main delimiting factors is that the study will focus on only one selected corporate sponsor in the South African beverage industry. No other main beverage brands were involved. This will limit the applicability of the findings in the sense that one cannot compare the results between different beverage companies in the South African industry or across industries other than the beverage industry.

Due to the nature of the topics included in the questionnaire, only literate respondents will qualify to complete the survey – excluding some of the illiterate individuals whom might also use the corporate sponsor’s products or have valuable opinions to share. Some consumers will have more experience with the corporate sponsor than the others, which might limit the insights with which uninvolved employees answer the questionnaire. Another limitation is that this study will only
focus on CSR in the context of the South African zoo domain and will not explore CSR in other zoos internationally.

1.5.2 Assumptions

According to Leedy and Ormrod (2005:5), assumptions are those easily-overlooked principles, which underlie a specific research quest and without which the study would not exist in the first place. The two most fundamental assumptions inherent to this study include that the consumer perceptions, consumer attitudes, and consumer behaviour associated with CSR are “somewhat lawful and predictable” and specific “cause-effect relationships” can explain the perceptions, attitudes, and behaviour researched (Leedy & Ormrod, 2005:5). Thirdly, the researcher assumes that CSR in principle has a significant impact on the corporate reputation of a corporate sponsor as perceived by various consumers, if it is applied properly over the long-term.

It is assumed that CSR and its strategic importance in the South African social and economic domains will increase drastically in the near future – specifically in companies partaking in international business endeavours. The fifth assumption holds that the questionnaire (see Appendix B, p. 263), will cover the necessary fields of CSR exploration as required in a South African context. The researcher also assumes sixthly that the respondents have the necessary language and subject knowledge to proficiently answer the questionnaire items which are stated in as simple English terms as possible. Seventhly, it is assumed that the respondents will provide well thought-through answers to all the items presented in the questionnaire without guessing. The eighth assumption includes that the researcher has adequate knowledge and expertise to capture, calculate and interpret the questionnaire results correctly.

1.6 STRUCTURE OF THE DISSERTATION

Chapter 1 contains a general introduction; a background discussion of the development of CSR in South Africa; the main problem statement, research objectives, constructs and hypotheses; as well as the delimitations and assumptions
inherent to this study. A summary on the importance and benefits of this study is supplied. As with all forms of research, certain delimitations are inherent to the nature of this study and specific assumptions needed to be taken into account. These delimiting factors and the assumptions are mentioned. Next, the structure of the dissertation is provided summarising the main topics of each chapter. The introductory chapter is then concluded.

Chapter 2, the first of three literature chapters in this dissertation, will be dedicated to providing a theoretical framework of the theories addressed in this study; as well as defining CSR and its related terminology including sustainability and sustainable development, corporate social development, corporate citizenship, corporate social investment, corporate philanthropy, cause-related marketing, corporate social accountability and corporate social performance. The main critique against CSR is discussed with specific reference to the “greenwashing” of brands as well as voluntary reporting on CSR.

Chapter 3 is the second literature review chapter and will centre on corporate brand reputation. This chapter will be divided into two main sections, including corporate branding and corporate reputation. Under the first section, the brand and connotations to trust will be considered; thereafter the concept will be defined clearly and concepts related to corporate branding will be discussed under corporate identity, brand personality, and the “greenwashing” of brands. The second main section of corporate reputation will include its definition, scope and advantages, corporate brand reputation and measures of corporate reputation.

Chapter 4 is the final literature review chapter. In this chapter an in-depth discussion of the consumer will occur under the four main sections of the consumer (definition, classification, contextualisation in CSR theory); consumer perceptions (definition and process, perceived quality, consumer ability to recall, consumer regard and scepticism); consumer attitudes (definition, dimensions, functions, models and theories, Hierarchy of Effects, the value of consumer satisfaction, word-of-mouth, consumer corporate citizenship towards a corporate sponsor); and consumer behaviour (purchases, loyalty and responsible consumer behaviour).
In Chapter 5 the methodology of the study will consist of an introduction elaborating on research design, methods and classification applicable to this study; and a brief revisiting of the research objectives and formulated hypotheses. But mainly, this chapter will focus on sampling; operationalisation; statistical procedures; reliability and validity; measures taken to assess and demonstrate the quality and rigour of the study; and a closing summary. The sampling section provides more information on the target population, context and units of analysis; the main institutions involved in this study (Coca-Cola and the National Zoological Gardens of South Africa); the sampling method applied; and research ethics. The operationalisation section will discuss the changes that were made to the adapted measuring instrument used in this study; the scales considered and used; the compilation of the measuring instrument; the design of the questionnaire; the survey method; and pretesting. Under the main heading of statistical procedures, more information will be provided on the data analysis process; factor analysis; descriptive statistics; and statistics related to the hypotheses tested. The section on reliability and validity will briefly define and describe the scope of these concepts and ways in which compliance to these principles were maximised. The means with which the researcher attempted to assess and demonstrate the quality and rigour of the data collected will then be discussed. A summary concludes this chapter.

Chapter 6 centres on the results obtained from the data collected and analysed. The chapter begins with an introduction where after the main findings to this study are elaborated on under the headings of scale purification; hypotheses tests; and descriptive statistics. With regard to the scale purification heading, the factor analysis results of the four main scales used to measure different constructs are reported and secondly, the internal consistency reliability of the main constructs confirmed with the factor analysis process is mentioned. The hypotheses tests section will be structured according to the statistical tests used to analyse the hypotheses of this story – Analysis of Variance (ANOVA) and Pearson’s Product Moment Correlation Coefficient. Descriptive statistics will be reported for each question in the adapted data collection instrument starting with the questions used in the main constructs of this study. Thereafter, the remaining demographics questions’ descriptive statistics will be discussed. The chapter is summarised in the last section.
Chapter 7 will summarise the entire study under six headings, including an introduction; a conclusion on the research problem; conclusions, implications and recommendations per research objective; limitations of the study; recommendations for future research; and a final summary.

1.7 CONCLUSION

This first chapter served as an introduction to the study. The relevant problem statement, research purpose, objectives, constructs and hypotheses were also formulated. Furthermore, the rest of the chapter elaborated on the importance and benefits of this study; delimitations and assumptions inherent to the research scenario; and finally the structure of this dissertation.
CHAPTER 2: CORPORATE SOCIAL RESPONSIBILITY

2.1 INTRODUCTION

Before investigating the relationships between consumer perceptions of, and consumer attitudes towards, a corporate sponsor’s CSR activities and the impact thereof on consumer behaviour, a detailed discussion on CSR is required. Chapter 2 is the first of three literature review chapters and will focus on the theoretical framework of this study as well as defining CSR and related constructs such as sustainability and sustainable development, corporate social development, corporate citizenship, corporate social investment, corporate philanthropy, cause-related marketing, corporate social accountability and corporate social performance. After discussing the last-mentioned constructs, a section on the criticism against CSR will conclude the literature discussion of this chapter.

The first research objective of this study was to investigate consumers’ ability to recall a corporate sponsor of an NPO. The second objective was to investigate consumer perceptions of a corporate sponsor’s CSR activities and the third was to investigate the nature of consumer perceptions of CSR in general. The fourth research objective was to investigate the effect of perceived corporate philanthropy on consumers’ corporate citizenship attitudes towards a corporate sponsor. The last two objectives focused on investigating consumers’ business and personal use of a corporate sponsor’s products and to investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour towards a corporate sponsor. In essence all of these research objectives obtain a CSR element, but in this chapter, specific attention will be given to the corporate citizenship construct present in the fourth objective.

A prominent study was done by one of the biggest research organisations in the USA, WalkerInformation’s Research, that intended to “measure the impact of CSR” in organisations (Carroll & Buchholtz, 2006:53). From this study, the top twenty activities/characteristics of socially responsible companies have been extracted as perceived by 1 037 households (WalkerInformation in Carroll & Buchholtz, 2006:53):
“makes products that are safe; does not pollute air or water; obeys the law in all aspects of business; promotes honest/ethical employee behaviour; commits to safe workplace ethics; does not use misleading/deceptive advertising; upholds stated policy banning discrimination; utilises ‘environmentally friendly’ packaging; protects employees against sexual harassment; recycles within company; shows no past record of questionable activity; responds quickly to customer problems; maintains waste reduction program; provides/pays portion of medical; promotes energy-conservation program; helps displaced workers with placement; gives money to charitable/educational causes; utilises only biodegradable/recycling materials; employs friendly/courteous/responsive personnel; tries continually to improve quality”.

Another more recent qualitative study involving over 25 000 active consumers in nine markets revealed valuable insights on their opinions, worries and wishes on various sustainability matters and delved deep to find out how these consumers perceive the brands they trust in terms of sustainable practices and the way in which these perceptions influence brand equity (Champniss & Rodés Vilà, 2011:32). Brand equity consists of brand awareness and brand associations (Keller in Hsu, 2012:189). The respondents were presented with a list of around 20 topics with regards to social and economic issues and most of them indicated that they were “very concerned”, which was the response option on the furthest end of the scale (Champniss & Rodés Vilà, 2011:33). As the data was collected during 2009, in the midst of the global economic crisis, most respondents expressed highest concern with the level of unemployment in society (43%) and economic doubt (42%) (Champniss & Rodés Vilà, 2011:33). The highest rated concerns aside from unemployment and economic uncertainty were all in the domain of sustainability (Champniss & Rodés Vilà, 2011:33). Forty-one percent of respondents were most concerned with the level of crime and violence; 38% with poverty and unequal treatment; 35% with the rate of pollution of the environment; 32% were most concerned about the availability of proper healthcare; 30% about exhaustion of natural resources; another 30% for the scarcity of water; and 29% were very concerned about waste and too much refuse (Champniss & Rodés Vilà, 2011:33). Champniss and Rodés Vilà (2011:33) noted that these consumers were concerned about social issues even in the time of an
economic recession. Even in the glare of a financial and economic crisis, consumers are not losing sight of various societal and environmental issues.

In 2010 the same concerns remained at the top of consumers’ minds according to the same study (Champniss & Rodés Vilà, 2011:33). In the 2010 execution of this study, comparisons were drawn between the consumers’ perceptions of the role of business and brands in the social domain. See Table 1 below for more details on the 2009/2010 comparisons of respondents who agreed with statements on the role of business and brands.

Table 1: The role of business and brands

<table>
<thead>
<tr>
<th>Statement</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large companies should be actively involved in solving</td>
<td></td>
<td></td>
</tr>
<tr>
<td>social/environmental problems</td>
<td>80%</td>
<td>83%</td>
</tr>
<tr>
<td>Most companies are socially/environmentally responsible only to</td>
<td>64%</td>
<td>68%</td>
</tr>
<tr>
<td>improve their image</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My appreciation for a company would go up if it partnered with a charity</td>
<td>64%</td>
<td>64%</td>
</tr>
<tr>
<td>or NGO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>As a consumer I can help make a company behave more responsibly</td>
<td>63%</td>
<td>57%</td>
</tr>
<tr>
<td>I would pay 10 percent more for a product produced in a socially/</td>
<td>48%</td>
<td>44%</td>
</tr>
<tr>
<td>environmentally responsible way</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large companies work hard at being socially/environmentally</td>
<td>31%</td>
<td>29%</td>
</tr>
<tr>
<td>responsible</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental pollution is such a big problem that there is</td>
<td>34%</td>
<td>28%</td>
</tr>
<tr>
<td>very little the individual can do</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solving social/environmental problems is the responsibility of</td>
<td>30%</td>
<td>24%</td>
</tr>
<tr>
<td>governments and not businesses</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Sustainable Futures 2009/2010 (in Champniss & Rodés Vilà, 2011:35)

Following the statistics set out in Table 1 above: In the 2010 study an increase was observed in the percentage of consumers who believe that big companies should be involved in the solving of social and environmental issues - from 80% in 2009 to 83% in 2010 (Champniss & Rodés Vilà, 2011:35). A mere 28% of consumers who participated in the study believed that they were powerless in minimising environmental pollution (Champniss & Rodés Vilà, 2011:35). Fifty-seven percent of respondents displayed a level of “consumer activism” in agreeing that they were powerful enough to force a company to behave more responsibly (in 2009 this percentage was slightly higher at 63%). Few respondents believed that government
should be responsible for solving social and environmental issues (Champniss & Rodés Vilà, 2011:35). What is troublesome is that just 29% felt companies are focusing enough on solving these problems, proving the significantly big gap between what they expect from, and perceive to be acted upon, by companies (Champniss & Rodés Vilà, 2011:35). An increase was observed in the percentage of consumers who believe companies are only involved in social and environmental activities to enhance their image (from 64% in 2009 to 68% in 2010). Here it is evident that consumers might not trust the motives behind companies’ involvement with CSR or might be disappointed with these companies’ intentions and therefore, these consumers have not yet made the transition from attitude to behaviour when it comes to “sustainable consumption” (Champniss & Rodés Vilà, 2011:35). On another note, 80% of respondents reported that they compensate companies or brands based on perceived behaviour and 72% acknowledge that they punish or boycott companies or brands if they perceive them to behave irresponsibly (Champniss & Rodés Vilà, 2011:35). The findings also revealed that across all nine markets researched, consumers would rather look for ways to compensate companies and brands with good behaviour by being loyal than to boycott them (Champniss & Rodés Vilà, 2011:35).

2.2 THEORETICAL FRAMEWORK

This section will illustrate a theoretical framework customised to the study by pointing out the relevant meta-theory/ies, the main theoretical disciplines/domains covered, and the corresponding theories and concepts that will unfold in the remaining literature chapters.

2.2.1 The Legitimacy Theory as meta-theory

The meta-theory on which this study is based, is the Legitimacy Theory. The Legitimacy Theory was born from theory related to politics and economics (Gray et al. in Lanis & Richardson, 2013:117). The theory originated from the premise that a social contract exists between companies and society (Lanis & Richardson, 2013:117). According to the Legitimacy Theory, companies ensure their own future
by investing in the public’s perception that it operates in accordance with society’s values and norms (Gray et al. in Farache & Perks, 2010:236). Legitimacy indicates “the extent to which the practices of an organisation are consistent with the norms, behaviours and values in specific local and global communities to which it belongs” (Dowling & Pheffer; Suchman in Johansen & Nielsen, 2012:435). The Systems Theory, where companies are regarded as components of a bigger social whole within which it operates, is also relevant when it comes to corporate legitimacy (Woodward et al. in Stanaland, Lwin & Murphy, 2011:48). But the focus will be on the Legitimacy Theory throughout the meta-theory section in the construction of the theoretical framework for this study.

“Legitimacy is ... a measure of the societal perceptions of corporate behaviour compared with societal expectations for corporate activity.” (Steyn & Puth in De Beer & Rensburg, 2011:213) What is known as a “legitimacy gap” exists when the social contract is not upheld, resulting in unfulfilled societal expectations (Wilmshurst & Frost; Mitchell et al. in Lanis & Richardson, 2013:117). Four strategies are possible to minimise the legitimacy gap. First, by modifying consumer perceptions that the organisation has changed without any change to the organisation; second, the organisation attempts to change the public’s perception about the issue; third, manipulation tactics such as drawing the public’s attention to charitable/“green” causes the company supports; and fourth, attempting to change the expectations the public has of the organisation’s performance (Lindblom in Lanis & Richardson, 2013:117-118). Dowling and Pfeffer (in Claasen & Roloff, 2012:381), identified three routes towards becoming a socially legitimate organisation: the organisation can adapt current operations to comply with existing definitions of legitimacy; the organisation can change the definition of social legitimacy so that it is in line with what the organisation is already doing; or the organisation can communicate by stressing its identification with the “symbols, values, or institutions” which are strongly associated with social legitimacy. The last-mentioned approach relates to the marketing of a company’s CSR activities (Claasen & Roloff, 2012:382).

Suchman (in Claasen & Roloff, 2012:382) distinguishes between cognitive, pragmatic and moral legitimacy. Cognitive legitimacy is defined as the “affirmative backing of an organization or mere acceptance of the organization as necessary or
inevitable based on some taken-for-granted cultural account”. An example of cognitive legitimacy is that certain industries, such as the food industry, enjoy more perceived legitimacy as compared to industries that sell products which society regards as more harmful to the consumer (for example, the tobacco industry) (Suchman in Claasen & Roloff, 2012:382). Pragmatic legitimacy exists if consumers experience a personal benefit from the organisation’s operations (Claasen & Roloff, 2012:382). By prioritising and focusing on what specific stakeholder groups expect from the organisation, it can obtain this form of legitimacy (Mitchell et al.; Savage et al. in Claasen & Roloff, 2012:382). Finally, moral legitimacy is defined as the result of “a conscious moral judgement on ‘the organization’s output, procedures, structures and leaders” (Palazzo & Scherer in Claasen & Roloff, 2012:382). This form of legitimacy is regarded as the purest form of legitimacy (Koppel in Claasen & Roloff, 2012:382).

Scherer and Palazzo (2011:916) argue that globalisation has lead to the erosion of pragmatic and cognitive legitimacy. These two approaches to legitimacy were traditionally advocated in the economic theory of the organisation and the associated concepts of CSR. Pragmatic and cognitive legitimacy were based on the assumption that companies already functioned in a social environment characterised by relatively sound moral rules. Examples of earlier theoretical applications of cognitive legitimacy in the CSR field can be found in literature referring to the company’s adaptation to “broader community values” (Swanson); the deriving of a company’s responsibilities from what society expects “at a given point in time” (Carroll); or conforming to “the basic rules of society” (Friedman). Pragmatic legitimacy occurs if a company does well by doing good deeds or give the impression that their actions benefit society by means of manipulating consumer perceptions via marketing-related communication (Scherer & Palazzo, 2011:915).

Moral legitimacy involves assessments of an ethical nature when it comes to companies’ processes, actions, and leaders. The inherent social and argumentative nature of this form of legitimacy necessitates the presence of discourse between the company and its publics. Due to companies’ cooperating efforts with non-governmental organisations to influence global governance, moral legitimacy is evolving into a very important approach to legitimacy (Scherer & Palazzo, 2011:916).
Legitimacy has become a matter of membership and association with the preferred institutions and/or having the relevant certification which has lead to companies creating “meta-organisations” that can assist in the process of granting legitimacy (Johansen & Nielsen, 2012:446).

Companies should be weary of not falling victim of what is termed the “uniqueness paradox” as a result of complying with good behaviour in a similar way as all other companies because the good behaviour eventually becomes generic and the company loses its uniqueness in the process. On the other hand, by putting more thought behind the art of “storying” their belonging to, and leadership in, specific meta-organisations, companies can still differentiate themselves from competitors (Johansen & Nielsen, 2012:446).

The main constructs of this study is founded within the domain of social sciences and the secondary domains of management science and communication science. Academic disciplines applicable to the main constructs include Business Management with its academic fields of Business-Society Management; and Communication Management under which the academic fields of Corporate Communication and Marketing Communication amongst many others (De Beer & Rensburg, 2011:210).

The theoretical framework in Table 2 below displays the disciplines/domains that underlie the main theoretical arguments of this study: Business and Society; Corporate Communication; and Marketing. Because most of the constructs addressed in this study have evolved to possess elements of various domains and theories, each of the constructs are placed under the heading (domain/theories) considering its discussion in the literature chapters to follow. It is important that this framework should be viewed from an integrative and holistic point due to the interdisciplinary nature of this study.
<table>
<thead>
<tr>
<th>Meta-theory</th>
<th>Business and Society</th>
<th>Corporate Communication</th>
<th>Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Discipline/Domain</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Theories</strong></td>
<td>Attribution Theory</td>
<td>Excellence Theory</td>
<td>Behaviour/Persuasion theories/models:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Attitude-Toward-the-Object (ATO) Model; Behavioural Influence Theory; Behavioural Intentions Model or Theory Of Reasoned Action (TORA); Theory Of Planned Behaviour; Elaboration Likelihood Model (ELM); Balance Theory; Social Judgement Theory; Dissonance Theory</td>
</tr>
<tr>
<td></td>
<td>Functional Theory; Balance Theory; Cluster Theory; Hierarchy of Effects Model; Social Exchange Theory</td>
<td>Identification Theory</td>
<td>Source Credibility (Corporate Credibility)</td>
</tr>
<tr>
<td><strong>Constructs</strong></td>
<td>Consumer perceptions of CSR in general</td>
<td>Consumer ability to recall a corporate sponsor of an NPO</td>
<td>Consumers' business and personal use of a corporate sponsor's products</td>
</tr>
<tr>
<td></td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>Consumer citizenship attitudes towards a corporate sponsor</td>
<td>Consumer perceptions of a corporate sponsor's CSR activities</td>
<td>Consumer behaviour towards a corporate sponsor</td>
</tr>
<tr>
<td><strong>Questionnaire items</strong></td>
<td>Q3.1, 3.2, 3.4, 3.6 (regard)</td>
<td>Q1 (awareness/recall)</td>
<td>Q12 (business use)</td>
</tr>
<tr>
<td></td>
<td>Q3.3, 3.5, 3.7 (scepticism)</td>
<td>Q2.1 – 2.5, 2.7 – 2.9 (perceptions of CSR activities)</td>
<td>Q13 (personal use)</td>
</tr>
<tr>
<td></td>
<td>Q4.1 – 4.7 and 4.9 (citizenship attitudes)</td>
<td></td>
<td>Q5.1 – 5.9 (behaviour)</td>
</tr>
</tbody>
</table>
The theories related to these disciplines will now be discussed under the relevant domains.

### 2.2.2 Business and Society

The corporate responsibility movement revealed an ever-growing definition of the roles and responsibilities that business has in society: from a limited view related to shareholder profits to the more recent consideration of various stakeholders as part of a company’s wealth creation process (Doorley & Garcia, 2007:357). The theories that fall under the domain of Business and Society will now be mentioned briefly.

Attribution Theory refers to “the way people make causal inferences to explain their own or others’ behaviour.” (Heider; Kelley; Kelley & Michela in Mohr, Webb & Harris, 2001:67). The motives a consumer perceives behind a company’s CSR efforts are related to the consumer’s perceptions toward CSR and the (advertising) medium used to communicate these efforts can also be a source of distrust and scepticism (Mohr et al., 2001:67). Consumer attributions influence consumer perceptions toward the corporate sponsor (Robertson & Rossiter; Folkes; Klein & Dawar in Parguel et al., 2011:18). Four motives are identified when a consumer ascribes the company’s support of CSR: ego-driven; strategic-driven; stakeholder-driven; and values-driven (Vlachos, 2009:1). These motives will be discussed in more detail in the chapters to follow.

The Functional Attitude Theory distinguishes between a utilitarian, knowledge, value-expressive, and ego-defensive function that attitudes fulfil for the consumer (Babin & Harris, 2011:126). In summary, this theory holds that consumers will behave in such a way as to reward and not punish themselves; to simplify and organise their lives by making use of prior knowledge and experiences on which they base their attitudes and behaviour; to express their beliefs and associations with a desirable self-image; and to defend themselves from harmful information that can damage their ego, self-image or status (Arnould, Price & Zinkhan, 2004:632; Babin & Harris, 2011:126-127).
According to the Balance Theory, consumers will agree with and trust people they like and disagree with people they dislike. This theory is applied when companies use celebrities to endorse their products in an attempt to alter consumer attitudes towards their products or services (Arnould et al., 2004:637).

The Cluster Theory of attitudes holds that attitudes are derived from an existing generalised attitude (Arnould et al., 2004:637). According to this approach the relationships among attitudes can be explained as “ideologies” that are interdependent and organised around a dominant theme (Stern, Dietz, Kalof & Guagnano in Arnould et al., 2004:637).

The Hierarchy of Effects Model explains the formation of attitudes according to four hierarchies based on the consumer’s level of involvement, experience and his/her behavioural influence. These hierarchies include: high-involvement or standard learning; low-involvement; experiential; and behavioural influence (Babin & Harris, 2011:128-129). When consumers are faced with a risky or important decision, they would gather information on the product or service and beliefs will be formed first. Thereafter, feelings (affect) about the product will be based on the facts researched. Action follows – whether to buy or not (Babin & Harris, 2011:128). When the consumer already possesses a general belief about a product category related to a less important purchase decision, they can apply the low-involvement hierarchy. Strong attitudes are not present with this hierarchy and consumers make these purchase decisions impulsively based on prior beliefs already present. Affect follows thereafter (Babin & Harris, 2011:128). With the experiential hierarchy, the consumer buys a product because it “feels good or feels right”, signifying an impulsive element because the process starts with affect, followed by behaviour and belief (Babin & Harris, 2011:129). In some cases, consumers base their decision on pressure from the environment they live in, and without belief or affect driving the process (Babin & Harris, 2011:129).

Based on the principles of the Social Exchange Theory, consumers who have a favourable experience will attempt to display their gratitude with positive behaviour to establish a social exchange relationship. This theory supports the link between
consumer attitudes and citizenship behaviour (Blau in Lii & Lee, 2012:73). The Social Exchange Theory can also be applicable when a company supports its community triggering favourable consumer attitudes and an increased likelihood for consumers to participate in positive behaviour in support of the company and cause (Nan; Groth in Lii & Lee, 2012:73).

2.2.3 Corporate Communication

In order for consumers to identify with a company, they would have to be made aware of its impact on specific issues which in turn will depend on its communication (Maignan & Ferrell, 2004:14). The past few years an increase has been observed in the number of companies that have website pages dedicated to CSR, publish annual social/environmental reports, codes of conduct and ethics, advertisements on CSR, and many similar forms of communication (Nielsen & Thomsen, 2012:49). More than 80% of the Fortune 500 companies put details about their CSR initiatives on their corporate websites (Esrock & Leighty in Bae & Cameron, 2006:145). This trend has shaped CSR management and marketing communication as sub-fields of corporate communication (Cornelissen; Pollach et al. in Nielsen & Thomsen, 2012:49). Communication is necessary to create, develop and sustain social structures and it also makes the coordination of activities possible (Heide et al.; Lammers & Barbour; Taylor & Van Every in Grandien & Johansson, 2012:210). Corporate communication creates awareness about CSR activities and presents CSR as “a bond between the firm and its stakeholders” (Maignan & Ferrell in Stanaland et al., 2011:48-49).

On the contrary, Schultz and Wehmeier (2010:21) argue that companies risk their legitimacy by thinking they can control consumer (or other stakeholder) perceptions by means of CSR communication. These companies’ investment in CSR and incorporation of CSR communication, binds them to adhere to specific rules raising the expectations the public will have of them and increasing their chances to disappoint or be distrusted (Schultz & Wehmeier, 2010:21). Crane and Livesey (in Schultz & Wehmeier, 2010:21) dub this “vicious circle” as “the downward spiral of legitimacy” leading to “an upward spiral of further institutionalization of CSR”. Morsing (in Schultz & Wehmeier, 2010:22) advocates the use of “defaulted
communication” which is the company’s use of “silent communication strategies” of acting socially responsible but not explicitly communicating about it whilst preserving legitimacy in the process. Silent communication strategies do not attempt “sensegiving” that might result in scepticism; it does not make promises by communicating unrealistic targets that can lead to disappointment ultimately necessitating higher levels of involvement (Schultz & Wehmeier, 2010:22).

The Excellence Theory (Grunig, Grunig & Dozier, 2006:21), advocates the importance of a company’s reliance on their communication function in order to survive in an environment characterised by endless pressures, activism and change. Therefore, a company should rely more on dialogue with various stakeholders to achieve moral legitimacy and survive over the long term. Excellent communication is characterised by a culture of participation; open communication; organic structures; fair treatment of, and equal opportunities for, minority groups; and employee motivation and satisfaction (Grunig et al., 2006:53). If the latter principles are not present within a company, it would not be possible to build an reputation based on good ethical principles.

Consumer-company identification is defined as “the degree to which a consumer’s self-definition overlaps with that same consumer’s perceived traits of a firm” (Bhattacharya & Sen; Dutton et al. in Li & Lee, 2012:70). The more a consumer can identify with what a company stands for, the higher the likelihood that the consumer will buy the company’s products and services (Ahearne et al.; Lichtenstein et al. in Li & Lee, 2012:70). Pérez, De Los Salmones and Del Bosque (2013:218, 229) argue that CSR communication has a positive effect on consumers’ identification with the company, their attitudes toward a CSR cause as well as their level of satisfaction derived from the interaction with the company. If a consumer can identify with a specific CSR cause, they would most probably relate to the corporate brand as well (Pérez et al., 2013:228).

Theory related to Corporate Credibility originated from the Communication Theory on Source Credibility. Source Credibility Theory holds that a person would be more easily persuaded by messages depending on the source of the message. Therefore,
In the context of this study, Corporate Credibility Theory refers to a consumer’s level of trust in the truthfulness of a company and its (CSR) communication (Newell & Goldsmith in Berens & Van Riel, 2004:172).

2.2.4 Marketing

In 2008, the American Marketing Association (AMA) adapted its official definition of marketing as follows (Varadarajan, 2010:120): “Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.” From a practical point of view, this definition implies that marketing departments should study consumer reactions to CSR in order to determine how they perceive CSR in general because these consumers’ perceptions will influence marketing activities (Öberseder, Schlegelmilch & Murphy, 2013:1846).

Corporate marketing, including operations related to corporate “image, branding, identity, reputation and communications”, requires the company to be in tune with the needs of various stakeholders in order to establish the perceptions that the company is committed to CSR (Balmer & Powell in Stanaland et al., 2011:47). The strategic marketing domain encompasses “the study of organizational, inter-organizational and environmental phenomena concerned with the behaviour of organizations in the marketplace in their interactions with consumers, customers, competitors and other external constituencies, in the context of creation, communication and delivery of products that offer value to customers in exchanges with organizations” (Varadarajan, 2010:119).

Because the activities of marketers mainly involve the study of human behaviour, these academics’ focus on understanding the behaviour of consumers in order to influence them and ultimately generate profits from this behaviour (Hastings & Saren, 2003:306). Based on a study conducted in the United States, it was concluded that over 50% of morbidity and premature death can be ascribed to the lifestyle of humans, for example “AIDS, lung cancer and obesity”; and other social problems related to human behaviour such as “crime, racism and road accidents”
Social marketing overcomes the gap between the business sector and social welfare by having insight into both spheres. With this powerful information, it can assist in defining societal problems and providing solutions to these problems (Hastings & Saren, 2003:307). The loyalty consumers might have towards a brand as well as their identification with such a brand have the potential to significantly impact on their health and consumer behaviour. With the help of social marketing research, these phenomena are broken down into their component parts and studied extensively (Hastings & Saren, 2003:312). “[S]ocial marketing, wearing its behaviour change hat, uses marketing to bring about beneficial social change. As such it reminds the world that marketing is an effective technology that can be used for good as well as ill.” (Hastings & Saren, 2003:315) Social marketing constitutes research on the way in which marketing activities contributes to the creation of socially desirable behaviour (Andreasen in Maignan & Ferrell, 2004:5). Hoeffler and Keller (in Walker & Kent, 2009:750) argued that social marketing assists the company in building brand equity and reaching higher sales volumes.

Various marketing concepts intercept CSR, for example societal marketing, cause-related marketing, environmental marketing, “enviropreneural” marketing, quality-of-life, social responsible buying and sustainable consumption (Vaaland, Heide & Grønhaug, 2008:931). Other theories that will be discussed in the literature include the theories and models on persuasion (Babin & Harris, 2011:135): Attitude-Toward-the-Object (ATO) Model; the Behavioural Influence Theory; the Behavioural Intentions Model or Theory of Reasoned Action (TORA); the Theory of Planned Behaviour; the Elaboration Likelihood Model (ELM); the Balance Theory, the Social Judgement Theory; and The Dissonance Theory.

According to the Attitude-Toward-the Object (ATO) model, three elements determine consumer attitudes: consumer beliefs about the qualities a product should have; the strength of the belief that the relevant product does possess these qualities; and the consumer’s assessment of the qualities (Fishbein & Ajzen in Babin & Harris, 2011:130. Behavioural Influence Theory holds that a change in consumer behaviour can lead to a change in consumer attitude (Babin & Harris, 2011:136). Because it is not always possible to initiate a change in consumers’ behaviour, the Behavioural
Intention Model (Theory of Reasoned Action – TORA) was developed (Babin & Harris, 2011:133). According to the TORA, a consumer’s intention to act in a specific way is based on their attitude towards the specific action (Babin & Harris, 2011:133; Arnould et al., 2004:643). The Theory of Planned Behaviour mirrors the TORA but in addition, it considers consumer perceptions of how easy it is to perform the specific action (Baumeister in Arnould et al., 2004:647). The Elaboration Likelihood Model (ELM) addresses persuasion based on how involved a consumer is with the decision and his/her ability and motivation to scrutinise the information available about the product or service (Celsi & Olson; MacInnis & Park in Babin & Harris, 2011:137). The Balance Theory holds that consumers think and act to ensure mental consistency (Heider in Babin & Harris, 2011:139-140). The Social Judgement Theory focuses on the principle that consumers will assess and accept (or reject) new information based on attitudes they currently hold about a (similar) product or service (Babin & Harris, 2011:140). When there is an imbalance in a consumer’s behaviour and principles, and they are motivated enough to engage in a specific action, they will adapt their attitude to be congruent with the behaviour – this occurrence is known as the Dissonance Theory (Festinger in Arnould et al., 2004:638).

2.3 DEFINING CSR

In this section CSR and terms closely related to this construct will be defined and discussed in the following order (with varying levels of emphasis placed on each): sustainability and sustainable development, corporate social development, corporate citizenship, corporate social investment, corporate philanthropy, cause-related marketing, corporate social accountability and corporate social performance. Due to the level of relevance and importance for this study, specific constructs will enjoy more attention in the last-mentioned list therefore; corporate citizenship, corporate philanthropy and cause-related marketing will enjoy more attention.
2.3.1 **Corporate social responsibility**

CSR is an “organisation’s activities and status related to its societal obligations” (Brown & Dacin in Babin & Harris, 2011:332). However, Hopkins (2007:15-16) defines CSR in a more comprehensive way:

“CSR is concerned with treating the stakeholders of the firm ethically or in a responsible manner. ‘Ethically or responsible’ means treating stakeholders in a manner deemed acceptable in civilized societies. Social includes economic and environmental responsibility. Stakeholders exist both within a firm and outside. The wider aim of CSR is to create higher and higher standards of living, while preserving the profitability of the corporation, for peoples both within and outside the corporation.”

Carroll (in Carroll & Buchholtz, 2006:35) developed a CSR definition consisting of four parts stating the economic and legal prospects of business within a social context: “The social responsibility of business encompasses the economic, legal, ethical, and discretionary (philanthropic) expectations that society has of organisations at a given point in time” (Carroll in Carroll & Buchholtz, 2006:35). The economic responsibilities of an organisation is fulfilled within a social context in that effort is made to produce goods and services that are according to society’s expectations in terms of fair pricing and quality and also for the company to be profitable, productive and economically viable (Carroll & Buchholtz, 2006:35; Lii & Lee, 2012:70). Legal responsibilities involve the organisation’s adherence to the society’s perceptions of what is the lawful way in which a business should operate based on formalised laws (Carroll & Buchholtz, 2006:35). Ethical responsibilities are the “norms, standards, and expectations that reflect what consumers, employees, shareholders, and the community regard as fair, just, and in keeping with the respect for or protection of stakeholders’ moral rights” (Carroll in Carroll & Buchholtz, 2006:37). The public’s expectations of businesses’ engagement in societal matters cover the company’s philanthropic responsibilities (Carroll & Buchholtz, 2006:37).

To better demonstrate the definition of CSR by Carroll and Buchholtz (2006:40), a pyramid diagram (see Figure 1 below) is amended portraying that the socially
responsible firm should attempt to make a profit, obey the law, be ethical and be a good corporate citizen (Carroll & Buchholtz, 2006:40). From this figure it is also clear that philanthropic responsibilities are placed in the highest position in order to demonstrate its high level of strategic value in the whole process.

**Figure 1: The pyramid of CSR**

The way organisations prefer to demonstrate their involvement in CSR can be divided into three categories, including “ethically-oriented responsibilities” which are the activities generally expected from all companies (Lantos in Babin & Harris, 2011:332). Secondly, there are “altruistic duties” such as donating money or resources to communities and thirdly, the “strategic initiatives” which involve all activities related to an organisation’s strategic engagement within society with the intention of boosting its value offering (Lantos in Babin & Harris, 2011:332).

Organisations can be divided into four groups when it comes to their reaction to CSR: they can avoid it at all cost (a defensive approach); they can select activities
which hold an immediate benefit for the business (the cost-benefit approach); they can acknowledge the ever-changing environment and get involved on a strategic level (the strategic approach); or they can become actively engaged in the process to create exciting opportunities for organisational growth and market opportunities (the innovation and learning approach) (Zadek in Carroll & Buchholtz, 2006:44).

Corporate social responsiveness is an “action-oriented variant of CSR” (Carroll & Buchholtz, 2006:45). Some arguments arose on the passive nature of the responsibility term in CSR in that it refers to “accountability or obligation” but fails to express the organisation’s active behaviour based on its acknowledgement of these social responsibilities (Carroll & Buchholtz, 2006:46). The term corporate social responsiveness has been established as a different perspective on CSR based on the corrective activities managers initiate in response to observed needs within the social domain (Carroll & Buchholtz, 2006:46). For CSR to be most beneficial in adding value to the company over the long-term, it is of utmost importance that it does not only hover around a so-called lip service or window dressing, but actually proceeds to a level of action. Because actions speak louder than words, the value of involvement should not be underestimated.

A corporate social responsiveness study revealed that Canadian and Finnish forestry firms’ managers are more inclined to listen and respond to the stakeholders that have most authority (Carroll & Buchholtz, 2006:47). Therefore, besides the organisation’s acceptance of responsibility on social matters, their actions toward the improvement of these are usually driven by “stakeholder power” (Carroll & Buchholtz, 2006:47). A noteworthy point to be made is the importance of not only focussing on an organisation’s most powerful stakeholders but also on the vulnerable groups. Vulnerable stakeholder groups should be taken into account if a company wishes to enjoy legitimacy within a community over the long-term (Freeman et al.; Post et al. in Claasen & Roloff, 2012:382).

Babin and Harris (2011:332) use the slogan referred to by many companies involved with CSR: “doing well by doing good”. Behind this slogan lies the assumption and belief that companies that are involved with good deeds in society will most likely do well in business too. There are linkages between responsible corporate behaviour
and aspects such as positive consumer assessments, higher levels of customer satisfaction and the possibility of better sales (Luo & Bhattacharya; Lichenstein, Drumwright & Braig; Sen & Bhattacharya; Brown & Dacin in Babin & Harris, 2011:333). The previous linkages are more probable in the circumstances where consumers identify with the organisation and the specific cause involved (Luo & Bhattacharya; Lichenstein, Drumwright & Braig; Sen & Bhattacharya; Brown & Dacin in Babin & Harris, 2011:333). However, the true success of CSR depends on a few prerequisites (Peter Frankental in Skinner & Mersham, 2008:240): it should value and include all stakeholders of a company; it should be governed by law; acknowledged by financial markets; its definition should communicate goals related to social and environmental preservation; its application should be assessable and comparable; the public should be able to freely inspect it; methods to ensure adherence should be present; and it should be grounded within the company at all levels.

Another CSR concept referred to as **sustainable development** has been defined following the World Commission on Environment and Development (GRI, 2000:2): sustainable development is to “meet the needs of the present without compromising the ability of future generations to meet their own needs.” A company cannot strive for long-term survival if they plunder their sources mindlessly on a short-term basis. Therefore, “enlightened self-interests”, interests which are mutually beneficial for both the company and their stakeholders, should be pursued for CSR project sustainability and maximum reputational benefit for the company (Plowman, 2007:86).

Sustainable development includes all of the companies’ actions that “serve to promote development, but do not immediately impact on a company’s bottom line”. These activities have a positive effect on the reputation of a company in that it is carried out to enhance a company’s reputation and to reach goals that are meant to enhance society or the environment as a whole over the long-term (Hopkins, 2007:10).

Theoretically, development initiatives are ideal when it covers the “triple bottom-line” principle which is a long-term approach towards enriching not only the company’s
reputation, but also enhancing sustainability of societal upliftment projects and resources in general (Hopkins, 2007:10). It is easy to simply provide a once-off financial donation to a poor community or to a specific charitable cause, but sometimes the people in control of those donations are not adequately equipped to spend the money wisely in order to channel it towards long-term benefits. Therefore, it is much more responsible for a donating company to get involved in the way the money is spent on the community members that might be vulnerable and need it most.

In a study by Champniss and Rodés Vilà (2011:37), respondents with sufficient familiarity with the sustainability term were asked what associations they have with it and their responses were as follow: 83% of the respondents regarded sustainability as “positive and inspirational”; 83% associated it with the future; 83% with the environment; 75% with equilibrium; 72% to health; 68% to the community; 66% associated it with opportunities. On the other hand, 40% of these respondents perceived sustainability to be related to higher pricing; 28% with the past; and 25% with blame (Champniss & Rodés Vilà, 2011:37).

**Corporate social development (CSD)** is another CSR-related concept which means that companies actually work with various stakeholders to pursue projects that are maintainable and which will create the abilities to provide the needy with the necessary tools and skills to independently capitalise on these projects in the future (Hopkins, 2007:7-8). To ensure that CSD initiatives survive over the long-term, it should be planned in such a way that the capacity provided by the company can be extended upon by the local members of the community by empowering them to, in the proverbial sense, catch a fish themselves rather than just giving them a fish (Hopkins, 2007:8). There are three levels of development (Hopkins, 2007:8-9):

- Money or other products given to poor or struggling countries, in other words, “development philanthropy”
- Development within a company that provides enhanced goods and services for the benefit of poor communities as well as for the financial benefit of the company itself
• All the company’s actions that “serve to promote development but do not immediately impact on a company’s bottom line” (Hopkins, 2007:10). These activities have a positive effect on the reputation of a company in that they are carried out to enhance society or the environment as a whole over the long-term (Hopkins, 2007:10).

2.3.2 Corporate citizenship

Based on a poll amongst American consumers, 72% believed that business has too much power over their lives and that companies are more concerned about making profits than offering products that are safe, reliable and of good quality (Mohr & Webb in Walker & Kent, 2009:743-744). In order to improve this perception of consumers, companies have increasingly committed themselves to CSR activities in order to be identified as such and to enhance their positioning as legitimate members within society (Stanaland et al., 2011:53).

Corporate citizenship (CC) was first used in the business and society context in the 1980’s by practitioners (Altman & Vidaver-Cohen in Garriga & Melé, 2004:57). CC personifies the organisation as a citizen within a country or community implying specific responsibilities it must adhere to in order to be perceived as good (Carroll & Buchholtz, 2006:54). In a broad sense the term has been defined as “serving a wide variety of stakeholders well” (Graves, Waddock & Kelly in Carroll & Buchholtz, 2006:54). Fombrun (in Carroll & Buchholtz, 2006:54) defines corporate citizenship as having three elements including: similar values in terms of morality and ethics; providing a means by which individuals are united with the communities in which they work; and “enlightened self-interest” necessary to place stakeholder requests in a state of equilibrium, simultaneously promoting the long-term value of a company. Another definition regards corporate citizenship as a devotion to behaving ethically and nurturing the delicate balance in the desires of different stakeholders while simultaneously respecting the environment (Davenport in Carroll & Buchholtz, 2006:54). If corporate citizenship is defined narrowly, it has to do with “community relations” (Altman in Carroll & Buchholtz, 2006:54). It is the organisation’s intentional
interaction with NPO’s, community groups and stakeholders (Altman in Carroll & Buchholtz, 2006:54).

According to Tustin and De Jongh (2008:28), an organisation geared towards corporate citizenship can be defined as “a business with comprehensive policies and practices that enable it to make decisions, be accountable for them, conduct operations ethically, meet legal requirements and show consideration for broad stakeholders, including society and the natural environment”. Within a South African context this term is used interchangeably with that of CSR and corporate social investment (CSI) (Tustin & De Jongh, 2008:30). CC is referred to as the degree to which a company adheres to “economic, legal, ethical and discretionary responsibilities” expected from it (Maignan & Ferrel in Tustin & De Jongh, 2008:30-31).

There are various advantages for organisations that behave like good corporate citizens (Carroll, Davenport & Grisaffe in Carroll & Buchholtz, 2006:55) including: better relationships with the human resources of a company, including an enhancement of the quality of employees appointed, retained, their morale, “loyalty, motivation, and productivity”; better relationships with customers, including more loyalty, increased purchases, and a favourably perceived brand image; the business performs at more satisfactory levels, for example financial growth, favourable competitive edge, and CC motivates collaboration across different functions; and better results from marketing because CC builds the image of a corporation, it supports the management of a company’s corporate reputation, enables “prestige pricing”, and it enhances government relations. Corporate citizenship creates consumer trust and impacts on consumers’ assessments of the company’s products/service (De Los Salmones, Crespo & Del Bosque, 2005:372-373). A company that takes corporate citizenship seriously acknowledges the long-term approach needed to fulfil stakeholder wishes (Crosby & Johnson, 2006:12-13). According to Crosby and Johnson (2006:12-13), it is widely accepted that good corporate citizenship is a basic necessity for good business. Corporate citizenship strengthens “brand loyalty”, draws and keeps skilful employees to and with the company, attracts investors who acknowledges CSR, and enhances corporate image and reputation. All of these benefits clearly make a company more appealing
to local and international markets which have not been tapped into yet. What is
important in the creation of a corporate citizenship approach is that the company
communicates its values and the associated advantages of these values clearly; and
secondly, that these values become the core around which the company’s wealth is
created. In other words, values associated with “social and environmental activism”
ought to be central to the corporate missions of companies whilst simultaneously
appealing to customers (Crosby & Johnson, 2006:13). Therefore, companies that
take CC seriously, approach CSR as a form of investing in the
community/environment and their own future.

CSR includes “corporate governance, employment equity, environmental
management, procurement, as well as ... [corporate social investment]” (Kaelo
Worldwide Media, 2006:7). If a company invests in a specific community or cause,
the focus is on long-term, sustainable goals which might be selfless considering the
company’s short-term financial goals. Corporate social investment (CSI) has to do
with the company’s generosity and participation in the domain of societal
development issues as well as issues related to the preservation of the planet and
limited natural resources (Kaelo Worldwide Media, 2006:7). CSI is when a company
provides resources towards projects that benefit society and the environment (Kaelo
Worldwide Media, 2006:7). CSI activities can include once-off financial donations
directed to causes such as wildlife preservation, the anti-crime movement, cancer
research, combating global warming, the movement against the abuse of women
and children, or community upliftment donations. In South African companies, the
CSR term has been subtly replaced with the CSI term to redirect the focus away
from companies having to restore the effects of their role in the apartheid era (Fig in

Skinner and Mersham (2008:241) presented a scale on which different forms of CSI
can be identified. According to these two academics, CSI can be classified on a
scale, with CSR initiatives only seeking the company’s benefit on the one end and
those purely seeking the benefit of other areas of development at the opposite end.
Companies only interested in publicity or enhancing their corporate reputations by
means of CSI initiatives can be found at the opposite end to companies that focus on
the wider social effect of their investments. In between these two extreme positions,
the strategic CSI point ensures equilibrium between the intended benefits for both the company and a specific social cause. According to Skinner and Mersham (2008:241), CSI is strategic when it is at an “investment or social change level”, as presented in the dark encircled area in Figure 2 below:

**Figure 2: The corporate giving spectrum**

![Figure 2: The corporate giving spectrum](image)

*Source: Skinner & Mersham, 2008:242*

In the **public relations management** area, companies take advantage of social causes purely to build their own image and therefore, the focus is on publicity which is achieved in the process. Because these activities are mainly regarded as marketing initiatives, it is normally financed from the relevant budget of this department. Initiatives with a **reputational focus** can be regarded as “genuine efforts to make a developmental difference” and companies who wish to be perceived as “doing good” make use of such initiatives to obtain “short-term goodwill” or advantages associated with a “licence-to-operate”. Some companies prefer to make cash donations in the **charitable giving** area. A drawback associated with this form of corporate generosity is that it is quite difficult to determine the strategic affect it has on the company. With **grant making**, financial means are allocated based on “pre-defined criteria” together with thorough bookkeeping of all ingoing and outgoing elements for example resources supplied and the amount of workshops set up. The long-term impacts of projects are not assessed on standard. Projects in the **social investment** area are approached on a long-term basis and require more dedication from the corporate investor (Skinner & Mersham, 2008:241-242). “Social returns” are
expected and as defined earlier, social profit is the difference between social revenue and social expenses (Gilligan & Golden, 2009:11). It can also be defined as “[t]he amount of social and humanitarian benefit gained as a result of investing in the well-being of others” (Philip Berber in Gilligan & Golden, 2009:10). Throughout the project, progress is constantly monitored against preset expectations with regard to social returns. A strategy for exiting a project on the achievement of desired final success is also in place, together with a plan to ensure project permanence after the company exits (Skinner & Mersham, 2008:241-242).

A more holistic approach would be the area termed social change in the figure above. Companies making use of this approach focus their energy on determining the source of social issues and in such a way attempt to solve many causes from a systems perspective. A dedicated expert is necessary to reach and persuade political and governmental officials for change by means of lobbying. Even though the advantages for the company as such are not the focus of this approach, it is likely to be the result over the long-term by means of good relationships and a more favourable working environment. The main focus is to “improve social conditions”. As presented in the figure above, CSI becomes optimally strategic when there is mutuality in benefits to the company and to the community/cause in the social change and social investment levels of CSI (Skinner & Mersham, 2008:241-242).

2.3.3 Corporate philanthropy

According to the American Association of Fund Raising Council (in Walker & Kent, 2009:744), companies in the United States has given away over $13 billion in 2005 – indicating a gradual but sure increase from the $9 billion given away by companies in 2001.

The meaning of the word philanthropy has its origin in the Greek language: “philien” means “to love” and “anthropos” means “mankind” (Railborn, Green, Todorova, Trapini & Watson in Carroll & Buchholtz, 2006:480). Therefore, philanthropy was originally associated with a form of love or generosity towards mankind or society according to this definition. In Webster’s New World Dictionary (in Carroll &
Buchholtz, 2006:480), philanthropy is defined as “a desire to help mankind as indicated by acts of charity; love of mankind”. Within a corporate context, philanthropy is when a company gives money or resources to a good cause without any deeper form of involvement. Hopkins (2008:7) defines philanthropy as “charitable giving”.

Different countries have different customs and beliefs regarding philanthropic activities from the corporate sector and the amount of tax deductible from such donations also play a role in companies’ willingness to engage. John D. Rockefeller III, a philanthropist, argues that an organisation’s acts of generosity are crucial in sustaining “the third sector – the non-profit sector” (Rockefeller in Carroll & Buchholtz, 2006:483). Business and government can be regarded as the first two sectors which are maintained by profits and taxes respectively (Rockefeller in Carroll & Buchholtz, 2006:483). Institutions such as “churches, museums, hospitals, libraries, private colleges and universities, and performing arts groups” are classified under the “third sector” and these institutions are dependent on charitable giving to survive (Rockefeller in Carroll & Buchholtz, 2006:483). Without philanthropic support, these organisations would not have the capacity to protect their most valuable assets being their independence (Rockefeller in Carroll & Buchholtz, 2006:483).

2.3.4 Cause-related marketing

Cause-related marketing (CRM) is defined as “the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives” (Varadarajan & Menon in Garriga & Melé, 2004:55). According to McMahon (2007:285), CRM is a business practice whereby “companies and nonprofits integrate values and social issues into brand equity and organisational identity”. CRM is a practice that assists the CSR researcher or practitioner in observing consumer behaviour, probing what they think of, and how they feel about “promotions with a social dimension” (Webb & Mohr, 1998:226). Porter and Kramer
(in Kang & Hustvedt, 2013:3) found that CRM is used by companies who wish to improve their reputation.

There is no solid agreement on whether CRM is in fact a philanthropic activity (Porter & Kramer in Carroll & Buchholtz, 2006:490). According to Porter and Kramer (in Carroll & Buchholtz, 2006:490), CRM is a marketing activity. CRM acts as an immediate connector between a company’s product or service and a specific charitable organisation. With every purchase of the company’s product, the consumer indirectly gives a donation to the charitable cause/organisation via the corporate (Caesar in Carroll & Buchholtz, 2006:56).

The difference between CRM and philanthropy lies in the presence and nurturing of a public and a mutually beneficial relationship between the corporate and the cause (Burbury in Dowling, 2001:145). The reason behind the establishing of such a relationship is to build the company’s image with the goal of creating more trust amongst consumers who have long developed a sense of distrust with companies’ marketing tactics (Burbury in Dowling, 2001:145). The company desires to re-establish a favourable relationship with the consumer by being associated with a good cause and in so doing, hopes that consumer scepticism will be replaced with trust (Burbury in Dowling, 2001:145). CRM can have a favourable impact on consumer perceptions toward a corporate sponsor (Ross et al. in Lii & Lee, 2012:71). Based on a study by Smith and Alcorn (in Lii & Lee, 2012:71), 56% of consumers think that it is necessary to give to charity and good causes and 46% said that they would switch to a different brand if it supports a good cause. Scholars and practitioners who feel positive about the value of CRM argue that social capital and favourable relationships will be created if the company or brand aligns itself with a charity or good cause of value to the specific targeted consumer group. A success-guaranteed variant of CRM includes programmes where a company offers its employees to be involved with the cause. By being involved with worthy causes, employees can feel motivated that they too are contributing to a better society and the company will also be respected for donating its most valuable resource (Dowling, 2001:145).
Supporters of CRM believe there to be a win-win outcome of all parties involved therein. Organisations benefit from the image of being involved with a charitable cause and it increases sales. The relevant cause/NPO also benefit by receiving valuable resources from the organisation which ensure its survival. The publicity surrounding the cause attracts more attention and potential support thanks to the organisation’s marketing expertise (Carroll & Buchholtz, 2006:491).

On the other hand, opposing views include that CRM poses controversial challenges such as whether commercial interference with charitable causes are ethical. Linking the NPO and the organisation’s products can be confusing in that it might appear to be marketed by the NPO which compromises its selfless image (Carroll & Buchholtz, 2006:491). Another worrisome downside to CRM is that the increased occurrence of this practice could potentially weaken the essence of philanthropy. Organisations might start replacing their philanthropic activities with CRM instead of using these two activities as supplementary to one another. Ultimately, it could lead to a shortage of cash available to NPOs to cover daily expenses (Caesar; Steckel & Simons in Carroll & Buchholtz, 2006:491). Dowling (2001:145) also cautions that regardless of CRM consultants’ propagation of the virtuous identification of a company to a specific cause, it might be idealistic to hope this practice alone can lead to a modification in consumers’ purchase behaviour. He further adds that a cynical consumer most probably has a deeply-rooted negative attitude towards the concept and practice of marketing as such and would regard most CRM initiatives as superficial (Dowling, 2001:145).

i. **Cause branding**

Cause branding is a new alternative term for CRM and it is described as the interception of “corporate strategy and citizenship” and it will become increasingly important for companies to participate in such forms of CSR (Cone in Alan Nelson, Kanso & Levitt, 2007:276). One of the most prominent differences between CRM and cause branding is that cause branding is focused on a more sustainable timeframe rather than short-term (Carroll & Buchholtz, 2006:490). Another characteristic of cause branding is its high relevance to the company’s core business and target population (Carroll & Buchholtz, 2006:490).
From the cause-related trends report on the evolution of cause branding, Cone and Roper (in Carroll & Buchholtz, 2006:490), concluded that 61% of consumers were of the opinion that organisations ought to integrate cause branding into their standard business activities. According to Carroll and Buchholtz (2006:490), 83% of Americans have a more favourable attitude towards organisations that help causes they regard as important; and 76% of consumers were found to be more prone to choose a “socially responsible brand” over another brand if these products were of the same price and quality.

A few other CSR constructs that were not discussed in the sections above will be mentioned briefly under this heading. First, corporate social accountability is defined and second, corporate social performance will be discussed along with reference to the social contract, social capital and social profit.

2.3.5 Corporate social accountability and performance

According to Hamann (in Lund-Thomsen, 2005:620), there is a subtle, but meaningful, difference between CSR and corporate accountability in a sense that the former constitutes a company’s involvement on a voluntary basis by building relationships with various stakeholders and the latter draws upon a company’s involvement following stakeholder’s insistence on more stringent procedures to prevent unethical behaviour. The accountability route is not ideal when it comes to the corporate reputation of an industry sector or individual companies because it would be an indication that the specific institutions have been involved with harmful, irresponsible or unethical practices. Some industry sectors’ core manufacturing processes, the transport of their products, the products itself, or a combination of the latter, inherently pose a greater risk to society, the community and/or the environment. For example, mining activities contribute to ground erosion and water pollution; oil refinery processes and the transport of oil are associated with oil spillage in the ocean; the manufacturing of paper result in deforestation; and alcohol and cigarette companies’ advertising and sales pose ethical dilemmas related to addiction and violence. It is the perception that these industries should be even more
involved in cleaning up their ‘mess’ or otherwise face the consequences of negative publicity and boycotting. In certain cases governments will fine irresponsible companies or burden them with extra (sin) tax. A proactive approach to responsible behaviour is much wiser as opposed to reactive because it will ultimately impact on the reputation of a company in the event of a crisis in which a good reputation can serve as a safety net providing valuable time to compensate for damages done.

But there have been various attempts to determine the effect of social performance (CSP) on the financial outcomes of organisations. The main issue in this process has been related to the establishment of a mutually agreed upon definition of CSR and complexity to operationalise the construct (Carroll & Buchholtz, 2006:55). Three perspectives were evident in the various attempts to determine the relationship between corporate social performance and financial performance: first, CSR drives CSP; second, an organisation’s financial status drives the social performance and third, an interrelated view of CSP, financial performance and corporate reputation (Carroll & Buchholtz, 2006:55). Carroll and Buchholtz (2006:47) mentioned that corporate social performance is focused on the outcomes and achievements of an organisation’s social involvement, which is the product of their acknowledged CSR and the implementation of a responsive culture within the organisation (Carroll & Buchholtz, 2006:47). Caroll (in Carroll & Buchholtz, 2006:47) developed a CSP model consisting of three categories – responsibility, philosophy, and social issue. The first category of CSR includes the economic, legal, ethical and philanthropic responsibilities (Caroll in Carroll & Buchholtz, 2006:47). The second category covers the company’s philosophy on social responsiveness including organisational response, resistance, accommodation, and pro-action (Caroll in Carroll & Buchholtz, 2006:47). The third category involves the relevant social/stakeholder matters of the consumer, personnel and the environment to mention a few (Caroll in Carroll & Buchholtz, 2006:47). Against this background, various earlier studies found that CSR activities improve financial performance (McGuire et al.; Pava & Krause; Stanwick & Stanwick in Becker-Olsen, Cudmore & Hill, 2006:47).
2.4 CRITICISM AGAINST CSR IN SOUTH AFRICA

According to a prominent article in The Economist, Crook (2005) holds that by focusing on profit, companies naturally fulfil a social role. There are valid reasons why social issues are to be handled by governments – one being the government's accountability towards voters of the communities. Crook argues that business people ought to rather concentrate on their responsibilities towards shareholders who generate their salaries (Crook, 2005). Dowling (2001:144) stated the roles of business as making profits, paying taxes, not harming the environment and obeying the country's laws. These roles are congruent with a company's “statutory and fiduciary duties to stakeholders”. Dowling (2001:144) furthermore limits the social responsibilities of a company to job creation and making products available for the benefit of the consumer's living standards. It is not the right of companies’ managers to donate shareholders’ money to charitable causes because it is not theirs’ to give (Dowling, 2001:144). Some argue that the only responsibility managers have is to maximise profits for the survival of the business. Furthermore, managers are not regarded as proficiently equipped to make decisions other than finance and operations – business already has economic, environmental and technological power; and it is too risky for organisations to internalize costs associated with social concerns because it can affect product prices and hamper international competition (Carroll & Buchholtz, 2006:41-42).

Fig (in Skinner & Mersham, 2008:241) criticises the use of voluntary involvement of companies in South Africa and argues that it is perceived as window dressing to increase the company’s profits. Fig concludes that for Black Economic Empowerment (BEE) and environmental standards to be truly successful from a developmental point of view, there has to be enforceable legislation in place. According to Fig (in Skinner & Mersham, 2008:241), voluntary social involvement is unsuccessful because it is usually “perceived as cosmetic and self-serving”. Percival and Homer-Dixon (in Lund-Thomsen, 2005:624) also stress the role of past inequities with regards to resource allocation amongst black and white communities in the apartheid era. According to Lund-Thomsen (2005:623-624), mainly three context-specific aspects limit the possibilities of CSR to have a positive impact on companies in South Africa: the country has a history of “environmental injustice and
spatial segregation inherited from the apartheid period”; the uneven “environmental governance structure”; and the “economic policy of the ANC government”.

According to Lund-Thomsen (2005:626), voluntary environmental agreements would not be effective in South Africa because the principles, on which such contracts are based, are not present. First, there are only a limited amount of environmental regulating organisations in South Africa and consumers are not as concerned about going green. Second, the Government is structured in a fragile fashion and enforceable standards are either deficient or not present. Third, Lund-Thomsen (2005:626) argues that to the contrary of what is required, voluntary agreements fulfil a substitutive role, rather than a complementary role to core government regulations. Fourth, simultaneously the government does not have enough competence to enforce regulations of such a nature. Finally, prosecutions are uncommon altogether with inadequate resources and a lack in power on the side of environmental departments (Lund-Thomsen, 2005:626).

On the contrary, Lund-Thomsen (2005:627-628) argues that the main reasons why holding South African companies responsible on a social level would be of value, is because governance strategies seem to have a favourable impact on companies’ behaviour; social actions against companies’ impact on globalisation has led to higher levels of concern for the environment resulting in a change of South Africa’s eco-governance structures; societal organisations assisted with more stringent application of existing laws by making sure that companies are held more responsible for activities that are harmful to the environment.

There are a few prerequisites for CSR to be successful, including the following: it should be supported by “company law relating to governance”; it should be appraised by financial markets; social and environmental preservation goals should be inherently present within its definition; its’ application should be assessable and comparable; the public should be able to inspect it freely; methods should be put in place to ensure adherence; and its’ principles should be integrated at all levels within the company (Peter Frankental in Skinner & Mersham, 2008:240). According to Albertyn and Watkins (in Lund-Thomsen, 2005:625-626), the following conditions are necessary to ensure the success of voluntary initiatives: environmental protection
should be prioritised based on political importance; the public should be highly aware of environmental matters and actions; extensive environmental laws and “enforceable standards” should be present; the voluntary agreements should be complementary and not substitutive to the national laws; the government should have the ability and means to put into effect the environmental rules; and nationally the government divisions should be equipped with the adequate “budget, mandate and technical ability” to act as leaders in the formulation and implementation thereof.

In the light of the criticism discussed, CSR appears to be of an idealistic benefit for a company and towards society in general. Local companies are struggling to keep their heads above water in tough economic times in this developing country and the CSR budget is usually the first to be cut during financial hardships. In the end, it all depends on the industry; the nature of the consumer products; and the orientation of the specific consumer group – if the company foresees some form of benefit in taking up CSR. A counter argument is that running a small business or a multinational company is all about being creative and adapting to the chaos ever-present in a developing country such as South Africa. Success goes to the companies that apply CSR more creatively during tough times by working smarter. To demonstrate this potential, Martinez-Alier (in Lund-Thomsen, 2005:621-626) sketches a scenario of how a company can maximise its opportunities by minimising unnecessary energy inputs in the production process. Martinez-Alier (in Lund-Thomsen, 2005:621-626), argues that whilst companies participate in the “eco-efficiency gospel”, newly developed supporting technologies can assist in unravelling global environmental issues. Within a company, “eco-efficiency” can be attained by minimising production inputs such as energy and other material – resulting in a decline of waste and increase in the recycling of these materials. The newly developed production methods can lead to innovative market opportunities such as the need for more plants in more regions and different markets (Martinez-Alier in Lund-Thomsen, 2005:621-626).

It is evident from the above literature that critics of CSR in South Africa agree on the necessity of CSR regulations to be enforceable by means of laws and not on a voluntary basis. But regardless of the noteworthy criticism on CSR and the viability thereof in South Africa, the valuable potential benefits of CSR principles should not
be underestimated. If CSR were to be formally enforced onto companies, it might lead to a rebellious attitude from companies not in favour of the extra pressure on their budget. The value of the voluntary nature of CSR in South Africa is that consumers have more respect for companies who go the extra mile without it being expected from them by Law.

2.4.1 “Greenwashing”

Luo and Bhattacharya (in Vlachos, 2009:2) acknowledges the benefits of the sometimes heavy investments in, and communication of companies’ CSR in providing support to good causes and enhancing corporate image whilst having an impact on the status of society. This practice gave rise to consumers’ “cynicism and suspiciousness” and accusations of greenwashing and “cause exploitation (Porter & Cramer; Luo & Bhattacharya; Reuters; Progressive Grocer in Vlachos, 2009:2). With the increase in scandalous conduct by large and powerful corporations, public cynicism and anxiety present in modern life, consumers have grown suspicious towards the motives behind companies’ CSR involvement (Arumi et al.; Helm; Mohr, Eroglu & Ellen; Progressive Grocer in Vlachos, 2009:2).

Champniss and Rodés Vilà (2011:49), define greenwashing as a “term given to any marketing or brand claims around environmental or social issues that is false, misleading or exaggerated”. These days an ever-increasing number of companies are impulsively throwing their brands into CSR in the hope that it can provide a solution to all business dilemmas (Champniss & Rodés Vilà, 2011:49). According to an American environmental marketing agency, they found that from 2007 to 2008 there has been a doubling amount of brands on the market claiming to be “green” (Terrachoice in Champniss & Rodés Vilà, 2011:49). Another astounding finding was that ads promoting “green” products increased by triple from 2006 to 2008 (Terrachoice in Champniss & Rodés Vilà, 2011:49). Marketers have to become more aware of the difference between talk and coherent talk because the accuracy (or inaccuracy) with which products are presented to a much more informed public, has consequences – especially if consumers find out the brand has misinformed them (Champniss & Rodés Vilà, 2011:49). According to Terrachoice’s report “Seven Sins
of Greenwashing”, findings revealed that over a three month period in 2008 to 2009, more than 5 000 environmental-friendly statements were propagated from a mere 2 200 products on the American retail market (Terrachoice in Champniss & Rodés Vilà, 2011:49). But most astoundingly over 98% of these statements were found to be “greenwashing” their brands to initiate higher sales (Champniss & Rodés Vilà, 2011:49). CSR communication related to “greenwashing” will most likely have a negative effect on trust (Chen & Chang in Kang & Hustvedt, 2013:3) . Simultaneously, trust plays a mediating role in turning CSR into “organic consumer loyalty” (Pivato et al. in Kang & Hustvedt, 2013:3).

2.4.2 Voluntary reporting on CSR

According to Clarke and Gibson-Sweet (in Farache & Perks, 2010:237), CSR strengthens a company’s reputation and legitimacy because it establishes a platform characterised by stakeholder communication – specifically about the way in which the organisation aligns itself to the concerns of society. Based on the principles of the Legitimacy Theory, companies disclose CSR information to enhance their image and in so doing, legitimise their behaviour within society. The same theory is used to explain the disclosures companies make related to social and environmental issues in their corporate social and environmental reports (Gray et al.; Neu et al.; Hooghiemstra; Branco & Rodrigues in (Farache & Perks, 2010:236). The Legitimacy Theory also stresses that if there is a gap between the behaviour of a company and what society expects of the company, annual reports can be used to close the gap (Hurst in Lanis & Richardson, 2013:77). Lanis and Richardson (2013:81) mentioned that even if they comply with societal expectations, companies’ legitimacy can be threatened if it does not disclose information that truthfully indicate conformance to the expectations of society. By including CSR information in their annual reports, the company alleviates the concerns that stakeholders might have whilst simultaneously demonstrating how the company aligns itself to these expectations (Deegan et al. in Lanis & Richardson, 2013:77).

Globally, it is evident that CSR is of rising importance due to the increase in companies’ reporting on issues other than financials. The modern consumer
demands to be more informed before making purchase decisions. The Global Reporting Initiative (GRI) is a “multi-stakeholder process” whereby companies freely report on “economic, environmental, and social issues” (Doorley & Garcia, 2007:378). Sustainability reporting is defined as “the practice of measuring, disclosing, and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable development” (GRI in Na, Bustami, A’mmaari & Nasruddin, 2013:14). Currently, CSR reporting is not compulsory to companies in South Africa. But companies voluntarily reporting on these matters do so to demonstrate their willingness to cooperate in ethical practices and in so doing enhancing their corporate reputations as responsible corporate citizens.

The formal reporting of issues related to a “triple bottom line” has become general practice in companies with a long-term strategic approach to CSR. What is known as a “triple bottom line” report would include aspects related not only to the company’s “profit” (financial status) but also its interactions with other “people” (stakeholders) as well as the “planet” (environmental impact) (Steyn, 2007:139). The three basic aspects that a company should report on include: the company’s strategic drivers, their unique background, and the way the company is governed; the way in which specific issues within the company are managed for the report reader to grasp the contextual setting; and the achievement determinants or measures that will enable the reader to make judgements on the company’s triple bottom line (GRI, 2000:5).

The Johannesburg Stock Exchange (JSE) Socially Responsible Investment Index (SRI) was established in 2004 in South Africa and it evaluates the “triple bottom line performance” of volunteering companies already part of the all share index on an annual basis. The evaluation centres on “environmental, social and economic” dimensions of a participating company. By establishing the SRI index, the JSE is regarded as a champion in the evaluation of CSI principles and it also presents a formalised structure for “non-financial risk management” for companies and investors (Skinner & Mersham, 2008:246).
The South African Social Investment Exchange (SASIX) was established to pair financial contributions with structured upliftment programmes (Skinner & Mersham, 2008:246). Services that the exchange offers include the profiling of NPO projects and helping contributors to make educated decisions of where to best allocate their funds in responsible and continually assessed organisations. SASIX ensures progress in the creation of a “performance-based giving” tradition subject to assessment (Skinner & Mersham, 2008:246).

The Millennium Developmental Goals (MDGs) is furthermore an indicative signal of the value that companies across the world put on social issues directly or indirectly affecting their operating environment. The MDGs is a “global framework” designed especially to advocate the eradication of poverty and the fair distribution of development. Light has been shed on the most urgent goals of actively fighting against poverty as well as encouraging sustainable development. What makes the 2001 MDG framework unique is that it is the first joint agreement that holds associate countries responsible for reaching “time bound targets” with regards to all eight goals. The inclusion of 48 indicators allow for the assessment ability of the developments in the process of attaining “measureable outcomes” (Skinner & Mersham, 2008:239).

The MDGs will reach its end in 2015 and according the UN Secretary-General’s High-Level Panel on Global Sustainability, the MDGs should be followed by Sustainable Development Goals (SDGs). The SDGs should be founded on four pillars: first, just as with the MDGs, it should focus on the ending of extreme poverty by 2030; second, environmental sustainability; third, social inclusion – in other words, all societies (including minority groups) should enjoy the advantages of technology, economic growth and good governance; and finally, good governance meaning that society should have the freedom to influence their own lives by collectively participating in political institutions (Sachs, 2012:7-8).

An index has been developed to determine the Gross National Happiness (GNH) of people approaching happiness as a multidimensional construct. With the help of this index it is possible to determine the sources of unhappiness and to draw comparisons between different groups of people (or across nations) in terms of how
happy they are. Nine domains are considered in the GNH Index including: “psychological wellbeing, time use, community vitality, cultural diversity, ecological resilience, living standard, health, education, [and] good governance” (Ura, Alkire & Zangmo, 2012:109). A case study reveals the purpose of this index and its development in Bhutan since the dawn of the year 2000. According to the 2007 Government Round Table, Ura advocated the use of the GNH Index to assist in compiling a framework of development; establishing indicators that will steer development; signalling proper resource allocation; measuring happiness and welfare of individuals; assessing growth at specific points in time; and the comparison of these elements within and between nations (Royal Government of Bhutan in Ura et al., 2012:112-113).

According to the third official version of the King Code of Governance for South Africa (IoDSA, 2009:9-10), the three focal cores around which this report’s principles are built, are based on the following: a company should be governed by good leaders to make sure that it is lead ethically, in a transparent and accountable manner; directors should base their choices and operations on promoting a sustainable future for “[n]ature, society, and business”; and the company is a good corporate citizen.

The International Organisation for Standards (ISO) is a well-respected, nongovernmental organisation based in Geneva, Switzerland, which has been writing standards since 1946, amongst which the most popular were ISO 9000 (quality management) and ISO 14000 (environmental) (Center for International Trade and Economics, 2010:4; Na et al., 2013:14-15). The ISO 26000 has been passed (1 November 2010) which provides consistent guidelines on voluntary CSR applicable to all organisations. ISO 26000 is regarded as a “milestone of institutionalization of social responsibility” because it not only clarifies the meaning of CSR, but also share innovation and good practices of CSR (Na et al., 2013:14-15). The goal of the GRI guidelines is to ensure good reporting on CSR, whereas ISO 26000 guidelines promote best practices and not just reporting (Na et al., 2013:14-15).
However, based on an earlier report on ISO 26000 the ISO 26000 is being criticised for being “politically charged” (Center for International Trade and Economics, 2010:5): “Each chapter seems to recite anew a laundry list of grievances and daunting societal problems facing impoverished, developing countries before establishing vague, all-encompassing, and impossible-to-meet responsibilities to be imposed on each multinational firm seeking to do business in any given country.”

According to the Legitimacy Theory, companies that are more visible to the public, experience more pressure from society (Cormier & Gordon in Lanis & Richardson, 2013:120; Farache & Perks, 2010:236). Lanis and Richardson (2013:120) found that companies that make more profit will be expected to disclose more information related to greenhouse gasses. Branco and Rodriques (in Farache & Perks, 2010:236) found that companies that have a more significant impact on the environment and society should disclose more information on their CSR activities to ensure their legitimacy. The Legitimacy Theory also holds that companies with higher visibility report more information to the public in order to upkeep their legitimacy and enhance their reputations (Advidsson; Ghazali; Hooghiemstra in Lanis & Richardson, 2013:120). Without transparency, it is not possible to establish a good relationship with consumers. Transparency is achieved with the help of CSR communication (Reynolds & Yuthas in Kang & Hustvedt, 2013:2). Accountability towards stakeholders is essential when it comes to CSR and without transparency, accountability would not be possible (Waddock & Bodwell in Kang & Hustvedt, 2013:2).

2.5 CONCLUSION

In Chapter 2 more clarity was brought on the theoretical framework this study is based upon, as well as the topic of CSR and its related concepts including sustainability and sustainable development, corporate social development, corporate citizenship, corporate social investment, corporate philanthropy, cause-related marketing, corporate social accountability and corporate social performance. The criticism against the practice of CSR was discussed and special attention was given to the greenwashing of brands and CSR reporting. The second literature chapter will
shed some light on the corporate brand as having a reputation of its own within the context of the CSR field.
CHAPTER 3: CORPORATE BRAND REPUTATION

3.1 INTRODUCTION

The research problem stated that there is a lack of clarity on the relationship between consumer perceptions of, and consumer attitudes towards, a corporate sponsor’s CSR activities and the impact thereof on consumer behaviour. Now that CSR has been discussed in the previous chapter, Chapter 3 will further add to the topic from a corporate branding and corporate reputational point of view within the CSR domain. In the corporate branding section, branding will be defined and discussed from a holistic corporate perspective, touching subjects related to corporate identity; defining the corporate brand; and corporate image. Corporate reputation adds to this discussion by elaborating on the definition, scope and advantages of corporate reputation; corporate brand reputation definition and measurement; the reputation for being a good corporate citizen; and brand citizenship. This chapter also serves the purpose of linking the concepts of CSR (as discussed in Chapter 2) with the concepts of consumer perceptions, consumer attitudes and consumer behaviour, which will be discussed in Chapter 4.

It would be important to highlight the research objectives of this study relevant to corporate brand reputation as a formal guide to the literature that follows: the first objective was to investigate consumers’ ability to recall a corporate sponsor of an NPO; the second objective was to determine consumer perceptions of a corporate sponsor’s CSR activities; thirdly, the nature of consumer perceptions of CSR in general; fourth, the effect of perceived corporate philanthropy on consumers’ corporate citizenship attitudes towards a corporate sponsor; fifth, consumers’ business and personal use of a corporate sponsor’s products; and sixth, to investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour towards a corporate sponsor. The chapter on corporate brand reputation will touch on elements specifically referred to in research objectives two and four as consumer perceptions of a corporate sponsor’s CSR activities. The construct of CSR activities is also present in Hypotheses 1, 2, 4, 5 and 6 of this study.
In the original study by Cole (2008:1-53), on which this study is based, consumer perceptions of a company’s CSR reputation is quite often referred to but in this adapted version of Cole’s study, the construct was referred to as a company’s CSR activities. The reason for this change is because a company’s CSR reputation consists of the sum of all stakeholder perceptions and cannot be limited to the views of a single stakeholder group such as consumers. However, from the perspective of the consumer, it is possible to refer to their perceptions of the company’s CSR activities which contribute to the CSR reputation that the company will build up over time. The distinction between CSR activities and CSR reputation will become clearer in the rest of this chapter.

3.2 THE CORPORATE BRAND

During the 1950’s, marketing researchers started to acknowledge the figurative (or symbolic) dimensions brands might have for consumers and that there are social, psychological and physical characters to brands. The linkages between consumers’ perceptions and attitudes towards different brands and purchase behaviour were identified. Brands were not only described as having “objective or intrinsic attributes for example the physical size of product packaging and ingredients but they were also described according to “intangible beliefs, feelings, and associations” related to them (Arnould et al., 2004:120). The subjective attributions of a brand are formed by the type of person using the product or service brand and the relevant circumstances under which it is consumed (Arnould et al., 2004:121). Consumer perceptions of CSR behaviour influence consumer-brand devotion due to a brand’s ability to convey character (Keller & Aaker; Brown & Dacin in De Los Salmones et al., 2005:373).

“Brands are the seeds of growth. Values are the roots that grow deep. Reputations are the bountiful harvest. You reap what you sow.” (Foley, 2006:36) Foley (2006:3) defines a brand as follow: “...a set of promises, associations, images, and emotions that companies create to build loyalty with their customers. Brand is from the inside out.” The reputation of a company should be approached from the “outside in” because it is founded on the experiences, opinions and rumours of stakeholders
external to the company but transformed by the internal stakeholders’ reactions, industry perceptions, source and prejudice (Foley, 2006:3). Foley (2006:3) warns that company decision makers should not confuse “having a strong brand with having an equally strong reputation” because if their product or service achieves high sales figures it does not necessarily imply their consumers’ adoration and respect for the company. Du et al. (in Perera & Chaminda, 2012:2), identify two modern approaches to CSR: the positioning of a brand on CSR (known as a “CSR brand”) and the other where a CSR strategy is incorporated into the company’s corporate strategy.

Foley (2006:78) stated that communities can take on a geographical or usage nature but whichever way; they have an intense impact on a company’s brand and reputation. He noted that most significant dialogue with regards to brands and reputations happen on the internet among various opinionated groups that use the company’s products or services (Foley, 2006:78-79). Therefore, it is essential for companies to study the way in which their decisions affect society and the natural environment and to align the company’s values to the values of relevant stakeholders (Foley, 2006:79). Foley (2006:79) also emphasised how stakeholders’ feelings toward a company’s environmental or societal impact are determined by the quality of the company’s relations with the community, environment and their lives.

**Social capital** relates to how healthy a society is and it is dependent on (the strength of) relationships (Nahapiet & Ghoshal in Champniss & Rodés Vilà, 2011:4). Social capital consists of a structural, cognitive and relational construct of which the first represents “dialogue” or “conversations” amongst any individuals or groups of individuals (Champniss & Rodés Vilà, 2011:4). As explained in the Happiness Report (Layard, Clark & Senik, 2012:69), the reason for the use of the word “capital” in this construct is because “people’s social networks are accumulated over time (like financial capital) and because they yield benefits, such as informal mutual assistance or simply the pleasure of being socially integrated and participating in intense social interactions”. According to Champniss and Rodés Vilà (2011:4-5), the structural dimension is underpinned by the observation of how brands fulfil a social role in the creation of conversations between and amongst individuals who might be located far from one another but feel closer to a specific brand and one another through this
communication process. Champniss and Rodés Vilà (2011:4-5) describe this occurrence as a method that companies use to come closer to a community. The cognitive construct arises as a result of the creation of new thinking patterns associated with an increase in social capital. By means of their brands, companies have intended to initiate specific modes of thinking within consumers to assist with the formation of “cognitive links” with regard to the products and services a company offers under those brands. This modified way of thinking helped minimise the perception of physical distance between the organisation and the consumer. Thirdly, the relational construct stands for trust. The presence of trust helps the consumer overcome the perceived risk associated with his/her involvement with the organisation by means of its brand. In trust, past experience with a brand is an indication of what to expect in the future from the brand (Champniss & Rodés Vilà, 2011:5). Champniss and Rodés Vilà (2011:5) make an insightful statement: “Without trust, a promise is useless, and without promise, a brand has virtually nothing to say.” A full discussion on consumer trust is provided in the next chapter on corporate brand reputation (see section 3.2).

Social capital refers to those matters in life that add value to the lives of a greater majority of people, including “goodwill, fellowship, sympathy and social intercourse” between the people collectively forming part of a “social unit” (Hanifan in Champniss & Rodés Vilà, 2011:109). All individuals have a specific function in society and by associating and interacting with other members of their community, consumers experience the benefits related to the help, sympathy and fellowship they give and receive as a result (Hanifan in Champniss & Rodés Vilà, 2011:109). Napiet and Ghoshal (in Champniss & Rodés Vilà, 2011:120) broke social capital down into three elements or dimensions: “structural, cognitive and relational”. See Figure 3 below for a flow diagram on the social capital development process.
As illustrated in Figure 3 above, companies generally focus more on the first phase which involves communicating about the brand in the form of marketing efforts. Some brands enjoy the recognition associated with it purely because of the amount of talking it initiates. But brands need to give more attention to how they communicate the messages they want to get across (Champniss & Rodés Vilà, 2011:120). Nahapiet and Ghoshal (in Champniss & Rodés Vilà, 2011:120) stress the extra value added to the emotional/rational argument in marketing by demonstrating the way in which social capital is created from the processes in Figure 3 above. The results of each phase feed the next phase: talking leads to thinking which creates trust (Champniss & Rodés Vilà, 2011:120). Champniss and Rodés Vilà (2011:120-121) warn that too much focus on a brand’s transparency prevents it from developing higher levels of social capital and its associated advantages. There is a sensitive link between transparency and trust in this context and consumers can be confused or disappointed if too much information is disclosed. The whole idea behind trust is the absence of the need to scrutinise all information of an individual or organisation; trust can be seen as a replacement for transparency here. “A commitment to talking is no guarantee of thinking and trusting.” (Champniss & Rodés Vilà, 2011:121)

By inspecting brands in the context of social capital more insight can be gained into the levels of consumer satisfaction in the past as compared to recent perceptions of “gaping inadequacy in the brand’s communication and engagement strategy”. Most brands want and need to work with their various stakeholders to create more value and therefore, social capital relationships are crucial in this endeavour (Champniss & Rodés Vilà, 2011:121, 123). Without dialogue initiated by the brand, reputation-based relationships cannot achieve the required value between the brand and the consumer or any other stakeholder group. A third participant that values or opposes
the brand’s reputation leads to higher levels of social capital creation in this process. By initiating talk on a social issue, a brand can ensure that more social capital between the company and the specific stakeholder will follow (Champniss & Rodés Vilà, 2011:123).

Champniss and Rodés Vilà (2011:124), say that ongoing and steady communication and thought during phase one and two in Figure 3 above, establish trust. From most brand definitions, one universal fact is present: “a brand encapsulates a promise, from the products or services that are bound by the brand, to those who are considering deriving value from them” (Champniss & Rodés Vilà, 2011:124). A brand is not only a promise of quality and benefits but includes the belief of the relevant parties in the promise. Therefore, a brand is the “representation of trust we have in that promise being kept”. As such, brands are only successful if they can create long-term communication and mutuality in thought founded on trust between themselves and the audience or stakeholders involved (Champniss & Rodés Vilà, 2011:125).

A social equity brand can be defined as follow (Champniss & Rodés Vilà, 2011:125): “... a brand that recognises both the private and public importance and value of investigating in long-term, balanced stocks of social capital, as a means of uncovering, developing and activating collaborative, innovative and dynamic solutions to the sustainability issues we all face.” Foley (2006:82) stated that clever ventures within a community lead to loyalty, and financial and reputational assurance. From a branding perspective, social capital can be defined as: “The quality, depth, breadth and frequency of brand-inspired dialogue, exchange and interaction that occurs within a community. It is the benefits – both private (to the brand) and public (to the community) – that are generated as a result. And it is the resultant collective ability to maintain and enhance these processes and benefits.” (Champniss & Rodés Vilà, 2011:112)
3.2.1 Corporate identity

The corporate identity of a company can be defined as “the symbols and nomenclature an organisation uses to identify itself to people (such as the corporate name, logo, advertising slogan, livery, etc.)” (Dowling, 2001:19). Different “faces” of identity have been termed as follows: actual, communicated, desired, the ideal, and “conceived” identity (Balmer & Soenen; Balmer & Greyser in Stanaland et al., 2011:47).

The main functions of a corporate identity are: to ensure cohesive stakeholder perceptions; to establish and preserve a strong reputation; to safeguard legitimacy; and to ensure the effective positioning of the company and differentiation from its competitors (Van Riel; Melewar; Cornelissen in Johansen and Nielsen, 2012:437). Positioning and differentiation refer to “the creation of an image for a company ... in the minds of stakeholders, both specifically to that entity and in relation to competitive organizations and offerings” (Cornelissen in Johansen & Nielsen, 2012:437).

According to Chen and Klimoski (in Chang, Chian & Han, 2012:628), the more trust, respect and loyalty employees cherish for their organisation, the higher the quality of social exchanges. In order to build a strong internal brand, employees’ behaviour should be congruent with what the brand stands for and promises the consumer (in other words, the brand value) (Chang, Chiang & Han, 2012:627). According to a study by Cone LLC (in Tustin & De Jongh, 2008:31), it has become more important for companies to create brands where ethical considerations have been regarded in every decision and into brand value. If companies adhere to consumers’ requests for truly ethical brands, their image would be perceived in a more positive light as compared to other companies that do not consider ethically-principled decision making (Cone LLC in Tustin & De Jongh, 2008:31).

In a study by MORI (in Lewis, 2003:362) conducted amongst 2 000 employees across six companies in 2002, 82% of respondents who were aware and personally involved with their employer’s CSR programmes indicated that they would speak highly of their company. A mere 13% of these aware and involved respondents
acknowledged that they are critical toward their company (MORI in Lewis, 2003:362). From the employees who were aware of, but not personally involved with, their employer’s involvement in CSR, 65% said that they would speak highly of their employer and 19% are critical toward the company (MORI in Lewis, 2003:362). Only 50% of the respondents, who were unaware of their employer’s CSR programmes, would speak highly of the company and 23% would be critical (MORI in Lewis, 2003:362). Therefore, the higher the employees’ personal involvement in CSR programmes, the greater the chances of them speaking highly of their employer and the smaller the chances of employees’ criticism toward their company (MORI in Lewis, 2003:362). Crosby and Johnson (2006:13) argue that a company’s workforce should be valued as the ambassadors of the brand.

### 3.2.2 Brand personality

“Values are at the heart of branding. ... Brand values should not just be ‘attachments’ to a product or service, but rather the driving force for what the brand can dare to become.” (Thom Braun, director of Unilever’s Marketing Academy in Crosby & Johnson, 2006:13) Levy (in Becker-Olsen et al., 2006:52) stresses that CSR activities should be in line with the company’s operating objectives whilst also expressing the company’s values.

Moore (in Banet-Weiser & Lapsansky, 2008:1249) says that branding is “the deliberate association of a product not just with a mere name but with an almost spiritual image, an idea”. A brand name can be a symbol representing an entire meaningful environment and the ability of a brand to evoke an “idea” or “spiritual image” is what binds it to consumers’ lives, political matters and “social activism”. In this context the cultural dimensions of a brand infiltrates consumer customs as well as their “political, social, and civic participation” (Banet-Weiser & Lapsansky, 2008:1249). Tustin and De Jongh (2008:31) observed that the definition of a brand more often involves the “ethical behaviour” of the brand due to its interconnectedness with governance, ethical and social elements. The way in which a consumer makes his/her decisions is a product of the specific brand’s ethical conduct (Tustin & De Jongh, 2008:31).
Scholars and practitioners discuss the company as a brand in itself which resides within the minds of employees, clients, suppliers, community members, and other indirect publics to the company (Davies, Chun & Da Silva, 2003:77). In order to fully grasp the worth and complexity that impact the brand, it is important to study the way in which the end-consumer and different “brand audiences” feel about the brand (Schultz in Foley, 2006:22). A limited view of a brand’s worth result if companies only consider the perceptions, beliefs, attitudes and concerns of end users (Schultz in Foley, 2006:22). How successful a company is at building a brand identity which is appealing to consumers will impact on consumer satisfaction due to the brand’s ability to aid the consumer in building their self-concept (Pérez et al., 2013:223).

i) Corporate brand personality

According to Lewis (2003:357), a brand is “a persona of the company, encompassing corporate qualities, values and promises”. Corporate brands can assist with the way in which a brand is differentiated by harnessing the associative power it ignites within the mind of the consumer/stakeholders – externally, these associations can include a product’s standard characteristics, the benefits and attitudinal components with regard to its use, the individuals involved and nature of their relationships; and the credibility of the company (Barich & Philip; Gregory; Schultz & Morgan; Upshaw & Earle in Keller & Richey, 2006:75).

The personality of a product brand is based on target consumers’ characteristics and their mental pictures related to the brand. Consumers make use of brand personalities in support, and to the expression, of their “actual or idealised self-image”. Thurstone stresses that a corporate brand’s personality is to a great deal influenced by employee perceptions. The corporate brand personality echoes the “values, actions, and words” of the company’s workforce. Thurstone refers to the “tripartite view” of attitudes when it comes to corporate brand personality characterisation and this view includes the dimensions related to what the consumer feels (affective component), thinks (cognitive component) and how he/she behaves (conative component) (Thurstone in Keller & Richey, 2006:76). Another approach to the portrayal of corporate brand personality can be categorised under what Keller
and Richey (2006:76) refer to as the “heart”, “mind” and “body” which represents different groups of characteristics that can direct the actions of the internal stakeholders of a company and indirectly influence the corporate image. “Heart” refers to how “passionate and compassionate” a company is in providing good service to their customers and being a good market competitor as well as the level of care invested within stakeholders such as employees and community members. “Mind” includes the creativity with which a company serves and champions within the marketplace and the discipline inherent to ensuring consistency in how the company and its actions are run. “Body” includes how quickly and profitably the company reacts to an ever-changing market (agility) and how collaboration is used across all stakeholders in the pursuit of mutual interests (Keller & Richey, 2006:76). The characteristics discussed here (passion and compassion; creativity and consistency; agility and collaboration) has a relationship where the one influences the other and the presence of one may also boost the strength of the other (Lane Keller & Richey, 2006:74).

The difference between product brand personality and corporate brand personality is that the former draws on the consumer’s mental pictures and ideas and the latter encompasses “human characteristics or traits” of the entire workforce behind a company (Lane Keller & Richey, 2006:74). A brand’s personality gives specific characteristics, normally associated with humans, to products or services offered which make it easier for consumers to identify with the brand or company (Foley, 2006:56). As defined by Aaker (in Babin & Harris, 2011:115), the personality of a brand includes the “human characteristics that can be associated with a brand”. According to Babin and Harris (2011:115), five dimensions can be distinguished in the description of different brands’ personalities: “competence, excitement, ruggedness, sincerity, and sophistication”. From Table 3 below, descriptions associated with each main brand personality dimension are listed.
Babin and Harris (2011:115) explain that the personality of a brand presents valuable prospects forming the basis of product and service differentiation. Brand personality can be seen as a subset of its combined image (Gwinner & Eaton in Babin & Harris, 2011:115). Aaker (in Babin & Harris, 2011:115) emphasised that different aspects can influence the evolution of a brand’s personality of which “product category, packaging, price, sponsorships, symbols, and celebrity endorsement” to mention a few.

Fournier (in Babin & Harris, 2011:116-117) refers to specific ways in which the quality of consumer-brand relationships can be described. First, “love and passion” is a description associated with a customer that experiences an extremely strong bond with a specific brand. The second is referred to as “self-connection” which is when a consumer makes use of a brand as expression of, or extension to, his or her personal identity – the brand fulfils a self-connection role in the relationship (Fournier in Babin & Harris, 2011:116). According to research, increased satisfaction results when a brand correctly matches the needs of a customer’s personality to the perceived brand personality (Harris & Fleming in Babin & Harris, 2011:116). Third, what is termed “commitment” is another relationship description indicating a consumer’s dedication and loyalty to a brand that addresses their needs correctly. “Interdependence” is the fourth relationship type; there is a co-dependency between the product or service and the consumer. Fifth, when profound consumer desires are addressed by a brand, it is known as an intimate consumer-brand relationship. Finally, the “brand partner quality” relationship exists if the consumer perceives a brand to be of good quality – it acts as a driver of stronger consumer-brand bonding (Fournier in Babin & Harris, 2011:116-117). At this point trust is initiated and enhanced for better consumer-brand relationships (Fournier in Babin & Harris, 2011:117).

Table 3: Brand personality dimensions

<table>
<thead>
<tr>
<th>Personality trait</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competence</td>
<td>Responsible, reliable, dependable</td>
</tr>
<tr>
<td>Excitement</td>
<td>Daring, spirited</td>
</tr>
<tr>
<td>Ruggedness</td>
<td>Tough, strong</td>
</tr>
<tr>
<td>Sincerity</td>
<td>Honest, genuine</td>
</tr>
<tr>
<td>Sophistication</td>
<td>Glamorous, charming</td>
</tr>
</tbody>
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Source: Adapted from Aaker in Babin & Harris (2011:115)
Because consumers would ideally base their relationships with brands on their conceptualisation of a brand’s personality, it is worthwhile for companies to take extra care in the composition of specific personality traits to be emphasised in advertising (Fournier; Aaker, Fournier & Brasel in Babin & Harris, 2011:116). By clearly defining the brand’s personality, the company enhances the consumer’s identification with the brand as well as their understanding of the brand’s central values (Foley, 2006:56).

Based on what is known as the “Identification Theory”, the information available to consumers on a company’s CSR, and consumer perceptions thereof, make consumers identify with the company more easily. Consumer-company identification can be defined as “the degree to which a consumer’s self-definition overlaps with that same consumer’s perceived traits of a firm” (Bhattacharya & Sen; Dutton in Lii & Lee, 2012:70). The higher a consumer’s identification with a company, the better the chance that he/she will also support the company (Ahearne et al.; Lichtenstein et al. in Lii & Lee, 2012:70). According to Marin, Ruiz and Rubio (2009:65), CSR has been found to increase consumer loyalty due to favourable company evaluation and stronger company identification.

CSR communication favourably affects consumer identification with the company and consumer attitudes toward the CSR cause (Pérez et al., 2013:229). Consumer identification with the company based on their CSR initiatives can also lead to increased levels of consumer satisfaction (Pérez et al., 2013:218). The motives that consumers perceive behind a company’s support of a good cause influence their evaluation of the corporate brand (Parguel et al., 2011:18). Consumers’ identification with the company has a strong influence on their decision making. The reason for the strength of this influence can be ascribed to how consumer identification reflects the value consumers place on being associated with a specific social image inherent to the support of the company. If the company consistently offers this level of consumer fulfilment, consumer loyalty can be achieved (Lichtenstein et al. in Pérez et al., 2013:219).
In Perera and Chaminda (2012:4), Aaker proposes that corporate brands are regularly associated with CSR. Consumer-company identification initiates favourable patronage intentions and it is a crucial ingredient to ensure that a company’s CRM efforts are successful (Pérez et al., 2013:223). It is associated with organisational benefits such as increased sales and positive word-of-mouth (Ahearne et al. in Pérez et al., 2013:223). Consumers’ identification with the company and CSR associations are directly related. If a consumer can associate with the cause the company supports, they would be more likely to identify with the corporate brand as well (Pérez et al., 2013:228).

3.2.3 Corporate image

Dowling (2001:19) defines a company’s corporate image as “the global evaluation (comprised of a set of beliefs and feelings) a person has about an organisation”. According Dobni and Zinkham (in Arnould et al., 2004:121), a brand’s image is defined as “a brand-specific collection of product-, brand-, and consumer-related attributes (knowledge, feelings, and attitudes towards a brand) that an individual holds in memory, a subset of which becomes active depending on specific cues and contexts”. They also stress the value of “brands, trademarks, product symbols, and packages” for a company (Arnould et al., 2004:121). Research provides support for the relationship between a company’s image and the consumer’s thoughts and behaviour toward the products and services offered (Belch & Belch; Brown & Dacin in Pérez et al., 2013:219).

The identity a company communicates to stakeholders is an important connection between corporate identity and image, mirroring the “immediate mental picture” a person has of that company (Gray & Balmer; Gray in Parguel et al., 2011:16). Lewis (2003:361) stated that the information an employee of a company shares outside of the company has a strong impact on those individuals’ image of the company. CSR communication is a subdivision of corporate communication and it basically encompasses the information a company communicates regarding its CSR activities.
Van De Ven (in Parguel et al., 2011:16) identifies three approaches with regard to CSR communication: the reputation management approach; brand building approach; product differentiation approach. First, the reputation management approach of CSR communication has to do with the close monitoring of responsible adherence to obligations in order to uphold a figurative license to operate from society. The brand building approach includes the company’s ability to build a “virtuous corporate brand” by keeping their promises to successfully pursue CSR goals and in so doing gains the needed respect from the relevant stakeholders. Examples of the communication means available to build a “virtuous corporate brand” include “CSR reporting, publication of ethical codes, Websites” as well as marketing-related means such as advertisements, sponsorships, and public relations to mention a few. “Ethical product differentiation” is the third CSR communication approach used when a company positions their product or service offer on a unique environmental or social issue/outcome – the CSR activities lie at the core around which the entire brand is built. A South African example of this approach is The Body Shop that offer products branded as socially and environmentally friendly in all phases of the supply chain, therefore CSR communication is ever-present and inevitable (Parguel et al., 2011:16). Kotler and Lee (in Parguel et al., 2011:16) advocates the principle of doing good and letting other people talk about it. Various scholars believe that CSR communication builds a positive corporate image and reputation and can be seen as a way to market the company as well (Balmer; Gray & Balmer; Hoeffler & Keller; Balmer & Greyser in Parguel et al., 2011:16).

According to various researchers, CSR communication is an important determinant of how a company’s CSR practices are judged (David et al.; Epstein & Roy; Maignan & Ferrel in Kim, 2011:222-223). CSR information can be divided into controlled and uncontrolled categories based on the consumer-perceived source. Uncontrolled information includes information the consumer receives via “word-of-mouth, mass media, [and] non-governmental organisations” (Balmer & Gray; Balmer et al.; Bernstein; Du et al. in Parguel et al., 2011:17). This form of information is necessary to support a company’s “ethical corporate identity” (Balmer et al. in Parguel et al., 2011:17). It is also crucial that consumers do not find major discrepancies between the information they themselves source independently and that which the company communicates. The company’s performance on sustainability rating indexes would
be regarded as an independent, or uncontrolled, source of information. More and more consumers are demanding information from what they perceive to be credible sources assessing companies’ involvement and true concern for environmental and social issues. Third parties such as “NGOs, consulting agencies and media” provide consumers with these types of evaluations (Parguel et al., 2011:17).

There are two crucial sub-constructs that need to be aligned for a company to determine a realistic current view of their corporate reputation: image and identity (Davies et al., 2003:61). The image of a company constitutes the mental picture and attitudes of the “external stakeholders” such as perceptions of the general surrounding community or consumers (Davies et al., 2003:61). The identity of a company refers to the perceptions of “internal” stakeholders (the employees) towards the company (Davies et al., 2003:61). If these two perceptions are congruent with each other in a positive sense, the company will achieve a strong corporate reputation.

Kroebel-Riel and Weinberg (in Schwaiger, 2004:49) argued that the presence of both affective and cognitive elements inherent to the conceptualisation of the construct of reputation, indicate the attitudinal nature of this construct. In this context attitude represents “subjective emotional, and cognitive based mindsets” (Schwaiger, 2004:49). This approach is publicised in various American journals that make no distinction between the constructs of corporate image and corporate reputation (Bromley in Schwaiger, 2004:49). However, due to more recent findings associated with the definition and measuring instruments of corporate reputation, this viewpoint might be limiting due to the fact that corporate identity is taken from the equation. More on the topic of corporate reputation will follow in the second part of this chapter.

3.3 CORPORATE REPUTATION

The second main division of this chapter focuses on the theory related to corporate reputation, including the definition, scope and advantages of this construct; a discussion on corporate brand reputation, its definition and measurement; and a
reputation for being a good corporate citizen and neighbour of choice after which this chapter is concluded.

### 3.3.1 Definition, scope and advantages

Buffett (in Doorley & Garcia, 2007:3), made it clear to his employees that he takes corporate reputation very seriously in his quote: “If you lose dollars for the firm by bad decisions, I will be very understanding. If you lose reputation for the firm, I will be ruthless.”

To better understand the construct of corporate reputation some characteristics generally associated with the establishment of a living person’s reputation will serve as a figurative introduction. A human being’s reputation is shaped by various experiences and interactions ranging in a time frame from infancy through maturity. Various people can play a role in the forming of a person’s reputation. The joint perceptions of the individual towards himself or herself (identity), as well as the perceptions of his or her close relatives, friends, and colleagues (image) can be described as a person’s reputation. These perceptions are not constant and can change over time as a person grows – by experiencing hardship in life and meeting new significant individuals which in turn influence how a person reacts and behaves. Unfortunately, a reputation can be harmed by a single lapse in judgement, poor behaviour or even gossip (whether true or false) and can hamper a person’s status and credibility for the rest of his or her life. According to Regester and Larkin (2005:163), “Perception is the reality”. By establishing a reputation based on honesty and integrity, an individual would be able to overcome challenges in a less detrimental fashion as compared to someone that has built up a reputation of untrustworthiness who would in turn struggle to convince friends, family or work colleagues otherwise.

One might think that only a living person can have a reputation for doing good or bad things towards other people, but a company can also be seen as having a corporate reputation that is built up, enhanced, or broken-down with a single action or spoken words. Scholars and practitioners discuss the company as a brand in itself which
resides collectively within the minds of employees, clients, suppliers, community members, and other indirect publics to the company (Davies et al., 2003:77). A more financial approach defines “reputational capital ... [as] the difference, averaged over time, between market capitalization and the liquidation value of assets” (Fombrun in Doorley & Garcia, 2007:7). More methods by which corporate reputation is measured will be discussed in the next subsection.

Abratt and Kleyn (in Park, Lee & Kim, 2013:2) define a corporate reputation as “the end result of consumers’ accumulation of perceptions regarding how well an organization met their demands and expectations”. “A corporate reputation is a collective representation of a firm’s past actions and results that describes the firm’s ability to deliver valued outcomes to multiple stakeholders. It gauges a firm’s relative standing both internally with employees and externally with its [other] stakeholders, in both the competitive and institutional environments” (Fombrun & Rindova in Gardberg & Fombrun, 2002:304-305). According to MORI (in Lewis, 2003:362), there are six major reputational elements influencing the favourability with which different stakeholder groups view the company: “quality of products/services”, “financial performance”, “treatment of staff”, “leadership”, “social responsibility”, and “environmental responsibility”.

Dowling (2001:19) defines a corporate reputation as the “attributed values (such as authenticity, honesty, responsibility, and integrity) evoked from the person’s corporate image”. A “good corporate reputation” is achieved when there is a snug association between a company’s perceived image and a living person’s value system (Dowling, 2001:21). For the purpose of this study, the consumer’s perceptions of a corporate sponsor’s CSR activities will reveal the image they perceive the corporate sponsor to have.

Corporate associations is “a generic label for all the information about a company held by an individual” (Pérez et al., 2013:218) and both corporate image and reputation share connections with this term (Brown & Dacin; Brown; Sen & Bhattacharya; Ahearne et al.). Corporate associations include all of the following constructs: “corporate image, including beliefs, moods, emotions, evaluations, and other forms of knowledge individuals hold about a particular company” (Brown in
Pérez et al., 2013:218). The way in which corporate associations are distinguished can be divided into three main “streams” based on the available literature: distinction based on “social expectations” of how a company should behave (most popular); “personality traits that people attribute to companies”; and “different reasons that people have to trust or distrust a company” (Berens & Van Riel, 2004:161). The last-mentioned stream is grounded on consumer perceptions of how honest, reliable and benevolent a company is (Berens & Van Riel, 2004:161-162). Newell and Goldsmith designed a scale known as the Corporate Credibility scale which can be associated with the final stream as well (Berens & Van Riel, 2004:162).

According to Doorley and Garcia (2007:4), there can be many advantages for a company actively working to achieve a positive corporate reputation amongst which the following to highlight a few: more and better qualified people would want to be an employee of the company; better relationships with supplying entities; and the attraction of media attention without even paying for it. Companies can operate more effectively under the circumstances of people’s positive regard towards it and the potential for more business would be higher in these instances. In contrast, the opposite could result if a company has a poor reputation because less people would put their trust in its level of integrity and in the ability of the company’s operations, offers and communication. Dowling adds that companies with favourable reputations have an operational and financial advantage above competitors with less favourable reputations (Dowling, 2001:12-13).

Some of the operational benefits a company can enjoy when it has a good reputation are mentioned here. Additional symbolic value is added to the company’s products and services, for example, more trust in the product and ease of consumer quality evaluations when it comes to making decisions about a specific service or which competitive brand to choose. Higher consumer ratings result from a company with a better reputation as opposed to a company with a poor reputation. Customers’ perceived risk associated with purchasing a product or service diminishes with the presence of a good brand/corporate reputation. When consumers have to make purchase decisions of products or services that are in general perceived as “functionally similar”, it helps them decide. Higher levels of internal work force morale and job satisfaction result. More people want to work for a company with a good
reputation and therefore the company has better and easier access to more and higher quality employees. The company’s advertising and marketing efforts are received with more credibility and as such it helps the relevant sales staff to be more effective. Extra assistance with the launch of new products will be available. It is easier for the company to make contact with service providers that are most experienced. If a crisis occurs during the lifetime of the company, a good reputation serves as a safety net and provides the company with another chance to repair the damages. Increased performance on financial markets and more power to bargain in the channel of trade will result (Dowling, 2001:12-13). Rose and Thomsen (Park et al., 2013:2) found that a company’s reputation impacts financial performance directly or indirectly. Research by Williams and Barrett (in Park et al., 2013:2) revealed that philanthropy has a positive impact on corporate reputation. The latter was also confirmed in a survey on “Britain’s most admired companies” conducted by Brammer and Millington (Park et al., 2013:2).

CSR assists with the construction and maintenance of a positive corporate reputation and ultimately it can contribute to the company’s competitive advantage (Keh & Xie in Park et al., 2013:1). CSR can play a very important role in giving the company a competitive advantage because it links specific social elements to a company’s brands which differentiates it from other brands on the market (Porter & Kramer; Smith; Smith & Higgins; Varadarajan & Menon in Hsu, 2012:189). According to Fombrun and Van Riel (in Schwaiger, 2004:50), a good corporate reputation has a positive impact on the level of confidence customers have in the goods offered and related advertisements as well as their purchase decisions. By retaining customers based on their satisfaction and confidence, a company can dare to increase prices without a decrease in purchase rates (Caminiti; Preece et al.; Klein & Leffler in Schwaiger, 2004:50). Therefore, a company will be more profitable if it invests in the building of a good reputation (Beatty & Ritter; Schwalbach in Schwaiger, 2004:50).

By approaching and nurturing a company as a brand in its entirety – just as an internal marketing force would approach, build and promote a specific product brand manufactured or sold by the company – it is necessary to define corporate brand reputation within the context of CSR. As mentioned earlier, the values of a
company’s brand is symbolically imprinted on each product or service it offers. The next section elaborates more in this topic.

3.3.2 Corporate brand reputation: definition and measurement

Doorley and Garcia (2007:185) define a company’s reputation as a collection of all mental pictures stakeholders have of the company which is formed by the company’s performance, behaviour and communication with them. According to a 2002 study by PricewaterhouseCoopers on the top reasons why companies are involved in CSR, 90% of respondents agreed that it is to enhance their reputation, 75% for competitive advantage, 73% to save cost, 62% due to industry trends, 58% for CEO/board commitment, and 57% because of customer demand (PricewaterhouseCoopers in Carroll & Buchholtz, 2006:45). An attitudinal MBA student survey in 2003 revealed that 75% believed companies benefit from CSR in that they obtain a more favourable public image/reputation, and 51% indicated more customer loyalty would result (The Aspen Institute, Business and Society Program in Carroll & Buchholtz, 2006:45).

Companies are held more responsible for their actions in communities due to stakeholder groups that are better informed as well as the growing number of professional activist groups which are also being managed more strategically (Kaelo Worldwide Media, 2006:7). According to the Excellence Theory (Grunig et al., 2006:21), an ever-changing and unpredictable, rather than stable environment, characterised by intense activism is crucial for a company to become excellent. The rationale behind this argument is that pressure drives a company to place more value on their communication function which forces companies to take up dialogue (in the form of symmetrical communication) with their internal and external stakeholders (Grunig et al., 2006:21). The Excellence Theory incorporates various principles of the systems, complexity and chaos theories. According to the Excellence Theory, there are five main prerequisites that a company has to comply with in order to achieve excellent communication (Grunig et al., 2006:53). First, a company should have a culture of participation instead of autocracy; second, the channels of communication should be open and unrestricted in all directions; third, “[o]rganic rather than mechanical structures” should be present; fourth, fair and
indiscriminative treatment of, and opportunities for both sexes as well as individuals who are not part of majority groups (for minority groups such as disabled people or previously disadvantaged groups); fifth, a motivated, satisfied internal workforce. These prerequisites are the foundation on which a company builds an ethical and responsible reputation.

CSR has to do with the company behaving ethically and responsibly towards a wider scope of stakeholders. Modern society has begun to hold companies more and more responsible for their actions (Hopkins, 2007:15-16). As discussed earlier, critics of CSR feel that it is the responsibility of local municipalities and the governments to provide the general public with the basics to develop socially and economically. But, most developing countries’ governments are simply too poor or lack the necessary skills to take up such actions successfully – to a certain extent, this is also the scenario in South Africa. Research on CSR demonstrated a shift from the assumption that it was a purely governmental or “macro-social” institutional responsibility towards the role that different powerful companies around the world can play as corporate citizens (Lee, 2008:55). Earlier research on CSR advocated that managers were not ethically equipped to deal with social issues due to researchers’ inherent assumption that a manager’s sole orientation should be directed towards the generation of financial outcomes (Lee, 2008:56). But, recently this argument has developed into a managerial perspective that includes ethical choices made by a company’s decision makers to enhance both their company and their stakeholders’ objectives in a mutually beneficial manner (Lee, 2008:55). There has also been observed a closer relationship, or interconnectedness, between financial success and a company’s CSR commitment, due to some invaluable reputational benefits resulting from these practices (Lee, 2008:56). With the use of sponsorships, CRM and philanthropy consumers will develop more favourable attitudes toward a brand if the company possesses a good reputation (Becker-Olsen et al.; Lachowetz et al. in Lii & Lee, 2012:71-72).

This study focuses on the dynamic involvement of an NPO as a means of credibly conveying certain corporate brand values to consumers in particular. The NPO should not only be seen as a stepping stone but rather as a partner in the process of uplifting societal morale by reaching mutual preset goals. In order for companies to
attract appropriate NPOs, they need to obtain these parties’ support by working on their corporate reputations (Foley, 2006:27). Foley (2006:27) proposes a few methods to enhance corporate reputation: companies should clearly communicate their values to all stakeholders; the company’s values should be in line with the values of most powerful or relevant stakeholders; a company’s internal workforce and customers ought to be given the necessary power to act as advocates of the brand; management should study the ways in which the company’s products and services affect their stakeholders; corporate efforts should be directed towards solving community or environmental problems that relate to the specific industry; companies should be actively involved within their surrounding communities; by giving back to the community.

Now that clarity has been brought on corporate reputation, attention will be given to the way in which it can be measured.

Many scholars and practitioners might quarrel against the possibility of accurately measuring the reputation of a company, due to this construct’s intangibility and the individually subjective nature of consumers’ (and other stakeholders’ joint) perceptions. But, regardless of opposing viewpoints, some corporate reputation measurement instruments have indeed been developed over time.

Initially America’s Most Admired Companies (AMAC), published by the Fortune Magazine, was the only reputational ranking mechanism in the world (only available to US companies). In 2007, the magazine made a global survey’s results available in the form of the Global Most Admired Companies (GMAC) ranking. The GMAC survey was administered in thirteen different countries and across 24 industries. Interestingly enough, the companies who rank highest were mostly “multinational operating conglomerates” (Schwaiger, 2004:51). About 90 percent of the Fortune Magazine’s top 500 companies around the world donate money to non-profit organisations (NPOs) for good causes (Kotler & Lee in Luo & Bhattacharya, 2006:1). The Fortune magazine ranks America’s Most Admired Companies according to their “Eight Key Attributes of Reputation” of which CSR has been included (Carroll & Buchholtz, 2006:50). The Fortune Magazine’s research is conducted from over 12 600 senior executives, outside directors, and financial analysts (Carroll &
The Fortune 500 companies have the most successful brands and corporate reputations in the world. According to a recent source, over 80% of these companies report on CSR on their corporate websites and 90% have formal CSR programmes (Bhattacharya & Sen; Luo & Bhattachary in Lii & Lee, 2012:69). South Africa fosters many successful companies striving to achieve international acceptance. By following similar principles as the Fortune 500 companies, local companies can enhance their chances of gaining international status. The more local companies gain international status, the better it is for the South African economic and social development areas, specifically by attracting foreign investors that will create jobs and enhance tourism.

Gardberg and Fombrun (2002:305) had a vision of developing a balanced instrument to measure corporate reputation and so they reviewed, selected and refined elements from various prominent scales including GMAC, the Far Eastern Economic Review as well as the Financial Times. And so the Reputation Quotient (RQ) resulted, consisting of six survey categories including “ratings for products and services, workplace environment, social responsibility, vision and leadership and financial performance” (Davies et al., 2003:139). By handing consumers – and other stakeholders of interest – a questionnaire presenting these basic categories of business activity, relatively accurate scores can be obtained on how a specific group feels about a company. The findings would indirectly reflect consumers’ perceptions of that company’s activities. And in combining various stakeholders’ inputs on this survey, a snapshot of the company’s reputation can be obtained. This study attempted to integrate all of the RQ’s categories (Davies et al., 2003:139). The three sub-dimensions of the CSR category were adapted by Cole (2008:24) in order to determine consumers’ perceptions of a sponsoring company’s CSR activities. These three dimensions include that the company “treats people well”, “supports good causes”, and is “good” in general (Cole, 2008:24).

In 1997, Fombrun established The Reputation Institute and created a normalised measurement instrument for investigating companies’ corporate reputations (Foley, 2006:23). The measurement instrument was named “RepTrack®” and it requires respondents to elaborate on their perceptions of a company based on 22
characteristics within seven dimensions (Foley, 2006:23). These seven dimensions include (Foley, 2006:24):

i. “Performance: Perceptions of the company’s financial results and prospects

ii. Workplace: Perceptions of the company’s workplace environment and quality of its people

iii. Products: Perceptions of the quality and price of the company’s products and services

iv. Leadership: Perceptions of how well the company is managed

v. Citizenship: Perceptions of the environmental strength and social responsibility of the company

vi. Governance: Perceptions of the company’s organisational systems and culture

vii. Innovation: Perceptions of the company’s entrepreneurial orientation and innovativeness.”

According to Davies et al. (2003:61), there are two crucial sub-constructs that need to be aligned for a company to determine a realistic current view of their corporate reputation: image and identity (Davies et al., 2003:61). As discussed earlier, the image of a company constitutes the mental picture and attitudes of the “external stakeholders” such as perceptions of the general surrounding community or consumers (Davies et al., 2003:61). The identity of a company refers to the perceptions of “internal” stakeholders (the employees) towards the company (Davies et al., 2003:61). Thus, if the internal and external perceptions are congruent in a positive sense, the company will achieve a strong corporate reputation (Davies et al., 2003:61). A prominent measurement instrument related to corporate reputation is known as the Corporate Personality Scale, with which a company determines whether there is congruency between the internal and external perceptions towards the company (Davies et al., 2003:59). Employees’ viewpoints and customers’ viewpoints for example, are compared in terms of the following dimensions to see if these perceptions are reconcilable:

- “Agreeableness
- Enterprise
- Competence
Davies et al. (2003:159) integrated the Corporate Personality Scale with what they termed the Corporate Reputation Chain. The Corporate Reputation Chain demonstrates that employee retention, customer loyalty and increased sales will result if there is congruency or balance between employees’ satisfaction with the company and the customers’ satisfaction with the services, products and communication delivered by the company (Davies et al., 2003:159-175). A good corporate reputation consists of aligned positive internal and external views of that company. Therefore, corporate communication should incorporate the needs of employees, customers, suppliers, and other vulnerable local groups – not just the opinions of company directors.

A corporate reputation does not exist in itself but rather as a collection of stakeholder perceptions (Davies et al., 2003:77). Most companies participate in CSR related activities for a specific reason – whether it is for pure self-enrichment, window-dressing, mutual benefit for the main parties involved or an honest and selfless deed purely out of goodwill. The intention behind a company’s CSR activities can usually be determined by the level of awareness they attempt to instil with current or potential customers with regards to their involvement. Do they propagate (publicly advertise) their involvement in good causes to gain the public’s respect and to reiterate their brand in the minds of the public? Though it is not always possible to determine the intentions of a corporate sponsor, the fact is that most sponsorships in South Africa are usually taken up by companies who wish to gain some form of benefit for their corporate brands. For more detail on a classification of the different areas of CSI, please refer back to the discussion on Skinner and Mersham’s corporate giving spectrum (Skinner & Mersham, 2008:241-242) in Chapter 2.
3.3.3 Brand citizenship

According to Tustin and De Jongh (2008:31), consumers react to a product based on their perceptions of the brand. The more consumers are exposed to the brand, the more these perceptions grow due to the value the brand provides to them, which is determined by “personal, cognitive and other factors” (Du Plessis; Du Plessis, Trappey & Woodside in Tustin & De Jongh, 2008:31). Edwards and Day (in Tustin & De Jongh, 2008:31) mention the importance of ethical value in support of a corporate brand. Thus, the company as well as the brand should be perceived as a “good citizen” that includes a company making use of its resources and brand’s power to positively impact on society (Arvidsson; Edwards & Day in Tustin & De Jongh, 2008:32). Brand citizenship defines the ethical driving forces behind a brand and includes the following: “sound business practice and values, including good corporate governance, the commitment of staff to the brand, and the relevance and legitimacy of the brand as seen by the broader society” (Tustin & De Jongh, 2008:32). Tustin and De Jongh (2008:32) hold that brand citizenship is ideally positioned to fulfil a pivotal role in the management and development of products throughout their lifecycles. Brand citizenship will assist companies to develop ethical brand identities at all key points in the value chain and this will ensure the establishment of a sound reputation that will support CSR claims. Ultimately this whole process will add to sustainability (Tustin & De Jongh, 2008:32). Brand citizenship is a more complex practice than cause-related marketing because it relates to the internal value brought about by the composition and processes surrounding the brand’s composition whereas cause-related marketing only involves the adoption of a cause or charity (Horne & Worthington; Ross, Patterson & Stutts in Tustin & De Jongh, 2008:32).

Willmott (in Kang & Hustvedt, 2013:2) proposed a model for brand citizenship, suggesting that transparency, communication and favourable citizenship perceptions are essential components required to build a trusted brand relationship. Brand trust is defined as “the confident expectations of the brand’s ability and intentions in situations entailing risk to the consumer”. Brand trust consists of brand reliability and brand intentions – the former referring to the consumer’s confidence in the brand’s
ability to fulfil their needs and the latter referring to the consumer's confidence that the brand behaves in a way that the consumer perceives to be motivated by good intentions toward their interests and wellbeing (Delgado-Ballester et al. in Kang & Hustvedt, 2013:3).

In research by Crosby and Johnson (2006:12), the percentage of consumers who would switch to another brand because it supports a good cause, increased from 66% to 86% within a single decade. Corporate citizenship has been researched as a construct which application increases the value of a company by boosting its reputation and sales. According to a study conducted in the telecommunications industry in Britain, it was found that a leading company’s CSR activities made up 25% of the results its reputation has on customer satisfaction. Ninety percent of the respondents agreed that companies should disclose information on their CSR initiatives. Consumers desire an “emotional connection” to the brands they use and this relationship can be supported by means of CSR (Crosby & Johnson, 2006:12). Companies use citizenship-branding campaigns for various business objectives, including the improvement of sales, customer loyalty and reputational enhancement; as well as philanthropic objectives to boost “awareness of a critical need, inspiring consumers and partners to take action, or raising money”. It is of crucial importance that the business objective should be integrated within the strategic goals of the company otherwise the best cause will not succeed in harnessing the company resources to cultivate “sustainable credibility” amongst consumers (Crosby & Johnson, 2006:13).

According to the results of a study by Chang, Chiang and Han (2012:626), brand citizenship behaviour is favourably affected if individual employees experience “brand psychological ownership” and all aspects related to these two constructs reveal positive correlations. If human resources management integrate the company’s brand strategy into communications with employees, it would positively influence their psychological ownership of the brand as well as their brand citizenship behaviour. The same study showed that company-wide brand citizenship behaviour correlates positively with customer satisfaction. Brand citizenship behaviour is defined as “an aggregated construct of individual behaviour that may
enhance brand strength” (Burmann & Zeplin in Chang, Chiang & Han, 2012:626). If employees demonstrate willingness to help with matters not directly related to their job descriptions but to the benefit of the brand, it shows that they have a positive attitude, friendly, helpful and empathetic orientation toward customers. Various brand citizenship constructs can be distinguished in this context, including that of brand consideration, brand enthusiasm, brand sportsmanship, brand endorsement, brand self-development, and brand advancement. Brand consideration includes employees’ adherence to brand-related guidelines in their daily actions. Employee enthusiasm with regard to the brand is revealed in the additional responsibilities they take up in benefit of the brand which is not specified as part of their job description. Organ (in Chang et al., 2012:631-632) defines brand sportsmanship as “a mental state of employees who never complain about inconvenience caused by brand-centered tasks”. Brand endorsement can be defined as an employee’s willingness to stand up for and endorse the brand’s value even when he/she is not specifically in a work-related situation. If employees expose themselves to opportunities to learn more about the brand and become more skillful as a result, it is known as brand self-development. The various dimensions of brand citizenship behaviour breed an employee culture where they behave not only as sellers of the product but demonstrate empathy toward customers who experience higher levels of satisfaction from this contact (Chang et al., 2012:628). The definition of brand advancement encompasses “employee contributions to enhance brand identity via customer feedback and innovative ideas” (Chang et al., 2012:631-632).

According to Avey et al. (in Chang et al., 2012:631-632), employees who experience fulfilment in their work environment will act more positive toward the company in the form of brand citizenship behaviour. If these employees are put in positions where they face customers, customers would most likely be more satisfied with the contact experience as well (Chang et al., 2012:632). Based on survey research by Chang et al. (2012:634), brand psychological ownership has a favourable impact on brand citizenship behaviour (Chang et al., 2012:641,645). Brand-centered human resources management has a positive effect on brand psychological ownership and brand citizenship behaviour (Chang et al., 2012:645). The collective occurrences of brand citizenship behaviour have a positive relationship with customer satisfaction (Chang et al., 2012:645).
3.3.4 **Reputation for being a good corporate citizen**

It is stated in the King III Report that even though a company is a business entity, it should also be regarded as a “corporate citizen” (IoDSA, 2009:52). According to Burke (in Doorley & Garcia, 2007:187), a company should be a “neighbour of choice” by acting as a responsible entity in its surrounding community and taking up CSR programmes that are collectively decided upon after including community leaders’ opinions of what they need most from the company. Investments should not be blind in that it is based upon what the company thinks the community needs most.

According to Cole (2008:276), the consumer attitude construct consists of trust, satisfaction and reputation (Cole, 2008:23-24). Cause branding is described by Cone (in Alan Nelson et al., 2007:276) as the point where “corporate strategy and citizenship” intercepts. Successful multinational companies make great effort in incorporating CSR principles within their business models because they acknowledge these principles to play an invaluable role in the management of consumer perceptions – especially the perception of being a responsible corporate citizen.

Michael Cook, a former chairman and CEO of Deloitte & Touche advocated companies’ involvement within communities (Schweitzer in Carroll & Buchholtz, 2006:472): “We have an absolutely enormous stake in the communities where our people live and work. If we have good educational systems, good safety, and good activity programs for young people, we’re going to be much more effective in attracting and retaining quality people.”

The corporate players ought to be supportive and serious about their involvement for a better society and for its self-preservation by demonstrating equal regard for human needs as well as its need for profit (Carroll & Buchholtz, 2006:472). In the Community Action Manual (in Carroll & Buchholtz, 2006:472), Robert Cushman, a former president of the Norton Company, motivates the rationale for a business’ presence in communities: people in the corporate environment are more successful
in solving problems; an increase in employee satisfaction and morale result with a company's active engaging in community programs; a favourable corporate image among community members lead to greater ease in hiring employees; the company would be more respected and accepted by the community; CSR by corporate entities is a better option as compared to formal regulations being laid down by government; companies benefit by helping organisations that are crucial for the survival of the company.

Carroll and Buchholtz (2006:472) argue that a company's active presence in the community could be executed in such a way that “enlightened self-interest” is enhanced. These academics also note that companies are capable of promoting itself while simultaneously uplifting communities (Carroll & Buchholtz, 2006:472). A company's ability to grow financially and help communities solve social problems is a combined objective proving that these activities do not have to be treated as separate ventures (Carroll & Buchholtz, 2006:472).

There are other approaches justifying business involvement in communities based on moral drivers, including the utilitarian approach which explains corporate giving as an “improvement of the social fabric [that] creates the greatest good for the greatest number” (Shaw & Post in Carroll & Buchholtz, 2006:473). This approach exceeds rather than contradict the “enlightened self-interest” approach discussed previously because the company is regarded as a member to the community and will benefit just as the other members of the community will through this process (Shaw & Post in Carroll & Buchholtz, 2006:473). Carroll and Buchholtz (2006:472) stipulate that regardless of how many reasons there might be to justify the company's involvement within a community, business without a doubt has a “public responsibility to build a relationship with the community” and to be more in tune with its effect on the environment.

Corporate philanthropy can have favourable results on a company's reputation, for example, results revealed by a Cone, Inc. study, illustrated that 84% regards a company’s commitment to social matters as a determinant in deciding on which companies they want in their community (Carroll & Buchholtz, 2006:480). In the same study, 77% felt that social commitment impact the choice of who they want to
be employed with; 66% looked at social commitment as determinant when deciding in which company they would rather invest (Carroll & Buchholtz, 2006:480). Another study demonstrated that corporate citizenship results in favourable stakeholder attitudes towards, as well as better performance by, a company (WalkerInformation in Carroll & Buchholtz, 2006:480). This means that people will choose to be employed for longer at the company, repeat-purchase behaviour by customers will result and opinion leaders within the community will respect and value the company as a neighbour (http://www.bsr.org in Carroll & Buchholtz, 2006:480).

3.4 CONCLUSION

This chapter focused on corporate branding and corporate reputation from a CSR perspective. The reputation for being a good corporate citizen served as the connection between corporate brand reputation and CSR and will also link the discussions of Chapter 4 to that of Chapter 2. Most important to note is the subjective definition a brand (product, service, company, cause, idea or individual) takes on within the mind of a consumer and that various social or personal factors can shape the way a consumer perceives it. Another equally noteworthy aspect to this chapter was that a reputation of a company cannot be defined by the perceptions of a single stakeholder group but rather collectively as perceived by all direct and indirect stakeholder groups – whether powerful or vulnerable. By focusing on the consumer, the next and final literature chapter will provide the closing remarks on the linkages between consumer perceptions of, and consumer attitudes towards, a corporate sponsor’s CSR activities and the impact thereof on consumer behaviour.
CHAPTER 4: THE CONSUMER

4.1 INTRODUCTION

By considering the current chapter on the consumer and comparing the literature against the background of the CSR and corporate brand reputation literature discussed in Chapter 2 and 3 respectively, the conceptual links between these constructs will become more profound within the context of the research problem. The research problem is: There is a lack of clarity on the relationship between consumer perceptions of, and consumer attitudes towards, a corporate sponsor’s CSR activities and the impact thereof on consumer behaviour.

Due to the fact that all six of this study’s main objectives contain elements addressed in this chapter – consumer perceptions, consumer attitudes and consumer behaviour – the objectives are stated again:

i. To investigate consumers’ ability to recall a corporate sponsor of an NPO.

ii. To investigate consumer perceptions of a corporate sponsor’s CSR activities.

iii. To investigate the nature of consumer perceptions of CSR in general.

iv. To investigate the effect of perceived corporate philanthropy on consumers’ corporate citizenship attitudes towards a corporate sponsor.

v. To investigate consumers’ business and personal use of a corporate sponsor’s products.

vi. To investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour towards a corporate sponsor.

Chapter 4 will begin with a definition of the consumer as a stakeholder; the definition and classification of a consumer in general and in a social context. Thereafter, the main sections of consumer perceptions, consumer attitudes and consumer behaviour will guide the rest of the chapter’s discussions. Consumer perceptions are discussed by providing the definitions and process of perceptions; consumer awareness, recall and recognition; consumer perceptions of CSR activities; and
consumer perceptions of CSR. Consumer attitude theory is structured in the following order: consumer attitude definition, dimensions, functions and formation; and consumer attitudes toward corporate citizenship. The third and final main section of this chapter, consumer behaviour, will provide an overview of how consumer behaviour is defined; consumer purchase intentions and buying behaviour; and consumer loyalty after which the chapter is concluded.

4.2 THE CONSUMER

Carroll and Buchholtz (2006:67) define and describe a stakeholder as follows: “[A stakeholder is] an individual or group that has one or more of the various kinds of stakes in a business. Just as stakeholders may be affected by the actions, decisions, policies, or practices of the business firm, these stakeholders also may affect the organisation’s actions, decisions, policies, or practices.” According to Freeman (in Carroll & Buchholtz, 2006:67), a stakeholder can be any person or group of people that can influence or is influenced by the “actions, decisions, policies, practices, or goals of the organisation”.

Stakeholders can be classified as primary or secondary social stakeholders (Wheeler & Sillanpää in Carroll & Buchholtz, 2006:70). Primary social stakeholders include “shareholders and investors, employees and managers, customers, local communities and suppliers”, whereas secondary social stakeholders include “government and regulators, civic institutions, social pressure groups, media and academic commentators, trade bodies and competitors” (Wheeler & Sillanpää in Carroll & Buchholtz, 2006:70). According to Carroll and Buchholtz (2006:70), primary social stakeholders have a direct influence on the company’s victory or failure because they have a direct stake in the company. Even though secondary social stakeholders’ stakes are “representational of public or special interest” their ability to influence a company should not be underestimated (Carroll & Buchholtz, 2006:70-71).

A distinction can also be made between primary and secondary non-social stakeholders. Stakeholders such as the “natural environment, future generations,
and nonhuman species” are primary non-social stakeholders to the company. “Environmental interest groups [and] animal welfare organisations” are examples of secondary non-social stakeholders (Carroll & Buchholtz, 2006:71).

Organisations produce in order to make a financial profit (the bottom line) that is meant for stockholders, owners or further investments (Carroll & Buchholtz, 2006:56). A “multiple bottom lines” approach is a stakeholder-bottom-line perspective arguing that corporate social performance can only be valued by taking into account its effects on “consumers, employees, the community, and other stakeholder groups”. The triple bottom line approach by John Elkington stems from the multiple bottom line approach and it encompasses the “three key spheres of sustainability – economic, social, and environmental” (Carroll & Buchholtz, 2006:57). Therefore, this term covers not only the “profit” leg of a company, but also the “people” and “planet” legs which are associated with CSR (Steyn, 2007:151).

As part of The Balanced Brand System (Foley, 2006:39) the assessment of stakeholder values play a crucial role and the “Stakeholder Assessment Pyramid” was developed to evaluate and track three areas of stakeholder values:

i. “Aspiration: Satisfying customers’ needs and wants”,
ii. “Process: Understanding stakeholders’ expectations of how a product is made or service is delivered”, and
iii. “Impact: Understanding how stakeholders’ values impact your product or service within the community or environment”.

The first step in assessing stakeholders is to determine and list the relevant groups one by one and categorise them within the specific context (Foley, 2006:63-64). According to the Stakeholder Assessment phase advocated by Foley (2006:63-64), stakeholders can be classified as follows:

i. “Buyers: Anyone who directly purchases or influences the purchase of your product or service
ii. Funders: Investors, analysts, foundations, and private ownership are potential funders
iii. Builders: Boards of directors, employees, distributors, dealers, and any other group that builds, distributes, or sells your product or service

iv. Influencers: Community, media, industry leaders, opinion leaders, competitors, special interest groups, industry watchdogs, and government that can impact your organisation’s brand and reputation.

After identifying the stakeholders, their values and the dimensions that drive business, the impact of these stakeholders’ values on behaviour and business performance should be measured (Foley, 2006:89). According to The Balanced Brand System (Foley, 2006:89), the relevance and relationship of each stakeholder’s values should be expressed as a specific return on investment (this formula is known as the “3R Brand Equation”):

i. The relevance of the organisation’s brand, product or service in satisfying a stakeholder need;

ii. the relationship between the values of the specific stakeholder and the organisation’s alignment therewith;

iii. the return on investment or results determined by assessing the immediate advantage or monetary income; and

iv. the return on involvement or direct benefits from support of the organisation’s values.

Taking into account that consumers and their perceptions, attitudes and behaviour form the basis of this study, more attention will now be given to this specific stakeholder group.

President John F. Kennedy announced the basic rights of a consumer in his “Special Message on Protecting the Consumer Interest”. These rights will be mentioned and briefly discussed here. Firstly, the consumer’s right to safety covers the right to be protected from harmful products such as “insecticides, foods, drugs, automobiles, appliances” which can adversely affect the health of the consumer. Secondly, the right to be informed; a consumer has the right to have easy access to all information regarding the true nature and safe use of a product or service as it ought to be communicated via the organisation’s marketing and advertising functions by means
of “warranties, labelling, and packaging”. Thirdly, consumers are spoiled by choice these days and the right to choose involves the presence of adequate competitive brands from which consumers can pick according to their wishes. Fourthly, the right to be heard was initially listed due to assumptions that consumers would not have adequate means to raise their voice in sharing their needs and criticism with companies, but today various mediums are available to facilitate this process including social media platforms such as blogs, Facebook, Twitter, and many more (Holloway & Hancock in Carroll & Buchholtz, 2006:386).

Even though the companies’ responsibilities toward consumers are not limited to the basic consumer rights listed above, it serves as a general guide for what encompasses the social responsibilities toward consumers. As discussed by Carroll and Buchholtz (2006:386), consumers want reasonable value for their money; products and services that are on par with their expectations; complete disclosure of product or service requirements; a product that has been advertised in a truthful way; and products that are not harmful and tested according to the necessary safety guidelines. Consumers also want hazardous products to be removed from the market or the necessary steps to be taken to ensure a safe product (Carroll & Buchholtz, 2006:386).

In the rest of this section attention will be given to the definition of the consumer and the consumption process. General and CSR classifications of consumers are discussed. The VALS 2 approach is used to classify consumers in general. From a CSR point of view, consumers are classified as socially conscious, green, devotees, hostages and critics.

### 4.2.1 Defining the consumer

A consumer can be an individual “or groups acquiring, using, and disposing of products, services, ideas, or experiences” (Arnould et al., 2004:9). According to Arnould et al. (2004:9), consuming groups can be “families, clubs and organisations, purchasing units within corporations, and governments”. Arnould et al. (2004:11) regard the acquisition, consumption and disposal of products and services as
activities that all form part of a “cycle of managerial and socioeconomic activities”. These activities of production, acquisition, consumption, and disposal are a given and form part of behaviour schemes relevant to different classifications of goods and people. Consumption should be viewed holistically because it does not only involve isolated purchases by end-consumers, for example an item that was once bought and many years later resold as a collector’s item (Arnould et al., 2004:13). Kopytoff (in Arnould et al., 2004:13) thus stresses the presence of “biographies” for all consumer goods – every product, service, idea or celebrity has a story beyond the pure physical or functional characteristics.

Babin and Harris (2011:5), describe consumption as a process whereby “goods, services, or ideas are used and transformed into value”.

4.2.2 Consumer classification in the context of CSR

Before discussing the classification of a consumer in the context of CSR, the general classification system, VALS 2, is reviewed. Consumers can be classified into different segments based on their lifestyles by applying the VALS™ approach which more recently the VALS 2 have extended upon (SBI international in Babin & Harris, 2011:118-119). VALS 2 defines consumers into eight segments depending on the financial, educational, and intellectual resources at the disposal of the consumer; as well as their core motivations (SBI international in Babin & Harris, 2011:118-119). Different motivations include ideals motivation, achievement motivation and self-expression motivation (SBI international in Babin & Harris, 2011:118-119). The eight categories of the VALS 2 include the following (SBI international in Babin & Harris, 2011:118-119): innovators, thinkers, achievers, experiencers, believers, strivers, makers and survivors. These categories will be discussed in more depth.

The innovators category include consumers who are thriving, stylish and self-confident (SBI international in Babin & Harris, 2011:118-119). Their need to achieve, reach their goals and express their individuality and status motivate them to purchase different goods that build and support this image (SBI international in Babin & Harris, 2011:118-119). The second group in this classification system involves the
thinkers who are driven by their ideals and are mature and introspective by nature; education and information acquisition are important to them (SBI international in Babin & Harris, 2011:118-119). They are usually relatively wealthy and old-fashioned in their ways (SBI international in Babin & Harris, 2011:118-119). Thirdly, the achievers are driven by their accomplishments (SBI international in Babin & Harris, 2011:118-119). They are also old-fashioned when it comes to politics and their existence mainly centres on religion, family and work (SBI international in Babin & Harris, 2011:118-119). The achievers also value their image and therefore, buy goods that express their status (SBI international in Babin & Harris, 2011:118-119). Experiencers are the fourth group of consumers who has the need of expressing themselves to the world (SBI international in Babin & Harris, 2011:118-119). They are “young, impulsive, and enthusiastic” and thoroughly enjoy new and exciting things (SBI international in Babin & Harris, 2011:118-119).

Fifthly, the believers are similar to thinkers but not as wealthy, motivated by their ideals and set in their old-fashioned ways (SBI international in Babin & Harris, 2011:118-119). Believers have routine lives that involve their home, family and religion (SBI international in Babin & Harris, 2011:118-119). The strivers are the sixth group amongst which consumers fall who are driven by their need for success but are not as wealthy as achievers (SBI international in Babin & Harris, 2011:118-119). Makers are similar to experiencers and comprise the seventh group of the VALS 2 classification scheme (SBI international in Babin & Harris, 2011:118-119). Makers are less wealthy than experiencers, and express themselves by engaging in activities such as “raising children, fixing cars, and building houses” (SBI international in Babin & Harris, 2011:118-119). The final group is the survivors who have fewer resources and therefore they are limited in their actions (SBI international in Babin & Harris, 2011:118-119). Older people worried about their health and feel left behind by the fast-changing pace of the world fall into this category (SBI international in Babin & Harris, 2011:118-119). Survivors do not regularly shop and focus most of their attention on “safety, family, and security” (SBI international in Babin & Harris, 2011:118-119).

Now that the general classification of consumers has been provided as background, the next section focuses on the classification of consumers in the context of CSR:
the socially conscious consumer; the green consumer; devotees, hostages and critics – each discussed under a separate heading below.

i. The socially conscious consumer

Consumers are becoming increasingly aware of the environment and social ills in society and they have come to realise their power as individuals in making a difference within these contexts. With various means they would subtly or openly take a stand against irresponsible companies or practices by boycotting a product, spreading negative word-of-mouth about the company and its products, posting their thoughts on social networks and many other online mediums. Therefore, a new theoretical definition originated from this phenomenon – that of a socially conscious consumer.

According to Webster (in Mohr et al., 2001:47), a “socially conscious consumer” is a consumer who considers the impact that their individual consumption can have on the broader society and these consumers often intend to initiate social change with their buying behaviour. Mohr et al. (2001:47) define socially responsible consumer behaviour (SRCB) as follows: “... a person basing his or her acquisition, usage, and disposal of products on a desire to minimise or eliminate any harmful effect and maximize the long-term beneficial impact on society.” Therefore, socially responsible consumers will investigate a company’s CSR activities and corporate citizenship before buying or consuming the relevant products (Mohr et al., 2001:47). From a strategic perspective, it would thus be ideal for a company to subtly instil awareness amongst these socially responsible consumers with regards to their dedication to corporate social investment (Mohr et al., 2001:48).

ii. The green consumer

Arnould et al. (2004:833), elaborate on the different types of voluntary and involuntary disposition behaviour of consumers, including “discard behaviour, donations, inheritance, giving, storage, and recycling”. So-called green consumers are consumers who consider the disposition of goods before acquiring them, for
example by purchasing recycled products. The way in which a product is disposed of influences these consumers’ buying behaviour and therefore, various marketing considerations can be applicable to recyclable or recycled goods. Some companies and consumers deliberately include the disposition attributes of goods as consideration before making purchase decisions. Products have been developed to fill the gap between disposing and production of goods through their investment in producing from recycled materials. Companies include sustainability in their marketing strategies in this way and in turn ensure their effective competition within the marketplace while simultaneously creating a more sustainable environment and society (Arnould et al., 2004:833).

iii. Devotees, hostages and critics

Champniss and Rodés Vilà (2011:40) conducted a study amongst 25 000 respondents and divided these individuals into different segments based on what they call “activism” and “enthusiasm” attributes. With activism, they meant the “degree to which the consumer is factoring some aspect of sustainability into their reported purchasing behaviour”. These consumers are known for contemplating a list of sustainability requirements before buying a product or service. Enthusiastic consumers are individuals who are willing to educate themselves on significant aspects relevant to a company and its brands. Self-education in these terms refers to the consumer’s investigation of the brand’s claims and searching for applicable information (Champniss & Rodés Vilà, 2011:40).

Champniss and Rodés Vilà (2011:40) made a distinction between these two concepts (activism and enthusiasm) because they believe, contrary to what one would assume; these two constructs do not go hand-in-hand. From this argument, they extracted different consumer types based on activism and enthusiasm which assist in gaining knowledge on consumer-trusted brand relationships (Champniss & Rodés Vilà, 2011:40).

The first consumer type is termed devotees and these individuals are actively involved in dialogue on the brand and enthusiastic about brands being in control of solving problems. They are an ideal crowd to direct brand communication on CSR
due to the fact that they are interested in listening and want to know more about these matters. The greater majority of devotees are wealthy, well educated and female individuals (Champniss & Rodés Vilà, 2011:41).

The next consumer type is known as the hostages and they are over-engaged on CSR matters which lead to them feeling cornered to the extent that they cannot react. The hostages are usually held up by various sustainability issues and cannot make up their minds on how they could make clear decisions on which to support. Due to their focus on all of the “noise” on sustainability their enthusiasm for being more engaged with firms and brands are obstructed (Champniss & Rodés Vilà, 2011:41).

The third consumer type involves the disengaged consumers who are informed on CSR matters enough to have an influence on their behaviour reported but they lack enthusiasm (Champniss & Rodés Vilà, 2011:41). The disengaged consumer doesn’t care enough to attempt further research into the drivers and activities of companies’ on CSR matters (Champniss & Rodés Vilà, 2011:42).

Critics are the next type of consumer under this classification. They are sceptical of the motives behind brands’ and companies’ involvement in CSR but rarely move over to action on their scepticism. However, critics can exude strong influence due to their enthusiasm on brands and the roles brands play in CSR issues (Champniss & Rodés Vilà, 2011:42).

With the background on the consumer in the context of CSR, the discussions to follow will be structured based on this valuable stakeholder group’s perceptions, attitudes and behaviour.
CONSUMER PERCEPTIONS

The consumer perceptions section will centre on the definition and process involved with perception; consumer awareness, recall and recognition; consumer perceptions of a corporate sponsor’s CSR activities; and consumer perceptions of CSR. The first two research objectives of this study will also be covered in this section.

According to Babin and Harris (2011:45), consumer perception is “a consumer’s awareness and interpretation of reality” that functions as the base on which consumer learning occurs. In order for a consumer to experience value, he or she has to be taught. Consumer perceptions are vital in the ability of consumers to be taught and their willingness to modify their behaviour accordingly (Babin & Harris, 2011:45-46).

Arnould et al. (2004:299) explain perception as “a process of giving meaning to sensory stimuli”. People’s actions and reactions are based on their perceptions because these are the manner in which they experience and come to understand their reality. As such, consumer perceptions are essential to grasp how and why consumers acquire, consume and dispose of products and services. It is only through consumers’ perceptions of the symbolism in language and writing, that a company’s marketing communication becomes meaningful to the consumer. Therefore, the products and services a specific consumer prefers are grounded within their perceptions (Arnould et al., 2004:299).

Sensation underlies perception and is a valuable input facilitating consumer learning and decision making. Basic senses that can influence consumers’ preferences include sight, taste, sound and smell as well as unexplained feelings related to simply liking one product or services over the other. Consumer preferences are influenced by various aspects such as “[c]ulture, family, friends, motivations, [and] experience”. Perceptions can also be mysterious in nature and do not always follow logical routes in terms of symbolic meaning and language. Even though consumer “experiences, learning, and memories” are intertwined with consumer perceptions, the logical information associated with the perceptions only follow after the mysterious and seemingly illogical paths of perception (Arnould et al., 2004:299).
Consumer perceptions of quality, risk and value are judgements that are built on the basic senses and these senses are the “immediate and direct response of sensory systems to stimuli”. Individuals differ in their sensations and the way in which their senses are dependent on social and cultural orientations. Thus, perceived quality, risk and value are senses which have been “transformed by judgement, thought, and logic” (Arnould et al., 2004:299).

Babin and Harris (2011:47) hold that consumer perception consists of three phases, including “sensing, organizing and reacting”. These phases are related to “the concepts of exposure, attention, and comprehension”. According to Babin and Harris (2011:47-48), “we sense the many stimuli to which we are exposed, we organise the stimuli as we attend [to] and comprehend them, then we react to various stimuli by developing responses”. Babin and Harris (2011:48) hold that sensing is a person’s instantaneous response to a stimulus that has been seen, smelled, touched, tasted or heard. After this immediate response, the brain starts to organise the relevant input into a more familiar concept – this process is known as cognitive organisation. And finally, a physical or psychological reaction concludes the process of perception (Babin & Harris, 2011:50).

According to Arnould et al. (2004:308), the entire experience of perception consists of preattentive processing, selection, organisation, interpretation and elaboration. The first component part, preattentive processing, is the “simultaneous preconscious monitoring of all sensory channels for events that will require a shift in attention” (Greenwald & Leavitt in (Arnould et al., 2004:308). The second component of selection represents consumers’ inclination to only focus on a selected part of the stimuli during exposure for cognitive processing in other words, “focal attention” (Arnould et al., 2004:309). The building up of sensory impulses is necessary to gain the consumer’s focal attention (Arnould et al., 2004:309). In order for consumers to organise their perceptions, they have to categorise it based on their frame of reference with built-up information and experiences. This categorisation process involves consumer’s comparing of a perceived goal with prior category knowledge (Cohen & Basu in Arnould et al., 2004:311). The final part in the process of perception is the interpretation of stimuli perceived. This process includes
consumers’ application of what they have learned to associate with specific cues, signs, meanings and new stimuli. Consumers’ “individual expectations, motivations, and experiences”, the way in which they structure their knowledge along with cultural aspects form the basis on which these associations are reinforced (Arnould et al., 2004:308).

Perceived quality is defined as a “consumer’s evaluative judgement about an entity’s overall excellence or superiority in providing desired benefits”. It can lead to a reduction in costs, bigger share in the market, higher profits, a differential advantage along with increased difficulty for competitors’ attempting to enter the market, and a decrease in the elasticity of prices. It has been suggested in past research that consumers place more value on quality than on finance and therefore companies can gain a competitive advantage by proving the additional quality inherent to their product or service as compared to competing brands (Arnould et al., 2004:320).

Consumers evaluate the quality of products or services based on their subjective perceptions of performance and standards (Arnould et al., 2004:320). Because quality cannot be approached objectively since these assessments are dependent on individual perceptions, companies need to do research on consumers’ perceptions of quality. Perceived quality include “preferences, is based on comparative standards, differs among customers and situations, and resides in product use”. Quality involves cognitive and affective elements (Steenkamp; Darden & Babin in Arnould et al., 2004:762).

In terms of the impact that culture has on consumer perceptions, a comparison is drawn between the difference in the orientation of Chinese and the more Western consumers’ approaches to quality. According to a Chinese study one can distinguish between two types of consumers in urban China – the ones that value a “price-quality relationship” and would most probably invest more in products they perceive to be of better quality; the second type of consumer might demonstrate a slight distrust in these relationships and prefer paying less for products in general (Arnould et al., 2004:321). Therefore, the Western economies put more value on the perceived price-quality cue than Eastern economies as found in the last-mentioned study (Veeck & Burns in Arnould et al., 2004:321). According to a study on consumer
groups in the United States, varying levels of consumer belief was evident in terms of the relationship they perceived to exist between the price of a product or service and its quality. These differences in consumer perceptions and reliance on price-quality cues can assist marketers to differentiate their product and service offers: some consumers prefer to buy more expensive products because they perceive it to be of better quality (Arnould et al., 2004:321). In 1999 a poll conducted in 23 countries showed that Australian consumers were amongst the countries with the highest expectations with regards to companies’ CSR involvement (Environics in Pomering & Dolnicar, 2008:286).

There is a theory holding that consumers utilise a whole range of “sensory cues” as a framework of standards to judge the quality of a product or service. These cues help to predict value to a consumer, in other words if consumers identify a specific cue with a good past quality experience, there will be an increase of the consumer’s confidence in the product or service quality as well as their confidence in accurately judging the quality based on that cue. Extrinsic quality cues include the “price, brand name, packaging, store name, country of origin, colour, and prior experience” associated with a product or service’s quality and intrinsic quality cues are based on the “taste, texture, and aroma” of that product or service; both types of cues impact on consumer’s judgements on quality (Arnould et al., 2004:320).

Brand names of companies play a valuable role in consumers’ perceptions of quality in the sense that it can act as an indication of a whole range of information about specific product qualities. The name of a brand and its’ associated perceptions of quality can favourably impact on the perceived value of a retail outlet. Different categories of products are influenced by different cues of quality, for example intrinsic quality cues (the “colour, texture, firmness and aroma”) would most definitely bare more of a predictive and confidence value for consumers when it comes to the perception of a fresh and ripe fruit (Arnould et al., 2004:320).

The SERVQUAL scale is a measure of determining service quality based on consumers’ perceptions of quality in the categories of “tangibles, reliability, responsiveness, assurance, and empathy”. The first category of tangibles is based on the features of the service provider and the service environment. Various factors
have an effect on the perceived service quality including the level of participation of the service provider, how long the customer has contact with the service provider, and the emotional nature of the service itself (Arnould et al., 2004:321).

4.3.1 Consumer awareness, recall and recognition

The first main objective of this study is to investigate consumers’ ability to recall a corporate sponsor of an NPO. The focus of the section on consumer awareness, recall and recognition would create the context from which the first hypothesis in support of this research objective is derived.

According to Pomering and Dolnicar (in Öberseder et al., 2013:1840), a communication program assists in raising awareness of CSR. More favourable consumer attitudes and behavioural intentions result amongst consumers who are aware of the CSR activities of a company (Wagner, Lutz & Weitz in Öberseder et al., 2013:1840). If consumers are aware of a company’s CSR activities, information related to CSR activities will have a strong impact on their identification with the company (Marin et al., 2008:66). The more skilled a company’s corporate communications department is in keeping the consumer’s sense captivated at a level where he/she is aware of the specific messages and associate it with the brand, the higher the likelihood that the consumer will recognise and associate similar future communication with the corporate brand.

The more a company communicates about its CSR involvement, the more aware consumers will become of the company’s CSR activities over time. This phenomenon is known as the “formative effect” (Chomvilailuk & Butcher in Lii & Lee, 2012:72). According to a study by Bønn and Vrioni (in Lii & Lee, 2012:72), over 60% of consumers based in the United States and the United Kingdom are aware of a company’s CSR activities and just over 70% of these individuals indicated that they would switch to a brand that publicises their support of a good cause. Consumer recognition of a company’s CSR activities is influenced by how regular, intense and long a firm is involved with a specific cause, program or initiative (Lii & Lee, 2012:72-73). Thus, it pays more for companies to identify sustainable projects that will live on
and act as evidence of the company’s commitment over the long-term in benefit of their CSR/corporate reputation.

According to Perera and Chaminda (2012:9), the extent to which a consumer is familiar with a specific brand moderates the relationship between CSR and how the consumer evaluates the product or service. Therefore, companies investing in CSR should ensure that consumers are thoroughly aware of their brands because it improves the favourability with which a consumer evaluates a product (Perera & Chaminda, 2012:9). It is also important that a company communicates openly about their involvement with a specific CSR initiative because this will increase positive product evaluation amongst consumers (Perera & Chaminda, 2012:10). Furthermore, by having a good corporate identity, a company can ensure that the desired link is made between the company and its “identity symbols” which assist consumers to correctly recall the company’s image in the form of a mental picture (Dowling, 2001:20). Brand names and logos help consumers to remember the company and its brand as well as increasing consumers’ recall of the company’s products or services. The image of a brand can gain more strength with the help of “marketing communications and loyalty programs” reminding consumers of the value related to the brand’s characteristics. An established or stagnating brand can be livened by placing more emphasis on the associations that will remind the consumer of the brand and its support of CSR initiatives (Arnould et al., 2004:121-122).

4.3.2 Consumer perceptions of a corporate sponsor’s CSR activities

The second main objective of this study is to determine consumer perceptions of a company’s CSR activities. Because CSR reputation can only be defined adequately by taking into consideration all stakeholder perceptions of the company’s CSR efforts, the term CSR reputation would not be appropriate for describing only the consumer stakeholder group’s viewpoint. Therefore, reference is only made to consumer perceptions of a company’s CSR activities.

According to Lee and Shin (2010:2), consumers want to do business with “good” companies and how they perceive CSR activities will influence purchase intentions.
CSR activities can be categorised into “corporate social contributions”; “corporate local community contribution”; and “corporate environmental contribution”. Corporate social contributions refer to CSR activities with the aim of developing the local economy, protecting the consumer; providing support to welfare, charitable donations and activities in benefit of the educational system. Corporate local community contributions include CSR activities with a cultural dimension, community development and involvement whereas corporate environmental contribution covers CSR activities to protect the natural environment.

Perceptions toward a company can be divided into two types of corporate associations, including consumer corporate ability associations and CSR associations. The former refers to “psychological associations with a company in terms of their ability and expertise to produce high-quality products or services”. The latter refers to “the status of a company as a good member of society with regard to social, environmental, and/or political issues” (Brown & Dacin in Kim, 2011:223). CSR activities were found to be associated with a favourable corporate reputation and image as well as higher levels of trust and loyalty (Turban & Greening; Maignan et al. in Stanaland et al., 2011:48). A study of consumer corporate ability and CSR associations as well as consumers’ evaluations of a company/product revealed that if a company is well-known, CSR has a favourable impact on consumer corporate ability associations, CSR associations and company/product evaluations. Consumers also were found to assume that a company offers good products if they were aware that the company is actively involved with CSR. However, these findings are dependent on the type of industry the company operates in. The more risk involved with a product, the weaker the impact of CSR associations on consumer behaviour (Kim, 2011:218). More studies found there to be a positive relationship between CSR and consumer behaviour (David, Kline & Dai; Pava & Krausz; Kim, Haley & Schumann; Wigley in Kim, 2011:219).

Various sources summarised by Perera and Chaminda confirm that a company’s pursuit of CSR leads to positive consumer impressions and strengthens corporate reputation (Sen & Bhattacharya; Gurhan-Canli & Batra; Berens et al; Matute-Vallejo et al; Shauki in Perera & Chaminda, 2012:3; Brickley et al.; Lai et al. in Hsu, 2012:189). Bendixen and Abratt (in Park et al., 2013:2) found that there is a positive
correlation between consumer perceptions of a company’s ethical business practices and its corporate reputation. Brown and Dacin (in Park et al., 2013:1) found that consumers have more favourable attitudes towards a company if it pursues CSR activities. Morales (in Park et al., 2013:3) also found that consumers have a high regard for companies that are committed to providing financial and other forms of support to uplift society. Findings by Rogers (in Bae & Cameron, 2006:145) confirm the link between positive consumer attitudes and CSR activities. According to Bae and Cameron (in Lii & Lee, 2012:78), the CSR reputation of a company moderates the relationship between CSR activities and attitudes. Based on findings by Lai et al. (in Hsu, 2012:194), consumer perceptions about a company’s CSR activities correlate positively with corporate reputation. Following the relevant discussions of the consumer’s ability to recall a corporate sponsor’s involvement with an NPO and consumer perceptions of a corporate sponsor’s CSR activities, the first hypothesis is derived and stated below:

H_{1(\text{null})}: There is no significant difference in consumer perceptions of Coca-Cola’s CSR activities between the consumers who correctly recalled Coca-Cola's involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.

H_{1(\text{alt})}: There is a significant difference in consumer perceptions of Coca-Cola’s CSR activities between consumers who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.

4.3.3 Consumer perceptions of CSR

The third main objective of this study is to determine the nature of consumer perceptions of CSR in general.

Consumer perceptions of CSR were found to be inconsistent when it comes to consumer behaviour (Mohr et al. in Walker & Kent, 2009:760). However, more studies show that consumer responses to CSR are complex and that they can react either positive or negative depending on the motives they perceive behind these
CSR activities (Forehand & Grier; Yoon et al. in Park et al., 2013:3). Therefore, a company’s corporate reputation will only benefit from philanthropy if the company is perceived to be a responsible, well-behaved corporate citizen with good intentions (Godfrey; Hillenbrand, Money & Pavelin in Park et al., 2013:3). If companies make use of proactive communication strategies or “company-controlled information channels” there is always a risk that consumers will perceive the company as insincere which will have a negative impact on their behaviour (Wagner, Lutz & Weitz in Öberseder et al., 2013:1840; Walker & Kent, 2009:761).

CSR messages deliver differing levels of effectiveness, possibly due to the presence of suspicion toward the CSR activity itself depending on the conditions accompanying the social activity (Bae & Cameron, 2006:146). Suspicion is defined as “a dynamic state in which the individual actively entertains multiple, plausibly rival hypotheses about the motives or genuineness of a person’s behaviour” (Fein in Bae & Cameron, 2006:146). CRM ranks the highest in terms of its conditional nature, thus increasing the suspicion a consumer has about the company’s motives (Dean in Bae & Cameron, 2006:146). Sponsorships are also accused of being a “contaminated prosocial activity” due to the fact that the sponsor exclusively promotes its brand during an event and possibly exploiting the relevant cause (Rogers, Cameron & Bril in Bae & Cameron, 2006:146). However, philanthropy is the least conditional CSR activity and therefore, minimises consumer scepticism (Bae & Cameron, 2006:146).

Consumer perceptions toward CSR are influenced by the motives they perceive behind a company’s pursuit of CSR goals. Even though consumers require more information on a cause, and a corporate sponsor’s involvement in such a cause, to consciously drive their inclination to buy the company’s products, scepticism towards the medium and manner in which these messages are conveyed can be an obstacle for consumers who distrust advertising of this nature (Becker-Olsen et al.; Ellen, Webb & Mohr; Vlachos, Tsamakos, Vrechopoulos & Avramidis in Öberseder et al., 2013:1840; Mohr et al., 2001:67). If the company’s behaviour is inconsistent with what the consumer expects based on previous experience, it is likely to bring about scepticism and negative attitudes (Boush et al.; Folkes; Ford et al. in Becker-Olsen et al., 2006:47). CSR information received directly from the company will most
probably be perceived with higher levels of scepticism as compared to information that can be proven by searching or experiencing on other indirect platforms (Pomering & Dolnicar, 2008:286). Scepticism results because consumers perceive companies’ involvement in social matters as a strategy in benefit of the company itself to maximise profits (Speed & Thompson; Webb & Mohr in Becker-Olsen et al., 2006:48). Vlachos (2009:1) advises managers to focus on minimising consumer perceptions that the company is involved with CSR for profit-driven reasons only. This is where Attribution Theory comes in. “Attribution Theory describes the way people make causal inferences to explain their own or others’ behaviour.” (Heider; Kelley; Kelley & Michela in Mohr et al., 2001:67)

Causal attributions related to CSR communication are either perceived as intrinsically motivated or extrinsically motivated. If a consumer attributes CSR involvement to the nature or character of the company, the motive is intrinsic in nature. On the other hand, if the consumer attributes the company’s involvement to external factors in the environment, the motive is extrinsic (Parguel et al., 2011:18). In this context, consumer attributions have an impact on consumer perceptions toward the corporate sponsor (Robertson & Rossiter; Folkes; Klein & Dawar in Parguel et al., 2011:18). Ellen, Webb and Mohr (in Vlachos, 2009:3) distinguish between four motives that consumers perceive to which they ascribe a company’s involvement in CSR: First, the “ego-driven” motives relate to the perception of a company being involved only for their own benefit; second, “strategic-driven” motives relate to a company’s attempts to grow markets and favourable impressions while simultaneously supporting the cause itself; third, “stakeholder-driven” motives are perceived by consumers when they ascribe a company’s CSR involvement to stakeholder pressure; and lastly, the “values-driven” motives are associated with pure and honest generosity. More consumers can be attracted by working toward the building of “benevolent-giving attributions” (Vlachos, 2009:1).

Consumers’ responses to CSR communication can also be ascribed to “other centered, self-centred, and win-win motives” but consumers generally ascribe “mixed motives” to companies’ CSR involvement (Öberseder et al., 2013:1840). Öberseder et al. (2013:1840) distinguished between three types of consumers CSR
perceptions: a “give-and-take relationship, an interconnected relationship, and a marketing ploy”.

Based on findings by Park et al. (2013:7), ethical and philanthropic CSR activities and its impact on a company’s corporate reputation is fully mediated by the level of trust consumers have in the company as a whole. Vlachos (2009:18) suggested that the level of trust consumers have in a company becomes the connecting element between consumer attributions and their intended behaviour; and the strength of this connection is dependent on a company’s performance in the area of service quality and economic value offered to the consumer. From a sample of 124 randomly selected respondents in Greece, Vlachos (2009:11) found that stakeholder-driven attributions have an impact on trust and consumer intent to support the company. Values-driven attributions were found to be positively related to consumer trust and consumer intent to recommend the company’s products or services; but these attributions had no influence on consumer intentions to support the company (Vlachos, 2009:11-12). Strategic-driven attributions had an effect on consumer intentions to support the company and not on trust and consumer intent to recommend the company’s products or services. On the other hand, egoistic-driven attributions had an effect on trust and consumer support intentions but a weak and negative relationship on consumer intent to recommend the product or service (Vlachos, 2009:12). The items Vlachos (2009:31) used in this research are summarised in Table 4 below.

<table>
<thead>
<tr>
<th>Attribution construct</th>
<th>Items</th>
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| Egoistic-driven       | They want it as a tax write-off  
                        | They are taking advantage of the non-profit organisation to help their own business  
                        | They are taking advantage of the cause to help their own business |
| Values-driven         | They feel morally obligated to help  
                        | They have a long-term interest in the community  
<pre><code>                    | They are trying to give back something to the community |
</code></pre>
<table>
<thead>
<tr>
<th>Attribution construct</th>
<th>Items</th>
</tr>
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| **Strategic-driven**  | They will keep more customers by making this offer  
                           They will get more customers by making this offer  
                           They hope to increase profits by making this offer |
| **Stakeholder-driven**| They feel their employees expect it  
                           They feel their customers expect it  
                           They feel their stockholders expect it  
                           They feel society in general expects it |

*Source: Adapted from Vlachos (2009:31)*

CSR positively influences the favourability with which consumers evaluate a brand/product (Perera & Chaminda, 2012:4). According to research by Berens, Van Riel and Rekom (in Vlachos, 2009:7), if a company possesses the ability to perform their core functions well, CSR would not have a big influence on consumer perceptions. Findings by Luo and Bhattacharya (in Vlachos, 2009:7) suggest that CSR is moderated by a company’s corporate abilities. If a company provides high quality service and economic value to consumers, these aspects will moderate the degree to which consumers attribute the company’s CSR involvement as a means of boosting the corporate ego – in other words, it will moderate the negative effect on consumer trust. When consumers perceive high levels of service quality, the negativity associated with stakeholder-driven attributions weakens. The quality of service and the economic value the consumer perceives moderate the negativity resulting from strategic-driven attributions on consumer purchase intentions (Vlachos, 2009:13).

Pomering and Johnson (2009:423) describe scepticism as “one potential cognitive response to advertising exposure”. When a company advertises their CSR involvement, the consumer scepticism that may arise in response thereto can be subdivided into two elements: “advertiser ethical attributions” and “message ethical attributions”. Advertiser ethical attributions occur when a consumer scrutinises the benevolence of the company itself and message ethical attributions are the consumer’s way to assess the ethical principles on which the message itself is based. The more credible the consumer perceives the advertiser (message source) to be, the better the chances are that the consumer will pay attention to the message
and process it systematically (Pomering & Johnson, 2009:424). A consumer who does not believe that CSR should be publicised or does not have regard for CSR as such will most probably be pessimistic toward the message itself (Pomering & Johnson, 2009:425). However, if a firm publically acknowledges the community-related advantages of a CSR programme, it can minimise negative consumer attributions of the company’s intentions. Thus, consumers value companies who are transparent and disclose information on their CSR strategies (Pomering & Johnson, 2009:429). In a 2001 study among 939 British adults (MORI in Lewis, 2003:360), 72% agreed that companies should make an effort to tell the public about CSR programmes but should not spend big amounts on these communications. Only 15% of this sample felt that it “is important to know about companies’ programmes” and that companies ought to spend a lot of money to inform the public (MORI in Lewis, 2003:360).

Consumers are growing more and more sceptic of companies that jump onto the CSR bandwagon (Pomering & Johnson; Du et al. in Parguel et al., 2011:17). If consumers suspect a company of cause exploitation or so-called greenwashing, CSR communication will negatively affect consumer perceptions toward the company and the corporate brand will most probably suffer the consequences of poor evaluation (Peattie et al. in Parguel et al., 2011:17). If a company uses cause-related marketing (CRM), consumers can be sceptic about the direct and obvious connection between the company’s involvement and profit generation (Barone et al. in Lii & Lee, 2012:78). According to Creyer and Ross (Green & Peloza, 2011:48), CRM is not as successful as employee volunteerism or philanthropy at fighting off bad publicity about the company. Sponsorships can be guilty of similar attributions due to the company’s exclusive privilege to promote their brand by exploiting the cause’s platform (Rogers et al. in Lii & Lee, 2012:78). Philanthropy on the other hand, is more likely to evoke consumer associations of giving without expecting anything in return, therefore, consumers are less sceptic about the firm’s motives (Webb & Mohr in Lii & Lee, 2012:72).

Cole (2008:23) arranged respondents’ perceptions toward CSR into two categories: respondents who demonstrated “[r]egard for CSR (goodness)” and those who were mostly sceptical towards CSR. According to a study by Dacin (in Webb & Mohr,
1998:226), the way consumers think of CSR has an impact on how they feel about the service and product claims made by the company actively making use of CSR principles in a business. The study by Webb and Mohr (1998:226-238) grouped their respondents’ perceptions of CRM into: people who were primarily negative and sceptical; those who are positive about companies that cared enough to get involved; the group that regards the “motives behind a firm’s involvement” as crucial; and a positive group that truly cares for, and actively supports causes they regard as important.

Based on the literature on consumer scepticism on CSR discussed here as well as the discussion on consumer perceptions toward a corporate sponsor’s CSR activities, the second hypothesis to this study is stated:

\[ H_2(\text{null}) : \text{Consumer scepticism toward CSR is not related to consumer perceptions of Coca-Cola’s CSR activities.} \]

\[ H_2(\text{alt}) : \text{Consumers who are sceptical of CSR will have low perceptions of Coca-Cola’s CSR activities.} \]

### 4.4 CONSUMER ATTITUDES

Consumer attitude theory is divided into two sub-sections. The first will focus on defining the consumer attitude construct, distinguishing between its dimensions and looking at the process related to how consumer attitudes are formed. In the second part, theory related to consumer attitudes and corporate citizenship is reviewed and the appropriate research objective and hypotheses are derived.

#### 4.4.1 Dimensions, functions and formation

“Attitudes are relatively enduring overall evaluations of objects, products, services, issues, or people.” (Eagly & Chaiken; Brace, Cacioppo, Harkins & Petty; Petty, Ostrom & Brock in Babin & Harris, 2011:125). Eagly and Chaiken (in Arnould et al.,
2004:630) define attitudes as “an evaluation of a concept or object, such as an issue, person, group, brand, or service that expresses a degree of favour or disfavour”. The object of an attitude refers to the things that are assessed by the consumer which could be either “abstract or concrete, individual or collective” (Arnould et al., 2004:630). Oliver (in Van den Brink, Odekerken-Schröder & Pauwels, 2006:17) is of the opinion that: “A consumer’s attitude towards a brand is a multidimensional construct that relies upon an affective, cognitive and conative component.” The affective component relates to the positive or negative nature of consumers’ emotions towards the brand, the cognitive component covers the information consumers have of the brand and the conative component is the intention a consumer has to purchase the brand. According to Babin and Harris (2011:126), attitudes can be divided into three elements including “affect, behaviour, and cognitions (or beliefs)”.

Consumer attitudes are heavily affected by culture and social factors and are dependent on the consumer’s “goals, involvements, perceptions, experiences, knowledge, lifestyles, and self-concepts”. Consumer attitudes about specific goods and services can be created, strengthened and modified over time but more importantly, consumers refer back to these attitudes before reacting. Just as with perception, attitudes assist consumers to manage their environment and the functionality of these attitudes have different significance in different cultures (Arnould et al., 2004:660). Because attitudes have a strong impact on consumer behaviour and facilitate consistency in consumers’ behaviour, it is crucial to carefully consider this construct (Babin & Harris, 2011:125-126). As such, research related to attitudes is a very popular field in consumer research (Babin & Harris, 2011:126).

Furthermore, attitudes can differ in their levels of availability and accessibility. The former has to do with a consumer’s “stored ... evaluation of an object in memory” and the latter covers its “activation potential at a particular point in time” (Fazio, Sanbonmatsu, Powell & Kardes; Eagly & Chaiken in Arnould et al., 2004:634). Attitude availability and attitude accessibility can affect how strong an attitude is and how confident consumers are about it. The strength of an attitude refers to its ability to exert an impact on the consumer’s behaviour and it is pivotal that companies acknowledge the linkages of attitudes because it leads to “selective information
processing” which resist change, are enduring, and predict consumer behaviour. By ensuring consumers have strong, positive attitudes towards their brand/s; companies can safeguard themselves to their competitors who might be attempting to persuade these consumers to switch brands (Arnould et al., 2004:632). In a study by Lii and Lee (2012:77), respondents demonstrated more positive attitudes toward a company that made use of philanthropy than a company that used CRM. The reason for this result was ascribed to the fact that consumers need not perform a specific action (buy a product) when a company participates in a philanthropic campaign, which is not the case with CRM campaigns (Lii & Lee, 2012:78).

Various studies confirmed the finding that philanthropy is positively correlated with consumer attitudes towards a company and the competitive advantage that flows from this correlation (Brown & Dacin; Sen & Bhattacharya; Yoon, Zeynep & Schwarz in Park et al., 2013:2). If a company has a good reputation prior to the distribution of philanthropic messages, the chances are higher that this CSR activity will be perceived as mutually beneficial instead of self-serving – thus more favourable consumer attitudes will result (Bae & Cameron, 2006:145). But the “overcommercialization” of CSR activities could have a negative influence on consumer attitudes (Polansky & Wood in Walker & Kent, 2009:750). According to Bae and Cameron (2006:149), communicating about CSR activities is only an effective communication strategy to obtain favourable consumer attitudes if the company already possesses a good reputation. A significant relationship was also identified between CSR activities and consumer attitudes (Berens et al. in Marin et al., 2008:65). Yan et al. (in Kang & Hustvedt, 2013:4) confirmed that CSR influences attitudes such as trust that will result in favourable intentions.

The following two subsections consist of a discussion on the dimensions and functions of attitudes as well as attitude formation based on the Hierarchy of Effects Model.

i. Attitude dimensions and functions

As mentioned earlier, attitudes can be divided into a cognitive, affective and behavioural dimension. The first dimension, the cognitive, refers to specific opinions
about an “attitude object” whereas the affective dimension includes “feelings, moods, emotions, and remembered sensations”. The third dimension has to do with behavioural aspects such as “overt actions and intentions to act toward the attitude object” (Arnould et al., 2004:636).

Attitudes assist consumers in managing their environments (Arnould et al., 2004:630). According to the Functional Attitude Theory, attitudes have a utilitarian, knowledge, value-expressive, and ego-defensive function (Babin & Harris, 2011:126). Each of these functions will be reviewed briefly in the paragraphs to follow.

The utilitarian function holds that attitudes help consumers behave in their benefit by looking to reward and not punish themselves (Arnould et al., 2004:632; Babin & Harris, 2011:126). The functional theory of attitudes places much emphasis on the ability of consumer attitudes to organise and simplify a consumer’s experiences by using knowledge as a frame of reference (Arnould et al., 2004:632). An emotional and a cognitive element is inherent to a person’s understanding of information and in such a way attitudes can be linked to both comprehension and knowledge (Babin & Harris, 2011:127). A basic example is that consumers will have a favourable attitude towards a product that provides benefits and would most likely buy that product. With the knowledge function consumers can make decisions with much more ease. Consumers develop loyal attitudes towards specific brands which simplify their buying decisions because it is better for them to use the same product or brand they know worked well in the past instead of buying a different product or brand that might not work as well (Babin & Harris, 2011:126).

The value expressive quality of attitudes enable consumers to express themselves based on their values and self-concept (Arnould et al., 2004:632). With the help of the value-expressive function of attitudes consumers can demonstrate their “values, self-concept, and beliefs” to other individuals. Therefore, attitudes assist the consumer to express what he or she believes himself or herself to be and in such a way achieve satisfaction from this process of expressing attitudes in line with their self-image. An example would be if consumers feel strong about animal protection,
they would most probably support causes or join groups that protect animals (Babin & Harris, 2011:127).

The ability of consumer attitudes to defend the ego and self-concept of a consumer is another important function that stands opposite to the value expressive function mentioned here (Arnould et al., 2004:632). The ego-defensive function of attitudes helps consumers to protect themselves from information that might be harmful (Babin & Harris, 2011:127-128). Consumers cultivate favourable attitudes towards products or brands that improve their self-image according to this function of attitudes (Babin & Harris, 2011:128). Consumers furthermore model and express their attitudes to be in line with the attitudes of other people they wish to impress and gain acceptance from. Therefore, attitudes assist in maintaining relationships on a social level (Babin & Harris, 2011:126). By facilitating, maintaining or upsetting consumers’ social relationships, attitudes take on a social-adjustment function. Because consumer attitudes are deeply rooted within individuals’ culture which define their attitudes toward other people and groups, it has a big impact on their social relationships. Some believe that by having the same attitude towards the same things, it will assist in building good relationships with another individual or group of individuals whose favour is desired (Arnould et al., 2004:632).

The Balance Theory explains the positive or negative evaluation of an object by a consumer and another person – while the consumer holds an evaluation of the other person. According to this theory, evaluations will be adapted to ensure consistency (Heider in Arnould et al., 2004:636). This theory assumes that consumers are more agreeable and trusting toward people they like and would rather disagree with those individuals they do not like. Learning happens much quicker here and that is why companies sometimes make use of celebrities when advertising their products. In using celebrity endorsers, companies wish to alter consumers’ attitudes towards a brand (Arnould et al., 2004:637).

Stern, Dietz, Kalof and Guagnano (in Arnould et al., 2004:637) explain the relationships among attitudes according to “ideologies” which are “clusters” of attitudes and beliefs that are interdependent in the sense that they are organised around a dominant theme. According to this approach, attitudes are derived from an
existing generalized attitude. Arnould et al. (2004:637) apply this theory to consumer attitudes toward environmental matters which are based on universal values about environmentalism. Companies can capitalise on this theory by demonstrating a link between their brand and the "consumer’s dominant theses". However, it is of utmost importance that thorough research is done to clearly understand the clusters of attitudes consumers have toward the specific theme to prevent it from being perceived as superficial (Arnould et al., 2004:637).

ii. Attitude formation: the Hierarchy of Effects

The Hierarchy of Effects Model hold that attitudes are formed in a specific order (Micheal in Babin & Harris, 2011:128). According to the four hierarchies, affect, behaviour and cognition can follow in varying sequences based on the level of involvement, experience and behavioural influence (Babin & Harris, 2011:128):

According to the high-involvement or standard learning hierarchy, in decisions that are important and risky to consumers resulting in higher levels of involvement, beliefs about a product will be developed first. Consumers do extra research on the specific product or service benefits and risks resulting in the shaping of a cognitive belief regarding the main features of the object. These beliefs are followed by affect – feelings about the product or service offer based on the facts researched. Action then follows involving a decision to buy or not (Babin & Harris, 2011:128).

The low-involvement hierarchy postulates the opposite of the high-involvement hierarchy. Here, consumers already have a generalised or basic belief about a group of products or services which does not have to be created a new with every purchase of a low-involvement product. Consumers would buy these products without having strong attitudes toward it. Behaviour is almost impulsively based on the prior beliefs already formed and affect follows thereafter (Babin & Harris, 2011:128).

The experiential hierarchy includes consumers’ behaviour “simply because it feels good or feels right”. An impulsive element is inherent to this hierarchy because the
process starts with affect, followed by behaviour and belief (Babin & Harris, 2011:129).

According to the behavioural influence hierarchy, behaviour does not necessarily have to be accompanied by either belief or affect but are rather formed by pressure from the environment. The consumer behaves according to the environmental pressure; belief and affect follow thereafter. For example, if a restaurant plays slow music people would be more relaxed and order more drinks (Babin & Harris, 2011:129).

4.4.2 Consumer attitudes toward corporate citizenship

The fourth main objective of this study is to determine the effect of perceived corporate philanthropy on consumer corporate citizenship attitudes toward a corporate sponsor.

Besides the financial role that consumers can potentially play, they can also take on roles which are not financial but rather affects the way in which a company behaves. In taking on these non-financial roles, theory related to ethical consumerism and brand citizenship apply (Tustin & De Jongh, 2008:30). What consumers expect of companies with regard to corporate citizenship, their perceptions of how a company performs based on these expectations and perceptions can signify a valuable and most important asset to the company (Tustin & De Jongh, 2008:24). Tustin and De Jongh (2008:25) conceptualised corporate citizenship as a vital strategic approach a company can follow to build their brands and become champions in a competitive market place; strengthening the reputation of their corporate brand and associated value consumers derive from the use of it; and growing business in a sustainable manner.

In a study by De Matos et al. (in Lii & Lee, 2012:74), a construct labelled “consumer extra-role behaviour” was measured. It was defined as the “voluntary and discretionary behaviour by an individual consumer that is not directly or explicitly
expected or rewarded”. The construct was operationalised by means of the following question items (De Matos et al. in Lee & Lee, 2012:74):

- “You will tell your relatives and friends about the good deeds of the company
- You will join activity undertaken by the company in the future
- You will recommend the company to your relatives and friends”.

Social Exchange Theory (Blau, 1964) explains the connection between attitudes and citizenship behaviour. According to this theory, consumers feel personally obliged to give positive feedback and/or thankfulness to an organisation if they had a favourable experience – in so doing, a relationship of social exchange is built and sustained. In the consumer’s context, trust and the act of giving back forms the basis of this social exchange with no exact definition and time allocation connected to the consumer’s “return” (Blau in Lii and Lee, 2012:73). On the other hand, when a company gives back to the community by being involved with CSR, consumers could see the company as selfless which impacts on consumer attitudes toward the company (Nan & Heo in Lii & Lee, 2012:73). This scenario increases the possibility of the consumer to participate in activities in benefit of the company, for example, demonstrating consumer “citizenship behaviour” (Groth in Lii & Lee, 2012:73). More advantages associated with CSR include positive consumer product and brand evaluations, influencing consumer brand choices and brand recommendation behaviour (Brown & Dacin; Sen & Bhattacharya; Vitell in Marin et al., 2008:67).

1. Trust and corporate credibility

Within the context of this study, trust can be defined as the consumer’s expectations of a company to behave in a reasonably ethical way (Hosmer in Vlachos, 2009:6). Critics in the field of CSR question whether a company’s involvement with CSR campaigns signify “ethically justifiable behaviour” but the answer to this question lies within the Attribution Theory – identifying if the company’s behaviour is the result of benevolent or ego-driven intentions (Vlachos, 2009:6).

Due to the fact that the modern consumer is growing less trusting of companies, this irreversible trend paves the way for the creation of trust on a different level by
harnessing the opportunities CSR offers in a sustainable manner (Lewis, 2003:357). Because brands exist based on trust which exists and ceases to exist in mysterious ways – and CSR is central to this mysterious existence – the communications inherent to a specific brand should be approached with utmost caution (MORI in Lewis, 2003:357).

If consumers trust a company’s CSR information it will influence the way in which they evaluate the company as well as their purchase intent (Mohr & Webb in Marin et al., 2008:67). Following research by Castaldo et al. (in Park et al., 2013:1), it was established that consumers will trust a company and quality of its products and services more if it implements CSR. In order to build a strong brand that will influence consumer decisions, the level of scepticism related to the specific target market need to be taken into account. If consumers are trusting of the brand, they would be less likely to investigate alternative offers based on technical specifications. Thus, consumers trust a company based on its ethical behaviour. Based on a national (American) survey by Cone LLC, the following valuable findings resulted (Tustin & De Jongh, 2008:34):

- 78% of socially conscious consumers indicated that companies should take up the responsibility to behave in a socially ethical manner
- Respondents aged 13 to 25 indicated that they would switch to a different brand if it supports a good cause and if price and quality were equal
- 93% of the American population feels that companies should participate in the protection of the environment and by actively pursuing a brand strategy of this nature, companies will be more successful as compared to their competition.

In the American study by Cole (2008:1-53), respondents’ attitudes were measured based on the amount of trust respondents have in the company, how satisfied the respondents are with the company, and the reputation of that company. In their study, Webb and Mohr (1998:230) classified respondents’ attitudes toward companies partaking in cause related marketing (CRM) activities on a scale ranging from “extremely positive” to “negative” and explanations for negative reactions were all grouped under “scepticism” stemming from a “distrust of the firm’s motives”. Therefore, if consumers demonstrate a distrustful attitude towards a company’s
motives, there might be an underlying reputational inconsistency that does not align with the specific goodness of CSR as it is embodied in the company’s supporting of a specific cause.

Based on a model by Vlachos (2009:2), scepticism brought about by CSR affects consumer trust, customer attraction and retention. In a study by MORI Corporate Communications Research (in Lewis, 2003:358) amongst 1 875 adults across Britain, 80% of consumers believed that “[l]arge companies have a moral responsibility to society. The majority of this sample (61%) agreed that “[l]arge companies do not really care about the long-term environmental and social impact of their actions” (MORI in Lewis, 2003:358).

Nooteboom et al. (in Berens & Van Riel, 2004:172), define trust as “the subjective probability that one assigns to benevolent action by another agent or group of agents”. Trust can be broken down into two groups based on the characteristics associated with each group: reliability and benevolence (Barber; Ganesan; Selnes and Gønhaug in Berens & Van Riel, 2004:172). Reliability is “the perceived ability to keep an implicit or explicit promise”. Benevolence is defined as “the perceived willingness ... to behave in a way that benefits the interest of both parties” (Selnes & Gønhaug in Berens & Van Riel, 2004:172). Another study distinguished between honesty and benevolence as the two main groups of characteristics associated with trust where honesty is defined as “the belief that an entity is reliable, stands by its word, fulfils promised role obligations, and is sincere” (Geyskens et al. in Berens & Van Riel, 2004:172).

Trust and corporate credibility goes hand-in-hand where the latter can be defined as “the perceived expertise, reliability, trustworthiness, and truthfulness of a company” (Newell & Goldsmith in Berens & Van Riel, 2004:172). This concept was born from communication theory on “source credibility” referring to an individual’s inclination to be persuaded by a message based on their perceptions of the message source. In this context, corporate credibility is approached as a predecessor to how easily a consumer is persuaded by marketing messages (Berens & Van Riel, 2004:172). An application of this theory is the Corporate Credibility scale mentioned earlier (Newell & Goldsmith in Berens & Van Riel,
2004:162). In the “Trustworthiness” section of this scale, the following items featured (Newell & Goldsmith in Berens & Van Riel, 2004:173):

- “I trust [the company]
- [The company] makes truthful claims
- [The company] is honest
- I do not believe what [the company] tells me”.

The third and fourth hypotheses also cover the fourth main research objective of this study which is to investigate the effect of perceived corporate philanthropy on consumers’ corporate citizenship attitudes towards a corporate sponsor.

According to the alternative hypothesis stated in H₃, consumers who are not sceptical of CSR, but rather attribute favourable motives behind companies’ involvement in CSR, will most probably hold positive attitudes about corporate citizenship.

H₃(null) : Consumers’ regard for CSR is not related to positive consumer corporate citizenship attitudes towards Coca-Cola.

H₃(alt) : Consumers who have regard for CSR are likely to report positive consumer corporate citizenship attitudes towards Coca-Cola.

Based on the literature on consumer perceptions of a corporate sponsor’s CSR activities and consumer corporate citizenship attitudes, the alternative hypothesis 4 (H₄) proposes that consumers, who view the CSR activities of a corporate sponsor favourably, will also have positive attitudes toward the sponsor’s corporate citizenship.

H₄(null) : There is no relationship between consumer perceptions of Coca-Cola’s CSR activities and consumer corporate citizenship attitudes toward Coca-Cola.

H₄(alt) : Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer corporate citizenship attitudes toward Coca-Cola.
According to Lichtenstein et al. (in Lii & Lee, 2012:72-73), a company’s CSR reputation directly influence consumer reactions and consumer attitudes. “Attitude components become stored in the associative network in consumers’ long-term memory, and become linked together to form rules that guide behaviour.” (Babin & Harris, 2011:126). A study by Kang and Hustvedt (2013:1) revealed that consumers’ perceptions about a company’s CSR has a direct impact on their trust and attitudes toward the company and an indirect impact on their intentions to buy the company’s products and spread positive word-of-mouth. Attitudes were in some cases found to directly influence consumer intentions and behaviour (Boninger et al. in Marin et al., 2008:68). Various studies investigating consumer purchase intentions when it comes to socially responsible companies have found support for a correlation between corporate associations and consumer attitudes about the company (Brown & Dacin; Mohr & Webb; Porter & Kramer; Ricks in Walker & Kent, 2009:749-750). Kang and Hustvedt (2013:10) confirmed a positive correlation between CSR and consumer attitudes as well as an indirect relationship with consumer behavioural intentions (word-of-mouth). Consumer behaviour theory will be discussed in the following main section to this chapter.

4.5 CONSUMER BEHAVIOUR

Babin and Harris (2011:13) said that the goods and services people buy and use determine the nature of their society. There is an element of consumption in all customs and rituals and these actions produce value to the relevant individuals (Babin & Harris, 2011:13-14). Government stipulates laws on how to buy and consume and in such a way, affects consumer behaviour directly or indirectly. Consumer behaviour therefore plays an important part as “input to public policy in a free society” (Babin & Harris, 2011:14).

The section dedicated to consumer behaviour, will discuss the relevant theory in the following order: first, a definition of the construct is provided; second, a discussion on consumer purchase intentions and behaviour will follow with subdivisions making provision for theory related to persuasion, value and consumer satisfaction; the third
The act of buying is only one part of the process of consumption which continues well after a product or service is bought. Consumption often involves a unique “story” that adds or subtracts value created in the process. Consumer behaviour can be defined from both a “human thought and action” perspective as well as “a field of study (human inquiry) that is developing an accumulated body of knowledge”. The former refers to a consumer’s behaviour as all the “actions, reactions, and consequences that take place as the consumer goes through a decision-making process, reaches a decision, and then puts the product to use” (Babin & Harris, 2011:4).

Arnould et al. (2004:9) define consumer behaviour as “individuals or groups acquiring, using, and disposing of products, services, ideas, or experiences”. According to The Domain of Consumer Behaviour exhibit (Arnould et al., 2004:9) the acquiring process covers the aspects of receiving, finding, inheriting, producing and purchasing; the consuming process covers the acts of collecting, nurturing, cleaning, preparing, evaluating, serving, displaying, storing, wearing, sharing, devouring; and the disposing activities include giving, throwing away, recycling and depleting.

According to Babin and Harris (2011:4), consumer behaviour can be defined as “the set of value-seeking activities that take place as people go about addressing realized needs”. When defined as a field of study, consumer behaviour includes the formal study of consumers, the manner and reasons for their consumption behaviour in order to provide valid explanations for consumer actions, their reactions and the consequences of their behaviour (Babin & Harris, 2011:4, 6). In this context consumer behaviour is “the science of studying how consumers seek value in an effort to address real needs”. Consumer behaviour as a scientific field of study, originated from various other academic disciplines including “economics, anthropology, marketing, psychology and social psychology” (Babin & Harris, 2011:6). There are exceptions where a consumer may experience cognitive, emotional or behavioural conflict with regard to a brand. This is where research on these topics in the specific consumer markets are necessary for marketers to delve
deeper into the source of the conflict in order to better serve the market and identify new market opportunities based on proper differentiation (Arnould et al., 2004:177).

4.5.1 Purchase intentions and buying behaviour

The fifth objective of this study is to investigate consumers’ business and personal use of a corporate sponsor’s products. According to Tustin and De Jongh (2008:33), even though South African consumers have significantly positive ethical purchase intentions, they often do not materialise into actual purchases. Possible reasons for the gap between consumers’ expressed concern and actual purchasing are: other aspects are more important to the local consumer, including “price, quality, convenience and status”; the amount of CSR communication and information consumers are bombarded with make them reluctant to weigh the complex issues up against one another; consumers cannot relate to companies’ CSR strategies and therefore, the communication of these initiatives are not within the scope of consumer expectations and grasp (Tustin & De Jongh, 2008:34).

According to the findings of different studies, trust was found to be a crucial predictor of favourable marketing outcomes and branding, including “loyalty, consumer retention, and purchase intention” (Chaudhuri & Holbrook; Erdem & Swait; Ranaweera & Prabhu; Willmott in Kang & Hustvedt, 2013:3). Two recent scales have been identified that attempt to link CSR and consumer behaviour: the first one measures consumer perceptions of corporate social irresponsibility and the second focusing on responsible consumer behaviour related to specific activities/focuses of CSR (Wagner et al.; Webb et al. in Öberseder et al., 2013:2). Another study also confirmed that consumer perceptions impact consumer behaviour (Magnusson et al. in Öberseder et al., 2013:2).

Furthermore, a strong link was found between CSR activities and consumer product responses (Pirsch et al. in Marin et al., 2008:65). Various studies confirm consumer willingness to support companies involved with CSR activities (Barone et al.; Berger & Kanetkar; Creyer in Kang & Hustvedt, 2013:3). A study by Walker and Kent (2009:759) revealed that CSR had a direct influence on word-of-mouth and product
consumption behaviour. Ross, Stutts and Patterson (in Walker & Kent, 2009:750) observed that consumers bought a company’s products primarily because it supported a good cause. However, consumer purchase intentions are complex and CSR can have a direct or indirect influence on consumers’ intent to buy. “The effect is indirect when a corporate context for purchase intentions is created, while it is direct when the CSR activity reflects the consumer's CSR beliefs.” (Mohr & Webb; Sen & Bhattacharya in Öberseder et al., 2013:1840)

According to a 1998 study of 1,000 adults in Great Britain, 28% of respondents regarded a high degree of CSR as important in forming a decision about buying a product of service from a specific company. In the year 2000, this figure rose to 41% and another year later, in 2002, 44% of consumers regarded CSR as very important in purchasing decisions (MORI in Lewis, 2003:359).

Different types of purchase decisions occur: a basic purchase decision, a particular product category decision, a brand purchase decision, a channel purchase decision, a payment decision, initial purchase decision and a repeat purchase decision (Arnould et al., 2004:676-677). Consumers sometime buy on impulse which is a “sudden, often powerful, and persistent emotional urge to buy immediately”. This sudden urge can be ascribed to an instantaneous link between the perceived meaning of a product and the consumer’s (actual or desired) self-image (Arnould et al., 2004:678).

Because marketing efforts are mostly aimed at predicting, influencing and managing consumer buying behaviour, many research cover the concepts of purchase timing and purchase frequency (Arnould et al., 2004:679). In being able to predict when and how often consumers will buy, they can plan production and deliveries more easily and determine possible revenues and profit. The timing by which purchasing behaviour takes place includes the “sequences of repetitive purchase events that occur over time” (Arnould et al., 2004:680). Purchase frequency refers to how often a consumer repeats the buying behaviour and it is closely associated with the previous concept of purchase timing (Arnould et al., 2004:679).
Semiotics ("the science of meaning") is a basic determinant of consumer behaviour because consumers behave based on the meaning they perceive in the products or services marketed. Semiosis is "the process of communication by any type of sign" without which communication would not be possible. Signs serve a representative function to facilitate communication and can include marketing signs such as a company or brand’s logo or name (Arnould et al., 2004:120). Research conducted over the past 50 years delivered results in support of brands’ influence on consumers’ status and self-esteem based on their perceived symbolic value (Arnould et al., 2004:9). Cross-cultural research also confirmed the increase in consumers’ probability to buy a product or service brand if there is a perceived "symbolic link" between the image of the brand and the consumer’s “actual or ideal self-image” (Arnould et al., 2004:120).

With the help of advertisements, a company can remind consumers when and how to use their products or services. By showing consumers new ways of using their products or services or different occasions to use it, the brand can be repositioned in the mind of the consumer and ultimately facilitate strengthening consumer behaviour such as a first time purchase (Arnould et al., 2004:178). Consumers, who have a positive perception of the brand, can in such a way be persuaded into becoming brand loyal (Arnould et al., 2004:178).

i. Persuasion

Persuasion is the “net favourableness of … cognitive responses” where cognitive responses are defined as “message-related thoughts that arise during elaboration as a result of one’s relation of message material to other message content or to prior knowledge and attitudes stored in memory” (Meyers-Levy & Malaviya in Pomerig & Johnson, 2009:423).

Shavitt and Nelson (in Arnould et al., 2004:632) explain that if the information conveyed by a specific marketing message is in line with the nature of the consumer’s attitude, the consumer will be persuaded easier to demonstrate the desired behaviour. This occurrence is known as the “matching hypothesis” (Shavitt & Nelson in Arnould et al., 2004:632). In the context of the consumer, persuasion can
be defined as all efforts directed at consumers with the intention to achieve a desired modification in consumer attitudes. The communication of CSR activities can be divided into persuasive and informative advertising where the former “attempts to influence consumer tastes and eventually behaviours (e.g., purchase behaviour) with CSR attributes”. The aim of informative advertising is to provide information about the company's core CSR characteristics and practices (McWilliams et al. in Hsu, 2013:190).

Persuasion can be approached from a whole range of different theories or models (Babin & Harris, 2011:135), including the attitude-toward-the-object (ATO) model; the behavioural influence theory; the behavioural intentions model or theory of reasoned action (TORA); the theory of planned behaviour; the elaboration likelihood model (ELM); the Balance Theory, the social judgement theory; and the dissonance theory. A discussion follows on these theories.

The attitude-toward-the-object (ATO) model (Fishbein & Ajzen in Babin & Harris, 2011:130) is one of the most prominent consumer attitude measuring models. According to this model, three aspects need to be considered to fully grasp and predict consumers’ attitudes. First, a consumer's beliefs of the prominent characteristics a product or service should have. Secondly, it should be determined how strong the consumer belief is that a specific product or service does indeed possess these characteristics. A consumer’s assessment of the specific characteristic is the third element. When combined, these elements make up the consumer’s attitude towards a product or service. Because the different elements are combined by the consumer it can be regarded as a multi-attribute approach. According to the ATO model formula, consumer belief and assessment scores are combined and these product conditions are summated to deliver a numeric value for the consumer’s attitude toward the product or service (Babin & Harris, 2011:130).

The ATO model can be helpful in predicting consumer attitudes and to bring clarity on how prominent characteristics, consumer beliefs and assessments impact on the shaping of consumer attitudes (Babin & Harris, 2011:130). The ATO model holds that combined consumer conviction related to the core qualities of a product or service and the consumer’s assessment of those qualities have an impact on the
shaping of consumer attitudes. In order to facilitate a change in the consumer’s attitude, this theory proposes that marketers should either try to change consumers’ convictions, create new convictions about the product or service qualities, or modify the assessment of product qualities. Different strategies can be followed in this regard: marketers can focus on the enhancement of a conviction for a product quality that is assessed favourably or focus on minimising the strength of a conviction about a product attribute which has been assessed negatively by the consumer (Babin & Harris, 2011:135). Marketers can also add a significant quality (physical or psychological) to the product or service and in such a way achieve a change in consumer attitudes. By modifying the way in which consumers assess an attribute, marketers can sway consumers to believe that an attribute is not as good or bad as they initially thought. From these strategies mentioned, modification of consumer assessment of a product quality is harder than changing the strength of a conviction with regards to a specific product attribute (Babin & Harris, 2011:136).

The behavioural influence approach is a strategy that involves marketers’ attempts to directly change consumer behaviour without trying to modify consumers’ convictions or emotions. The behavioural influence hierarchy holds that a modification of consumer behaviour can pave the way for a change in consumer conviction and attitude (Babin & Harris, 2011:136). According to the changing schema-based affect, schemas consist of affective and emotional connotations which can be modified to achieve a change in a consumer’s attitude towards a product, service or brand (Babin & Harris, 2011:137). Babin and Harris (2011:137) mentioned an application of this theory by Domino’s Pizza in Japan, where tomatoes are perceived to be unhealthy, but by getting cute delivery carts and advertisements the company tried to connote favourable feelings to the product schema and the brand itself.

The strength of the relationship between consumer attitudes and consumer behaviour is referred to as attitude-behaviour-consistency. Certain factors need to be considered to determine the strength of the predicting power of attitudes: how involved a consumer is with the purchase process; the extent of situational factor impediment; and the strength of consumer attitudes toward the product or service. The higher the levels of all the last-mentioned factors, the higher the predicting power between attitudes and behaviour. However, it is not always possible to make
behavioural forecasts from consumer attitudes and therefore, another model made provision to enhance upon the ATO model (Babin & Harris, 2011:133).

The behavioural intentions model or “theory of reasoned action” (TORA) varies from the ATO model in the following ways (Ajzen & Fishbein in Babin & Harris, 2011:133): the model emphasises consumers’ intent to behave in a specific way; consumer perceptions of acceptable behaviour in the specific context is considered instead of solely focusing on attitudes; and the focus is purely on consumer attitudes related purchase behaviour instead of his/her attitude toward the object. Therefore, the behavioural intention model assumes that consumer behaviour is mainly affected by a consumer’s intent to act accordingly, and that this intent is influenced by their attitude towards the behaviour as such as well as “subjective norms” (Babin & Harris, 2011:133). The TORA attempts to make behavioural forecasts where consumers are in charge of their behaviour and considerate about it (Hale, Householder & Green; Fishbein in Arnould et al., 2004:642). This theory aims to examine consumer behaviour born of desire and not those born of “habit, ritual, cravings, or impulse” (Arnould et al., 2004:642-643). TORA also does not include behaviour that necessitates “special skills, unique opportunities or resources, or the cooperation of others to be performed” (Arnould et al., 2004:642-643). Marketers are intrigued by TORA because they wish to make an impact on consumers’ intentional and mindful choices (Arnould et al., 2004:642-643). According to TORA, consumers' behavioural intentions are central in determining consumer behaviour; consumer behaviour is dependent on consumer attitudes toward the specific behaviour and the impact of others’ beliefs on the behaviour (Arnould et al., 2004:643). Here consumer attitudes are believed to be influenced by “beliefs linked to behaviour and by what others believe and how important complying with those beliefs” are to the consumer (Arnould et al., 2004:643).

The theory of planned behaviour is a mirror-image of the TORA except that it acknowledges the role of consumers’ “perception of how easy or difficult it is to perform the behaviour” (Baumeister in Arnould et al., 2004:647). The ability of a consumer to control him or herself is dependent on certain principles, an assessment process as well as the ability to change his or her behaviour (Baumeister in Arnould et al., 2004:647). Where consumers are sure of what they want (fixed principles)
they will be less susceptible to buying on a whim and less vulnerable to advertisements and salespeople attempting to lure (Arnould et al., 2004:647).

The elaboration likelihood model (ELM) is another popular modern attitude theory (Arnould et al., 2004:639). This theory dissects the processes that lead to altering attitudes including the strength of these attitudes (Petty & Wegener; Booth-Butterfield & Welbourne in Arnould et al., 2004:639). The ELM shows that attitudes can be modified based on the level of a consumer's involvement in the acquisition of the goods (Petty, Cacioppo & Schuman in Babin & Harris, 2011:137). How involved a consumer is and their ability and motivation to interpret relevant, available information, will determine whether persuasion follows what it known as “a central route or a peripheral route” (Celsi & Olson; MacInnis & Park in Babin & Harris, 2011:137)

The elaboration likelihood continuum plays a focal role in the ELM and is defined by “how motivated and able people are to assess the central merits of the attitude object (person, brand, advertisement, issue)”. The higher a consumer’s motivation and ability is to judge the main attributes of a product or service, the higher the likelihood that they will thoroughly inspect the information available and relevant to the object (product or service). With high elaboration likelihood, consumers will test the available information in relation to the knowledge they have already gathered over time resulting in a “reasoned attitude” which is coherent and reinforcing in nature (Arnould et al., 2004:639). When a consumer is exposed to a message containing information relevant to his or her circumstances (assumed high involvement), the consumer will make an increased effort to understand the contents of the message (Babin & Harris, 2011:137-138). With high involvement purchase decisions, a consumer will look out for “central cues” in a message that contain information highly relevant to the product, it’s characteristics, benefits and results of use (Babin & Harris, 2011:138). The abovementioned occurrences are also known as the “central route to persuasion” (Arnould et al., 2004:639). If a consumer’s attitude changes based on this route of persuasion, it is highly likely to endure (Babin & Harris, 2011:138). According to a comparative study by Auger et al. (in Perera & Chaminda, 2012:4), consumers respond differently to CSR activities depending on whether they are living in a first world or developing county. The observation was
made that no difference occurs between the importance of CSR involvement with either high or low involvement products and services (Auger et al. in Perera & Chaminda, 2012:4)

With regard to low elaboration likelihood, consumers will be less inclined to study product-relevant information and attitude change can occur because of a few “less resource-demanding processes” known as the “peripheral route to persuasion” (Arnould et al., 2004:639). If a message does not contain “central cues” relevant to the consumer’s situation, or the consumer is not motivated/able to dissect the information, this route of persuasion will be followed. Marketers should therefore not expect a “cognitive response” from consumers because they would be more inclined to focus on elements less relevant to the key attributes/qualities/benefits of the product but rather on “peripheral cues” such as the “attractiveness of the person delivering the message, the number of arguments presented, the expertise of the spokesperson, and the imagery or music presented along with the message” (Babin & Harris, 2011:138). According to Babin and Harris (2011:138-139), consumers do not have the necessary drive to give their full attention to the thousands of messages and overload of information they receive and thus advertisements have been developed to focus on peripheral cues like beautiful models, images or scenery and music with attention-drawing appeal (Babin & Harris, 2011:138-139).

The next theory, known as the Balance Theory, was developed by Fritz Heider and is founded in the belief that consumers are driven to preserve mental constancy (Heider in Babin & Harris, 2011:139-140). This theory is grounded in the principle of consistency in terms of consumer principles, attitudes and behaviour. According to the Balance Theory the emphasis falls on the (favourable or negative) alliances or relations as perceived by three elements: a consumer (“observer”), another individual and an “attitudinal object” (Babin & Harris, 2011:140).

The social judgment theory holds that a consumer interprets new information based on their present attitudes about that product or service. In other words, the existing attitude becomes the frame of reference for comparing the new message. The closer the newly presented information is to the existing framework, the easier it will be accepted by the consumer (“latitude of acceptance”). On the contrary, information
that is not close enough to the existing framework will most likely be rejected by the consumer (“latitude of rejection”) (Babin & Harris, 2011:140).

According to the dissonance theory, consumers will react in ways that will ensure balance between their principles and behaviour. The lack of balance motivates consumers to behave in ways that will ensure congruence with their beliefs (Festinger in Arnould et al., 2004:638). In other words, if consumers are motivated enough to perform a specific action, they will adapt their attitude to be in line with this behaviour. And due to the fact that behaviour cannot be undone, consumers will seek to restore harmony by modifying their beliefs and attitudes to correspond with their behaviour (Arnould et al., 2004:638).

Attitude theories vary in their approaches to affection, cognition and behaviour in an attempt to bring more clarity on how attitudes are established; reinforced and modified. How valuable an attitude theory is may be partially dependent on traits of the consumer (objectives, interests, identity) and contextual characteristics including the “decision task” and cultural orientation (Arnould et al., 2004:637-638). Caution should be exercised though with the weakening predictive accuracy that attitude-behaviour models present when the time frame between measurement of attitudes and the explicit behaviour become too long. Another issue is presented in this regard when “strong environmental pressures” are exerted upon consumers discouraging them from performing the behaviour. Attitude-behaviour models also do not fare well in explaining consumer impulsive buying behaviour (Babin & Harris, 2011:134).

ii. Value

Holbrook (in Babin & Harris, 2011:288) says that the concept of value is to be found within the centre of consumer behaviour and should be regarded as a pivotal result in the whole experience of consumption. Even though a company can still survive without high industry satisfaction achieved, it would most definitely not survive without offering some kind of value to the consumer (Babin & Harris, 2011:288).

Consumers would not purchase a product if they do not perceive value in the process; resultantly, consumers assess the value of a company’s CSR activities
depending on how it relates to their personal interests, “morals, values, and priorities” (Green & Peloza, 2011:48-49). De Los Salmons, Crespo and Del Bosque (2005:378) postulate that CSR affects consumer product/service assessments. Brand value is a crucial prerequisite for a company to successfully compete in a market (Tustin & De Jongh, 2008:33). If all other variables are equal, the more socially responsible a company is, the higher the levels of consumer perceived value of, and satisfaction with, the product will be (Luo & Bhattacharya in Pérez et al., 2013:222). There is a close relationship between consumer attitudes and value because consumers have more favourable attitudes toward products providing the consumer with value. On the contrary, great levels of negativity in consumer attitudes arise when they experience a product or service of poor value (Babin & Harris, 2011:126). Because the things consumers say about the brand, product or service is mostly influenced by the value that consumers receive from it, value has an impact on the nature of word-of-mouth consumer will spread regarding the product (Babin & Harris, 2011:208).

There are three “drivers” of value according to Sheth et al. (in Green & Peloza, 2011:50): emotional, social and functional value. Emotional value can be explained as the “warm glow” a consumer experiences when he/she buys something they know will benefit the environment or a charitable cause. Social value relates to the potential favourable impressions other people will have of the consumer due to his/her purchases and support of the specific cause. Functional value is the actual value the consumer experiences from the purchased product or service (Green & Peloza, 2011:50). Functional value is defined as “the capacity of an alternative to provide utilitarian or physical performance, which [is] the result of salient functional, utilitarian or physical attributes” (Sheth et al. in Green & Peloza, 2011:51). Green and Peloza (2011:52) provide an example of a product that combines all three value forms: “a hybrid vehicle can provide functional value (lower operating costs), emotional value (joy in saving or environmental stewardship), and social value (meeting relevant social norms)”.
iii. Consumer satisfaction

Consumer satisfaction can be defined as a “mild, positive emotional state resulting from a favourable appraisal of a consumption outcome”. The difference between consumer satisfaction and various other consumer behaviour related constructs is that it happens after consumption and in this way it is a response to an outcome. Satisfaction is an emotional result of a cognitive evaluation process (“satisfaction judgment”) and it is a meek emotional state that does not result in strong behaviour (Babin & Harris, 2011:288). Oliver (in Arnould et al., 2004:755) defines consumer satisfaction as “a judgment of a pleasurable level of consumption-related fulfilment, including levels of underfulfillment or overfulfillment”. A satisfactory consumer experience occurs when a product or service provides the consumer with more contentment than what he or she expected (Arnould et al., 2004:755). Customer satisfaction can be predicted by the way in which quality is perceived by the consumer (Tse & Wilton; Fornell; Cronin & Taylor in Arnould et al., 2004:758). What consumers expect a product or service experience to be becomes the criteria against which their level of satisfaction is compared (Oliver in Arnould et al., 2004:767).

Companies that do more than what is expected of them – such as being involved with CSR activities – enjoy the benefits associated with satisfied consumer evaluations (Martzler, Hinterhuber, Bailom & Sauerwin in Kim, 2011:235). Consumers are also willing to pay more for a company’s products to reward its ethical behaviour (Creyer & Ross in Park et al., 2013:2). Based on the principles of the Social Identity Theory, CSR activities have been proposed to be associated with consumer loyalty to the extent that consumers identify with the specific company or brand (Tajfel & Turner; Maignan & Ferrel in Stanaland et al., 2011:49). Another study confirmed that customer satisfaction influences “corporate reputation, customer loyalty and recommendation” (Bontis et al. in Hsu, 2012:194).

Consumer expectations, product or service quality and consumer attitudes are more applicable concepts than consumer satisfaction when it comes to explaining consumer behaviour before consumption or purchasing take place. Regardless of applicability, consumer satisfaction is still significant due to its correlation with
consumers’ (positive or negative) “word-of-mouth, repeat purchase, and ... loyalty” (Babin & Harris, 2011:288). With the increase in consumers’ levels of satisfaction with a product or service the likelihood of them talking positively about the brand increases (Babin & Harris, 2011:208). New terminology has been developed when referring to consumers who have strong beliefs in a brand and share their beliefs with others – these individuals are referred to as “brand advocates” or “brand ambassadors” (Babin & Harris, 2011:208). The more a brand speaks to an individual’s self-concept and the more involved he or she is with the specific product or service, the higher the possibility of communication occurring (Sawyer & Howard in Babin & Harris, 2011:208). Wilkie and Ferris (in Babin & Harris, 2011:208) stress the fact that negative word-of-mouth can undoubtedly have a bigger impact than positive word-of-mouth (Wilkie & Ferris in Babin & Harris, 2011:208). If a consumer experiences satisfaction with the company/product/service, he/she would more easily share information on their experiences and recommend it to friends and family (Westbrook in Pérez et al., 2013:224).

Chang et al. (2012:659) included the following items in their questionnaire to cover customer satisfaction with a hotel:

- “I am satisfied with the service quality provider by this hotel
- The services and products provided by this hotel are better than my expectations
- The service provided by his hotel is better than service in my idea
- I think I will visit this hotel again
- I am willing to recommend this hotel to my relatives and friends”

The fifth hypothesis was split into two sub-hypotheses distinguishing between consumers’ business and personal use (regular, occasional or non-use) of Coca-Cola’s beverages:

$H_{5a(null)}$: There is no significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ business use and non-use of Coca-Cola’s products.
H$_{5a(alt)}$: There is a significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ business use and non-use of Coca-Cola’s products.

H$_{5b(null)}$: There is no significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ personal use and non-use of Coca-Cola’s products.

H$_{5b(alt)}$: There is a significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ personal use and non-use of Coca-Cola’s products.

According to Pérez et al. (2013:218), consumer satisfaction has an “affective and cognitive” dimension and when consumers experience satisfaction while simultaneously being able to identify with the company, they would be loyal in their attitudes too. It has been shown that the level of consumer-company identification determines how satisfied consumers would be, whereas identification and satisfaction lead the way to consumer loyalty (Pérez et al., 2013:229). By focusing on customer satisfaction, a company will be more likely to enjoy the benefits of consumer loyalty (Arnould et al., 2004:758). The next section discusses the construct of consumer loyalty in more depth.

### 4.5.2 Consumer loyalty

Dick and Basu (in Van den Brink et al., 2006:17) define consumer loyalty as “the relationship between the relative attitude toward an entity (brand/service/store/vendor) and patronage behaviour”. Oliver (in Arnould et al., 2004:783) defines this construct as “a deeply held commitment to rebuy or repatronise a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviour”. The benefits to a company who succeeds to instil loyalty within their customers are more likely to enjoy an increased consumer willingness to pay higher prices for the company’s products as well as the astounding effects of positive
consumer word-of-mouth (Aaker in Van den Brink et al., 2006:16). On the other hand, even though consumer loyalty might lead to repeat purchasing behaviour, it cannot be seen as the only antecedent thereof (Van den Brink et al., 2006:17). According to Day (in Pérez et al., 2013:224), one cannot base loyalty measures on the consumer act of buying the specific product again because there are various other elements that play an intricate role in the creation and continuous preservation of strong customer-brand relationships.

Consumer loyalty can be seen as the next phase in consumer emotion related to satisfaction. Bloemer and Kasper (in Pérez et al., 2013:224) say that consumer loyalty should be examined based on consumer attitudes revealing preference and intent. “Attitudinal loyalty” is the actual or potential emotional bond a consumer has or might have with a company after assessing their experience with its employees, products, services, or (CSR) communication (Pérez et al., 2013:224). “Active loyalty” is the desired outcome if a consumer has loyal attitudes; and this form of loyalty involves a consumer action such as buying the product/service again and verbally sharing their positive experience with their friends and family members (Ganesh et al.; Selnes in Pérez et al., 2013:224).

In a research survey on cellular service providers the constructs of behaviour, commitment and price tolerance were measured by means of the items summarised in the Table 5 below (De Los Salmones et al., 2005:382). Some of the question items in this table correspond with the question items included in the current adapted study (Cole, 2008:1-53), with specific reference to the consumer behaviour construct in Question 5 of the adapted questionnaire (please see Appendix B, p. 263).

<table>
<thead>
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<th>Table 5: Loyalty constructs operationalised</th>
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<td><strong>Construct</strong></td>
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| Behaviour | I shall **continue** with my operating brand in the next few years  
If I had to contract the service again, I would choose my operating brand again |
It has been empirically proven that the effort and costs involved with the attraction of new customers are between four and six times more expensive in comparison to attaining a current customer; simultaneously, customers who are loyal toward the brand, can ensure profits nine times higher as compared to a standard customer (Liu, Xue & Duan, 2011:959).

Consumers become loyal to a brand to simplify their lives by purchasing a specific brand every time – sometimes without a high level of involvement in the purchase decision, but most probably a high level of involvement with the specific product. How familiar a consumer is with a brand can influence buying behaviour because it acts as a cue indicating an acceptable product. When consumers do not have adequate experience with a specific product category, they tend to rely more on familiar brands (Arnould et al., 2004:659).

Brand loyalty refers to consumers who keep on buying a specific brand and prefer it above the other competing offers available. Brand loyal consumers can be defined as consumers who regularly purchase the brand and have an expressed preference for the brand (Arnould et al., 2004:178). Biong (in De Los Salmones et al., 2005:373), defines loyalty as an attitudinal construct. Selnes (in De Los Salmones et al., 2005:373) classified positive word-of-mouth as a behaviour related to attitudinal loyalty. Similarly, brand commitment is another term explaining what constitutes consumer trust or their willingness to keep up a good relationship with the company and continue using the specific brand (Delgado & Munuera in De Los Salmones et al., 2005:373). Lee and Zeiss (De Los Salmones et al., 2005:373) mentions the

<table>
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<th>Construct</th>
<th>Items</th>
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<tr>
<td>Commitment</td>
<td>I consider myself to be loyal to my operating brand</td>
</tr>
<tr>
<td></td>
<td>To me, my operating brand is clearly the <strong>best brand</strong> on the market</td>
</tr>
<tr>
<td></td>
<td>I would <strong>recommend</strong> my brand if somebody asked my advice</td>
</tr>
<tr>
<td>Price tolerance</td>
<td>I would continue with my operating brand even if its <strong>rates increased</strong> slightly</td>
</tr>
<tr>
<td></td>
<td>I would change my operating brand if another operator offered better rates</td>
</tr>
</tbody>
</table>

Source: De Los Salmones et al. (2005:382)
cognitive element inherent to consumer loyalty related to consumers’ acceptance of higher prices for a specific brand. Service quality however, stays a crucial determinant of loyalty (Dick & Basu in De Los Salmones et al., 2005:373).

Brand cognition is the first step toward consumer brand loyalty and this construct consists of three elements including “brand association, brand image and perceived quality”. Brand cognition significantly influences consumers’ tendencies to become loyal to a brand. The consumer’s ability to associate with a brand and the brand’s image do have an effect on brand loyalty expressed within the quality consumers perceive the brand to have. The quality perceived by the consumer however still has a direct impact on brand loyalty (Liu et al., 2011:959). According to a study by Liu et al. (2011:961), brand association correlates positively with perceived quality and with brand loyalty; brand image correlates positively with perceived quality; and perceived quality correlates positively with brand loyalty. They found that consumers’ association with a brand and its image significantly affects their loyalty toward the brand with perceived quality mediating these effects (Liu et al., 2011:961).

i. Responsible consumer behaviour

Adreasen (in Mohr et al., 2001:60) developed a model with four behavioural change stadia when it comes to responsible consumer behaviour (SRCB): “precontemplation, contemplation, action, and maintenance”. Mohr et al. (2001:60) defined these four categories as follows: precontemplators do not consider modifying their consumer behaviour in support of CSR; contemplators think about it; action-oriented consumers’ purchasing behaviour are sometimes based on CSR; and the maintainers faithfully consider the CSR principle in most of their buying behaviour. Consumer behaviour is based on their perceptions of their role as consumers – some consumers argue that his or her responsibility is solely based on spending money to support a growing economy and others perceive their role as a consumer to be grounded in the reduction of spending to minimise their destructive footprint on the environment (Mohr et al., 2001:66-67).
A significant dimension that Cole (2008:1-53) included in her study was the section on what respondents' intended behaviour would be towards a company partaking in CSR initiatives. By means of such a scale, it is possible to determine whether there is a correlation between the perceptions of consumers and their intended behaviour towards a company investing in CSR. Another study demonstrated the human resource value that a company can achieve by actively participating in corporate philanthropy activities. More than half of the employees surveyed, perceived a history of charitable giving as a primary factor for not resigning; a company's generosity as an aspect that sets their company apart from others; and a company that engages in “good deeds” as a factor they admire (Walker Information Indianapolis, 2002:7).

A strong link was found between CSR associations and consumer loyalty (Pirsch et al. in Marin et al., 2008:74). As mentioned previously, consumer perceptions towards a brand determine consumer behaviour (Tustin & De Jongh, 2008:31). Survey research amongst 443 consumers, revealed that CSR affects a company’s reputation, consumer trust and loyalty (Stanaland et al., 2011:53). According to the Cone Communications Press Release every year since 1993 almost 80% of the respondents indicated a more favourable image of a company that provides support to a cause which is important to them. If price and quality were irrelevant, almost all respondents said that they would rather support the companies that participate in CSR (Cone & Roper in Mohr et al., 2001:49). According to studies by Ross, Stutts, and Patterson (1990-91), from a convenience sample of 225 people, 49% indicated that a company’s involvement in a good cause had been a main motivation for them to buy the company’s product; 54% stated that they would be more inclined to buy a new brand because of cause-related endorsement (in Mohr et al., 2001:49).

Smith and Alcorn (in Mohr et al., 2001:49) conducted a nationwide telephone study and 46% of the respondents said that they would be willing to switch brands in support of a company that gives money to NPOs. Thirty percent said that they often buy products just because the producer thereof supports good causes (Ross et al. in Mohr et al., 2001:49). According to an experimental study by Murray and Vogel (in
Mohr et al., 2001:51), respondents reported significantly more “positive behavioural intentions ... when the company’s “prosocial programs were described”.

Brand switching is the act of consumer behaviour related to the buying of a competitive brand in a specific product or service category and possible reasons for this behaviour can be due to environmental causes, consumer-related factors, social or marketing-related factors (Arnould et al., 2004:682-683). Consumers can become curious when presented with a different offer, bored with a current brand, or want to experience different attributes which a competing brand offers. Some consumers experience pressure to switch to different brands due to social factors of wanting to belong to or fit in with a specific “admired valued reference group”. Appealing advertisements can influence consumers to buy a competitive brand as well as their need for something new and innovative. It also occurs that consumers have fluctuating needs for specific perceived brand advantages but their perceptions of the brands in total remain constant which can also lead to switching behaviour (Arnould et al., 2004:682).

According to Lachowetz and Irwin (2002:114), CRM activities assist in probing consumers’ perceptions of corporate campaigns with a social dimension as well as investigating their behaviour towards corporate philanthropy. Findings demonstrated that almost half of the respondents surveyed, indicated that they will, regardless of higher prices, stick to the socially responsible companies’ product offers (Lachowetz & Irwin, 2002:116). Lee and Shin (2010:2) found that CSR activities with a corporate social and corporate local community contribution focus are positively correlated with consumer patronage behaviour, but no significant correlation was observed between environmental contribution activities and consumer purchase intentions.

The sixth objective of this study was to investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour toward a corporate sponsor. The sixth hypothesis was included to determine whether consumer perceptions of Coca-Cola’s CSR activities correlated with their intended buying behaviour:
H₆(null): There is no relationship between consumer perceptions of Coca-Cola’s CSR activities and consumer behaviour towards Coca-Cola.

H₆(alt): Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer behaviour towards Coca-Cola.

H₇(null): There is no relationship between regard for CSR and consumer behaviour towards Coca-Cola.

H₇(alt): Consumers with positive regard for CSR are likely to report positive consumer behaviour towards Coca-Cola.

4.6 CONCLUSION

In the final of the literature chapters, all of the constructs discussed related to CSR and corporate brand reputation were interlinked with the consumer construct in support of the seven hypotheses derived and stated. Now that the important literature has been reviewed, the next phase of this dissertation will follow – the methodology. The methodology chapter will mainly focus on: sampling; the operationalisation of the research instrument; statistical procedures; reliability and validity; as well as an explanation on how the quality and rigour of the study and research process was assessed and demonstrated.
CHAPTER 5: METHODOLOGY

5.1 INTRODUCTION

In the previous chapters, main theoretical constructs related to CSR, corporate brand reputation and the consumer were covered in depth. In general, Chapter 5 will provide an overview of research design and methodological aspects, specifically with regard to this study’s hypotheses and target sample as well as the adapted measuring instrument (see Appendix B, p. 263).

The main topics of discussion in this chapter include research design, methods and classification; the brief mentioning of the study’s research objectives and hypotheses formulated; sampling; operationalisation; statistical procedures followed; reliability and validity; and assessment of the quality of the research design. Firstly, there will be a discussion of the design and classification of the research process. Secondly, the research objectives to this study are mentioned. Thirdly, the hypotheses are stated. The fourth section on sampling will cover aspects related to the target population, context and units of analysis; main institutions involved in this study; the sampling method chosen; and research ethics. And fifth, the operationalisation section contains matters related to the changes that have been made to the original measuring instrument; scales considered and used; the compilation of the adapted measuring instrument; design of the questionnaire; survey method; and pretesting. Statistical procedures made up the sixth main section of this chapter, looking at subjects of data analysis; factor analysis; descriptive statistics; and statistics for hypotheses testing. Thereafter, a section on concepts of reliability and validity is provided. Finally, a concluding section focuses on how the quality and rigour of the research were ensured.

5.1.1 Research design, methods and classification

The study’s main research objective was to investigate whether there is a relationship between consumer perceptions of, and consumer attitudes toward, a
corporate sponsor’s CSR activities and the hypothesised impact thereof on consumer behaviour. A quantitative inquiry strategy in the form of a quantitative survey method was applied to investigate the linkages between the study’s six sub-objectives which are listed in the next section.

Quantitative research enables the exact numeric measurement of specific concepts and constructs such as “consumer behaviour, knowledge, opinions, or attitudes” and helps the researcher to “describe, explain, and predict” these subjective topics (Cooper & Schindler, 2006:198-199). A quantitative data inquiry strategy was used to determine consumer perceptions, consumer attitudes, and consumers’ intended future behaviour. This data was obtained by presenting visitors of the National Zoological Gardens of South Africa (NZG) with a questionnaire posing questions related to the main constructs investigated in this study (see Appendix B, p. 263 for the adapted questionnaire).

According to Cooper and Schindler (2006:138), research design has various definitions and is an extremely broad topic that cannot be discussed in isolation. One of their definitions describes research design as a “blueprint for the collection, measurement, and analysis of data” (Cooper & Schindler, 2006:138). A few elements present in most of these definitions include the function it fulfils as a researcher’s map or plan for hypotheses writing; a plan of how the relationships between variables will be investigated and operationalised; and how the data will be collected and analysed (Cooper & Schindler, 2006:138). Cooper and Schindler (2006:139) list the basic aspects present in most definitions of research design: it is an “activity- and time-based plan”; a “plan always based on the research question”; a “guide for selecting sources and types of information”; a “framework for specifying the relationships among the study’s variables”; and a “procedural outline for every research activity”.

The classification system discussed by Cooper and Schindler (2006:139-159) defines research design based on eight categories including: the “degree to which the research question has been crystallized”; “method of data collection”; “power of the researcher to produce effects in the variables under study”; “purpose of the
study”; “time dimension”; “topical scope – breadth and depth – of the study”; “research environment”; and “participants’ perceptions of research activity”.

The abovementioned categories were integrated in the classification of this study’s research design below (Kotzé, 2009):

i. Empirical research. This study can be regarded as an application of empirical research because primary, numeric data was collected (Babbie & Mouton in Kotzé, 2009:3).

ii. Basic research. The core idea of this study was to extend upon CSR literature in a South African context (Kotzé, 2009:3). More information had to be obtained on the theoretical concepts of consumer perceptions, consumer attitudes and consumer behaviour in South Africa and therefore, this study is classified as basic research (Saunders, Lewis & Thornhill, 2007:8).

iii. Descriptive research. Kotzé (2009:5) states that one of the main goals of descriptive research is to “describe the nature of the relationship between two concepts/constructs”. The study attempted to determine the relationship between various constructs which are mentioned in the next section.

iv. Cross-sectional research. Due to the fact that data related to the specific constructs for the study was collected in a fairly short period of time, and only once, this study can be regarded as cross-sectional research (Saunders et al., 2007:148).

v. Primary data. As defined by Saunders et al. (2007:607), primary data is: “Data collected specifically for the research project being undertaken.” Data for the study was collected to answer the research objectives posed.

vi. Quantitative research. As mentioned earlier, quantitative research is conducted when data related to the nature of “relationships among measured variables” are quantified and available in numeric form (Leedy & Ormrod, 2005:94). Quantitative research enables the exact numeric measurement of specific concepts and constructs such as “consumer behaviour, knowledge, opinions, or attitudes” and helps the researcher to “describe, explain, and predict” these aspects (Cooper & Schindler, 2006:198-199). Because the study aimed to describe, explain and predict the perceptions, attitudes and behaviour of consumers, it can be regarded as quantitative research.
The academic value of this study is twofold. First, considering that CSR is a relatively young field in the corporate environment in South Africa, the researcher hoped that it will motivate further research into the complex links between CSR, NPOs and good causes, corporate sponsors and consumers. Second, this study serves as a test of the generalisability of the original American version of the research instrument by Cole (2008:i-53) applied in a South African context. The adapted version of the original research instrument is attached in Appendix B (p. 263). As noted in Chapter 1, the ability to repeat the results of a study is necessary to validate the findings of an original/prior study when it comes to scientific enquiry (University of Pretoria, 2010:2). Replication is defined as “the duplication of a previously published empirical study to determine whether the findings of that study are repeatable” (Singh et al., 2003:534). Replication should not be seen as pure duplication as there are different levels of replication which will be discussed here.

Replication can be conducted with extension which involves a slight departure from the original version of a study or by making use of different data to determine the generalisability of prior findings (Brown & Coney; Reid, Soley & Wimmer in Singh et al., 2003:534). A major advantage associated with the replication of a study is that it minimises the chances of Type 1 errors while simultaneously contributing to the generalisability of empirical findings (Singh et al., 2003:534). Replication prevents the “uncritical acceptance of empirical results” (Singh et al., 2003:533). According to Epstein (in Easley, Madden & Dunn, 2000:83): “There is no more fundamental requirement in science than that the replicability of findings be established.”

Studies have confirmed the value of replication in ensuring the validity and reliability of research (Dewald, Thursby & Anderson; Feigenbaum & Levy; Hubbard, Vetter & Little; Mittelstaedt & Zorn; Tsang & Kwan in Singh et al., 2003:533). External validity refers to the generalisation of research findings to other populations or across non-specifiable subpopulations (Cook & Campbell in Easley et al., 2000:84). Generalisation to other populations can be seen as external validity in application whereas the generalisation to (unspecified) subpopulations is external validation of “cause-and-effect relationships” (Easley et al., 2000:83).
Hubbard and Vetter (1996:156-157) classify replication as either being exact replication or replication with extension. Exact replication is defined as: “a duplication of a previously published empirical study whose purpose is to determine whether the findings of the study are repeatable”. Replication with extension is “a duplication of a previously published empirical research study whose purpose is to evaluate the generalizability of earlier research results”. An example of replication with extension is repeating a study and making use of different populations such as in the current study (Hubbard & Vetter, 1996:156-157).

Replication studies can be divided into different categories. Easley et al. (2000:85) distinguish between four categories: Type 0, Type I, Type II and Type III replications. Type 0 replications refer to the exact duplication of a previous study which is limited to experiments done in some fields of natural sciences. This type of replication is impossible to conduct in the field of social sciences (Brown & Gaulden; Lykken; Runkel & McGrath in Easley et al., 2000:83). Type I replications are “faithful duplication[s]” of previous studies and encompass the application of research across cultures or between different countries to test for generalisability. Type II replication tests occurrences in various contexts and if effects are shown in a range of contexts, the case for the findings are strengthened (Sternthal; Sternthal, Tybout & Calder in Easley et al., 2000:85). With Type III replications, a previous study is deliberately modified and extraneous human factors are not regarded as a threat during this process (Easley et al., 2000:85). This study can be classified as a Type I replication due to the fact that the research instrument of a previous study (Cole, 2008:i-53) is faithfully duplicated within a different country and context.

Berthon, Pitt, Ewing and Carr (2002:424) identified eight categories of replication that classifies the current study as context extension. In this category the same theory and method is applied but in a new context. Research should establish if a theory/method that works well in a specific context will also deliver the same value when applied in a different context (University of Pretoria, 2010:7). Tsang and Kwan (1999:766-768) developed a classification scheme presenting six types of replications of which the current study can be classified as empirical generalisation where the same measurement and analysis is used as in the original study but
different target populations/contexts are considered. There have been doubts about the generalisability of some theories and therefore, this type of replication has grown in importance (University of Pretoria, 2010:5).

5.2 RESEARCH OBJECTIVES

The following research objectives guided the study:

i. To investigate consumers’ ability to recall a corporate sponsor of an NPO.

ii. To investigate consumer perceptions of a corporate sponsor’s CSR activities.

iii. To investigate the nature of consumer perceptions of CSR in general.

iv. To investigate the effect of perceived corporate philanthropy on consumers’ corporate citizenship attitudes towards a corporate sponsor.

v. To investigate consumers’ business and personal use of a corporate sponsor’s products.

vi. To investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour towards a corporate sponsor.

5.3 HYPOTHESES FORMULATION

In this section, the study’s hypotheses will be set out along with a brief reference to the research objective/s covered by each. As derived from the literature presented in Chapters 2 to 4, the following hypotheses guided the data collection and analysis as presented within this dissertation:

The first hypothesis covers elements of both objective one and two, to investigate consumers’ ability to recall a corporate sponsor of an NPO and to investigate consumers’ perceptions of a corporate sponsor’s CSR activities, respectively:

H₁(null): There is no significant difference in consumer perceptions of Coca-Cola’s CSR activities between the consumers who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.
H₁(alt): There is a significant difference in consumer perceptions of Coca-Cola’s CSR activities between consumers who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.

The second hypothesis is based on objective two and three because it centred on the relationship between the nature of consumer perceptions of a corporate sponsor investigated and consumer perceptions of CSR in general:

H₂(null): Consumer scepticism toward CSR is not related to consumer perceptions of Coca-Cola’s CSR activities.

H₂(alt): Consumers who are sceptical of CSR will have low perceptions of Coca-Cola’s CSR activities.

In the third hypothesis, elements of research objective three and four can be observed, which were to investigate the nature of consumer perceptions of CSR in general as well as the investigation of perceived corporate philanthropy on consumers’ corporate citizenship attitudes towards a corporate sponsor:

H₃(null): Consumers’ regard for CSR is not related to positive consumer corporate citizenship attitudes towards Coca-Cola.

H₃(alt): Consumers who have regard for CSR are likely to report positive consumer corporate citizenship attitudes towards Coca-Cola.

Hypothesis 4 stated the relationship between consumer perceptions of a corporate sponsor’s CSR activities investigated (research objective two) and the effect of perceived corporate philanthropy on consumers’ corporate citizenship attitudes towards a corporate sponsor investigated (research objective four):

H₄(null): There is no relationship between consumer perceptions of Coca-Cola’s CSR activities and consumer corporate citizenship attitudes toward Coca-Cola.
H\(_{4(alt)}\) : Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer corporate citizenship attitudes toward Coca-Cola.

Hypothesis five was split up into two sub-hypotheses (H\(_{5a}\) and H\(_{5b}\)) to distinguish between the personal and business use and non-use of the corporate sponsor’s products. These two sub-hypotheses both covered the research objective related to the investigation of consumer perceptions towards a corporate sponsor’s CSR activities (research objective two) and the investigation of consumers’ business and personal use/non-use of a corporate sponsor’s products (research objective five):

H\(_{5a(null)}\) : There is no significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ business use and non-use of Coca-Cola’s products.

H\(_{5a(alt)}\) : There is a significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ business use and non-use of Coca-Cola’s products.

H\(_{5b(null)}\) : There is no significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ personal use and non-use of Coca-Cola’s products.

H\(_{5b(alt)}\) : There is a significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ personal use and non-use of Coca-Cola’s products.

Research objectives two and six (partially), were present in the compilation of the sixth hypothesis because it stated the possible relationships between the investigation of consumer perceptions of a corporate sponsor’s CSR activities and the investigation of consumer behaviour toward a corporate sponsor:

H\(_{6(null)}\) : There is no relationship between consumer perceptions of Coca-Cola’s CSR activities and consumer behaviour towards Coca-Cola.
H₆(alt) : Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer behaviour towards Coca-Cola.

The final hypothesis covered research objective six to investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour toward a corporate sponsor:

H₇(null) : There is no relationship between regard for CSR and consumer behaviour towards Coca-Cola.

H₇(alt) : Consumers with positive regard for CSR are likely to report positive consumer behaviour towards Coca-Cola.

i. Main institutions involved in this study

The two main institutions involved in this study include Coca-Cola South Africa (the corporate sponsor) and the National Zoological Gardens of South Africa (the NPO). Each one of these institutions will be discussed briefly with specific reference to the nature of their relationship.

The Coca-Cola Company is one of the most well-known, respected and successful companies in the world according to the Fortune Magazine’s annual list of the World’s Most Admired Companies (Coca-Cola, 2011). The company was rated as the sixth most admired company in the world during the 2011 rating as compared to their number 12 and number 10 positions achieved during 2009 and 2010 respectively (Coca-Cola, 2011). This serves to demonstrate that Coca-Cola continues to improve on their reputation as perceived by professional business people.

Coca-Cola South Africa (CCSA) strives to improve the quality of life in the communities in which it operates by including aspects such as promoting active lifestyles, economic development and social upliftment programmes in the company’s business model (Coca-Cola, 2011). In 2001, The Coca-Cola Africa Foundation (TCCAF) was established to guide fund allocation for health, education,
the environment and entrepreneurship (Coca-Cola, 2011). Recent CSR programmes of CCSA in the Health division include Men as Partners, Dance4Life, and ANCHOR (Coca-Cola, 2011). The Men as Partners programme assists men in becoming “champions of gender equality” within their families and communities by means of workshops, condom distribution, education and counselling. Dance4Life is a school programme that helps teenagers to become “powerful ‘agents of change’” by mixing culture and performing arts. Dance4Life is presented at 30 schools in KwaZulu-Natal – 20 schools in the Western Cape and five in the Eastern Cape. ANCHOR is The Africa Network for Children Orphaned and at Risk programme that aims to help 146 000 children from rural areas in Johannesburg and Port Elizabeth.

Educational programmes such as the Discovery Channel Global Education Partnership aims to provide technology-driven learning and equipment in poor communities. City Year is another programme with the purpose of obtaining 200 young people to give “a structured, full-time year of community service” in order to ensure their employment after this period.

Coastal Cleanup, Leak Repair Project, and the Clean Water Supply Project are some of the Environmental programmes of CCSA (Coca-Cola, 2011). CCSA also has programmes that promote Entrepreneurship as well as Staff Volunteering Programmes for example the Christmas Toy-Run (Coca-Cola, 2011).

The National Zoological Gardens of South Africa (NZG) is one of South Africa’s most prominent and most-visited zoos. The management of the National Zoological Gardens of South Africa in Pretoria encourages corporate entities to partake actively in their efforts to educate community members in the value of animals and the conservation of natural habitats as well as the importance of research done by this non-profit organisation (NPO). NPOs are organisations which are not run for the sole purpose of achieving profit margins but for other social or environmental development purposes. As mentioned in Chapter 2, a more recent definition with regards to socially-oriented institutions is that of social profit enterprises (SPE) which are “charities and traditional non-profits” but also corporate for-profit companies that operate with a purpose of doing good in the “social marketplace” such as the NZG (Gilligan & Golden, 2009:11).
The NZG is not categorised as a “cultural institution” any more, but rather as a “National Research Foundation” of which it is the largest in the world (Khumalo, Not dated:3). Following a public address by the Deputy Minister Hanekom from the Department of Science and Technology (DST), the NZG is world-renowned for the “conservation and breeding of highly endangered species such as the black and white rhino, the Cape vulture and several others” (DST, 2007:2). The NZG’s vision is quoted from their strategic plan available on their website (National Zoological Gardens of South Africa, 2006:b): “The conservation of Africa’s biodiversity for sustainable development.” The institution’s mission is to be: “The leading zoological garden to advance awareness, the creation of knowledge, and innovation in the conservation of Africa’s biodiversity for the benefit and well-being of society” (NZG, 2006:b). One of the objectives of the NZG is to “expose society to a stimulating and unique education experience, thereby increasing the number of visitors, the public’s understanding of conservation and the pool of learners in science” (NZG, 2006:b).

It is assumed that most companies expect some form of benefit for providing resources to an NPO – whether it is to fulfil short-term or long-term goals. NPOs enhance synergism when it comes to the collaboration of different companies that might have a desire to do good to their surrounding communities, but might not know exactly how and where its efforts will be best harnessed, appreciated, and sustainable. Companies can obtain a larger scope of brand exposure by partaking in an NPO’s collaborated event planning efforts. Many companies regard their investment in CSR initiatives as a valuable strategy for reaching the public on both a logical and emotional level – especially when these initiatives are led by prominent NPOs (such as the NZG). Locally, the NZG has a nostalgic value to most parents and grandparents bringing their children and grandchildren to experience the Zoo in the same way they themselves experienced it as children when they were young.

The NZG has recently started advertising positions for their marketing and communications department because they acknowledge the fact that proper strategic marketing and communications are necessary for future success. In the NZG’s strategic document, it was noted that one major goal of this NPO is to “increase the number of visitors to the Zoo from ±600 000 to one million by 2010”
(NZG, 2006:21). This enables NZG to centralise a bigger “captive audience for a variety of advertising campaigns and exhibition sponsorships” (NZG, 2006:21). An average of 200 000 of the estimated 600 000 zoo visitors were children brought to the Zoo for educational purposes (Khumalo, Not dated:1).

According to a communication session with Ms. T. Wade (2011), Assistant Manager of Food and Beverage at the NZG, the relationship between the NZG and Coca-Cola started about ten years ago when the corporate approached the NZG and offered to make contributions to the NZG on an annual basis in exchange for having only Coca-Cola beverage brands sold at the Zoo. Contributions have always been in the form of furniture, notices to keep the Zoo clean, umbrellas, and other infrastructure in exchange for Coca-Cola brand signage at the Zoo (Wade, 2011). At the beginning of the 10 year relationship between Coca-Cola and the NZG, Coca-Cola upgraded the cable carts at the NZG and painted them with one of their brand names, “Sparletta” (Wade, 2011).

5.4 SAMPLING

In this section, the focus will be on defining the target population, context and units of analysis of this study, as well as the method of sampling used.

5.4.1 Target population, context and units of analysis

In the original study by Cole (2008:i-53), the target population included visitors of Zoo Atlanta which is a prominent zoo in Atlanta, Georgia, USA, actively involved in campaigns and open to sponsorships. Because the NZG of South Africa is one of the most prominent zoos and a heritage landmark in South Africa, it seemed appropriate to make this zoo’s visitors part of the adopted study.

For the purpose of this study, the target population consisted of adult (18 years and older), literate South African zoo visitors of the NZG. These individuals had to be physically present on the Zoo’s premises during the days on which data for this study was collected.
5.4.2  **Sampling method**

The nonprobability sampling method of convenience sampling was followed because zoo visitors readily available on the days of data collection were asked to complete the questionnaire (see Appendix B, p. 263). This method suited the nature of the target population because the NZG, and therefore also the researcher, was unable to determine beforehand which individuals would visit the Zoo in order to make use of a probability sampling technique. One of the major drawbacks of the chosen sampling method is that the selection of respondents relies on the subjectivity of the fieldworker, posing the risk of self-selection bias limiting the generalisability of research results (Zikmund, 2003:297-299).

Adult zoo visitors were approached by the fieldworker on two different Saturdays while they were busy enjoying a picnic or having lunch on the NZG’s premises. After a brief explanation of the nature of the study, they were asked whether they would be interested in participating. If they agreed; a questionnaire was handed to them by a fieldworker. Even though the data collection instrument was set up in the form of a self-administered questionnaire, the researcher was close enough to clarify any uncertainties that could have come up during this process.

A sample of 200 respondents was targeted which, according to Field and Miles (2010:197-198), should deliver a “medium” effect in terms of the reliability of a regression model. Diamantopoulos and Schlegelmilch (2000:142) also refer to a sample of 200 as a “nice large sample”. In the end, 200 respondents’ questionnaires were included in the data set.

The following section will focus on the ethical guidelines followed in this study.

5.4.3  **Research ethics**

Because this study involved the inclusion of other human beings, there were ethical principles that needed to be adhered to, including (Leedy & Ormrod, 2005:101-102):
i. A professional internal board of the academic department of the University of Pretoria, as well as the University’s Research Ethics Committee, had to oversee and approve the researcher’s study before any data was collected (Leedy & Ormrod, 2005:102). Thereafter, the research ethics committee of the NZG had to approve the study and the proposed data collection process on its premises.

ii. The respondents included in this study, were not harmed in any “physical or psychological” way and respondents’ participation was voluntary with the choice to abandon the process if they felt uncomfortable with any aspect of the survey (Leedy & Ormrod, 2005:101)

iii. Respondents were fully informed on the basic aspects of the study and formal consent was required from them to include their responses to the pool of data that was being collected at the time. Appendix A (p. 261) contains the informed consent form that was handed to respondents before they completed the questionnaire (Leedy & Ormrod, 2005:101)

iv. Respondents had the “right to privacy”: In the study, respondents’ participation and questionnaires were treated confidentially without the presence of any identifiable characteristics that would link their identities to the completed questionnaire (Leedy & Ormrod, 2005:102)

v. Honesty was expected of the researcher and data processor that ensured honourable reporting on the results as it was collected by not tampering with the data and findings (Leedy & Ormrod, 2005:102).

5.5 OPERATIONALISATION

Saunders et al. (2007:604), define operationalisation as follows: “The translation of concepts into tangible indicators of their existence.” Simply put, operationalisation involves the process whereby complex theoretical constructs are converted into measurement scales to facilitate the quantitative measurement of these constructs (Saunders et al., 2007:118). An operational definition is a concept that goes hand-in-hand with the process of operationalisation. An operational definition is: “An explanation that gives meaning to a concept by specifying the activities or operations necessary to measure it.” (Zikmund, 2003:227)
The next section will highlight the changes that were made to the original measuring instrument administered by Cole (2008:i-53) in the compilation of the adapted measuring instrument used in this study. Please refer to Appendix B (p. 263) for the adapted questionnaire and Appendix C (p. 270) for the original article and questionnaire by Cole (2008:i-53).

5.5.1 **Adapted measuring instrument changes**

Due to the nature of the sample of South African zoo visitors, three original questions, specifically from the demographics section, were removed in the compilation of the adapted questionnaire: Questions 7, 8 and 11 from Section B (Cole, 2008:51). These questions enquired about zoo membership; frequency of zoo visitation over the past 12 months; and past or current employment status with the relevant corporate sponsor of Zoo Atlanta. The reason why these questions were excluded from the adapted questionnaire was because they did not address the study’s main objectives.

In order to compensate for the assumed less developed nature of consumer awareness of CSR in South Africa as compared to that of the USA, the original questionnaire wording by Cole (2008:51-53) was stated in a more simplified manner in the adapted questionnaire to suit the South African context (see Appendix B, p. 263).

The first question of the original data collection instrument (Section A in Cole, 2008:51-53) was modified in the adapted version to present the respondent with different response options more relevant to the South African context and with which respondents would most likely be familiar with, including “Pick ‘n Pay”, “Mr. Pie”, and “Coca-Cola”. An “I don’t know” option was also added to this question in the adapted version of the questionnaire. The reason for the inclusion of an “I don’t know” option is to ensure that consumers who were unsure of the other options would not turn to guessing but rather select this option.
In the questionnaire by Cole (2008:51-53), the demographic questions presented in Section B were stated at the very beginning as compared to the adapted questionnaire where the demographic questions were asked at the end. The reason for reordering the demographic questions in the adapted questionnaire was due to the researcher’s fear of losing the respondents’ interest if they were to see the many personal questions at the beginning before having answered any of the most relevant questions related to the main constructs of the study.

Some other minor changes made to the demographic questions of the original questionnaire (Cole, 2008:51-53) include that the open ended nature of the question on respondents’ living area was changed to a multiple-choice, single response option scale containing the two most prominent nearby living areas (“Pretoria” and “Johannesburg”) and an option for “Other” with space for elaboration (see Appendix B, p. 263). The reason for this change was because it would be easier for the data capturer to read in responses with a numeric coding instead of typing in each respondent’s hand-written area. The respondents were therefore limited by the generic options provided with the freedom of choosing an “Other” option and adding further comments (see Appendix B, p. 263).

The open-ended question asking the respondent in which state he or she lives was also removed in the adapted questionnaire, because South Africans are not familiar with the concept of States (see Appendix B, p. 263). The question options of the questions on ethnicity, education and household income were also adapted to be more relevant to the South African context. In terms of different ethnic groups the options of “Black”; “White”; “Coloured (for example Indian)”; and “Other (please specify)” were given (see Appendix B, p. 263).

Different names for the education level category were provided for the question on the respondent’s highest level of education: “Some high school”; “High school Grade 12 (Matric)”; “Some college/university”; “Complete degree at college/university”; “Postgraduate degree at college/university” (see Appendix B, p. 263). More relevant household income figures were posed to respondents in the question on combined annual household income (expressed in South African Rand instead of US Dollar): “Less than R24 000”; “Between R24 000 and R49 999 per year”; “Between R50 000
and R74 999 per year”; “Between R75 000 and R99 999 per year”; “Between R100 000 and R124 999 per year”; “Between R125 000 and R149 999 per year”; “R150 000 or more per year” (see Appendix B, p. 263).

5.5.2 Scale consideration

Various aspects play a role in determining which measurement scales to construct in a measuring instrument and these factors have an impact on the “reliability, validity, and practicality of the scale” (Cooper & Schindler, 2006:332). These factors include, but are not limited to research objectives, response types, data properties, number of dimensions, forced or unforced choices, and the number of scale points (Cooper & Schindler, 2006:332-333). The scales that were used in the present study will be discussed in this section: multiple choice, single response scale; Likert scale, open ended scale; and a simple category scale (dichotomous) (Cooper & Schindler, 2006:337).

i. Multiple-choice, single-response

Multiple-choice, single-response scales are meant to be used in situations where various response options are available but only one answer is required (Cooper & Schindler, 2006:337). These scales are used in conjunction with data measured at a nominal level, a topic which will be elaborated on in the next section on statistical procedures.

Question 1 on respondents' ability to recall the corporate sponsor involved with the NZG, was stated in the form of a multiple choice, single response scale (see Appendix B, p. 263). This type of response scale was also used for both Question 12 (consumer business use of the corporate sponsor’s products) and Question 13 (consumer personal use of the corporate sponsor’s products) (see Appendix B, p. 263).

The demographic variables of city of residence; ethnicity; level of education; and combined household income were posed in the form of multiple choice, single
response questions (respectively in Questions 6, 9, 10, 11, 12 and 13) (see Appendix B, p. 263).

ii. Five-point Likert scale

Rensis Likert developed the Likert scale which is the most popular and most used form of summated rating scales (Cooper & Schindler, 2006:339). A Likert scale is a “measure of attitudes in which respondents rate how strongly they agree or disagree with carefully constructed statements; several scale items expressing attitudes toward an object ranging from very positive to very negative may be used to form a summated index” (Zikmund, 2003:235). The five response options presented in the five-point version of this scale include “strongly agree”; “agree”; “neither agree nor disagree”; “disagree”; and “strongly disagree” and each item in this scale is presented along with these five options numbered from 5 to 1 where 5 is the most favourable option, and 1 the least (Cooper & Schindler, 2006:339-340). The Likert scale delivers data at an interval level of measurement (Cooper & Schindler, 2006:339).

Questions 2, 3, 4 and 5, respectively covering consumer perceptions of the corporate sponsor’s CSR activities; consumer perceptions of CSR in general; consumer corporate citizenship attitudes; and consumer behaviour, were all expressed in the form of five-point Likert scales (see Appendix B, p 263). The reason why a Likert scale was used in these questions is firstly because the adapted questionnaire was based on the original questionnaire by Cole (2008:1-53) and secondly, because Likert scales are more reliable and deliver data at greater volumes. It is also quick and easy to administer as compared to various other scales (Cooper & Schindler, 2006:339). A third, but no less important, reason for the use of Likert scales in Questions 2, 3, 4 and 5 is because this type of scale is ideal for the measurement of consumer attitudes of favourability with statements related to the main constructs of consumer perceptions, consumer attitudes and consumer behaviour (Cooper & Schindler, 2006:339).
iii. Open-ended question

Respondent age was structured in the form of an open-ended question (Question 7) (see Appendix B, p. 263). With open ended questions, a question is posed to respondents on which they can respond as they wish – no fixed response options are presented. Open-ended questions deliver data at a ratio level of measurement. The reason why the demographic question on age was measured with an open-ended scale in the adapted questionnaire is because most accurate data could be obtained. Rather than presenting the respondent with a few categories/age groups, the respondent could just easily provide his or her exact age. Less space was also taken up by the open-ended format of this question. More space would have been required in the measuring instrument for different age categories.

iv. Simple category scale (dichotomous)

According to Cooper and Schindler (2006:337), simple category scales present “two mutually exclusive response choices” and is mostly used in demographic question formulation.

A dichotomous question presenting two response options (“Male” and “Female”) was set up for gender (Question 8) (see Appendix B. p. 263).

Table 6 below summarises the scale design per question of the adapted questionnaire.

Table 6: Scale design per question

<table>
<thead>
<tr>
<th>Question number(s)</th>
<th>Scale design</th>
</tr>
</thead>
<tbody>
<tr>
<td>1, 6, 9, 10, 11, 12 and 13</td>
<td>Multiple choice, single response</td>
</tr>
<tr>
<td>2, 3, 4 and 5</td>
<td>Multiple choice, single response five-point Likert scale</td>
</tr>
<tr>
<td>7</td>
<td>Open ended question</td>
</tr>
<tr>
<td>8</td>
<td>Dichotomous scale</td>
</tr>
</tbody>
</table>
5.5.3 **Compilation of measuring instrument**

The section on the compilation of the adapted measuring instrument will be structured and discussed according to the study’s main constructs including consumers’ ability to recall a corporate sponsor of an NPO; consumer perceptions of a corporate sponsor’s CSR activities; consumer perceptions of CSR in general; consumer corporate citizenship attitudes towards a corporate sponsor; consumers’ business and personal use of a corporate sponsor’s products; and consumer behaviour towards a corporate sponsor.

i. **Consumer ability to recall a corporate sponsor of an NPO**

Consumers’ ability to recall which corporate sponsor was involved at the NZG was measured in a multiple choice, single response scale containing four response options, including “Pick ‘n Pay” (option “1”), “Mr. Pie” (“2”), “Coca-Cola (ABI)” (option “3”) and “I don’t know” (option “4”) (see Question 1, Appendix B, p. 263). The correct answer to this question was response option “3”, “Coca-Cola (ABI)”. In the original study’s questionnaire, respondents’ recall of the corporate sponsor involved with Zoo Atlanta was measured in Section A by means of a multiple choice, single response question with four options (see Appendix B, p. 263). In the adapted study, frequency counts were used to determine the total score on each response option in this measure.

ii. **Consumer perceptions of a corporate sponsor’s CSR activities**

The Zoo visitors’ perceptions of Coca-Cola CSR activities were measured by means of nine items (2.1 – 2.9) on a five-point Likert scale (Cole, 2008:52) (see Appendix B, p. 263). In the original study by Cole (2008:52), these nine items were indicated under Part 1 of the questionnaire (see Appendix C, p. 270). In this study, the multiple rating scale presented respondents with options ranging from least favourable “1” (“Strongly Disagree”) to most favourable “5” (“Strongly Agree”) in Question 2 (see items 2.1 – 2.9 in Appendix B, p. 263). Composite scale scores were averaged to calculate a final score on this concept. Question 2.6 was not reverse scored in the original questionnaire (Cole, 2008:52) but was in the adapted version thereof (see
Appendix B, p. 263). The higher the response option selected, the more positive the consumer perceptions of the respondent towards the specific element of the construct. If the respondent selected low response options on average, the deduction could be made that this individual has negative perceptions towards Coca-Cola’s CSR activities. The latter two interpretations are valid for all items, except reversed scored items.

### iii. Consumer perceptions of CSR in general

Consumer perceptions of CSR were measured on a five-point Likert scale originally containing nine items (Cole, 2008:52) (see Appendix C, p. 270). In Cole’s study, these items appeared under Part 2 of the questionnaire (Cole, 2008:52). This multiple rating scale presented respondents with similar response options than the abovementioned scale namely, a least favourable “Strongly Disagree” option (“1”) through to a most favourable “Strongly Agree” option (“5”) (see Appendix B, p. 263). Item 3, 5, and 7 from Part 2 of the questionnaire by Cole (2008:52) have been reversed scored in the adapted questionnaire too (see Appendix B, p. 263). Here as well, the averaging method was applied to calculate composite scale scores.

### iv. Consumer attitudes to derive the effect of perceived corporate philanthropy on corporate citizenship

In the original study, consumer attitudes to derive the effect of perceived corporate philanthropy on brand reputation, trust and satisfaction were measured on a five-point Likert scale containing nine items in Part 3 of the questionnaire (Cole, 2008:53). Cole (2008:25-26), sub-divided this question into three dimensions: reputation (items 4, 5, and 6), trust (items 1 and 2) and satisfaction (items 7, 8, and 9).

This construct was renamed in the adapted study to correspond with the findings of the factor analysis and against the background of supporting theory on corporate citizenship as discussed in the previous chapter. The adapted questionnaire also presented this measurement scale in Question 4 with items 4.1 – 4.9 in the form of a five-point Likert scale ranging from response option “1” (“Strongly Disagree”) to “5”
Composite scale scores were calculated by means of an averaging method. A high average score on this scale indicated positive consumer corporate citizenship attitudes and a low average score indicated negative attitudes toward this construct. No items were reverse scored in this question. In the adapted questionnaire, item 4.8 was removed due to what has been assumed as confusion with the term “giving programs” which might not have been fully understood by the South African population as it would have been in the U.S.A. leading to inconsistent responses. This term is not as readily used in the South African context as it might be in the American context. A principle-components factor analysis delivered a single factor only for all question items under this construct.

v. Consumers’ business and personal use of a corporate sponsor’s products

Consumer use of Coca-Cola’s products were divided into two multiple choice, single response questions distinguishing between the consumer’s business use and the consumer's personal use of Coca-Cola products (Appendix B, p. 263). In Question 12 the consumer’s business use scale presented respondents with the following options: “Frequent business user”, “Occasional business user” and “I do not use Coca-Cola”的 products for business purposes” (Appendix B, p. 263). Question 13 on consumer’s personal use of Coca-Cola’s products also had the response options of “Frequent personal user”, “Occasional personal user” and “I do not use Coca-Cola’s products for personal purposes” (Appendix B, p. 263). Cole (2008:51) included these questions as Question 9 and Question 10 under Section B in the original questionnaire (Cole, 2009:51). Frequency counts were used to determine the totals on each response option with each one of these two questions.

vi. Consumer behaviour towards corporate sponsor

Consumer behaviour towards Coca-Cola was measured with a Likert scale containing nine items (5.1 – 5.9) and response options ranging from “1” (“Strongly Disagree”) to “5” (“Strongly Agree”) (see Appendix B, p. 263). These items were adapted from Cole’s original questionnaire under Part 4 (Cole, 2008:53). None of these items were reverse scored in either the original or the adapted study. Similar to the majority of the abovementioned measures, a high average level of agreement
with the stated questionnaire items will demonstrate positive intended consumer behaviour towards the corporate sponsor and the opposite will apply for the average level of disagreement with these items. According to Cole (2008:24, 27, 53), this measure contains three underlying dimensions: purchasing intent (Part 4, item 1 to 7), loyalty (Part 4, item 9) and investment (Part 4, item 8).

5.5.4 Questionnaire design

The questionnaire consisted of eight A4 pages including the cover letter of informed consent for participation in an academic research study which the respondents had to sign. A copy of the informed consent form is available in Appendix A (p. 261). The first question of the questionnaire included a screening question to test consumer ability to recall the corporate sponsor involved at the NZG. The first section, Section A, consisted of five questions covering four of the six main constructs of this study: consumer perceptions of Coca-Cola’s CSR activities; consumer attitudes toward CSR in general; consumer corporate citizenship attitudes towards a corporate sponsor; and consumer behaviour towards a corporate sponsor. Section B mainly included questions of a demographic nature (city of residence; age; gender; ethnicity; highest level of education; and level of combined household income) but concluded with two questions which covered another main construct of this study: consumer business and personal use of Coca-Cola’s products. See Appendix B (p. 263) for the adapted questionnaire used in this study. For a more holistic understanding of how the study’s main constructs are intertwined with the questions in the measuring instrument and which combinations of these constructs make up the stated hypotheses, please see Table 7 below.

<table>
<thead>
<tr>
<th>Table 7: Constructs, questions and hypotheses chart</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main construct</strong></td>
</tr>
<tr>
<td><em>(Question and items)</em></td>
</tr>
<tr>
<td>Consumer perceptions of a corporate sponsor’s CSR activities (Question 2, items 2.1 – 2.5, 2.7 – 2.9)</td>
</tr>
<tr>
<td>Consumer ability to recall corporate sponsor involved <em>(Question 1)</em></td>
</tr>
<tr>
<td>Main construct (Question and items)</td>
</tr>
<tr>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Consumer perceptions of CSR in general – Scepticism about CSR (Question 3b, items 3.3, 3.5, 3.7)</td>
</tr>
<tr>
<td>Consumer corporate citizenship attitudes toward corporate sponsor (Question 4 items 4.1 – 4.7, 4.9)</td>
</tr>
<tr>
<td>Consumer behaviour towards corporate sponsor (Question 5, items 5.1 -5.9)</td>
</tr>
<tr>
<td>Consumer business use of Coca-Cola’s product (Question 12)</td>
</tr>
<tr>
<td>Consumer personal use of Coca-Cola’s product (Question 13)</td>
</tr>
</tbody>
</table>

The main constructs and their corresponding question items are presented below:

i. Consumers’ ability to recall a specific corporate sponsor of an NPO is covered by Question 1 in the questionnaire.

ii. The second main construct of consumer perceptions towards the CSR activities of a corporate sponsor is covered by Question 2 (item numbers 2.1 – 2.5, 2.7 – 2.9). Question item number 2.6 was removed.

iii. Consumer perceptions of CSR in general cover Question 3 (item numbers 3.1, 3.2, 3.4 and 3.6 for consumer regard for CSR in general; item numbers 3.3, 3.5 and 3.7 for consumer scepticism about CSR in general). Item numbers 3.6, 3.8 and 3.9 were removed during factor analysis.

iv. Consumer corporate citizenship attitudes towards a corporate sponsor were covered by the items of Question 4 (item numbers 4.1 – 4.7 and 4.9). Item number 4.8 was removed due to confusing terminology.

v. Consumers’ business and personal use of a corporate sponsor’s products were covered by Question 12 and Question 13 respectively.
vi. Consumer behaviour towards a corporate sponsor was covered in Question 5 (item numbers 5.1 – 5.9).

Table 8 below summarises the question items covered by each main construct of this study (as discussed above).

Table 8: Questionnaire items per construct

<table>
<thead>
<tr>
<th>Construct</th>
<th>Questionnaire items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer ability to recall a corporate sponsor of an NPO</td>
<td>Q1</td>
</tr>
<tr>
<td>Consumer perceptions of a corporate sponsor’s CSR activities</td>
<td>Q2.1 – 2.5, 2.7 – 2.9</td>
</tr>
<tr>
<td>Consumer perceptions of CSR in general</td>
<td>Consumer regard for CSR: Q3.1, 3.2, 3.4, 3.6</td>
</tr>
<tr>
<td></td>
<td>Consumer scepticism about CSR: Q3.3, 3.5, 3.7</td>
</tr>
<tr>
<td>Consumer corporate citizenship attitudes towards a corporate sponsor</td>
<td>Q4.1 – 4.7 and 4.9</td>
</tr>
<tr>
<td>Consumers’ business and personal use of a corporate sponsor’s products</td>
<td>Business use: Q12</td>
</tr>
<tr>
<td></td>
<td>Personal use: Q13</td>
</tr>
<tr>
<td>Consumer behaviour towards a corporate sponsor</td>
<td>Q5.1 – 5.9</td>
</tr>
</tbody>
</table>

Some of the items in the adapted questionnaire were reverse-scored, including question items 2.6, 3.3, 3.5, and 3.7 respectively (see Appendix B, p. 263):

- “Coca-Cola sponsors causes only to ‘look good’ to the public”
- “Companies only do good deeds to ‘look good’ to the public”
- “I am suspicious of companies that frequently support good causes”
- “I am suspicious if companies talk about the good things they do for a community over the news”.

5.5.5 Survey method

A self-administered delivery and collection questionnaire was used to collect the desired data for the study (Saunders et al., 2007:356-357) (see Appendix B on p. 263 for the adapted questionnaire). The self-administered delivery and collection survey method involves that a fieldworker approach respondents with a
questionnaire which respondents complete by themselves, and which the fieldworker collects again afterwards (Saunders et al., 2007:356-357). The survey method suited the nature of the respondents (the NZG visitors), whom were assumed to be intellectually proficient to independently answer the questions posed in the questionnaire.

Some advantages associated with the self-administered delivery and collection questionnaire is that it is a relatively cheap way to gather a large amount of data; the fieldworker’s presence in the process urges respondents to complete the questionnaire there and then (Saunders et al., 2007:358). Disadvantages include that more physical help, in the form of fieldworkers, are needed to distribute and collect the questionnaires and to process the data afterwards for statistical calculations (Saunders et al., 2007:358). When it comes to the lengthy questionnaire present in this study (see Appendix B, p. 263), zoo visitors might have become agitated because they were in a social mood with their day outing and not in the mood to complete a questionnaire.

5.5.6 Pretesting

The draft questionnaire was presented to a CSR expert (academic study leader) for insights into better structuring and fine-tuning the measuring instrument (Saunders et al., 2007:386). Thereafter, the revised draft questionnaire was administered with twenty respondents of the target population in circumstances as close as possible to those under which the main data were to be collected (Saunders et al., 2007:386). During the pretesting of the questionnaire, in-depth information was obtained from the participating individuals regarding the clarity of questions, the readability of the scale items, and the time it took them to complete it (Saunders et al., 2007:387).

5.6 STATISTICAL PROCEDURES

The section on statistical procedures will consist of information related to how data will be analysed, the process related to factor analysis that will be applied to the data, descriptive statistics to be reported and statistics for hypothesis testing.
5.6.1 Data analysis

After completion of each questionnaire, the researcher paged through it to evaluate if the majority of the items had been completed. Incomplete questionnaires were removed. Each respondent’s responses were read into an Excel spreadsheet. To ensure accuracy, the researcher only read in the data of a few questionnaires at a time and not all during a single session. Statistical analyses were done with the help of the SAS statistical package. More details on the specific tests done follow below.

5.6.2 Factor analysis

Cooper and Schindler (2006:710), defines factor analysis as “a technique for discovering patterns among ... variables to determine if an underlying combination of the original variables (a factor) can summarize the original set”. Another definition by Leedy and Ormrod (2005:274) depicts factor analysis as the process of examining “correlations among ... variables” and identifying “clusters of highly interrelated variables that reflect underlying themes, or factors, within the data”.

The term “loadings” is used when referring to the correlation coefficient between the factor and variables (Cooper & Schindler, 2006:591). Another term, Eigenvalue, can be defined as “the sum of the variances of the factor values” (Cooper & Schindler, 2006:591). If an Eigenvalue is divided by the number of variables, it “yields an estimate of the amount of total variance explained by the factor” (Cooper & Schindler, 2006:591). The lower the Eigenvalue, the less explanatory power it has with regard to the variances in the variables (Cooper & Schindler, 2006:592). Due to the subjectivity associated with the interpretation of factor loadings, the use of factor analysis is mostly appropriate in research of exploratory nature to “detect patterns in latent variables, discover new concepts, and reduce data” (Cooper & Schindler, 2006:592).
After a factor analysis of the four measures in Cole’s original study, 11 factors remained (Cole, 2008:25). Under each of the main factors only variables with a Cronbach’s Alpha of $\alpha \geq 0.60$ were included (Cole, 2008:25).

Even though factor analysis start with “the construction of a new set of variables” (Cooper & Schindler, 2006:590), this adapted study re-evaluated the factor analysis findings done by Cole (2008:1-53). An oblique rotation method was used which means that the factors were not “manipulated to be zero correlation but may reveal the degree of correlation that exists naturally” (Cooper & Schindler, 2006:592).

5.6.3 Descriptive statistics

Zikmund (2003:228) defines a scale as “a quantifying measure, a combination of items that is progressively arranged according to value or magnitude ... a continuous spectrum or series of categories”. Scales assist a researcher in quantifying where a specific person falls in a range (Zikmund, 2003:228). One can distinguish between four types of scales: nominal, ordinal, interval and ratio (Zikmund, 2003:229). These scales will now be discussed and applied to the current adapted study’s questionnaire (see Appendix B, p. 263):

i. Nominal scale

Nominal scales refer to scales where a number is attached to each response option in a specific question, but the value is only for identification purposes and neither possesses any numeric value nor does it serve the purpose of indicating specific size or order of response options. In other words, it takes on a categorical value and serves as a name or label for a specific response option. According to Zikmund (2003:229), a nominal scale is “a scale in which the numbers or letters assigned to objects serve as labels for identification or classification”. The types of statistical analyses that can be done on these items are limited in comparison to the ordinal, interval and ratio scales and include “frequency counts and the mode (indicating the most frequently occurring value)” (Kotzé, 2007). Frequency counts refer to the sum of all responses per question item, in other words, how many times each respondent
selected a specific response option in a question. The mode can be defined as “the value that occurs with greatest frequency” and it is a statistical measure of location (Anderson, Sweeney & Williams, 2003:83).

For each of the question items in the data collection instrument that were measured at a nominal level, frequency counts and modes will be reported in the next chapter. The questions that were measured at a nominal level include the consumer’s recall of the corporate sponsor involved at the NZG (Question 1) and demographic questions for living area (Question 6), gender (Question 8), and ethnicity (Question 9) (see Appendix B, p.263).

ii. Ordinal scale

With data collected at an ordinal level of measurement, the numeric value attached to each response option, refers to a value indicating size or order. Zikmund (2003:229) defines an ordinal scale as “a scale that arranges objects or alternatives according to their magnitude in an ordered relationship”. Thus, more statistical calculations can be done on data collected at this level of measurement due to the values allocated to each number. Aside from frequency counts and the identification of a mode, a median and percentiles can be determined as well. In order to determine the median, the data should be sorted from the smallest to the biggest value upon which the “value in the middle” of the data can be regarded as the median (Anderson et al., 2003:82). Percentiles assist a researcher by indicating the way in which the data is spread in ascending intervals (Anderson et al., 2003:85). According to Anderson et al. (2003:85), “The pth percentile is a value such that at least p percent of the observations are less than or equal to this value and at least (100 - p) percent of the observations are greater than or equal to this value.”

Two of the demographic questions were measured at an ordinal level, including Question 10 (consumers’ highest level of education) and Question 11 (total combined household income) (see Appendix B, p. 263). The questions on consumers’ business use (Question 12) and consumers’ personal use (Question 13) of the corporate sponsor’s products were also regarded as ordinal scales (see
Appendix B, p. 263). For these questions, frequency counts and the identification of a mode will be reported (Kotzé, 2007).

iii. Interval scale

Data collected at an interval level poses even more freedom in terms of statistical calculations. Zikmund (2003:230) holds that an interval scale “both arranges objects according to their magnitudes and distinguishes the ordered arrangement in units of equal intervals”. Statistics associated with this type of scale include frequency counts, a mode, median, percentiles, a mean (average) and standard deviation (Kotzé, 2007). According to Anderson et al. (2003:81), the mean (average) is “the most important measure of [central] location”. The mean can be calculated by “adding up the values of each case for a variable and [by] dividing [it] by the total number of cases” (Saunders et al., 2007:602). The standard deviation is “the positive square root of the variance” (Anderson et al., 2003:96). The variance is the difference between a specific value and the mean, also called a deviation (Anderson et al., 2003:93).

An example of a scale measuring data at an interval level includes the Likert scale which was used in Question 2 (consumer perceptions of a corporate sponsor’s CSR activities); Question 3 (consumer perceptions of CSR in general); Question 4 (consumer corporate citizenship attitudes); and Question 5 (consumer behaviour toward corporate sponsor) (see Appendix B, p. 263). A mean (average) and standard deviation will be reported for these questions’ items.

iv. Ratio scale

One of the demographic questions (respondent age) was stated as an open ended question with which data was collected at a ratio level of measurement. Zikmund (2003:230) defines a ratio scale as a “scale that has absolute rather than relative quantities and an absolute zero where a given attribute is absent”. Statistically, data collected at this level are powerful in the sense that most statistical calculations can be done on it as opposed to the other levels of measurement discussed here. In addition to all the statistics possible with interval scales, multiplication and division
can also be done on data obtained from ratio scales (Kotzé, 2007). Frequency counts, a mean (average), standard deviations, and histogram will be reported for Question 7 on respondent age (see Appendix B, p. 263). Saunders et al. (2007:599) define a histogram as a “[d]iagram for showing frequency distributions for a grouped continuous data variable in which the area of each bar represents the frequency of occurrence”.

5.6.4 **Statistics for hypothesis testing**

The statistical tests that were used to test the hypotheses of this study will now be mentioned and discussed.

With the interpretation of the results in the next chapter, p-values will be reported with all hypotheses’ results. A researcher can make use of a p-value probability statistic to determine whether a null hypothesis should be rejected or not (Zikmund, 2003:346). According to Zikmund (2003:346), “[i]f we assume that the null hypothesis is true, the p-value is the probability of obtaining a sample result that is at least as unlikely as what is observed”. The p-value indicates the chances of achieving a test statistic “as extreme as or more extreme than the one actually obtained by looking at the tables of the standard normal distribution” (Diamantopoulos & Schlegelmilch, 2000:146). The lower the p-value, the greater support there will be to correctly reject the null hypothesis (Diamantopoulos & Schlegelmilch, 2000:146). The p-value indicates the approximate location of a test statistic in the given area of significance (Diamantopoulos & Schlegelmilch, 2000:146). If the p value is less than the level of significance, the null hypothesis should be rejected. If the p value is greater than or equal to the level of significance, the null hypothesis cannot be rejected. Therefore, if $p < \alpha$, the test statistic’s value lies in the area of rejection and if $p > \alpha$, the test statistic’s value does not lie in the area of rejection (Cooper & Schindler, 2006:501). The great advantage of p-values is that it is not uniquely bound to a specific statistical test, such as with critical values of other tests, but can be used across different statistical tests as “common currency” to compare (Diamantopoulos & Schlegelmilch, 2000: 146).
The questions covered in the main hypotheses include Question 1 (consumer’s ability to recall the corporate sponsor involved); Question 2 (consumer perceptions of corporate sponsor’s CSR activities); Question 3 (consumer perceptions of CSR in general); Question 4 (consumer corporate citizenship attitudes); Question 5 (consumer behaviour); Question 12 (consumer business use of corporate sponsor’s products); and Question 13 (consumer personal use of corporate sponsor’s products) (see Appendix B, p. 263). The statistical tests used to obtain the results of each hypothesis, include the Analysis of Variance (ANOVA) test and the Pearson’s Product Moment Correlation Test. Basic theoretical principles regarding these two tests will now be discussed.

i. Analysis of Variance (ANOVA)

With the application of the ANOVA test, one can determine if the means of three or more groups are the same (Field & Miles, 2010:295). The null hypothesis of the ANOVA test holds that “all group means are equal” (Field & Miles, 2010:295).

With $H_1$, $H_{5a}$ and $H_{5b}$, one-way Analysis of Variance (ANOVA) was applied using the SAS statistical package. Three assumptions are to be adhered to with regard to ANOVA (Anderson et al., 2003:508; Field & Miles, 2010:305): a normal distribution; the variance of the “response variable” is assumed to be the same for the populations involved; and scores should be independent between respondents observed. If the $F$-value is significant it shows that ANOVA yielded “a significant result” and then it would be required to compare different sets of means with the use of a “post hoc comparison” test (Leedy & Ormrod, 2005:274).

ii. Duncan’s Multiple Range Test

According to Field and Miles (2010:317), post hoc tests are used to compare various pairs of treatment group combinations to determine whether the means of the different pairs differ significantly from each other. Duncan’s Multiple Range Test will be used to investigate significant differences between the means of the relevant variables of $H_1$, $H_{5a}$ and $H_{5b}$ covering the dependent variable of consumer perception toward a corporate sponsor and respectively covering independent variables of
consumer recall of the corporate sponsor involved; consumer business use of the
 corporate sponsor’s products; and consumer personal use of the corporate
 sponsor’s products.

iii. Pearson’s Product Moment Correlation

Correlation coefficients are “statistical measure[s] of the covariation, or association,
 between two variables” (Zikmund, 2003:385). These coefficients are indicative of the
degree to which a linear relationship exists between variables as well as the direction
of this relationship, whether positive, negative or no relationship (Zikmund,
2003:385). Pearson’s Product Moment Correlation is a basic and simple parametric
test that measures relationships between different variables (Field & Miles,
2010:151).

The coefficient of correlation \( r \) could yield any value from +1.0 to -1.0 and the closer
this correlation coefficient is to +1.0, the closer the correlations are to a “perfect
positive linear (straight-line) relationship” (Zikmund, 2003:385). On the contrary, if
the correlation coefficient \( r \) is -1.0 a “perfect negative linear relationship exists”
(Zikmund, 2003:385). Field and Miles (2010:151) stated that a coefficient of + or −
0.1 is regarded as a “small effect”; a coefficient of + or − 0.3 is a “medium effect”;
and a coefficient of + or − 0.5 represents a “large effect”. A correlation coefficient of 0
refers to no correlation between the variables (Zikmund, 2003:385).

\( R^2 \) or the correlation coefficient squared which is known as the coefficient of
determination, is an indication of the “amount of variability in one variable that is
shared by the other” (Field & Miles, 2010:155-156). The coefficient of determination
can be expressed in the form of a percentage as well as indicating the importance of
an effect but it cannot indicate causality in a relationship (Field & Miles, 2010:156).

The Pearson’s Product Moment Test assumptions include that data should be at an
interval level of measurement, all variables should display a bell-shaped distribution,
and the relationship between each pair of variables measured should be linear
(Diamantopoulos & Schlegelmilch, 2000:201-206; Pallant, 2001:234-236, 310-311;
Field & Miles, 2010:153). In order to determine whether the linear relationships
between the specific variables are significant, a normal distribution is necessary which is assumed to be the case if a large sample is used (Field & Miles, 2010:153). Spearman’s correlation coefficient ($r_s$) is the non-parametric alternative to Pearson’s Product Moment Test if the assumptions of parametric tests are not evident (Field & Miles, 2010:157).

Hypotheses 2, 3, 4, 6 and 7 focused on relationships between variables and all of these hypotheses are one-tailed (directional) hypotheses that were tested on a 5% level of significance ($\alpha = 0.05$). To test these hypotheses, Pearson’s Correlation Coefficients were calculated between the pairs of variables of the main constructs of consumer ability to recall the corporate sponsor involved; consumer perceptions of a corporate sponsor’s CSR activities; consumer perceptions of CSR in general; consumer corporate citizenship attitudes; consumer behaviour; and consumer business and personal use of the corporate sponsor’s products. The results of these tests are presented in the next chapter.

5.7 RELIABILITY AND VALIDITY

The section on reliability and validity with regard to the measuring instrument will involve a theoretical discussion on the concepts of reliability and validity as well as the methods used to ensure a questionnaire that can be deemed reliable and valid in the South African context. Reliability, validity and factor analysis will also be discussed against the context within which it was applied in this study.

5.7.1 Reliability

According to Zikmund (2003:231), reliability can be described as “the degree to which a measure is free of random error and therefore yields consistent results.” If a measure can be applied in different contexts over time and still deliver consistent results, it is regarded as reliable (Zikmund, 2003:231). Three perspectives exist with reference to reliability in this context: “stability, equivalence, and internal consistency” (Saunders et al., 2007:321). A stable measure will deliver the same results when repeatedly tested with the same person (Saunders et al., 2007:321).
Equivalence refers to the ability that “alternative forms of the same measure” lead to the similar results (Saunders et al., 2007:321). A third perspective on reliability is the internal consistency of a scale (Saunders et al., 2007:321; Bryman & Bell, 2007:163-164). The higher a scale’s internal consistency reliability, the higher the consistency of a specific scale in measuring a specific construct reliably with consistent results (Saunders et al., 2007:367). According to Bryman and Bell (2007:164), a good standard is for the Cronbach’s Alpha (α) to be 0.7 or higher (but the value is always between 0 and 1). The internal consistency reliability of the measures will be determined with the calculation of a Cronbach’s Alpha for each of the main constructs as well as for their individual items. The internal consistency reliability coefficients for the original study were regarded to be acceptable when Cronbach’s Alpha values were greater than or equal to 0.60 (Cole, 2008:25). For the purpose of the adapted study a minimum acceptable standard of α = 0.7 will be maintained.

5.7.2 Validity

Validity refers to whether a specific measure in a questionnaire “really measures that concept” (Bryman & Bell, 2007:164). A test’s ability to measure what it was meant to measure depicts its validity (Zikmund, 2003:232). If a measure has face validity it means that it “reflects the content of the concept in question” (Bryman & Bell, 2007:165). Validity can be divided into two broad categories: internal and external validity of which the former refers to an instrument’s ability to measure exactly what it is suppose to measure and the latter refers to the degree that experimental results can be generalised across different respondents and contexts (Saunders et al., 2007:318). Three types of validity can be distinguished, including content, criterion-related, and construct validity (Saunders et al., 2007:318).

Content validity encompasses how well the questionnaire items cover the constructs being measured (Saunders et al., 2007:366). During the scale purification process, this type of validity can be determined by means of both the research designer and a panel of experts who judge the topic and item composition of the measuring instrument to determine whether these fully represent all possible aspects related to the constructs intended to be measured (Saunders et al., 2007:319). The original
questionnaire’s items are all based on the “Harris-Fombrun Corporate Reputation Quotient (RQ); Grunig and Hon’s Guidelines for Measuring Relationships in Public Relations; and three CSR studies” in which the specific measures related to the study’s main constructs were extracted and put together in Cole’s study (Cole, 2008:23). For the purpose of this adapted study, the researcher assumed that due to the reputable nature of the aforementioned tests it would most probably possess acceptable content validity. A study leader with expertise in the CSR field in South Africa also reviewed the adapted measuring instrument before it was pretested, refined and formally administered.

Criterion-related validity is a reflection of the success with which specific measures predict behaviour (Saunders et al., 2007:319). The predictive validity of a measure refers to its ability to “make accurate predictions” of specific consumer perceptions, attitudes and behaviour (Saunders et al., 2007:366). In the current adapted study, the hypotheses related to Question 5 (consumer behaviour), Question 12 and 13 (respectively consumer business and personal use of a corporate sponsor’s products) would provide an indication of how consumer perceptions and attitudes have the ability to predict future consumer behaviour.

Construct validity covers existing literature and the measuring instrument. The way in which the main constructs were operationalised has to be based on “empirically grounded theory” (Saunders et al., 2007:320). To justify the presence of the questionnaire items used with each construct, detailed reference was made to associated theory in the literature chapters. Factor analysis is also associated with the process of ensuring construct validity. In this adapted study, a factor analysis was done on the measures covering the main constructs which resulted in the elimination of a few sub-constructs and items (see Chapter 6 for the detailed results of this process).

If a newly developed measuring instrument achieves similar results to that of an existing instrument measuring the same construct, it is known as convergent validity (Saunders et al., 2007:320). Convergent validity will be determined by comparing the results of the adapted study with the results of the study from which the questionnaire is adapted (Cole, 2008:1-53).
Even though the reliability of a measure is essential for validity, it is not adequate on its own (Zikmund, 2003:232). According to Mouton (1996:129), factor analysis can be used to determine the validity of multiple-indicator measures.

In an attempt to maximise the quality of the data collected, various precautions were made which are briefly discussed in the final section to this chapter.

5.8 QUALITY AND RIGOUR OF THE RESEARCH DESIGN

There are two main categories of error. The first is random sampling error which is ascribed to the “statistical fluctuation” inherent to the selection of a sample from the total population. This error can only be minimised if the sample size is increased (Zikmund, 2003:142). The second main category is systematic error or bias which can also be divided into respondent error and administrative error (Zikmund, 2003:142). Some respondent errors that could occur in a study include the following:

i. Non-response error. This error could occur due to the exclusion of some potential respondents who might have responded significantly different from those who had the opportunity to respond and on whose answers the statistical calculations would be based (Zikmund, 2003:143). This error was minimized by collecting data on two different weekends instead of a single day.

ii. Deliberate falsification. If respondents see the length of the questionnaire presented to them, they might answer the questions without the necessary attention (Zikmund, 2003:145). This error was minimized by approaching zoo visitors whilst sitting, relaxing or having a picnic instead of approaching them while they were walking around focusing on the animals.

iii. Unconscious misrepresentation. Respondents might not have been mentally ready to complete the relatively lengthy questionnaire due to the relaxed mindset associated with an outing to the Zoo. They might have unintentionally read or responded sluggishly to the items (Zikmund, 2003:145). This error was minimised by stating the items as short and simple as possible for easy reading.
Interviewer bias. The indirect presence of a fieldworker, her appearance, or manners might have influenced respondents to answer questions differently than they would have on their own (Zikmund, 2003:146). This error was minimised by handing the respondent a questionnaire and retreating for a while to provide the respondent with privacy to answer items independently.

Auspices bias. The brand names included in the questionnaire (NZG and Coca-Cola) might have affected the way in which respondents approached the questionnaire due to preconceived ideas or experiences with the specific brands (Zikmund, 2003:146-147). It was stated clearly on an informed consent form (see Appendix B, p. 263) that the questionnaire was to be administered for research purposes, that there are no right or wrong answers, that respondent identities and answers are completely confidential, and that respondents’ honesty would ensure more accurate results.

Social desirability bias. Approaching respondents in their social groups can affect the way in which they answer questions due to peer pressure (Zikmund, 2003:147). This error was controlled by approaching zoo visitors on an individual basis and not in large groups. The assumption was made that the bigger the social unit, the greater the peer pressure giving rise to social desirability bias.

Some administrative errors that might have occurred after respondents had completed the required number of questionnaires, include:

Data processing error. Human errors can creep in when data is incorrectly read into the computer; with programmes used in statistical calculations; or when these programmes have been installed incorrectly (Zikmund, 2003:148). This error have been minimised by ensuring that data is read into the Microsoft Excel data capturing program in smaller portions and not in a single session which can be tiring to the data capturer. A professional statistician from the University of Pretoria guided the statistical analyses conducted and acted as an advisor to the researcher during the interpretation of the results.

Sample selection error. For example, if a female fieldworker was insecure and uncomfortable to approach male respondents or respondents from a different cultural background, the results would have been biased (Zikmund, 2003:148).
The fieldworker consciously approached a balanced sample of respondents in terms of sex and race.

iii. Interviewer error. The fieldworker (the researcher), who holds rather positive opinions about CSR, should not approach respondents with an attitude reflecting personal opinions which might have subtly intimidated respondents to provide answers which did not reflect their own feelings and opinions (Zikmund, 2003:148). To eliminate the possibility of this error, the fieldworker focused on approaching all respondents in a subjective and professional manner.

iv. Interviewer cheating. Due to the researcher's professional interest in the study and a desire for accurate findings, the utmost discipline was present to ensure that no falsification of the questionnaires or items would occur (Zikmund, 2003:149).

5.9 SUMMARY

Chapter 5 introduced basic terminology related to research design, research methods and the formal classification of the research at hand. The main objectives and hypotheses were briefly mentioned. Next an overview of sampling matters followed including the target population, context and units of analysis; main institutions involved; the sampling method for this study; and research ethics were discussed. The section on operationalisation covered areas of changes made to the original data collection instrument; the main constructs related to scales chosen, measuring instrument compilation, questionnaire design, survey method, and pretesting. Statistical procedures including data analysis, factor analysis; descriptive statistics and statistics for hypothesis testing were then elaborated on. Reliability and validity followed. The concluding section addressed principles related to the quality and rigour of the research design. Taking into consideration that this chapter served as a blueprint (or the planning) of how constructs will be measured, and data will be collected and analysed, the contents of the next chapter will flow parallel by discussing the actual results the data collection instrument delivered.
CHAPTER 6: RESULTS

6.1 INTRODUCTION

In Chapter 5 a blueprint was laid out demonstrating how constructs would be measured, data collected and analysed. Chapter 6 will report on all results delivered by this adapted study’s data collection instrument. The reporting will be based on the planning discussed in the previous chapter on methodology. This chapter will be divided into three main sections: scale purification, hypotheses tests and descriptive statistics. First, the results of the factor analysis process and internal consistency reliability of the interval data questions will be reported under the scale purification section. Then, the results of the seven hypotheses on which this study is based will be reported. Thereafter, the results associated with descriptive statistics of each question will be covered under the headings of questions related to main constructs and demographics. A final conclusive section summarises this chapter.

6.2 SCALE PURIFICATION

Due to the fact that this study’s research instrument was adapted from Cole (2008:i-53), the section on scale purification will take note of the factor and reliability analyses necessary to ensure to an extent the integrity of the question items supporting the study’s main constructs.

6.2.1 Factor analysis

The factor analysis process and results of Questions 2, 3, 4, and 5 will be reported in the rest of this section. Each question, each covering a main construct, will be discussed under a separate sub-section below. In all of the cases below, an oblique principle factor analysis was used meaning that factors were not “manipulated to be zero correlation but may reveal the degree of correlation that exists naturally” (Cooper & Schindler, 2006:592). All of the sub-sections below will first include a brief overview of the findings Cole (2008:i-53) derived from the original study’s factor
analysis. In Cole’s study, the factors that did not yield a Cronbach’s Alpha value of 0.60 or higher were removed (Cole, 2008:25-26). The item content and number ordering of this study’s main questions are identical to that of the original study’s (Cole, 2008:51-53). In other words, the individual items of this adapted study’s Question number 2, 3, 4 and 5 correspond with the individual items of the original Cole (2008:51-53) study questionnaire Part 1, 2, 3 and 4 respectively.

i. Question 2: Consumer perceptions of a corporate sponsor’s CSR activities

Cole (2008:26-27) did not report the factor loading of question item 6, Part 1 (“UPS is known for supporting causes so that it will ‘look good’ to the public”) in the principal-components factor analysis process. For this specific adapted version of Cole’s study (2008:i-53), a principal factor analysis yielded a single factor for the construct measured by Question 2 (consumer perceptions of a corporate sponsor’s CSR activities) after the negatively scored question item 2.6 (“Coca-Cola sponsors causes only to ‘look good’ to the public”) was removed.

A Cronbach’s Alpha of 0.90 (α = 0.90) was achieved and 54.03% of the variance in these correlation coefficients can be explained by a single factor. The Eigenvalue was 4.3221 for the one factor derived. Table 9 provides the rotated factor loadings of Question 2.

Table 9: Rotated factor loadings of Question 2: consumer perceptions of a corporate sponsor’s CSR activities

<table>
<thead>
<tr>
<th>Item</th>
<th>Coca-Cola ...</th>
<th>Factor loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Is a good company</td>
<td>0.653</td>
</tr>
<tr>
<td>2.2</td>
<td>Behaves socially responsible</td>
<td>0.696</td>
</tr>
<tr>
<td>2.3</td>
<td>Cares about the environment</td>
<td>0.739</td>
</tr>
<tr>
<td>2.4</td>
<td>Helps South African communities</td>
<td>0.753</td>
</tr>
<tr>
<td>2.5</td>
<td>Treats people well</td>
<td>0.774</td>
</tr>
<tr>
<td>2.7</td>
<td>Does what it promises to do in the community</td>
<td>0.630</td>
</tr>
<tr>
<td>2.8</td>
<td>Has a record of doing good deeds in society</td>
<td>0.836</td>
</tr>
<tr>
<td>2.9</td>
<td>Is a company that cares about the communities where it does business</td>
<td>0.777</td>
</tr>
</tbody>
</table>

**Eigenvalue** 4.322
ii. Question 3: Consumer regard for and consumer scepticism about CSR

Cole (2008:25) highlighted two sub-dimensions measured: regard for CSR ($\alpha = 0.82$) and scepticism ($\alpha = 0.66$) and confirmed it with a factor analysis (Cole, 2008:25-26). For consumer regard, Part 2 question items 1, 2, 4, and 6 were used and items 5 and 7 for consumer scepticism (Cole, 2008:26). Question 3, 8, and 9 from Part 2 were disqualified by Cole and their factor loadings were not even mentioned (Cole, 2008:26-27).

Following a principal factor analysis of the adapted questionnaire items amongst South African Zoo visitors, two factors were confirmed respectively containing items 3.1, 3.2, 3.4 and 3.6 and items 3.3, 3.5 and 3.7 (Appendix B, p. 263).

During the first round of factor analysis, two items were removed (item 3.8 and 3.9) because their inclusion yielded less structured (weaker) results in support of the two factors measured. Item 3.8 stated: “I think companies mean well when they do good deeds in communities” and item 3.9 stated: “I think companies should speak in public about the money they donate to good causes”. During the second round, two factors were extracted from the remaining seven items. A percentage of 24.56% of the variation was explained by the first factor (consumer regard for CSR) that demonstrated an Eigenvalue of 1.719 and a Cronbach’s Alpha value of $\alpha = 0.70$. The second factor (consumer scepticism toward CSR) delivered an Eigenvalue of 1.253 with a Cronbach’s Alpha value of $\alpha = 0.67$. A percentage of 42.46% of the variance in these items were explained under this second factor. See Table 10 below for the rotated factor loadings of consumer regard for CSR (items 3.1, 3.2, 3.4, 3.6) and consumer scepticism about CSR (items 3.3, 3.5, 3.7).

<table>
<thead>
<tr>
<th>Item</th>
<th>Coca-Cola ...</th>
<th>Factor loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% Variance explained</td>
<td>54.03%</td>
</tr>
<tr>
<td></td>
<td>$\alpha$</td>
<td>0.902</td>
</tr>
</tbody>
</table>

See Table 10 below for the rotated factor loadings of consumer regard for CSR (items 3.1, 3.2, 3.4, 3.6) and consumer scepticism about CSR (items 3.3, 3.5, 3.7).
### Table 10: Rotated factor loadings of Question 3: consumer regard for, and consumer scepticism about CSR

<table>
<thead>
<tr>
<th>Item</th>
<th>Regard</th>
<th>Scepticism</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>0.657</td>
<td>0.043</td>
</tr>
<tr>
<td>3.2</td>
<td>0.864</td>
<td>0.016</td>
</tr>
<tr>
<td>3.3</td>
<td>0.078</td>
<td>0.756</td>
</tr>
<tr>
<td>3.4</td>
<td>0.510</td>
<td>0.032</td>
</tr>
<tr>
<td>3.5</td>
<td>-0.121</td>
<td>0.438</td>
</tr>
<tr>
<td>3.6</td>
<td>0.338</td>
<td>-0.276</td>
</tr>
<tr>
<td>3.7</td>
<td>0.111</td>
<td>0.754</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Eigenvalue</th>
<th>1.719</th>
<th>1.253</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Variance explained</td>
<td>24.6%</td>
<td>17.9%</td>
</tr>
<tr>
<td>α</td>
<td>0.698</td>
<td>0.670</td>
</tr>
</tbody>
</table>

iii. Question 4: Consumer corporate citizenship attitudes towards a corporate sponsor

In the original study by Cole (2008:26), this construct consisted of three dimensions: reputation (items 4, 5, and 6), trust (items 1 and 2) and satisfaction (items 7, 8, and 9). These three constructs respectively achieved Cronbach’s Alpha values of 0.81, 0.66 and 0.60 (Cole, 2008:25).

In Question 4 of this adapted study the oblique principle factor analysis revealed support for a single factor. Eight items explained 44.52% variance in the correlation coefficients. During the first round, item 4.8 was removed due to confusion with the terminology “giving programmes” in a South African context. Item 4.8 stated “I think companies have giving programs to provide value only for themselves” and the item was intended to be negatively scored as well. A Cronbach’s Alpha value of $\alpha = 0.86$ was calculated for the remaining eight items (item 4.1 – 4.7 and item 4.9). The Eigenvalue on this factor was 4.10 which is extremely strong. Table 11 below lists the rotated factor loadings for this construct.
Table 11: Rotated factor loadings for Question 4: consumer corporate citizenship attitudes towards a corporate sponsor

<table>
<thead>
<tr>
<th>Item</th>
<th>Factor loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>I trust a company that does good deeds.</td>
</tr>
<tr>
<td>4.2</td>
<td>I believe that Coca-Cola will keep its promise to give back to society.</td>
</tr>
<tr>
<td>4.3</td>
<td>I trust companies that do their part to help society.</td>
</tr>
<tr>
<td>4.4</td>
<td>If I buy something, I want to know that the company behind it is doing good in society.</td>
</tr>
<tr>
<td>4.5</td>
<td>Companies that give back to the community are better than companies that do not.</td>
</tr>
<tr>
<td>4.6</td>
<td>Coca-Cola’s support at the Zoo makes me feel positive about the Coca-Cola brand.</td>
</tr>
<tr>
<td>4.7</td>
<td>Companies that are known for doing good for society are more likely to have better products and services.</td>
</tr>
<tr>
<td>4.9</td>
<td>If I support a company that does good deeds, I also feel I am doing a good deed.</td>
</tr>
</tbody>
</table>

Eigenvalue 3.562
% Variance explained 44.52%
α 0.862

iv. Question 5: Consumer behaviour towards a corporate sponsor

As mentioned in the previous chapter, Cole (2008:24, 27, 53) subdivided this construct into three sub dimensions: purchasing intent, loyalty and investment. After a factor analysis, Cole (2008:25-27) eliminated no items from the purchasing intent dimension. Because the other two dimensions each only contained a single item, no factor loadings were calculated (Cole, 2008:27). Cole’s purchasing intent construct achieved a Cronbach’s Alpha value of α = 0.86 (Cole, 2008:25).

In this adapted study, the oblique principle factor analysis delivered a single factor in Question 5 for items 5.1 – 5.9. This single factor had an Eigenvalue of 4.391. A percentage of 43.06% of the variance between the correlation coefficients was explained by these items. The Cronbach’s Alpha value was α = 0.86. The rotated factor loadings of consumer behaviour towards a corporate sponsor are sorted in descending order in Table 12.
Table 12: Rotated factor loadings for Question 5: consumer behaviour towards a corporate sponsor

<table>
<thead>
<tr>
<th>Item</th>
<th>Factor loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>0.733</td>
</tr>
<tr>
<td>5.2</td>
<td>0.509</td>
</tr>
<tr>
<td>5.3</td>
<td>0.705</td>
</tr>
<tr>
<td>5.4</td>
<td>0.624</td>
</tr>
<tr>
<td>5.5</td>
<td>0.291</td>
</tr>
<tr>
<td>5.6</td>
<td>0.776</td>
</tr>
<tr>
<td>5.7</td>
<td>0.504</td>
</tr>
<tr>
<td>5.8</td>
<td>0.786</td>
</tr>
<tr>
<td>5.9</td>
<td>0.795</td>
</tr>
</tbody>
</table>

**Eigenvale** 3.876

**% Variance explained** 43.06%

The next section summarises the internal consistency reliability of the constructs derived from the factor analysis.

### 6.2.2 Reliability analysis

The reliability coefficient Cronbach’s Alpha for each of the main constructs measured by Likert scales in this study is provided in Table 13 below.

Table 13: Cronbach’s Alpha per construct

<table>
<thead>
<tr>
<th>Construct</th>
<th>α</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer perceptions of a corporate sponsor’s CSR activities (Question 2)</td>
<td>0.902</td>
</tr>
<tr>
<td>Consumer regard for CSR (Question 3a)</td>
<td>0.698</td>
</tr>
<tr>
<td>Consumer scepticism about CSR (Question 3b)</td>
<td>0.670</td>
</tr>
<tr>
<td>Consumer corporate citizenship attitudes towards the corporate sponsor (Question 4)</td>
<td>0.862</td>
</tr>
<tr>
<td>Consumer behaviour toward corporate sponsor (Question 5)</td>
<td>0.861</td>
</tr>
</tbody>
</table>
From these figures it would appear that the first construct, consumer perceptions of the corporate sponsor’s CSR activities (Question 2), is most reliable with an extremely high Cronbach’s Alpha value of 0.90. Second, both the consumer corporate citizenship attitudes (Question 4) and consumer behaviour toward the corporate sponsor (Question 5) constructs achieved an excellent Cronbach’s Alpha value of 0.86. Overall, these scales measured the respective constructs reliably and consistently (Saunders et al., 2007:367). Consumer regard for CSR (Question 3a) and consumer scepticism about CSR (Question 3b) respectively achieved Cronbach’s Alpha values of $\alpha = 0.70$ and $\alpha = 0.67$ of which the latter is slightly below the standard minimum of $\alpha = 0.70$ (Bryman & Bell, 2007:164).

Now that more clarity was brought on the results of the adapted study’s main constructs, the results associated with the relevant hypotheses will be reported.

### 6.3 HYPOTHESES TESTS

Due to the commonality in statistical procedures (ANOVA), $H_1$ and $H_5$ will be discussed first.

The first hypothesis focused on whether respondents demonstrating correct recall of Coca-Cola’s sponsorship at the NZG would also perceive Coca-Cola’s CSR activities in a favourable light. The alternative hypothesis of $H_1$ is stated below:

$H_1(alt)$: There is a significant difference in consumer perceptions of Coca-Cola’s CSR activities between consumers who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.

The fifth hypothesis centred on the relationship between the perceptions of a corporate sponsor’s CSR activities and the business and personal use of the corporate sponsor’s products. The alternative hypotheses are stated below:
H₅ₐ(alt): There is a significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ business use and non-use of Coca-Cola’s products.

H₅₅(alt): There is a significant difference between consumer perceptions of Coca-Cola’s CSR activities and consumers’ personal use and non-use of Coca-Cola’s products.

To test H₁ and H₅, ANOVA was used on the dependent variable of consumer perceptions towards a corporate sponsor with the independent variables of: the consumer’s ability to recall (remember) the corporate sponsor involved at the NZG; consumer business use of the corporate sponsor’s products; and consumer personal use of the corporate sponsor’s products; respectively.

Table 14 contains the results of the ANOVA test for hypotheses 1 and 5.

Table 14: Results of ANOVA for dependent variable of consumer perceptions toward corporate sponsor Coca-Cola

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>DF</th>
<th>F-value</th>
<th>Pr &gt; F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recall of corporate sponsor involved</td>
<td>1</td>
<td>3.07</td>
<td>0.0815**</td>
</tr>
<tr>
<td>Consumer business use of Coca-Cola’s products</td>
<td>2</td>
<td>3.37</td>
<td>0.0366*</td>
</tr>
<tr>
<td>Consumer personal use of Coca-Cola’s products</td>
<td>2</td>
<td>2.54</td>
<td>0.0817**</td>
</tr>
</tbody>
</table>

* Significance on a 5% level  
** Significance on a 10% level

H₁(null) can be rejected at a 10% level of significance.  
H₅ₐ(null) can be rejected at a 5% level of significance.  
H₅₅(null) can be rejected at a 10% level of significance.

Further to the above hypotheses, Duncan’s Multiple Range Test was conducted to determine where meaningful relationships occurred with each dependent variable. The results of this test will be presented per dependent variable: First, consumer ability to recall the corporate sponsor involved; second, consumer business use of the corporate sponsor’s products; and third, consumer personal use of the corporate sponsor’s products.
For \( H_1 \) the Duncan Multiple Range Test indicated a significant difference between the mean score of respondents demonstrating correct recall (\( M = 4.02 \)) and respondents demonstrating incorrect recall (\( M = 3.82 \)). Therefore, the respondents who correctly recalled the specific corporate sponsor’s involvement at the NZG held significantly more positive perceptions toward the CSR reputation of this corporate sponsor as opposed to respondents who did not correctly recall the corporate sponsor. These results are presented in Table 15 below.

Table 15: Duncan’s Multiple Range Test results for consumer perceptions of a corporate sponsor’s CSR activities and consumer ability to recall corporate sponsor involved (n = 189)

<table>
<thead>
<tr>
<th>Recall of corporate sponsor involved</th>
<th>Duncan Grouping</th>
<th>Consumer perceptions of corporate sponsor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Correct (n = 113)</td>
<td>A</td>
<td>M</td>
</tr>
<tr>
<td>Incorrect (n = 76)</td>
<td>B</td>
<td>4.02</td>
</tr>
</tbody>
</table>

Note: Means with different Duncan Grouping letters are significantly different

For \( H_{5b} \), a significant difference was observed between the mean score of respondents frequently using Coca-Cola products for business purposes and those who are either occasional or non-users. Please see Table 16 below.

Table 16: Duncan’s Multiple Range Test results for consumer perceptions of a corporate sponsor’s CSR activities and consumer business use of the corporate sponsor’s products (n = 189)

<table>
<thead>
<tr>
<th>Level of business use of Coca-Cola products</th>
<th>Duncan Grouping</th>
<th>Perceived CSR reputation of Coca-Cola</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Mean</td>
</tr>
<tr>
<td>Frequent</td>
<td>A</td>
<td>4.15</td>
</tr>
<tr>
<td>Occasional</td>
<td>B</td>
<td>3.78</td>
</tr>
<tr>
<td>No use</td>
<td>B</td>
<td>3.78</td>
</tr>
</tbody>
</table>

Note: Means with the same letter do not differ significantly

With regard to \( H_{5b} \), a significant difference was observed between the mean score of respondents frequently using the corporate sponsor’s products for business purposes and those who do not use the corporate sponsor’s products. There was no significant difference in respondent consumer perceptions of the corporate sponsor’s
CSR activities between respondents who are either occasional or non-users of the corporate sponsor’s products. In other words, frequent personal use consumers held significantly more positive perceptions towards the CSR activities of the corporate sponsor than consumers that do not use these products. These results are summarised in Table 17 below.

Table 17: Duncan’s Multiple Range Test results for consumer perceptions of a corporate sponsor’s CSR activities and consumer personal use of the corporate sponsor’s products (n = 189)

<table>
<thead>
<tr>
<th>Level of personal use of Coca-Cola products</th>
<th>Duncan Grouping</th>
<th>Perceived CSR reputation of Coca-Cola</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std Dev</td>
</tr>
<tr>
<td>Frequent</td>
<td>4.08</td>
<td>0.59</td>
</tr>
<tr>
<td>Occasional</td>
<td>3.74</td>
<td>0.67</td>
</tr>
<tr>
<td>No use</td>
<td>3.59</td>
<td>0.93</td>
</tr>
</tbody>
</table>

Note: Means with the same letter do not differ significantly.

The remaining hypotheses focused on the relationship between specific variables, including:

i. Consumer scepticism toward CSR and consumer perceptions of the corporate sponsor’s CSR activities (H₂),

ii. Consumer regard for CSR and consumer corporate citizenship attitudes towards a corporate sponsor (H₃),

iii. Consumer perceptions of the corporate sponsor’s CSR activities and consumer corporate citizenship attitudes toward the corporate sponsor (H₄),

iv. Consumer perceptions of corporate sponsor’s CSR activities and consumer behaviour towards a corporate sponsor (H₆), and

v. Consumer regard for CSR and consumer behaviour towards a corporate sponsor (H₇).

To test these hypotheses, Pearson’s Correlation Coefficients were calculated between the pairs of variables stated above. All of these hypotheses stated below are one-tailed (directional) hypotheses that were tested on a 5% level of significance (α = 0.05).
The results (Pearson’s Product Moment Correlation Coefficients and p-values) of all remaining hypotheses are presented in Table 18 below.

**Table 18: Pearson’s Product Moment Correlations among main constructs (n = 200)**

<table>
<thead>
<tr>
<th></th>
<th>Perceived CSR activities (Q2)</th>
<th>Regard for CSR (Q3a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scepticism about CSR (Q3b)</td>
<td>H₂   -0.05 0.486</td>
<td></td>
</tr>
<tr>
<td>Corporate citizenship attitudes (Q4)</td>
<td>H₄ 0.55 &lt;0.0001*</td>
<td>H₃ 0.42 &lt;0.0001*</td>
</tr>
<tr>
<td>Behaviour (Q5)</td>
<td>H₆   0.35 &lt;0.0001*</td>
<td>H₇ 0.35 &lt;0.0001*</td>
</tr>
</tbody>
</table>

* Significant at a 1% level

Hypothesis 2 focused on whether respondents who are sceptical of CSR will have low perceptions of Coca-Cola’s CSR reputation:

H₂(alt) : Consumers who are sceptical of CSR will have low perceptions of Coca-Cola’s CSR activities.

The correlation coefficient between the perceived reputation of Coca-Cola and total consumer scepticism about CSR is -0.05 which is not significant. There is an extremely weak negative relationship between the perceived CSR reputation of the corporate sponsor and consumer scepticism about CSR. Therefore, we fail to reject the null hypothesis of no correlation.

The next hypothesis centred on whether respondents who have regard for CSR are likely to report positive brand attitudes related to CSR. The alternative hypothesis follows:

H₃(alt) : Consumers who have regard for CSR are likely to report positive consumer corporate citizenship attitudes towards Coca-Cola.
There is a weak positive relationship between regard for CSR and brand attitudes related to CSR. Therefore, we can reject the null hypothesis of no correlation on a 1% level of significance.

Hypothesis 4 focused on whether respondents who perceive Coca-Cola as being socially responsible are likely to report positive brand attitudes toward Coca-Cola:

\[ H_{4(alt)} : \text{Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer corporate citizenship attitudes toward Coca-Cola.} \]

There is a moderate strength positive relationship between consumer perceptions toward the corporate sponsor’s CSR reputation and brand attitudes toward the corporate sponsor. Therefore, we can reject the null hypothesis of no relationship on a 1% level of significance.

Hypothesis 6 enquired whether respondents who perceive Coca-Cola as being socially responsible are likely to report positive consumer behaviour toward Coca-Cola.

\[ H_{6(alt)} : \text{Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer behaviour towards Coca-Cola.} \]

There is a weak positive relationship between consumer perceptions toward the corporate sponsor’s CSR reputation and reported consumer brand behaviour toward the corporate sponsor. Therefore, we can reject the null hypothesis of no relationship on a 1% level of significance.

Hypothesis 7 focused on whether respondents with a positive regard for CSR are likely to report positive consumer behaviour related to CSR.

\[ H_{7(alt)} : \text{Consumers with positive regard for CSR are likely to report positive consumer behaviour towards Coca-Cola.} \]
There is a weak positive relationship between consumer regard for CSR and reported consumer brand behaviour toward the corporate sponsor. Therefore, we can reject the null hypothesis of no relationship on a 1% level of significance.

6.4 DESCRIPTIVE STATISTICS

Please refer to Appendix B (p. 263) for the data collection instrument of this adapted study.

6.4.1 Questions concerning the main constructs

Table 19 summarises the average scale scores of the interval level questions covering the main constructs of this study. The means are sorted from the highest to the lowest values.

Table 19: Means and standard deviations of constructs

<table>
<thead>
<tr>
<th>Question</th>
<th>Variable</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>3a</td>
<td>Regard for CSR</td>
<td>4.30</td>
<td>0.64</td>
</tr>
<tr>
<td>4</td>
<td>Consumer corporate citizenship attitudes</td>
<td>3.97</td>
<td>0.68</td>
</tr>
<tr>
<td>2</td>
<td>Perceived reputation</td>
<td>3.95</td>
<td>0.66</td>
</tr>
<tr>
<td>5</td>
<td>Behaviour</td>
<td>3.87</td>
<td>0.69</td>
</tr>
<tr>
<td>3b</td>
<td>Scepticism about CSR</td>
<td>2.77</td>
<td>0.95</td>
</tr>
</tbody>
</table>

The construct of regard for CSR (Question 3a) delivered the highest averaged score (M = 4.30) followed by the construct of consumer corporate citizenship attitudes (Question 4) (M = 3.97). Consumer perceptions of the CSR reputation of Coca-Cola scored an average of M = 3.95. Consumer behaviour achieved a neutral average of M = 3.87 and the negatively scored items of the scepticism toward CSR construct delivered an average of M = 2.77.

The descriptive statistics of question 1 to 5, 12 and 13 will be discussed according to the six main constructs covered: consumer ability to recall the corporate sponsor involved (Question 1); consumer perceptions of a corporate sponsor’s CSR activities (Question 2); consumer attitudes toward CSR (Question 3); consumer corporate
citizenship attitudes towards the corporate sponsor (Question 4); consumer behaviour towards a corporate sponsor (Question 5); and consumer business and personal use of the corporate sponsor’s products (Question 12 and 13 respectively).

i) Question 1: Consumer ability to recall corporate sponsor involved

The introductory question to the questionnaire required of respondents to identify one company they think donates money to the NZG. Four options were provided including, “Pick ‘n Pay”, “Mr. Pie”, “Coca-Cola (ABI)” and an “I don’t know” option. No reference was made to Coca-Cola’s involvement at the NZG before this question. The most frequently occurring response was “Coca-Cola (ABI)”. Table 20 contains frequency counts for each response option.

Table 20: Consumer ability to recall corporate sponsor involved

<table>
<thead>
<tr>
<th>Response options</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pick ‘n Pay</td>
<td>49</td>
<td>24.5%</td>
</tr>
<tr>
<td>Mr. Pie</td>
<td>3</td>
<td>1.5%</td>
</tr>
<tr>
<td>Coca-Cola (ABI)</td>
<td>121</td>
<td>60.5%</td>
</tr>
<tr>
<td>I don’t know</td>
<td>27</td>
<td>13.5%</td>
</tr>
</tbody>
</table>

Questions 2, 3, 4, and 5 were all set up as multiple choice, single response questions measuring data at an interval level by means of a Likert scale with the options of “Strongly Disagree” (response option “1”), “Disagree” (response option “2”), “Neutral (response option “3”), “Agree” (response option “4”) and “Strongly Agree” ( response option “5”). Respondents had to indicate their level of agreement with the sets of question items presented with each main question.

ii) Question 2: Consumer perceptions of a corporate sponsor’s CSR activities

In the questionnaire, before Question 2, it was stated that Coca-Cola (ABI) is involved with the NZG as a major sponsor. Consumer perceptions towards Coca-Cola’s CSR activities were probed by means of nine questions. Table 21 below, is sorted from the items with the highest average score (mean) to the lowest.
Table 21: Consumer perceptions of corporate sponsor’s CSR activities: univariate descriptive statistics for individual items

<table>
<thead>
<tr>
<th>Item</th>
<th>Consumer perceptions of Coca-Cola’s CSR reputation</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Is a good company</td>
<td>4.32</td>
<td>0.83</td>
</tr>
<tr>
<td>2.2</td>
<td>Behaves socially responsible</td>
<td>4.03</td>
<td>0.84</td>
</tr>
<tr>
<td>2.4</td>
<td>Helps South African communities</td>
<td>4.02</td>
<td>0.88</td>
</tr>
<tr>
<td>2.5</td>
<td>Treats people well</td>
<td>3.95</td>
<td>0.8</td>
</tr>
<tr>
<td>2.9</td>
<td>Is a company that cares about the communities where it does business</td>
<td>3.9</td>
<td>0.85</td>
</tr>
<tr>
<td>2.8</td>
<td>Has a record of doing good deeds in society</td>
<td>3.88</td>
<td>0.82</td>
</tr>
<tr>
<td>2.3</td>
<td>Cares about the environment</td>
<td>3.85</td>
<td>1</td>
</tr>
<tr>
<td>2.7</td>
<td>Does what it promises to do in the community</td>
<td>3.65</td>
<td>0.84</td>
</tr>
<tr>
<td>2.6</td>
<td>Sponsors causes only to “look good” to the public</td>
<td>2.91</td>
<td>1.24</td>
</tr>
</tbody>
</table>

Note: Item in a bold and cursive font was deleted in factor analysis

Question items 2.1, 2.2 and 2.4 achieved the highest average scores meaning that the majority of respondents agreed with the statements that Coca-Cola is a good company (M = 4.32), behaves socially responsible (M = 4.03), and helps South African communities (M = 4.02). Neutral average scores were reported on Question items 2.5, 2.9, 2.8, 2.3 and 2.7 – the statements that Coca-Cola treats people well (M = 3.95), is a company that cares about the communities in which it does business (M = 3.90), has a record of doing good deeds in society (M = 3.88), cares about the environment (M = 3.85), and does what it promises to do in the community (M = 3.65). The negatively scored question item 2.6 had most missing responses amongst these items. The average response to this question item, of whether Coca-Cola only sponsors causes to “look good” to the public, showed that most respondents disagreed with the statement (M = 2.91).

iii) Question 3a: Consumer regard for CSR

Question 3 of the questionnaire focused on consumer perceptions of CSR in general, more specifically consumer regard for, and consumer scepticism towards companies involved with CSR. Consumer regard for CSR was measured by items 3.1, 3.2, 3.4, 3.6, 3.8 and 3.9. Consumer scepticism towards CSR was measured in question number 3.3, 3.5 and 3.7. Table 22 presents the results from the items.
intended to measure consumer regard for CSR from the highest mean scores to those with the lowest mean scores.

Table 22: Consumer regard for CSR: univariate descriptive statistics for individual items

<table>
<thead>
<tr>
<th>Item</th>
<th>Consumer regard for CSR</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Companies should give back to society.</td>
<td>4.52</td>
<td>0.77</td>
</tr>
<tr>
<td>3.4</td>
<td>Companies should support meaningful causes.</td>
<td>4.38</td>
<td>0.86</td>
</tr>
<tr>
<td>3.2</td>
<td>It should be standard that all companies should give back to society.</td>
<td>4.19</td>
<td>0.99</td>
</tr>
<tr>
<td>3.6</td>
<td>I want to know if a company does good deeds for communities.</td>
<td>4.12</td>
<td>0.89</td>
</tr>
<tr>
<td>3.8</td>
<td>I think companies mean well when they do good deeds for communities.</td>
<td>4.09</td>
<td>0.92</td>
</tr>
<tr>
<td>3.9</td>
<td>I think companies should speak in public about the money they donate to good causes.</td>
<td>3.83</td>
<td>1.12</td>
</tr>
</tbody>
</table>

Note: Items with a bold and cursive font were deleted in factor analysis.

In general, the consumers demonstrated surprisingly high positive perceptions to all of the items measuring consumer regard for CSR. A full response rate was observed in question items 3.1, 3.2 and 3.4 with only a single response missing with items 3.6, 3.8 and 3.9. Respondents agreed that companies ought to give back to society (M = 4.52), should support meaningful causes (M = 4.38), and that it should be standard practice for companies to give back to society (M = 4.19). Respondents indicated that they agreed with the statement that they want to know if a company does good deeds for communities (M = 4.12) and that companies mean well when they do good deeds for communities (M = 4.09). Most respondents felt neutral on whether companies should speak in public about the money they donate to good causes (M = 3.83). The high standard deviation in the last-mentioned item shows that responses to this question evoked a bigger difference between responses of respondents to this specific question. Please note that question items 3.8 and 3.9 were removed during the scale purification process that will be discussed later on in this chapter.
iv) Question 3b: Consumer scepticism about CSR

The three negatively scored items in Question 3 represented consumer scepticism towards CSR – item 3.3, 3.5 and 3.7. In Table 23 below these items are shown in order from highest to lowest average response rate. Because these items were negatively scored, a low average response rate indicates that respondents disagreed more with the negative statements on CSR. Again, a high response rate was achieved on these items as well. Respondents felt neutral about the statement of whether they are suspicious of companies that frequently support good causes (M = 3.01) but they disagreed with the statement that they are suspicious if companies talk about the good things they do for a community over the news (M = 2.78) and that companies only do good deeds to “look good” to the public (M = 2.52). The high standard deviations are indicative of big variation from the average response between the individual responses.

Table 23: Consumer scepticism about CSR: univariate descriptive statistics for individual items

<table>
<thead>
<tr>
<th>Item</th>
<th>Consumer scepticism about CSR</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.5</td>
<td>I am suspicious of companies that frequently support good causes.</td>
<td>3.01</td>
<td>1.25</td>
</tr>
<tr>
<td>3.7</td>
<td>I am suspicious if companies talk about the good things they do for a community over the news.</td>
<td>2.78</td>
<td>1.20</td>
</tr>
<tr>
<td>3.3</td>
<td>Companies only do good deeds to “look good” to the public.</td>
<td>2.52</td>
<td>1.24</td>
</tr>
</tbody>
</table>

v) Question 4: Consumer corporate citizenship attitudes towards a corporate sponsor

Question 4 was based on consumer corporate citizenship attitudes towards a corporate sponsor. Table 24 summarises the average item scores from high to low. One negatively scored item (4.8) was present in this question.
Question items 4.6 and 4.9 delivered the highest average scores demonstrating that respondents agreed that Coca-Cola’s support at the NZG makes them feel positive about the Coca-Cola brand (M = 4.15) and if they support a company that does good deeds, it makes them feel as if they are also doing a good deed (M = 4.14). Respondents were on average neutral toward the remaining statements: they trust a company that does good deeds (M = 3.99); trust companies that do their part to help society (M = 3.99); companies that are known for doing good for society are more likely to have better products and services (M = 3.94); they believe that Coca-Cola will keep its promise to give back to society (M = 3.93); companies that give back to the community are better than companies that do not (M = 3.82); if they buy something, they would like to know the company behind it is doing good in society (M = 3.78); and they think companies have giving programs to provide value only for themselves (M = 3.07). The negatively scored item number 4.8 was removed during the scale purification process due to assumed confusion with the term “giving programs” which might have been appropriate terminology within the American context in which the original questionnaire was administered (Cole, 2008:i-53) but not a familiar term within the South African context.
vi) Question 5: Consumer behaviour toward corporate sponsor

Question 5 consisted of a compilation of items with which the researcher attempted to measure respondents’ intended consumer behaviour and loyalty towards a company that has CSR programmes. In Table 25 below the average scores are set out from highest to lowest values with the relevant standard deviations.

Table 25: Consumer behaviour toward corporate sponsor: univariate descriptive statistics for individual items

<table>
<thead>
<tr>
<th>Item</th>
<th>Consumer behaviour items</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>I would continue to buy from a company that does good deeds.</td>
<td>4.26</td>
<td>0.78</td>
</tr>
<tr>
<td>5.2</td>
<td>I would rather buy from the company that does good to society if price and quality were the same between two companies.</td>
<td>4.20</td>
<td>0.88</td>
</tr>
<tr>
<td>5.3</td>
<td>If a company I buy from does irresponsible/bad deeds, I would buy from another company instead.</td>
<td>3.99</td>
<td>1.08</td>
</tr>
<tr>
<td>5.4</td>
<td>Because Coca-Cola supports the Zoo, I will be more likely to tell others about Coca-Cola.</td>
<td>3.99</td>
<td>0.97</td>
</tr>
<tr>
<td>5.5</td>
<td>I will rather buy from Coca-Cola now that this company supports the Zoo.</td>
<td>3.96</td>
<td>1.02</td>
</tr>
<tr>
<td>5.6</td>
<td>I would rather buy from a company that has a history of helping communities, even if the product or service was a bit more expensive.</td>
<td>3.93</td>
<td>0.97</td>
</tr>
<tr>
<td>5.7</td>
<td>I would keep on buying from Coca-Cola because of its history of good deeds.</td>
<td>3.89</td>
<td>1.01</td>
</tr>
<tr>
<td>5.8</td>
<td>A company’s history of good deeds determines if I buy its products/services.</td>
<td>3.59</td>
<td>1.05</td>
</tr>
<tr>
<td>5.9</td>
<td>If Coca-Cola did not help organisations like the Zoo, I would not buy their products.</td>
<td>3.04</td>
<td>1.28</td>
</tr>
</tbody>
</table>

Respondents agreed with the statements that they would continue to buy from a company that does good deeds (M = 4.26) and that they would rather buy from the company that does “good to society” if price and quality were the same between two companies (M = 4.20). The remaining items were all rated with a neutral response in average: if a company they buy from does irresponsible/bad deeds, they would buy from another company instead (M = 3.99); because Coca-Cola supports the Zoo, they will be more likely to tell others about Coca-Cola (M = 3.99); they will rather buy from Coca-Cola now that they know the company supports the Zoo (M = 3.96); they would rather buy from a company that has a history of helping communities, even if
the product or service was a bit more expensive ($M = 3.93$); they would keep on buying from Coca-Cola because of its history of good deeds ($M = 3.89$); a company’s history of good deeds determines if they buy its products/services ($M = 3.59$); and if Coca-Cola did not help organisations like the Zoo, they would not buy their products ($M = 3.04$).

vii) Question 12: Consumer business use of Coca-Cola’s products

The majority of respondents (43.68%) indicated that they are frequent business users of Coca-Cola’s products. This response option is therefore the mode of this question. A percentage of 34.21% of respondents said they were occasional users and 22.11% regard themselves as non-users. Ten respondents did not complete this question. In addition to these percentages, Table 26 displays the frequencies per response option of this question.

<table>
<thead>
<tr>
<th>Response options</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequent business user</td>
<td>83</td>
<td>43.68</td>
</tr>
<tr>
<td>Occasional business user</td>
<td>65</td>
<td>34.21</td>
</tr>
<tr>
<td>I do not use Coca-Cola’s products for business purposes</td>
<td>42</td>
<td>22.11</td>
</tr>
</tbody>
</table>

viii) Question 13: Consumer personal use of Coca-Cola’s products

Just as in the response to the question on consumer business use of Coca-Cola’s products, the majority of respondents indicated that they are frequent personal users (62.11%). Thus, the most frequently selected response option (the mode) was response option one, “Frequent personal user”. Occasional personal usage was the second highest selected response at 32.11% and 5.79% of the respondents indicated non-use. Ten missing responses occurred in this question. See Table 27 below for the relevant frequency counts per response option.
Table 27: Consumer personal use of corporate sponsor’s products

<table>
<thead>
<tr>
<th>Response options</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequent personal user</td>
<td>118</td>
<td>62.11</td>
</tr>
<tr>
<td>Occasional personal user</td>
<td>61</td>
<td>32.11</td>
</tr>
<tr>
<td>I do not use Coca-Cola’s products for personal purposes</td>
<td>11</td>
<td>5.79</td>
</tr>
</tbody>
</table>

Now that the descriptive statistics related to the main constructs and the respective individual items have been reported, a demographics section will describe the statistics related to the sample of consumers who participated. The questions include living area, age, gender, ethnicity, education, and household income of the respondents.

6.4.2 Demographics

i) Question 6: Living area

The first demographic question was set up in the form of a multiple choice, single response question with the following options: “Pretoria” (option 1), “Johannesburg” (option 2) and “Other” (option 3). Below the “Other” option, a space was provided for respondents to write the name of their specific living area if they were not from Pretoria or Johannesburg.

The majority (172 respondents or 95.03%) of the sample were from Pretoria and nine respondents (4.97%) were from Johannesburg. Nineteen respondents (9.5%) indicated that they were from living areas other than Pretoria or Johannesburg: Rustenburg (2); Mpumalanga (1); Vanderbijlpark (1); Vereeniging (3); Centurion (2); Australia (1); Bronkhorspruit (8); and Elukwatini (1).

ii) Question 7: Respondent age

Respondent age was measured on a ratio scale by means of an open ended question. A total of 198 respondents provided their age ranging from 18 years (minimum) to 98 years (maximum). The average age of the sample was 36.2 years with a standard deviation of 13.5 years (M = 36.2, SD = 13.5).
The frequencies obtained from this question were divided into four broad age groups during the data analysis process: 18 – 29; 30 – 49; 50 – 69; and 70 years and older. See Table 28 below for these groups’ frequency counts and percentages.

Table 28: Age distribution of respondents

<table>
<thead>
<tr>
<th>Age group</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 to 29</td>
<td>72</td>
<td>36.36</td>
</tr>
<tr>
<td>30 to 49</td>
<td>92</td>
<td>46.46</td>
</tr>
<tr>
<td>50 - 69</td>
<td>29</td>
<td>14.65</td>
</tr>
<tr>
<td>70 years and older</td>
<td>5</td>
<td>2.53</td>
</tr>
</tbody>
</table>

As per Table 28 above, 92 (46.46%) of respondents were between the ages of 30 to 49; 72 (36.36%) between the ages of 18 and 29; 29 (14.65%) between the ages of 50 and 69; and 5 (2.53%) were 70 years or older.

iii) Question 8: Gender

Respondent gender was represented by a dichotomous scale. Two respondents did not indicate their gender but from the 198 who responded, 127 (64.14%) were female (the mode) and 71 (35.86%) were male.

iv) Question 9: Respondent ethnicity

From the sample of 200 respondents, 111 (56.06%) were White; 76 (38.38%) were Black; and 11 (5.56%) were Coloured. One respondent indicated that he/she is “Cape coloured” in the “Other (please specify)” option presented in this question. Therefore, the White ethnicity selection was the most frequently occurring response (mode).

v) Question 10: Level of education

The level of respondents’ education was obtained by means of an ordinal, multiple-choice, single response question. The most frequently chosen response (mode) was
option 2 – “High school Grade 12 (Matric)” – which indicates that 67 (33.36%) respondents have Grade 12 level school education. Secondly, 49 (25.13%) of them had some college/university education; 35 (17.95%) have a complete degree at a college/university; 25 (12.82%) had some high school education, and 19 (9.74%) completed a post graduate degree at a college/university. From the sample of 200, there were five missing responses on this question. The fact that most of the respondents demonstrated high levels of education was beneficial to the nature of this study because the data collection instrument dealt with quite advanced topics that might have been challenging for individuals without adequate education.

vi) Question 11: Level of income

The annual combined household income was measured with an ordinal, multiple choice, single response question. Because respondents are usually hesitant to provide confidential information such as income, 13 missing responses were observed. A combined household income of R150 000 or more per year was the most frequently recorded response (mode) to this question because 56 (29.95%) respondents selected this option. Thirty-seven respondents (19.79%) indicated that their combined household income per year is less than R24 000; 33 (17.65%) indicated between R24 000 and R49 999 per year; 18 (9.63%) between R50 000 and R74 999 per year; 18 (9.63%) between R75 000 and R99 999 per year; 13 (6.95%) between R100 000 and R124 999 per year; and 12 (6.42%) between R125 000 and R149 999 per year.

6.5 SUMMARY

Chapter 6 reported on all results obtained from the data collection instrument of this adapted study structured in the order of scale purification, hypotheses tests and descriptive statistics. The next chapter will discuss and conclude the main findings based on this study’s research problem; the conclusions, implications and recommendations with regard to each of the six research objectives; the limitations of this study; and recommendations for future research.
CHAPTER 7: DISCUSSION, RECOMMENDATIONS AND CONCLUSIONS

7.1 INTRODUCTION

The purpose of this research was to investigate whether there is a relationship between consumer perceptions of, and consumer attitudes toward, a corporate sponsor’s CSR activities and the hypothesised impact thereof on consumer behaviour. In this study Coca-Cola was the corporate sponsor and the consumers were visitors of the National Zoological Gardens of South Africa (NZG). Six objectives guided this study. The first objective was to investigate consumers’ ability to recall a corporate sponsor of an NPO. The second objective was to investigate consumer perceptions of a corporate sponsor’s CSR activities and the third was to investigate the nature of consumer perceptions of CSR in general. The fourth research objective was to investigate the effect of perceived corporate philanthropy on consumers’ corporate citizenship attitudes towards a corporate sponsor. The fifth objective focused on investigating consumers’ business and personal use of a corporate sponsor’s products and the sixth, to investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour towards a corporate sponsor.

If one considers the developing nature of South Africa as a country and the value of NPOs in raising awareness and channelling funds toward societal development, the importance of this study centres on the stimulation of further research into the relationships between CSR, corporate reputation and consumer behaviour as main catalysts in this process. Aside from the attempt to add to consumer-driven CSR research literature, this study could also inspire further research into these and related academic areas, specifically in South Africa.

Chapter 7 will discuss the findings related to the main research problem of this study. Limitations, recommendations for future research, managerial implications and a final summary also make up parts of this chapter.
7.2 THE RESEARCH PROBLEM

Since the information age started resulting in the globalisation trend, South African companies have been forced into conforming to international best practices in order to flourish in these markets alongside multinationals from other first world countries. More informed, vocal consumers demanding companies to be accountable and responsible for their actions affecting the community and the environment, has given rise to CSR as a formally acknowledged element of ethical business behaviour. The field has grown to be the symbolic foundation on which these companies earn a “licence to operate” within communities and markets as highlighted under the Theory of Legitimacy in the Theoretical Framework presented in Chapter 2.

Besides the trend of globalisation, the King II Report on Corporate Governance also paved the way forward on the CSR front in South Africa (Kaelo Worldwide Media, 2006:10). Specifically the King III report revolutionised the formalization of principles of best practice by focusing on CSR (IoDSA, 2009:20). A study by UNISA’s Centre for Corporate Citizenship along with the Bureau of Market Research demonstrated the value of CSR in consumer-related processing such as “investment decisions, purchasing decisions and brand loyalty” (Kaelo Worldwide Media, 2006:10). Almost half of these respondents indicated that they would prefer to support “good corporate citizens” even if their products and services were to be more pricy (Kaelo Worldwide Media, 2006:10). More than half of the sample said that they buy from a company due to its support of charity and even more respondents were of the belief that irresponsible corporate behaviour should be dealt with in a public manner (Kaelo Worldwide Media, 2006:10).

A more recent study involving 25 000 active consumers across nine different markets across the world, revealed that regardless of the 2009 economic recession, consumers were very concerned with matters related to sustainability. The main concerns, besides unemployment and economic uncertainty, were crime and violence, poverty and unequal treatment, environmental pollution, lack of proper healthcare, natural resource scarcity, water scarcity, and waste (Champniss &
Rodés Vilà, 2011:33). The same study was repeated a year later and consumer responses to these concerns remained relatively stable (Champniss & Rodés Vilà, 2011:33). The 2010 version of the study revealed an increase in the percentage of consumers who feel that big companies ought to be actively involved with social and environmental matters. More than half regarded themselves as powerful enough to force a company to be more responsible. Only a few respondents believed the government should be held responsible for the improvement of social and environmental problems. Less than a third of this sample of consumers believed that companies are doing their best to help solve these problems. When compared with the 2009 findings, an increase was observed in consumer perceptions that companies only get involved with social matters to enhance their image. Another finding from this study is that consumers would rather want to reward companies for behaving responsibly than to boycott them (Champniss & Rodés Vilà, 2011:35). Consumers will however punish companies whose CSR activities they perceive to be artificial in nature (Sen & Bhattacharya; Simmons & Becker-Olsen in Becker-Olsen et al., 2006:46).

The main entities on which the abovementioned studies focused included the consumer/society and (international or large) corporations. The frequent referral to a cause insinuates the presence of a third party which is usually embodied in an NPO. Against the background of these findings, one cannot overlook the potential value of local NPOs in assisting companies to raise awareness and direct resources towards a specific cause with the purpose of uplifting society and protecting the environment for future generations. One of the main benefits associated with the involvement of a well-established NPO is the reputational credibility almost naturally assumed by consumers. Therefore, it is imperative that companies build long-standing relationships with a specific NPO that has a sound reputation as perceived by the public in general.

Furthermore, the findings of the study by Champniss and Rodés Vilà, (2011:33) highlighted the relative uniformity in consumers’ concerns about social and environmental matters in various markets across the world and especially the role and responsibility they believe corporate entities have to play in order to make a positive contribution to society.
The problem statement of this study is as follow: There is a lack of clarity on the relationship between consumer perceptions of, and consumer attitudes towards, a corporate sponsor’s CSR activities and the impact thereof on consumer behaviour. The purpose of the research was to investigate whether there is a relationship between consumer perceptions of, and consumer attitudes toward, a corporate sponsor’s CSR activities and the hypothesised impact thereof on consumer behaviour. In this study Coca-Cola was the corporate sponsor and the consumers were visitors of the National Zoological Gardens of South Africa (NZG).

The aim of this study is to stimulate further research on the links between CSR, NPOs, corporate sponsors and consumers in South Africa. Because this study is a replicated version of the study conducted in the United States (Cole, 2008:i-53), it contributes to the literature by testing the generalisability of the original research instrument but in a South African context.

7.3 CONCLUSION, IMPLICATIONS AND RECOMMENDATIONS

Conclusions to, implications of, and recommendations for, each of the research objectives will now be discussed individually under the following headings: consumers’ ability to recall a corporate sponsor of an NPO; consumer perceptions of a corporate sponsor’s CSR activities; the nature of consumer perceptions of CSR in general; consumer attitudes toward corporate citizenship; consumers’ business and personal use of a corporate sponsor’s products; consumer perceptions of a corporate sponsor’s CSR activities and consumer behaviour.

7.3.1 Consumers’ ability to recall a corporate sponsor of an NPO

The first objective of this study was to investigate consumers’ ability to recall (have a clear mental image of) a specific corporate sponsor involved at an NPO. The first question of the data collection instrument presented the respondents with an item covering this objective: “Which one of the following three companies do you think donates money to the Zoo?” The possible answers from which respondents could
choose were “Pick ‘n Pay”, “Mr. Pie”, “Coca-Cola (ABI)”, and “I don’t know”. The majority of respondents correctly recalled Coca-Cola’s sponsorship at the NZG (60.5%).

The purpose of the first objective was to serve as a foundation on which the first hypothesis (H₁) was constructed and which will be discussed under the second objective. Therefore, the first objective was covered in that more insight was gained on zoo visitors’ – or consumers’ – ability to mentally visualise and link the Coca-Cola (corporate sponsor) brand to the NZG (NPO).

Perera and Chaminda (2012:9) found that consumers’ awareness of a brand plays a moderating role between CSR and their evaluation of a product or service. Therefore, if companies wish to achieve increased positive product evaluation based on their CSR programmes, they should invest in raising awareness of the initiatives amongst the target market/s (Perera & Chaminda, 2012:9-10). A proper communication program is needed to raise awareness of CSR (Pomering & Dolnicar in Öberseder et al., 2013:1840). The level of awareness a consumer has of the company’s CSR activities will positively relate to their attitudes and behavioural intentions (Wagner, Lutz & Weitz in Öberseder et al., 2013:1840). Moreover Marin et al. (2008:66) found that if a company has a prominent identity, consumers who are aware of the company’s CSR activities, will identify more with the company.

### 7.3.2 Consumer perceptions of a corporate sponsor’s CSR activities

The second objective was to investigate consumer perceptions of a corporate sponsor’s CSR activities.

PricewaterhouseCoopers conducted a study in 2002 shedding some light onto the reasons why companies participate in CSR (PricewaterhouseCoopers in Carroll & Buchholtz, 2006:45). In a descending order, consumers agreed that it is to enhance corporate reputation; increase their competitive advantage; save cost; to be onboard of the industry trend bandwagon; for CEO and company board commitment; and due to customer demand (PricewaterhouseCoopers in Carroll & Buchholtz, 2006:45).
Another survey conducted amongst MBA students in 2003, showed that 75% of respondents regard corporate involvement in CSR as a way to enhance a public’s image and thus the company’s reputation; 51% was sure that it would lead to customer loyalty (The Aspen Institute, Business and Society Program in Carroll & Buchholtz, 2006:45).

Companies mostly take up CRM activities if they want to improve their reputations in the market place (Porter & Kramer, in Kang & Hustvedt, 2013:3), whereas the philanthropic route of CSR has been found to have a most favourable impact on corporate reputation (Williams & Barrett; Brammer & Millington in Park et al., 2013:2). In general, CSR activities positively affects corporate reputation, corporate image, consumer trust and loyalty (Turban & Greening; Maignan et al. in Stanaland et al., 2011:48).

More studies confirmed a positive correlation between consumer perceptions of a company’s ethical business practices and its corporate reputation (Bendixen and Abratt, in Park et al., 2013:2; Lai et al. in Hsu, 2012:194). Well-known companies benefit from cultivating consumers’ associations with their CSR activities as this will impact on consumers’ perceptions that the company has strong corporate abilities when they evaluate the company or its products/offers/communications. Consumers have been found to assume what the company offers are of high quality because of their awareness of the company’s CSR activities (Kim, 2011:218).

In the original study by Cole (2008), the term CSR reputation was used instead of CSR activities as it appears in this objective. The rationale behind the slight change in terminological choice was based on the reasoning, or underlying assumption, of the researcher that an institution’s CSR reputation does not exist in isolation. It rather consists of the different CSR activities organisations take up that indirectly lay the foundation on which consumer perceptions are initialised, built and sustained. Thus, from a consumer oriented stance, the concept of CSR reputation is equal to consumer perceptions which are based on single or multiple direct or indirect experience a consumer had or is having with a company, its products or services or employees (Davies et al., 2003:77).
Hypothesis 1 was formulated to investigate the second objective by determining whether or not there was a significant difference in “respondent perceptions of the corporate sponsor’s CSR activities” between the respondents who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG. Question 1 and Question 2 of the data collection instrument were relevant to this hypothesis (see Appendix B, p. 263). Question 1 was a multiple-choice, single response question measuring data at a nominal level. Question 2, consumer perceptions of the corporate sponsor’s CSR activities, was the most reliable construct/measurement scale achieving a Cronbach’s Alpha value of $\alpha = 0.90$. ANOVA was used to determine whether there was a significant difference with regard to consumer perceptions between consumers’ who correctly recalled and those who incorrectly indicated the corporate sponsor involved. The Duncan Multiple Range post-hoc test was done to determine the degree of significance regarding this difference. The null and alternative hypotheses of $H_1$ are provided below:

$H_1(\text{null})$: There is no significant difference in consumer perceptions of Coca-Cola’s CSR activities between the consumers who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.

$H_1(\text{alt})$: There is a significant difference in consumer perceptions of Coca-Cola’s CSR activities between consumers who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.

As noted in the previous chapter, $H_1$ was rejected at a 10% level of significance: $F(1, 187) = 3.07$, $p = 0.082$. The Duncan Multiple Range test was executed to determine the nature of significance between the variable means and it yielded significant differences in the consumers’ perceptions towards Coca-Cola’s CSR activities between respondents who correctly recalled Coca-Cola’s involvement at the NZG ($M = 4.02$, $SD = 0.62$) and those who indicated the incorrect corporate sponsor ($M = 3.82$, $SD = 0.70$).
Based on these findings, consumers who correctly recalled Coca-Cola as a corporate sponsor involved with the NZG, would be more likely to have more positive perceptions of Coca-Cola’s CSR activities. Therefore, the more familiar consumers are with a specific sponsor’s association with an NPO, the more positive their perceptions would be toward the corporate sponsor’s CSR activities. Thus, the second objective was reached based on the investigated findings of the first hypothesis.

7.3.3 **Nature of consumer perceptions of CSR in general**

The third research objective was to determine the nature of consumer perceptions of CSR as a business practice in general.

Consumers’ perceptions of CSR in general influences their perceptions of the company’s marketing activities (Öberseder *et al.*, 2013:1846). Various studies emphasised the fact that consumer perceptions are complex and they can be either positive or negative based on the motives they ascribe to a company’s CSR involvement (Forehand & Grier; Yoon *et al.* in *Park et al.*, 2013:3). Bae and Cameron (2006:146) found differing levels of CSR message effectiveness and attributed this finding to the presence of consumer suspicion toward CSR activity itself. Because CRM presents the consumer with a condition, suspicion is most likely to result based on the motives the consumer assigns to the company’s use of this form of CSR (Dean in Bae & Cameron, 2006:146). Sponsorships promote company brands during events and also stand a chance of raising consumer scepticism due to a belief that a cause is exploited by the company (Rogers, Cameron & Bril in Bae & Cameron, 2006:146). Corporate philanthropy is least likely to evoke consumer scepticism (Bae & Cameron, 2006:146).

Consumer scepticism could also be directed towards the way in which companies convey CSR messages – especially with regard to consumers who believe that CSR should not be advertised (Becker-Olsen *et al*.; Ellen, Webb & Mohr; Vlachos, Tsamakos, Vrechopoulos & Avramidis in Öberseder *et al.*, 2013:1840; Mohr *et al.*, 2001:67).
According to Pomering and Johnson (2009:423), scepticism is “one potential cognitive response to advertising exposure”. There are two forms of consumer scepticism when it comes to CSR communication – advertiser and message ethical attributions. The former occurs when a consumer scrutinises the goodwill of the company itself and the latter is when a consumer examines the essence of the message itself against ethical principles. If a consumer perceives the message source to be credible, there is a higher probability that the consumer will focus on the content of the message (Pomering & Johnson, 2009:424). However, some consumers are sceptical when it comes to companies’ advertisements related to their CSR efforts which will probably make them more critical towards the message content as well (Pomering & Johnson, 2009:425). A communication strategy that could assist with this negative scenario is that the company should openly acknowledge the advantages that the specific CSR programme has for the community in order to clarify the company’s intentions (Pomering & Johnson, 2009:429). Furthermore, the findings of a study in 2001 amongst 939 adults in Britain revealed that 72% respondents agreed that companies should make an effort to communicate their CSR efforts to the public but should not spend big amounts on it. A mere 15% of respondents felt that it “is important to know about companies’ programmes” and that companies should spend generous amounts to communicate this (MORI in Lewis, 2003:360).

According to Champniss and Rodés Vilà (2011:42), consumers can be classified as critics meaning that they are mostly sceptical of companies’ intentions when they are involved with CSR. Interestingly enough, this form of consumer usually do not react on their scepticism but unfortunately still have a big influence due to their enthusiasm in spreading negative word-of-mouth.

Based on the principles of the Attribution Theory, consumers ascribe specific motives to companies’ involvement in CSR (Heider; Kelley; Kelley & Michela in Mohr et al., 2001:67). Therefore, companies should be mindful in the mediums they choose to communicate their CSR efforts to the market in order to minimise their perceptions of scepticism about the company’s motives (Mohr et al., 2001:67). Vlachos (2009:1) advised that messages with CSR content should be conveyed with
great caution to ensure that consumers do not perceive the company's involvement as a profit-driven strategy in itself.

Dacin (in Webb & Mohr, 1998:226), found that the way consumers think of CSR influence how they feel about the goods and services offered by a company involved in CSR. Cole (2008:34, 36) similarly mentioned that consumers who have positive feelings about CSR will also be positive toward the companies that have CSR programmes and they would be more prone to behave accordingly. Champniss and Rodés Vilà (2011:37) conducted a study wherein respondents who had adequate knowledge of sustainability were required to indicate their associations with it. The findings were as follows: 83% of the respondents regarded sustainability as “positive and inspirational”; 83% associated it with the future; 83% with the environment; 75% with equilibrium; 72% to health; 68% to the community; and 66% associated it with opportunities. On the negative side, 40% of these respondents perceived sustainability to be related to higher pricing, 28% with the past and 25% with blame (Champniss & Rodés Vilà, 2011:37).

Question 3 in the adapted questionnaire mainly covered this research objective by asking consumers to indicate their level of agreement with a range of statements (either positive or negative) related to CSR and companies who have CSR programmes. After the factor analysis, the following items remained covering consumers’ regard for CSR:

i. Item 3.1: “Companies should give back to society.” (M = 4.52, SD = 0.77)
ii. Item 3.2: “It should be standard that all companies should give back to society.” (M = 4.19, SD = 0.99)
iii. Item 3.4: “Companies should support meaningful causes.” (M = 4.38, SD = 0.86)
iv. Item 3.6: “I want to know if a company does good deeds for communities.” (M = 4.12, SD = 0.89)

The other items remaining covered consumers’ scepticism about CSR:

v. Item 3.3: “Companies only do good deeds to "look good" to the public.” (M = 2.52, SD = 1.24)
vi. Item 3.5: “I am suspicious of companies that frequently support good causes.” (M = 3.01, SD = 1.25)

vii. Item 3.7: “I am suspicious if companies talk about the good things they do for a community over the news.” (M = 2.78, SD = 1.20)

With the favourably stated items related to consumer regard for CSR, the most frequently selected response option was either “4” (“Agree”) or “5” (“Strongly Agree”) indicating that respondents feel very positive about CSR as a business practice. With consumer scepticism items, a more even spread in responses occurred across the five-point Likert scale centring on response option “3” (“Neutral”). This occurrence revealed that respondents did not have strong perceptions regarding these negative statements and they did not disagree as much with negative statements about CSR as one would expect based on their positive responses to the positively stated question items under the consumer regard construct.

In support of this research objective, Hypotheses 2 and 3 were tested. The second hypothesis (H₂) incorporated consumer scepticism about CSR and this construct’s hypothesised correlation with consumer perceptions of the corporate sponsor’s CSR activities. Therefore, Questions 3b (consumer scepticism) and 2 (consumer perceptions of a corporate sponsor’s CSR activities) were relevant here (see Appendix B, p. 263). Both these questions were stated in the form of Likert-scales from which interval-level data were collected. The Cronbach’s Alpha reliability coefficient of these constructs were α = 0.67 and α = 0.90 for the “consumer scepticism about CSR” and “consumer perceptions of a corporate sponsor’s CSR activities” constructs respectively. The null and alternative versions of this hypothesis are stated below:

H₂(null) : Consumer scepticism toward CSR is not related to consumer perceptions of Coca-Cola’s CSR activities.

H₂(alt) : Consumers who are sceptical of CSR will have low perceptions of Coca-Cola’s CSR activities.
The correlation was insignificant with a coefficient of -0.05 \[ r(198) = -0.05, p = 0.486 \] and thus the null hypothesis of no correlation cannot be rejected. There is no relationship between consumer scepticism about CSR and consumer perceptions of a corporate sponsor’s CSR activities. However, one has to keep in mind that South African consumers are not as tuned in to CSR as the American consumers most probably are since CSR driven campaigns have been conducted longer in the USA than in South Africa. The extent to which a community is exposed to information regarding CSR plays an important role here.

Hypothesis 3 tested the proposed correlation between consumer regard for CSR and consumer corporate citizenship attitudes toward a corporate sponsor. Questions 3a (consumer regard for CSR) and 4 (consumer corporate citizenship attitudes toward a corporate sponsor), were part of H₃. The reliability of these two constructs were \( \alpha = 0.70 \) and \( \alpha = 0.86 \) respectively. Hypothesis 3 is stated below:

\[ H₃(\text{null}) : \text{Consumers’ regard for CSR is not related to positive consumer corporate citizenship attitudes towards Coca-Cola.} \]

\[ H₃(\text{alt}) : \text{Consumers who have regard for CSR are likely to report positive consumer corporate citizenship attitudes towards Coca-Cola.} \]

A weak positive relationship was observed between consumer regard for CSR and positive consumer corporate citizenship attitudes \[ r(198) = 0.42, p < 0.001 \]. The null hypothesis was rejected at a 1% level of significance. Respondents who have positive perceptions toward CSR are likely to report positive corporate citizenship attitudes related to CSR.

The researcher expected more significant, opposite results, between \( H₂ \) and \( H₃ \). The negatively scored items of the scepticism construct might have thrown respondents off due to the positive slant recognisable in the majority of the other question items’ wording including those of Question 2, which preceded Question 3 in the data collection instrument. Possible corrective measures would be to add and thoroughly
pre-test question items to each construct and urge respondents to take extra care in reading and responding to each item during the main data collection event.

The nature (positive or negative) of consumer attitudes towards CSR was determined and supported by testing Hypotheses 2 and 3. Based on the associated findings discussed above, research objective three is concluded.

7.3.4 Consumer attitudes toward corporate citizenship

Hypothesis 3 discussed in the previous section along with the fourth hypothesis also support the fourth objective of investigating the effect of perceived corporate philanthropy on consumer corporate citizenship attitudes towards a corporate sponsor of an NPO. Assuming that consumer attitudes have an impact on (consistent) consumer behaviour, it is a valid concept justifying further investigation (Babin & Harris, 2011:125-126).

Consumers’ attitudes towards a brand is based on three components – affective, cognitive and conative – respectively associated with consumers’ emotions towards a brand, their knowledge of the brand and their purchasing intent (Olivier in Van den Brink et al., 2006:17).

Persuading a consumer to behave in a specific way is easier if the information contained in a marketing message correspond with the consumer’s attitude (Shavitt & Nelson in Arnould et al., 2004:632). Unfortunately, the nature of a consumer’s attitude affects the degree of selective perception which can lead to a resistance against desired consumer behaviour (Arnould et al., 2004:632). According to Babin and Harris (2011:126), attitudinal elements are kept in a consumer’s long-term memory in the form of an “associative network” in which rules are formed that determines consumer behaviour.

The company is a brand that exists within the mind of internal and external constituents (Davies et al., 2003:77). Many advantages have been associated with companies acknowledging the value of a good reputation among which high quality
employment, good supplier relationships and free media exposure (Doorley & Garcia, 2007:4). Companies therefore strive actively to uphold a reputation of a good “corporate citizen” and “neighbour of choice” by acting responsible within the communities and environment figuratively feeding their business (IoDSA, 2009:52; Burke in Doorley & Garcia, 2007:187). Community leaders should be involved in determining appropriate CSR programmes and extra care should be taken to ensure that financial sources are not being misused. The ideal approach should be based on an interception between corporate strategy and corporate citizenship by ensuring attainment and sustainability of mutually beneficial goals of both the company and the community (Cone in Alan Nelson et al., 2007:276).

According to a cause-related trends report, 61% of consumer respondents believe that cause branding should be part of all companies’ functioning (Cone & Roper in Carroll & Buchholtz, 2006:490). More findings indicate that 83% of Americans have positive attitudes towards companies supporting causes which are important to them and 76% of consumers would rather buy a “socially responsible brand” if compared to another brand of the same price and quality (Carroll and Buchholtz, 2006:490). In another study 84% of consumers indicated that a company’s CSR commitment influences their preference of which companies they would tolerate in their community (Carroll & Buchholtz, 2006:480). A percentage of 77% of these consumers said that this commitment impacts their choice of preferred employer, and 66% admitted to base their investment decisions on a company’s CSR involvement (Carroll & Buchholtz, 2006:480). Good corporate citizenship will lead to positive stakeholder attitudes and better overall performance (WalkerInformation in Carroll & Buchholtz, 2006:480). Therefore, individuals would prefer to be employed for longer at the company, demonstrate repeat-purchase behaviour and leaders within the community will respect the company as a “neighbour” (http://www.bsr.org in Carroll & Buchholtz, 2006:480).

A company’s CSR reputation has a direct impact on consumer attitudes and consumer behaviour (Lichtenstein et al. in Lii & Lee, 2012:72-73). There is also support for the positive correlation between corporate image or identity and performance – studies revealed that a favourable reputation and image minimise risk and an increase in market share (Melewar in De Beer & Rensburg, 2011:217).
Another study advocated the mediating role that consumer trust plays between CSR activities and corporate reputation (Park et al., 2013:7).

CSR, and more specifically philanthropy, has been found to correlate positively with consumer attitudes toward a company (Morales; Brown & Dacin; Sen & Bhattacharya; Yoon, Zeynep & Schwarz in Park et al., 2013:2-3; Bae & Cameron, 2006:145; Berens et al. in Marin et al., 2008:65; Rogers in Bae & Cameron, 2006:145). Promising consumer behavioural intentions arise due to the effect that CSR has on consumer attitudes related to trust (Yan et al., in Kang & Hustvedt, 2013:4). CSR can assist the company in building a positive corporate reputation and it simultaneously gives the company a competitive advantage by linking social elements to its brands and differentiating it from other brands (Keh & Xie in Park et al., 2013:1; Porter & Kramer; Smith; Smith & Higgins; Varadarajan & Menon in Hsu, 2012:189).

Many scholars argue that trust predicts positive marketing outcomes, such as consumer loyalty, retention, and purchasing intent (Chaudhuri & Holbrook; Erdem & Swait; Ranaweera & Prabhu; Willmott in Kang & Hustvedt, 2013:3; Mohr & Webb in Marin et al., 2008:67). According to a brand citizenship model by Willmott (in Kang & Hustvedt, 2013:2), transparency, communication and positive citizenship perceptions are the building blocks for creating a trusted brand relationship. Brand trust refers to the consumer’s belief that a company/brand acts in ways the consumer regards as being driven by good intentions (Delgado-Ballester et al. in Kang & Hustvedt, 2013:3). Thus, philanthropy will only contribute favourably to corporate reputation if the company is a good corporate citizen (Godfrey; Hillenbrand, Money & Pavelin in Park et al., 2013:3).

In the study by Cole (2008:25), three factors were tested in support of the brand reputation, trust and satisfaction construct. As mentioned in the previous chapter, when a principal factor analysis was done in this adapted study, one factor appeared to explain the total variance between the items of Question 4. Based on the supporting literature presented in Chapters 2 to 4, it was decided to rename the single factor and construct measured in this hypothesis to consumer corporate citizenship attitudes.

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The fourth research objective was to investigate consumer corporate citizenship attitudes toward a corporate sponsor involved with an NPO for CSR purposes.

Hypothesis 3 delivered a significant, but weak positive correlation \[ r(198) = 0.42, p < 0.001 \] between consumer regard for CSR and consumer corporate citizenship attitudes towards Coca-Cola. As explained in the discussion of the previous research objective, consumers who feel positive about CSR will be slightly more inclined to have positive corporate citizenship attitudes towards Coca-Cola because of its CSR involvement.

Hypotheses 4 also facilitated the testing of data related to this objective by proposing a correlation between consumer perceptions of a corporate sponsor’s CSR activities and their corporate citizenship attitudes towards a corporate sponsor. Hypothesis 4 consisted of data related to Questions 2 (consumer perceptions of a corporate sponsor’s CSR activities) and 4 (consumer corporate citizenship attitudes toward a corporate sponsor). Both these questions collected interval level data in the form of five-point Likert scales. In terms of scale reliability, Question 2 and 4 achieved Cronbach’s Alpha values of \( \alpha = 0.90 \) and \( \alpha = 0.86 \) respectively.

The null and alternative hypotheses are stated below:

\[ H_4(\text{null}) \]: There is no relationship between consumer perceptions of Coca-Cola’s CSR activities and consumer corporate citizenship attitudes toward Coca-Cola.

\[ H_4(\text{alt}) \]: Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer corporate citizenship attitudes toward Coca-Cola.

As discussed in the previous chapter, the null hypothesis of no correlation was rejected and a moderate positive relationship was observed between consumer perceptions of Coca-Cola’s CSR activities and consumer corporate citizenship attitudes toward the corporate sponsor \[ r(198) = 0.55, p < 0.0001 \]. This means that consumers who already feel positive about the CSR activities of Coca-Cola would be
more likely to have more favourable attitudes towards the company’s perceived corporate citizenship.

Therefore, the third objective of investigating the effect of perceived corporate philanthropy on consumer corporate citizenship attitudes was reached.

7.3.5 Consumer business and personal use of sponsor’s products

According to Magnusson et al. (in Öberseder et al., 2013:2), consumer perceptions correlates positively with consumer behaviour. Lichtenstein et al. (in Lii & Lee, 2012:72-73), found that a company’s reputation has a direct impact on consumer attitudes and behaviour. Stanaland et al. (2011:53) conducted a survey among 443 consumers and found that CSR affects corporate reputation, consumer trust and loyalty. Marin et al. (2009:65) also found that consumer loyalty will result from CSR due to the consumer’s identification with what the company stands for. More studies found that corporate associations correlate positively with consumer attitudes about a socially responsible company (Brown & Dacin; Mohr & Webb; Porter & Kramer; Ricks in Walker & Kent, 2009:749-750).

Advantages associated with CSR include positive brand evaluations, purchasing intentions and recommendation behaviour (Brown & Dacin; Sen & Bhattacharya; Vitell in Marin et al., 2008:67). Recently, two scales have been developed in an attempt to link CSR and consumer behaviour – one focusing on consumer perceptions of corporate social irresponsibility and the other approaching specific CSR activities separately (Wagner et al.; Webb et al. in Öberseder et al., 2013:2).

The fifth research objective of this study was to investigate consumers’ business and personal use of the corporate sponsor’s (Coca-Cola’s) products. H_{5a} and H_{5b} were tested in support of the fifth research objective and focused on respondent perceptions of a corporate sponsor’s CSR activities and the business and personal use and non-use of the corporate sponsor’s products:
H$_{5a}$(null): There is no significant difference between respondent perceptions of the corporate sponsor’s CSR activities and the business use and non-use of the corporate sponsor’s products.

H$_{5a}$(alt): There is a significant difference between respondent perceptions of the corporate sponsor’s CSR activities and the business use and non-use of the corporate sponsor’s products.

H$_{5b}$(null): There is no significant difference between respondent perceptions of the corporate sponsor’s CSR activities and the personal use and non-use of the corporate sponsor’s products.

H$_{5b}$(alt): There is a significant difference between respondent perceptions of the corporate sponsor’s CSR activities and the personal use and non-use of the corporate sponsor’s products.

With H$_{5a}$, Question 5 (consumer behaviour) and Question 12 (consumer business use of Coca-Cola’s products) were used. Question 5 was stated as a five-point Likert scale by which interval levelled data were collected. This scale also delivered a reliability coefficient Cronbach’s Alpha value of $\alpha = 0.86$. Question 12 consisted of a multiple choice, single response question and collected ordinal levelled data on the consumers’ use and non-use of Coca-Cola’s products.

H$_{5b}$ made use of Questions 5 (consumer behaviour) again as well as Question 13 (consumer personal use of Coca-Cola’s products). Question 13 collected ordinal level data on a multiple-choice, single response scale regarding the consumers’ personal use or non-use of Coca-Cola’s products.

Hypothesis $5_{a}$(null) was rejected at a 5% level of significance [ F(2, 186) = 3.37, $p = 0.037$] and Hypothesis $5_{b}$(null) at a 10% level of significance [ F(2, 186) = 2.54, $p = 0.082$].

A significant relationship was observed between the consumer perceptions of Coca-Cola’s CSR activities and the business use of Coca-Cola’s products by consumers.
Duncan’s Multiple Range Test revealed a significant difference between the mean score of respondents frequently using Coca-Cola products for business purposes (M = 4.15, SD = 0.66) and those who are either occasional (M = 3.78, SD = 0.60) or non-users (M = 3.78, SD = 0.64). These results reveal that consumers who regularly buy Coca-Cola products for business purposes also have more positive perceptions towards Coca-Cola’s CSR activities than consumers who occasionally or never use Coca-Cola’s products for business purposes.

A significant relationship was observed between consumer perceptions of the corporate sponsor’s CSR activities and consumer personal use of Coca-Cola products. This significance was not achieved at a 5% but rather at a 10% level of significance. No significant difference was found with regard to consumer perceptions of the corporate sponsor’s CSR activities and respondents who indicated they are occasional (M = 3.74, SD = 0.67) or non-users (M = 3.59, SD = 0.93) of the corporate sponsor’s products on a personal level. However, frequent personal users were significantly more positive (M = 4.08, SD = 0.59) towards the CSR activities of Coca-Cola’s CSR reputation than non-users (M = 3.59, SD = 0.93) according to the Duncan Multiple Range Test results.

Research objective 5 is thus addressed.

7.3.6 Consumer perceptions of CSR activities and consumer behaviour

Babin and Harris (2011:126) postulate that consumer attitudes reside in a network of long-term memory that becomes the associative basis on which consumers base their behaviour in the future. Consumers’ perceptions of a brand determine their behaviour (Tustin & De Jongh, 2008:31; David, Kline & Dai; Pava & Krausz; Kim, Haley & Schumann; Wigley in Kim, 2011:219; Pirsch et al. in Marin et al., 2008:65; Barone et al.; Berger & Kanetkar; Creyer in Kang & Hustvedt, 2013:3). Consumer perceptions of CSR positively influence consumer trust, attitudes, purchase intentions and word-of-mouth (Kang and Hustvedt, 2013:1). Consumer attitudes have also been found to have a direct impact on consumer purchase intentions and behaviour (Boninger et al. in Marin et al., 2008:68). In some cases, consumers will
pay more for products that originate from ethical processes (Creyer & Ross in Park et al., 2013:2). The increase in occurrences of “greenwashing” in advertising has a negative influence on consumer trust and therefore, consumer trust is a pivotal element in establishing consumer loyalty (Chen & Chang; Pivato et al. in Kang & Hustvedt, 2013:3).

A South African study jointly conducted by UNISA’s Centre for Corporate Citizenship and the Bureau of Market Research followed that the manner in which companies approach their CSR can impact on consumer behaviour in terms of investment, purchasing and loyalty (Kaelo Worldwide Media, 2006:10). According to consumers surveyed in the same study, almost half of them would rather buy from a company they regard as a “good corporate citizen” even if the product or service is more expensive; more than half of them said they currently support companies based on its devotion to charity; 69% of them felt that unethical corporate behaviour should be exposed in the media (Kaelo Worldwide Media, 2006:10). Lanchowertz and Irwin (2002:116) found that close to 50% of the respondents surveyed in their study would support responsible companies regardless of higher pricing.

Another study revealed that almost all respondents prefer to support companies adhering to CSR principles (Cone & Roper in Mohr et al., 2001:49). In a study by Ross et al. (in Mohr et al., 2001:49), nearly half of their 225 respondents would be motivated to buy a company’s products due to the company’s involvement in a good cause; more than half of this sample said that they would be moved to buy a new brand based on cause-related endorsement.

Various scholars have researched and found there to be linkages between CSR and positive consumer perceptions, satisfaction and increased sales (Luo & Bhattacharya; Lichenstein, Drumwright & Braig; Sen & Bhattacharya; Brown & Dacin in Babin & Harris, 2011:333). Strategic community involvement will lead to consumer loyalty as well as financial and reputational benefits (Foley, 2006:82). According to Carroll and Buchholtz (2006:491), companies involved with charitable causes have a more favourable image (based on perceptions of external publics such as consumers) and increased sales (Carroll & Buchholtz, 2006:491).
Prosperous international companies go to great lengths to thoroughly integrate CSR principles within their business models showing their acknowledgement of how valuable it can be to build and sustain favourable perceptions within the minds and hearts of consumers (Temporal, 2002:192). Ultimately, these perceptions add to the loyalty amongst consumers which in turn will result in a share of their pocket and positive word-of-mouth (Temporal, 2002:192).

Loyal customers are less sensitive to pay more for better quality products in support of a social cause (Aaker in Van den Brink et al., 2006:16). By keeping track of consumer perceptions and behaviour during and after specific CSR actions, a company can determine which causes are most important to the specific consumer group. CRM activities are used to determine consumer perceptions and behaviour resulting from CSR campaigns (Lachowetz and Irwin, 2002:114). According to Cone and Roper (in Mohr et al., 2001:49), consumer perceptions of a company’s image were more positive if it supports causes which are important to the consumer (Cone & Roper in Mohr et al., 2001:49).

As mentioned earlier, consumers are acting out their rights to be correctly informed and they use the internet to raise their strong opinions and propagate poor service experiences. Consumers do research and own their power as catalysts in making a difference to the wellbeing of the environment and future generations by boycotting irresponsible companies’ products, badmouthing these companies on social networks for hundreds of people to see. This behaviour gave rise to a new theoretical definition of a “socially conscious consumer” – a consumer who considers the consequences of his or her individual consumption and the effect it can have on society and then make purchasing decisions based on the information gathered (Webster in Mohr et al., 2001:47). Socially responsible consumers will investigate a company’s reputation of corporate citizenship before buying or consuming the relevant products (Mohr et al., 2001:47). Companies should focus on providing adequate and honest information on their dedication to CSR in order to instil awareness amongst active consumers such as described here (Mohr et al., 2001:48).
Tustin and De Jongh (2008:31) found that the nature of consumer behaviour depends on consumers’ perceptions toward the specific brand. Research by Lee and Shin (2010:2) has shown that consumers prefer to support “good” companies and their perceptions of a company’s CSR activities will favourably impact on their purchasing behaviour. If a company pursues CSR, favourable consumer perceptions is likely to follow that strengthens corporate reputation (Sen & Bhattacharya; Gurhan-Canli & Batra; Berens et al.; Matute-Vallejo et al.; Shauki in Perera & Chaminda, 2012:3). CSR reputation can play a moderating role in the relationship between a company’s CSR activities and consumer attitudes (Bae & Cameron in Lii & Lee, 2012:78). Based on findings by Lichtenstein et al. (in Lii & Lee, 2012:72-73), CSR reputation has a direct impact on consumer perceptions and attitudes. Research also suggests that CRM activities aid in determining what consumer perceptions are towards CSR-driven campaigns and their behaviour in these instances (Lachowetz and Irwin, 2002:114). Consumer loyalty will be consistent towards a socially responsible company – regardless of price increases (Lachowetz & Irwin, 2002:116).

In a study by Lee and Shin (2010:2), it was concluded that a company that focuses on corporate social and local community contribution with their CSR activities will correlate positively with consumer behaviour to purchase but this was not the case with CSR activities with an environmental focus.

Cole (2008:23) covered the scale on consumer perceptions towards CSR based on two factors: respondents who demonstrate regard for CSR and those who were sceptical on these matters. Distrustful consumer perceptions with regards to a company’s involvement in CSR could most probably be traced back to an underlying reputational inconsistency or a lack of information available of the company that does not align with the specific goodness of CSR as it is embodied in the company’s supporting of a specific cause.

The sixth and final research objective was to investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour towards a corporate sponsor. This objective can be seen as the crux of the entire study. The remaining Hypotheses ($H_6$ and $H_7$) covered the testing in support of this objective.
H₆ proposed a correlation between consumer perceptions of the CSR activities of a corporate sponsor and consumer behaviour towards the corporate sponsor. In other words, this hypothesis attempted to determine whether consumers who perceive Coca-Cola’s CSR activities in a favourable light, would be more or less likely to demonstrate their support in their behaviour towards this corporate sponsor.

H₆(null): There is no relationship between consumer perceptions of Coca-Cola’s CSR activities and consumer behaviour towards Coca-Cola.

H₆(alt): Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer behaviour towards Coca-Cola.

The null hypothesis was rejected on a 5% level of significance \[ r(198) = 0.35, p < 0.0001 \] and a weak positive relationship was observed between the two constructs. These results reveal that consumers who perceive Coca-Cola’s CSR activities favourably, will demonstrate positive behaviour towards this company.

The final hypothesis contributing to the sixth research objective, associated with consumer behaviour, is stated below:

H₇(null): There is no relationship between consumer regard for CSR and consumer behaviour towards Coca-Cola.

H₇(alt): Consumers with positive regard for CSR are likely to report positive consumer behaviour towards Coca-Cola.

This hypothesis stated a correlation between the constructs of consumer regard for CSR and consumer behaviour toward a corporate sponsor.

The null hypothesis was rejected at a 5% level of significance. A weak positive relationship was observed between consumer regard for CSR and consumer behaviour towards Coca-Cola \[ r(198) = 0.35, p < 0.0001 \]. Thus, consumers who feel
positive about CSR would be more likely to demonstrate loyal consumer behaviour towards Coca-Cola if this company participates in CSR activities in benefit of an NPO.

From the above discussion, it is evident that research objective 6 was reached.

7.3.7 Conclusion to the research objectives

Some of the hypotheses tested in support of the main objectives delivered more weak and disappointing results than expected – especially when compared to the original study by Cole (2008:30-33). But if the results are observed with consideration to the developing South African context within which data was captured, the findings can be deemed acceptable and would most definitely justify more in-depth research in the field of consumer perceptions, consumer attitudes and consumer behaviour with regard to CSR.

Overall, the research objectives were achieved from an investigative point of view in that more clarity was brought to the table regarding consumers’ ability to recall a corporate sponsor of an NPO; consumer perceptions of a corporate sponsor’s CSR activities; the nature of consumer perceptions of CSR in general; the effect of perceived corporate philanthropy on consumers’ attitudes towards a corporate sponsor; consumers’ business and personal use of a corporate sponsor’s products; and consumer perceptions of a corporate sponsor’s CSR activities and whether it relates to changes in consumer behaviour towards a corporate sponsor.

7.4 LIMITATIONS OF THE STUDY

When considering the hypotheses stated, researched, and discussed in the preceding chapters and up to the previous section, correlation should not be mistaken for causality. Countless different moderating and mediating variables could instigate or intensify a phenomena that causes a dependent variable to change along with a seemingly independent variable but it is only through continual, and with
more in-depth, research and analyses that more support can be obtained for or against a specific phenomena or hypothesis.

From a corporate perspective, one of the major delimiting factors was that the study focused on only one selected corporate sponsor and a single product group – no other company prominent for its investments at the National Zoological Gardens of South Africa (NZG) was regarded and only the soft drink beverage product category was referred to. This reality also limited the applicability of the findings, for example, comparing the findings to other companies partaking in CSR initiatives at the NZG and different product types.

Neither the NZG’s personnel nor the CSR personnel responsible for the efforts at the NZG were involved as respondents during the data collection process. Their inclusion could have been ideal to compare preset objectives with the outcomes experienced by Coca-Cola’s CSR personnel and the Zoo’s personnel respectively – with specific and realistic research into whether both entities’ strategic objectives were reached. A more qualitative approach would have added value to the personnel dimension of this study.

Only Zoo visitors to the NZG formed part of the data collection process and no other South African zoos’ visitors were included.

Due to the mature nature of the topics involved in the questionnaire, only literate individuals qualified to complete the survey were allowed to participate. Illiterate Zoo visitors were therefore excluded even though they might have held valuable perceptions of, and attitudes towards, Coca-Cola that might have had a significant effect on the results and findings related to consumer behaviour.

There was always a risk that some valuable opinions might be lost due to Zoo visitors who chose not to participate in the data collection process or whom the fieldworker could not reach during data collection.

Some Zoo visitors had more exposure to, and experience with, the corporate sponsor than other respondents which limited the insights with which less informed
respondents answered the questionnaire. More enlightened respondents may also have had one or more isolated poor experiences in their business or personal relationships with Coca-Cola’s products, services or employees that could have impacted negatively on their judgement to answer the questionnaire items in an unbiased way. It is a given that consumers would remember a selected negative experience with a brand more prominently than various good experiences.

Another limitation was that the study only focused on CSR in the context of a South African zoo and did not explore CSR in other South African NPO domains.

7.5 RECOMMENDATIONS FOR FUTURE RESEARCH

Some aspects related to this specific research area justify more in-depth attention when it comes to future research. The main recommendations are identified and discussed below.

Firstly, if Coca-Cola were to become more active sponsors at the NZG due to the research results presented by this study, it would be recommended to measure Zoo visitors’ consumer perceptions, attitudes and behaviour again, but specifically during the time frame of a main CSR related sponsorship event.

The second and third main recommendations centre on the value of the employee in CSR studies. The researcher recommends the study to be applied to the employees of the NZG to determine their consumer perceptions of the corporate sponsor’s CSR activities, consumer attitudes towards CSR and consumer behaviour towards the corporate sponsor. Thirdly, the study can be adapted to measure Coca-Cola’s employee perceptions, attitudes and behaviour towards their employer and towards the involved NPO. Inferences could be tested on whether employee perceptions are in line with the NPO supporters’ perceptions of the corporate sponsor’s CSR activities, attitudes towards CSR and consumer behaviour toward the corporate sponsor, thus investigating the reputation of a specific sponsorship internally and externally.
As discussed in Chapter 3, the image and identity of a company should be aligned to accurately determine the reputation of a company (Davies et al., 2003:61). The identity of a company involves the perceptions of employees (Davies et al., 2003:61). If there is congruency between employee and customer satisfaction with the organisation’s products and services, employee retention, customer loyalty and increased sales will result (Davies et al., 2003:159-175). According to findings of a study (Walker Information Indianapolis, 2002:9), personnel have more positive perceptions than “customers or shareholders” towards corporate philanthropy and that “seven of every 10” personnel have more positive attitudes towards a company that makes use of personnel “volunteers”. These findings show that the inclusion of employees in surveys on corporate reputation and CSR is a domain that should be investigated in more depth to harness all possible advantages thereof for the internal identity of the institution. It seems that charity really does begin at home.

According to Simcic Brønn and Belliu Vrioni (2001:9), CRM can assist a company in selling their brands, improving employees’ perceptions of the company, as well as motivating them. Bowers and Martin (2007:1) believe that two conceptual approaches exist and can be intertwined for more success in some service organisations – this entails an approach in which employees are treated as customers and another approach in which customers are treated as employees. These authors also regard contact personnel as “service marketers as well as service providers” (Bowers & Martin, 2007:2). Bowers and Martin (2007:2) are of the opinion that the employees, who are in direct contact with customers, can be labelled as “the company to the customer”. This might also be the case where the NPO’s employees are the primary contact personnel who indirectly deliver the corporate sponsor’s CSR services to the public with the money or other resources provided by the sponsor. In a sense, the employees of an NPO usually act as facilitators of the CSR objectives of a corporate sponsor. They sometimes facilitate the specific events or programmes made possible by the corporate sponsor’s generosity (financial).

Just as disappointed customers of a corporate sponsor can spread negative word-of-mouth which can damage the reputation of that company, the employees of an NPO are situated in a most ideal position to contribute to positive, and credible, word-of-mouth to the public with regard to a specific corporate sponsor. And therefore, they
play a crucial role in conveying the CSR activities of a corporate sponsor. Other employees of the NPO also play a significant role in the proper use of a sponsor’s resources for the benefit of a specific community – just think of the communications and marketing officers, the website designer, trainers, event managers, and many more. If all communications do not work towards the active stimulation of public interest in programmes or events sponsored by the corporate, neither the NPO nor the corporate sponsor’s strategic objectives will result.

Therefore, further investigation into the perceptions, attitudes and behaviour of the “internal consumer” (employee) deserve more attention in the South African CSR context.

Fourthly, another recommendation would be to apply this study to different types of consumer products in similar contexts. Coca-Cola products have always been the most popular soft drink beverage brand worldwide and for that reason, it is advised that the study be applied to more types of consumer products and comparisons be drawn between these groups of products.

Fifthly, meaningful correlations obtained from this study, but not discussed as part of the hypotheses, also justify further investigation. All of these correlations are significant at a 5% level:

i. There was a weak positive correlation between consumer regard for CSR and their perceptions of the CSR activities of Coca-Cola \[r(198) = 0.17, p = 0.019\].

ii. There is a weak negative correlation between consumer regard for CSR and consumer scepticism about CSR \[r(198) = -0.17, p = 0.019\].

iii. There was a weak negative correlation between consumer scepticism about CSR and their consumer corporate citizenship attitudes toward Coca-Cola \[r(198) = -0.15, p = 0.036\].

iv. There was a weak negative correlation between consumer scepticism about CSR and consumer behaviour towards Coca-Cola \[r(198) = -0.26, p < 0.001\].
v. There is a positive correlation between consumer corporate citizenship attitudes towards Coca-Cola and consumer behaviour towards the corporate sponsor \( r(198) = 0.65, p < 0.001 \).

vi. Significant findings were also derived with regards to consumer brand attitudes and the following constructs:

- the respondents’ ability to recall the corporate sponsor involved \( F(1, 187) = 7.63, p = 0.006 \],
- consumer business use/non-use of Coca-Cola’s products \( F(2, 186) = 3.30, p = 0.039 \],
- consumer personal use/non-use of Coca-Cola’s products \( F(2, 186) = 3.41, p = 0.035 \].

More attention will now be given to the latter in a discussion of the final point in the above list. All of these relationships were significant at a 5% level:

vii. Respondents who correctly recalled the sponsor involved with the NZG, held significantly more positive corporate citizenship attitudes \( M = 4.08, \ SD = 0.54 \) towards Coca-Cola than the respondents who incorrectly recalled the sponsor involved \( M = 3.77, \ SD = 0.80 \).

viii. Respondents who frequently use Coca-Cola’s products for business purposes, demonstrated significantly more positive corporate citizenship attitudes \( M = 4.18, \ SD = 0.60 \) as compared to occasional users \( M = 3.86, \ SD = 0.67 \) and non-users \( M = 3.67, \ SD = 0.68 \).

ix. Respondents who indicated that they are frequent personal users of Coca-Cola’s products had significantly more positive corporate citizenship attitudes towards Coca-Cola \( M = 4.12, \ SD = 0.55 \) as opposed to respondents who are occasional \( M = 3.74, \ SD = 0.74 \) or non-users \( M = 3.48, \ SD = 0.90 \).

Even though hypotheses concerning consumer corporate citizenship attitudes and the abovementioned variables have not been included in this study, the significance of the findings motivates future inclusion thereof – especially in a South African
context. Because attitude is such a strong motivator to behaviour, its importance as a construct should not be underestimated when it comes to consumer brand behaviour. It would be insightful to determine whether the above consumer corporate citizenship attitude findings are similar in different contexts with other corporate sponsors, NPO’s and different consumer samples. The following hypotheses (H_x, H_y and H_z) are therefore recommended to be included in future CSR research on the topic of consumer corporate citizenship attitudes in a South African context:

H_x(null): There is no significant difference in the consumer corporate citizenship attitudes towards the corporate sponsor between the respondents who correctly recalled the corporate sponsor’s involvement and those who did not correctly recall the corporate sponsor’s involvement with the specific NPO.

H_x(alt): There is a significant difference in the consumer corporate citizenship attitudes towards the corporate sponsor between the respondents who correctly recalled the corporate sponsor’s involvement and those who did not correctly recall the corporate sponsor’s involvement with the NPO.

H_y(null): There is no significant difference in the consumer corporate citizenship attitudes towards the corporate sponsor between the business use and non-use of the corporate sponsor’s products.

H_y(alt): There is a significant difference in the consumer corporate citizenship attitudes towards the corporate sponsor between the business use and non-use of the corporate sponsor’s products.

H_z(null): There is no significant difference in the consumer corporate citizenship attitudes towards the corporate sponsor between the personal use and non-use of the corporate sponsor’s products.

H_z(alt): There is a significant difference in the consumer corporate citizenship attitudes towards the corporate sponsor between the personal use and non-use of the corporate sponsor’s products.
A final recommendation would be a call for more qualitative research methods with regard to consumer perceptions, consumer attitudes and consumer behaviour in the context of CSR. Due to the complex and highly individualistically-dependent nature of these constructs, qualitative research would be most appropriate to delve deeper into the minds of consumers and probe the reasoning being their (sometimes subconscious, compulsive or habitual) perceptions, attitudes and behaviour (Webb & Mohr, 1998:226).

These matters conclude the discussion on recommendations for future research. A final summary now follows in conclusion to this chapter and to the study as a whole.

7.6 SUMMARY

South African companies play a pivotal role in the protection of the integrity of CSR as a business practice. In the end, a good deed is still a good deed, even if the intentions behind it might be questionable. Especially in a developing country such as South Africa, any positive deed is valuable to the needy receivers thereof. Whether a company makes a once-off donation to a charity or whether it is an active member supporting a good cause on a permanent basis, it still benefits a part of society in some way. But what this paper argues is the fact that a sustainable approach can be much more beneficial to a company’s reputation in the long run by building and maintaining the respect current and potential consumers and NPOs to the company have for its dedication to a better future for a next generation. CSR is still a relatively new, but fast growing, concept to the general South African public. It is an immensely powerful business tool if it is applied with the necessary class and founded within a culture of good-intentioned business ethics. When approached on this basis, CSR can add economic, environmental and social wealth to the communities of this developing country in a sustainable manner.
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APPENDIX A:

INFORMED CONSENT FORM
Dear Respondent

You are invited to participate in an academic research study conducted by Nicolene van Heerden, a Masters student from the Department of Marketing and Communication Management at the University of Pretoria.

The purpose of this study is to investigate how visitors of the National Zoological Gardens of South Africa perceive the reputation of one of the Zoo’s corporate sponsors, what their attitude is towards corporate social responsibility (CSR) in general, and what their future intended behaviour towards the sponsoring company will be.

Please note the following:
- This study involves an anonymous survey. Your name will not appear on the questionnaire and the answers you give will be treated as strictly confidential. You cannot be identified in person based on the answers you give.
- Your participation in this study is very important to us. You may, however, choose not to participate and you may also stop participating at any time without any negative consequences.
- Please answer the questions in the attached questionnaire as completely and honestly as possible. This should not take more than 7 minutes of your time.
- The results of the study will be used for academic purposes only and may be published in an academic journal. We will provide you with a summary of our findings on request.
- Please contact my supervisor, Ms. E. De Beer at (012) 420 4040 or E-mail her at estelle.debeer@up.ac.za if you have any questions or comments regarding the study.

Please sign the form to indicate that:
- You have read and understand the information provided above.
- You give your consent to participate in the study on a voluntary basis.

__________________________________________________________  __________________________
Respondent’s signature                  Date
APPENDIX B:

DATA COLLECTION INSTRUMENT
Dear Sir / Madam,

Thank you for your willingness to complete the Zoo visitor survey on Corporate Social Responsibility (CSR).

When a company donates money or other resources to non-profit organisations, such as the Zoo, it is known as Corporate Social Responsibility (CSR). The purpose of this survey is to determine Zoo visitors' perceptions and attitudes towards a company that donates money to the Zoo.

Please answer all the questions by placing a cross (\(\times\)) in the appropriate block.

Q1. Which one of the following three companies do you think donates money to the Zoo?

<table>
<thead>
<tr>
<th>Company</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pick ‘n Pay</td>
<td>1</td>
</tr>
<tr>
<td>Mr. Pie</td>
<td>2</td>
</tr>
<tr>
<td>Coca-Cola (ABI)</td>
<td>3</td>
</tr>
<tr>
<td>I don’t know</td>
<td>4</td>
</tr>
</tbody>
</table>

In all of the questions to follow in Section A, you should draw a cross (\(\times\)) over one number next to each statement:

- If you agree strongly with the statement, mark number five (5)
- If you agree mark number four (4)
- If you feel neutral about the statement, mark number three (3)
- If you disagree mark two (2)
- If you disagree strongly mark number one (1)

PLEASE TURN PAGE OVER FOR THE REST OF THE QUESTIONS.
SECTION A:

Q2. Amalgamated Beverage Industries (ABI), or more commonly known as Coca-Cola, is one of the Zoo’s major sponsors. Please indicate how much you agree or disagree with the following statements on Coca-Cola.

<table>
<thead>
<tr>
<th>Coca-Cola ...</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Is a good company</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.2 Behaves socially responsible</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.3 Cares about the environment</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.4 Helps South African communities</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.5 Treats people well</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.6 Sponsors causes only to “look good” to the public</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.7 Does what it promises to do in the community</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.8 Has a record of doing good deeds in society</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2.9 Is a company that cares about the communities where it does business</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Q3. Please indicate how much you agree or disagree with the following statements:

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Companies should give back to society.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3.2 It should be standard that all companies should give back to society.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3.3 Companies only do good deeds to “look good” to the public.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3.4 Companies should support meaningful causes.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
Q4. Please indicate how much you agree or disagree with the following statements.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>I trust a company that does good deeds.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4.2</td>
<td>I believe that Coca-Cola will keep its promise to give back to society.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4.3</td>
<td>I trust companies that do their part to help society.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4.4</td>
<td>If I buy something, I want to know that the company behind it is doing good in society.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4.5</td>
<td>Companies that give back to the community are better than companies that do not.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4.6</td>
<td>Coca-Cola’s support at the Zoo makes me feel positive about the Coca-Cola brand.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4.7</td>
<td>Companies that are known for doing good for society are more likely to have better products and services.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4.8</td>
<td>I think companies have giving programs to provide value only for themselves.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4.9</td>
<td>If I support a company that does good deeds, I also feel I am doing a good deed.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>
Q5. Please indicate how much you agree or disagree with the following statements.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>I would continue to buy from a company that does good deeds.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5.2</td>
<td>I would rather buy from the company that does good to society if price and quality were the same between two companies.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5.3</td>
<td>I would rather buy from a company that has a history of helping communities, even if the product or service was a bit more expensive.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5.4</td>
<td>A company’s history of good deeds determines if I buy its products/services.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5.5</td>
<td>If a company I buy from does irresponsible/bad deeds, I would buy from another company instead.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5.6</td>
<td>I will rather buy from Coca-Cola now that this company supports the Zoo.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5.7</td>
<td>If Coca-Cola did not help organisations like the Zoo, I would not buy their products.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5.8</td>
<td>I would keep on buying from Coca-Cola because of its history of good deeds.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5.9</td>
<td>Because Coca-Cola supports the Zoo, I will be more likely to tell others about Coca-Cola.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>
**SECTION B:**

Section B is for administrative purposes. Please complete the following questions as well.


<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Pretoria</td>
<td>1</td>
</tr>
<tr>
<td>Johannesburg</td>
<td>2</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>3</td>
</tr>
</tbody>
</table>

Q7. How old are you? __________

Q8. Please indicate your gender.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>1</td>
</tr>
<tr>
<td>Female</td>
<td>2</td>
</tr>
</tbody>
</table>

Q9. Please indicate your ethnicity.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>1</td>
</tr>
<tr>
<td>White</td>
<td>2</td>
</tr>
<tr>
<td>Coloured (for example Indian)</td>
<td>3</td>
</tr>
<tr>
<td>Other (please specify):</td>
<td>4</td>
</tr>
</tbody>
</table>

Q10. Please indicate your highest level of education.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Some high school</td>
<td>1</td>
</tr>
<tr>
<td>High school Grade 12 (Matric)</td>
<td>2</td>
</tr>
<tr>
<td>Some college/university</td>
<td>3</td>
</tr>
<tr>
<td>Complete degree at college/university</td>
<td>4</td>
</tr>
<tr>
<td>Post graduate degree at college/university</td>
<td>5</td>
</tr>
</tbody>
</table>

Q11. Indicate the total combined income in your household.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than R 24 000 per year</td>
<td>1</td>
</tr>
<tr>
<td>Between R 24 000 and R 49 999 per year</td>
<td>2</td>
</tr>
<tr>
<td>Between R 50 000 and R 74 999 per year</td>
<td>3</td>
</tr>
<tr>
<td>Between R 75 000 and R 99 999 per year</td>
<td>4</td>
</tr>
<tr>
<td>Between R 100 000 and R 124 999 per year</td>
<td>5</td>
</tr>
<tr>
<td>Between R 125 000 and R 149 999 per year</td>
<td>6</td>
</tr>
<tr>
<td>R 150 000 or more per year</td>
<td>7</td>
</tr>
</tbody>
</table>
Q12. Do you buy Coca-Cola or other soft drinks of ABI for use at work functions? Indicate how you would describe your business use of Coca Cola’s products.

| Frequent business user | 1 |
| Occasional business user | 2 |
| I do not use Coca-Cola’s products for business purposes | 3 |

Q13. Do you buy Coca-Cola or other soft drinks of ABI for personal use at home or with friends? Indicate how you would describe your personal use of Coca-Cola’s products.

| Frequent personal user | 1 |
| Occasional personal user | 2 |
| I do not use Coca-Cola’s products for personal purposes | 3 |

THANK YOU FOR PARTICIPATING IN THIS STUDY.

WE APPRECIATE YOUR INSIGHTS.
APPENDIX C:

ORIGINAL STUDY QUESTIONNAIRE
APPENDIX

Survey Questionnaire

A. Please circle one answer for the following question:
Which one of these Atlanta-based companies was the main corporate sponsor of Zoo Atlanta’s pandas and their habitat? (choose one)
- Delta
- UPS
- Coca Cola
- Home Depot

B. Please tell us about yourself (all answers are anonymous):
1. Where do you live? City________________________ State________________________
2. Age: __________________________
3. Gender (please circle): M / F
4. Ethnicity:
   - African American/Black
   - Asian/Pacific Islander
   - Caucasian/White
   - Hispanic/Latino
   - Native American
   - Other________________________
5. What is your highest education level completed?
   - Some high school
   - High school graduate
   - Some college
   - Graduated college
   - Post graduate
6. What is your combined annual household income?:
   - ≤$24,999
   - $25,000 - $49,999
   - $50,000 - $74,999
   - $75,000 - $99,999
   - $100,000 - $124,999
   - $125,000 - $149,999
   - $150,000+
7. Are you a Zoo Atlanta member? (please circle): Y / N
8. How many times have you visited the Zoo in the last 12 months?: _____
9. How would you describe your business use of UPS (United Parcel Service) services? (circle one)
   - Frequent business user
   - Occasional business user
   - I don’t use UPS for business use
10. How would you describe your personal use of UPS (United Parcel Service) services? (circle one)
    - Frequent personal user
    - Occasional personal user
    - I don’t use UPS for personal use
11. Are you current or past employee of UPS (please circle): Y / N

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### PART 1
(Please check one)

<table>
<thead>
<tr>
<th></th>
<th>1 = strongly disagree</th>
<th>2 = disagree</th>
<th>3 = neutral</th>
<th>4 = agree</th>
<th>5 = strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>UPS is known as a good company</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2.</td>
<td>UPS is known for behaving in a socially responsible way</td>
<td></td>
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<tr>
<td>3.</td>
<td>UPS is known for caring about the preservation of the environment</td>
<td></td>
<td></td>
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<tr>
<td>4.</td>
<td>UPS is known for helping Atlanta’s communities</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5.</td>
<td>UPS is known for treating people well</td>
<td></td>
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<tr>
<td>6.</td>
<td>UPS is known for supporting causes so that it will “look good” to the public</td>
<td></td>
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</tr>
<tr>
<td>7.</td>
<td>UPS is known to accomplish what it says it will do in the community</td>
<td></td>
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<tr>
<td>8.</td>
<td>UPS is known for its record of doing good for society</td>
<td></td>
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<tr>
<td>9.</td>
<td>UPS is known as a company that cares about the communities where it does business</td>
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<td></td>
</tr>
</tbody>
</table>

### PART 2
(Please check one)

<table>
<thead>
<tr>
<th></th>
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<th>3 = neutral</th>
<th>4 = agree</th>
<th>5 = strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>I think companies have a responsibility to give back to society</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Corporate giving should be a standard part of a company’s activities</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3.</td>
<td>I think companies that have giving programs do so because they feel they have to “look good” to the public</td>
<td></td>
<td></td>
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<tr>
<td>4.</td>
<td>I like to see companies supporting meaningful causes</td>
<td></td>
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<tr>
<td>5.</td>
<td>I am suspicious of companies that frequently align themselves to social causes</td>
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<tr>
<td>6.</td>
<td>I want to know if a company is doing good deeds for communities</td>
<td></td>
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<tr>
<td>7.</td>
<td>I am skeptical when companies talk publicly about their contributions to society</td>
<td></td>
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<tr>
<td>8.</td>
<td>I think companies are sincere when they do good deeds for communities</td>
<td></td>
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<tr>
<td>9.</td>
<td>I think companies should actively speak out about their philanthropic efforts</td>
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</tbody>
</table>
### PART 3
(Please check one)

<table>
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<th></th>
<th>1 = strongly disagree</th>
<th>2 = disagree</th>
<th>3 = neutral</th>
<th>4 = agree</th>
<th>5 = strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I trust a company that does good deeds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. I have confidence that a corporation like UPS will fulfill its promise to give back to society</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3. I mistrust companies that don’t do their part to help society</td>
<td></td>
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</tr>
<tr>
<td>4. When I’m buying a product or service, I want to know that the company behind the brand is doing good for society</td>
<td></td>
<td></td>
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<tr>
<td>5. Corporate giving positively sets a company apart from others</td>
<td></td>
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</tr>
<tr>
<td>6. UPS’s contribution to Zoo Atlanta’s panda habitat improves my impression of the UPS brand</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>7. Companies that are known for doing good for society are more likely to have better products and services</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>8. I think companies that have corporate giving programs do so to provide value for themselves</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>9. By supporting a company that does good deeds, I also feel I’m doing a good deed</td>
<td></td>
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</tr>
</tbody>
</table>

### PART 4
(Please check one)

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<tr>
<th></th>
<th>1 = strongly disagree</th>
<th>2 = disagree</th>
<th>3 = neutral</th>
<th>4 = agree</th>
<th>5 = strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. A good record for giving back to the community is a primary reason why I would continue to buy products or services from a company</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2. If price and quality were equal, I would consider switching to a brand whose company was known for supporting good causes</td>
<td></td>
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</tr>
<tr>
<td>3. I would switch to a brand whose company had a record of helping communities, even if the product or service was more expensive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. When deciding what products or services to purchase from a company, I take into account its record for being socially responsible</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. If a company whose brand I use was accused of wrong-doing, I would switch brands</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Based on UPS’s support of Zoo Atlanta’s panda habitat, I will be more likely to use UPS services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. If UPS didn’t help non-profit organizations like Zoo Atlanta, I would be less likely to use UPS services</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>8. I would invest in a company such as UPS because of its record for supporting social and community causes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Because of UPS’s support of Zoo Atlanta’s panda habitat, I will be more likely to recommend their services and/or products to my friends and family</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>