The Impact of Perceived Corporate Social Responsibility On Consumer Behavior

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Abstract

The use of corporate social responsibility (CSR) initiatives to influence consumers and differentiate product offerings has become quite common. This research builds on the growing body of marketing literature through two investigations that manipulate consumers' perceptions of fit, motivation, and timing of corporate social initiatives embedded within promotions. We find that low-fit initiatives negatively impact consumer beliefs, attitudes, and intentions no matter what the firm's motivation, and that high-fit initiatives that are profit-motivated have the same impact. Further, consumers consider the timing (proactive versus reactive) of the social initiative as an informational cue, and only the high-fit, proactive initiatives led to an improvement in consumer beliefs, attitudes, and intentions.

Introduction

Based on the assumption that consumers will reward firms for their support of social programs, many organizations have adopted social causes (Levy, 1999). However, it is unlikely that consumers will blindly accept these social initiatives as sincere actions and thus may or may not reward the firm. Prior research confirms this notion (Barone, Miyazaki, and Taylor, 2000; Brown and Dacin, 1997; Creyer and Ross, 1997; Ellen, Mohr and Webb, 2000; Sen and Bhattacharya, 2001). In fact, research suggests consumers will punish firms that are perceived as insincere in their social involvement (Sen and Bhattacharya, 2001; Simmons and Becker-Olsen, 2004). Therefore, we propose that potential positive associations stemming from a social initiative depend on the consumer's evaluation of that initiative in relation to the firm, rather than simply the act itself. Through two studies we investigate the role of perceived fit (e.g., similarity between corporate mission and social initiative), perceived corporate motive (other-centered versus profit-centered), and timing of an announcement (reactive versus proactive) on consumers' responses to corporate social initiatives.

This research makes several contributions. First, we build on previous literature by explicitly evaluating additional firm/program conditions that may influence consumers' responses towards firms and their products. Second, in the first study we replicate the findings of previous scholarship on sponsorship (Simmons and Becker-Olsen, 2004; Speed and Thompson, 2000), and social marketing (Sen and Bhattacharya, 2001), which show that low-fit alignments with intrinsically positive initiatives can lead to negative assessments of firms by consumers. Third, in the second study we show that high-fit initiatives, which are perceived as reactive rather than proactive, can also negatively impact consumer behavior. Finally, we extend previous findings by evaluating specific beliefs such as corporate ability and corporate credibility, rather than simply attitudinal and behavioral responses.

Theoretical Foundation

There have been numerous studies on corporate social responsibility (CSR), corporate ethics, and social sponsorship that suggest a link between social initiatives and improved financial performance (McGuire, Sundgren, and Schneeweis, 1998; Pava and Krause, 1996; Stanwick and Stanwick, 1998), as well as studies that demonstrate the link between social initiatives and positive affective, cognitive, and behavioral responses by consumers (Brown and Dacin, 1997; Creyer and Ross, 1997; Ellen, Mohr and Webb, 2000; Folkes and Kamins, 1999; Murray and Vogel, 1997; Sen and Bhattacharya, 2001). Specifically, previous research has looked at the relationship between social initiatives and price (Creyer and Ross, 1997), perceived quality (Folkes and Kamins, 1999), corporate attitudes (Brown and Dacin, 1997), and purchase intentions (Murray and Vogel, 1997). The section now turns to a discussion of the key variables of fit and motivation.

Fit

Fit is defined in a social marketing context as the perceived link between a cause and the firm’s product line, brand image, positioning, and target market (Varadajan and Menon, 1988). Fit is important because it influences: (1) how much thought people give to a relationship (e.g., increased elaboration about the firm, the social initiative, and/or the relationship itself when perceived inconsistencies with prior expectations and information exist) (Forehand and Grier, 2003; Meyers-Levy and Tybout, 1989; Meyers-

Levy, Louie, and Curren, 1994); (2) the specific types of thoughts generated (e.g., low fit generates negative thoughts and low fit itself is considered negative) (Forehand and Grier, 2003); and (3) evaluations of the two objects (Johar and Pham, 1999; Sen and Bhattacharya, 2001; Speed and Thompson, 2000).

Predicting the exact relationship between fit and consumer evaluations is difficult because previous findings are mixed. Attribution theory arguments predict that high levels of congruency lead to dilution effects since consumers attribute firms' actions to self interested motives; however, this evidence is weak at best (Drumwright, 1996; Ellen, Mohr and Webb, 2000). Other theoretical approaches based on schema congruity theory predict an inverted-U shaped relationship, with moderate incongruity preferred to high or low congruity by consumers (Mandler, 1982; Meyers-Levy and Tybout, 1989). Finally, associative network theory posits that new information congruent with existing attitudes may have a polarizing effect, while incongruent information may simply be overlooked leaving consumers' attitudes unchanged.

Findings in much of the sponsorship, branding, and endorsement literatures are consistent with associative network theory. Specifically, high levels of perceived relatedness enhance consumer attitudes towards firms/brands because they view the actions of firms as appropriate (Aaker, 1990; Keller and Aaker, 1992; John, Loken and Joiner, 1998; Mandler, 1982; Osgood and Tannenbaum, 1995; Simonin and Ruth, 1998; Speed and Thompson, 2000; Till and Busler, 2000). Thus, a good fit between prior expectations, knowledge, associations, actions, and competencies of a firm and a given social initiative (e.g., Home Depot and Habitat for Humanity) can be more easily integrated into the consumer's existing cognitive structure, strengthening the connection between the firm and the social initiative (Fiske and Taylor, 1991; Wojciske, Brycz and Borkenau, 1993). Such high-fit initiatives are a function of perceived consistency with prior expectations and actions between firms and causes, reinforcing the firm's market position (cf. Keller, 1993; Erdem and Swait, 1998; Park, Jaworksi, and MacInnis, 1986). Clear positive market positions are important because they help consumers understand how firms fit into the competitive landscape, provide a point of differentiation, reduce uncertainty about firms and their products, and increase purchase intentions (Brown and Dacin, 1997).

Alternatively, a low-fit initiative is likely to be perceived as inconsistent with prior expectations and actions, making it more difficult to integrate new knowledge into existing memory structures. Research has shown that consumers who elaborate an incongruity have diminished attitudes toward the firm and its initiatives (Forehand and Grier, 2003; Menon and Kahn, 2003). Further, the lack of congruity is likely to reduce the clarity of the firm's market position and call into question the firm's motives. For example, the lack of consistency between prior expectations and new information has been shown to trigger skepticism and lead to negative attitudes (Boush, Friestad, and Rose, 1994; Folkes, 1988; Ford, Smith and Swasy, 1990). Given this discussion, Hypothesis One is:

> Low fit between firms and social initiatives relative to high fit will result in a greater number of thoughts (H1a), thoughts that are less favorable (H1b), thoughts that are more focused on firm motive (H1c), more negative attitudes toward the firm (H1d), beliefs about the firm as less credible (H1e), and lower likelihood of purchase intention (H1f).

Motivation

Consistent with the earlier discussion, perceived corporate motivation is likely to influence consumers' attitudes toward firms and their social initiatives. Although the act of supporting a social initiative may seem to be a public serving action, consumers' perceptions of the underlying motivations for the act may drive their evaluations of the firm and impact beliefs, attitudes, and intentions. Consider Nike, who in conjunction with the London Department of Education is tackling issues of racism and school bullying through a community-based, after-school sports program. Together they have publicly stated that the program will have positive benefits for young people, the community, and ultimately the firm; although Nike claims it is not intended to sell more sportswear (Mason, 2001). Clearly this program has a high degree of fit, but another relevant factor is consumers' perceptions of Nike's motivation. If consumers question a firm's motivation, they may elicit more persuasion knowledge (Friestad and Wright, 1994, 1995), which results in greater cognitive elaboration in the evaluation of these motivations.

Attribution theory (Jones and Davis 1965; Kelley 1967, 1972) and the persuasion knowledge model provide a basis for the argument that consumers will attempt to understand firms' motives embedded within marketing communications. Thus when presented with evidence of a firm's social involvement, consumers are likely to elaborate on the message and assign one of two primary types of motives to the firm -- self serving (e.g., to increase profits, sales or boost a specific brand) or public serving (e.g., help needy citizens, assist with community development or raise awareness for a specific cause). In this research we look at motivations that are characterized as profit motivated or socially motivated. We know that the specific attributions that underlie perceived motivations are likely to influence evaluations of firms (Boush, Friestad, and Rose, 1994; Campbell and Kirmani, 2000; Ellen, Mohr and Webb, 2000). Thus, when motivations are considered firm serving or profit related, attitudes toward firms are likely to diminish; when motivations are considered socially motivated, attitudes toward firms are likely to be enhanced.

Further, increased elaboration improves the likelihood that persuasion knowledge will be used as a coping strategy to update or "correct" initially favorable beliefs about firms with less favorable beliefs that firms are motivated by self-interest (cf. Campbell and Kirmani, 2000; Friestad and Wright, 1994, 1995). Additionally, this elaboration may engender thoughts about efficacy, leading consumers to question what benefits are likely to accrue to firms or the initiatives (i.e., profit or social change). This skepticism occurs because consumers hold intuitive beliefs that social initiatives are primarily motivated by corporate self-interest (Speed and Thompson, 2000; Webb and Mohr, 1998).

Thus, our discussion leads us to Hypothesis Two:

> Profit-motivated versus socially-motivated CSR initiatives will result in a greater number of thoughts (H2a), thoughts that are less favorable (H2b), thoughts that are more focused on firm motive (H2c), more negative attitudes toward the firm (H2d), beliefs about the firm as less credible (H2e), and lower likelihood of purchase intention (H2f).

Study 1: Effects of Fit and Motivation

Method

In a pretest we sought to identify a pair of equally well-liked and highly familiar firms that could be paired with a set of equally important and relevant social initiatives. This tactic was employed so that our fit and motivation manipulations would not be confounded with any *a priori* differences. Specifically, we wanted to limit self-congruity effects between firms or social initiatives and respondents (see Barone, Shimp and Sprott, 1999; Dolich, 1969; Sirgy, 1982; Sirgy and Samli, 1985). A group of 28 respondents was given a list of eight companies (Disney, Toys R Us, Home Depot, Ford Motor Company, Citigroup, Dell, Lockheed Martin, and Revlon) and six different social initiatives (environmental preservation, early childhood education, domestic violence, homelessness, cancer screening, and voting). The results showed that Home Depot and Revlon were equally well-liked firms (Ms=6.23 and 6.14, $F_{1,25}$<1) and equally familiar (Ms=6.24 and 6.26, $F_{1,27}$<1), when liking and familiarity are measured using three seven-point scales each (*1=negative/7=positive, 1=unfavorable/ 7=favorable,* and *1=bad/7=good*, Cronbach's α=.96, for liking; and *1=unfamiliar/ 7=familiar, 1=did not recognize/7=recognized*, and *1=had not heard of/7=had heard of*, Cronbach's α=.96, for familiarity). Further, homelessness and domestic violence were perceived as equally important (Ms=6.32 and 6.39, $F_{1,25}$<1) and equally relevant (Ms=5.92 and 6.11, $F_{1,25}$<1), when measured by one seven-point scale each (*1= not important/7=very important* and *1=not relevant/7=relevant*).

A second set of pretests evaluated the stimuli to ensure that firm/initiative pairings were representative of the intended fit and motivation manipulations. Similar to earlier investigations, subjects were exposed to the social initiative information in the form of a *USA Today* newspaper article. Fit between the firm and social initiative was measured using four scaled items (*1=low fit/7=strong fit, 1=dissimilar/7=similar, 1=inconsistent/ 7=consistent*, and *1=not complementary /7=complementary*, Cronbach's α=. 94). Fit varied as expected (Ms *high fit* =5.42 and *Ms low fit* 2.02; $F_{1,25}$=145.25, p<.001), and this effect does not differ by firm. Motivation was manipulated by changing the stated goals of the program (e.g., Home Depot hopes this and other new programs will boost sales or Home Depot hopes this and other programs will help those at risk). Motivation also varies as expected (*M*s *profit motivated* =6.11 and *Ms socially driven*= 3.16; $F_{1,25}$=140.13, p<.001; where *1=socially driven/7=profit motivated*), and does not differ by firm.

In this first study, the effects of fit and motivation were tested using a 2 (high fit vs. low fit) X 2 (profit motivated vs. social interest) randomized, between-subjects, ANOVA design. These effects were evaluated with the firms and issue pairings as presented in Table 1. One hundred eight subjects from an adult continuing education program participated in the study and received no compensation. Their average age was 46 and 58% were females. Subjects were told they were participating in a study regarding perceptions of various firms and asked to: (1) evaluate their feelings about the firm listed on the top of the page using three seven-point scales (*1=negative/7=positive, 1=unfavorable/ 7=favorable*, and *1=bad/7=good*); (2) list what they knew about the firm including their product line, services offered, employee policies, corporate value system, and social initiatives; and (3) determine how likely they were to recommend or purchase from the firm using two seven-point scales (*1=not recommend/7=strongly recommend* and *1=never purchase/7=always purchase*).

Insert the Table1 about here

They subsequently were instructed to turn the page and read a newspaper clipping containing three business news items: one about a new service from VISA.COM, one about the experimental firm and its social initiative, and one about Wendy's founder's struggle with liver cancer. After reading the articles, subjects were asked once again to: (1) rate their feelings about the experimental firm using the same three items; (2) list any thoughts about the firm and the social initiative; and (3) rate their willingness to support the firm. Next subjects were requested to turn the page and answer a series of scaled belief measures about the firm. These belief measures were collapsed using Cronbach's alpha to form three relevant dimensions: (1) corporate ability *(makes good products, is an innovative firm, has reliable products, is a well managed firm,* and *is financially strong;* Cronbach's $\alpha = .86$*),* (2) corporate credibility *(is a firm I can trust, is a firm that cares about its customers, has a strong value system,* and *is a firm I believe in;* Cronbach's $\alpha = .85$), and (3) corporate positioning *(clearly communicates what it stands for, conveys a consistent image, I understand what the firm does*, and *clearly represents who they are;* Cronbach's $\alpha = .74$).

Then subjects were instructed to: (1) rate the fit between the firm and social initiative using the four scaled items from the pretest; (2) determine the perceived motivation for participation in the program via three scaled items (*1=self-interested/ 7=community interested,1=firm focused/7=customer focused* and *1= profit motivated/7=socially motivated*); (3) note the personal relevance and probability of receiving a direct benefit from the cause, importance of the cause, and how important it is for firms to support social initiatives; and (4) list any other thoughts they have on corporate social responsibility.

Results

The results generally support our predictions (see Table 2). A manipulation check shows that perceived fit varies as expected (*Ms high fit=6*.24 and *Ms low fit=2*.38, $F_{1, 107}$=98.51, p< .001), as does motive (*Ms profit motivated* =3.33 and *Ms socially motivated*=5.58, $F_{1, 107}$=73.66, p<. 001).

Insert the Table 2 about here

The first three sub-hypotheses are related to the thought listings respondents did after reading the articles. Thoughts were counted and categorized as firm related, fit related, motive related, cause related, and other by two coders. Additionally positive, negative, and neutral valences were assigned. Inter-coder agreement was 79% and discrepancies were resolved by discussion. Both H1a and H2a are supported since subjects provided a greater number of thoughts when fit is low rather than high (*Ms low fit* = 4.64, *Ms high fit* = 2.13; $F_{1,107}$=15.82, p<.05), and a greater number of thoughts when the motivation is profit driven rather than socially driven (*Ms profit motivation*= 3.57 *Ms social motivation*= 2.93; $F_{1,107}$=7.52, p<.05). Within the high-fit condition, profit motivation elicited more thoughts than social motivation (*Ms profit motivated*= 2.48, *Ms socially motivated*= 1.37; $F_{1,53}$=9.48, p<.05). However, in the low-fit conditions there are no significant differences in number of thoughts across types of motivation ($F_{1,53}$=1.26, p>.05).

Overall favorability of thoughts was measured by taking the total number of positive thoughts minus the total number of negative thoughts. We find support for H1b and H2b given overall favorability of thoughts is reduced when fit is low ($F_{1,107}$=29.65, p<.001), and overall favorability of thoughts is reduced when the motivation is profit driven ($F_{1,107}$=16.34, p<.001). Interestingly, the thoughts generated in the high-fit, socially-motivated condition tend to focus more on general positive affect toward the firm (e.g., *Home Depot is a good firm,* and *I like Revlon*), whereas thoughts in the high-fit, profit-motivated condition tend to be more specific (e.g., *Home Depot hopes people will buy more products, I am not sure if this will really help homeless people, Revlon products are not going to help these people,* and *this is a good project for Revlon*) indicating a higher level of elaboration.

Across the low-fit conditions we find support for H1c, which predicts a greater focus on spontaneous thoughts about firm motivation ($F_{1,107}$=9.11, p<.05) (e.g., *why would they do this* and *they want to make a quick buck*). Additionally we find thoughts related to fit (e.g., *this is not a good program for Home Depot, it does not make sense that Revlon would be involved in this,* and *these do not fit together*), and specific negative firm beliefs (e.g., *this will not get people interested in the firm, I will not buy more,* and *this will not help the bottom line*), revealing that respondents did use their persuasion knowledge to evaluate firms' actions. We also find support for H2c since thoughts across the profit-motivated conditions tend to question firm motivation more than in the socially-motivated conditions ($F_{1,107}$=14.25, p<.001).

Overall attitude is the difference between firm assessment pre and post reading of the stimuli. We find both H1d and H2d are supported since overall attitude is significantly elevated in the high-fit conditions relative to the low-fit conditions (*Ms high fit* =.38, *Ms low fit* = -.79; $F_{1,107}$ =12.05, p<.05), and in the socially motivated condition relative to the profit motivated condition (*Ms social* =.21, *Ms profit* =-.34; $F_{1,107}$ =19.56, p<.05). Further, overall attitude is significantly greater in the socially motivated, high-fit condition than in the profit motivated, high-fit condition (*Ms socially motivated* =.57, *Ms profit motivated*=.21, $F_{1,53}$=8.36, p<.05), with no differences across the low-fit conditions ($F_{1,53}$=.98, p>.05).

Although we only made predictions regarding beliefs about credibility, we examined two other belief measures – corporate ability and corporate positioning. We find support for H1e, which predicts that low fit will lead to beliefs that the firm is less credible, ($F_{1,107}$ =11.24, p<.05), but H2e, which predicts that profit motivation will lead to beliefs that the firm is less credible, is not supported ($F_{1,107}$ =1.56, p>.05). However, we find that within the low-fit conditions, socially motivated initiatives reduce some of the negative effects of fit ($F_{1, 53}$=21.46, p<.001). Further, we find that perceived corporate ability is unaffected by fit ($F_{1, 107}$=.73, p>.05) or motivation ($F_{1,107}$=1.02, p>.05). Nonetheless, clarity of corporate positioning is enhanced in both high-fit conditions but reduced in the low-fit conditions ($F_{1, 107}$=56.34, p<.001), while positioning remains unaffected by type of motivation ($F_{1, 107}$=2.31, p>.05).

Purchase intention, similar to overall attitude, is a measure of change from pre to post reading of the stimuli. With regard to H1f and H2f, which predict a lowering of purchase intentions across low-fit and profit motivated conditions, our results are supportive ($F_{1, 107}$=16.32, p<.001 and $F_{1, 107}$=7.45, p<.05, respectively). Within the low-fit conditions, socially motivated initiatives reduce the negative effects of fit; while in the high-fit, socially motivated conditions, purchase intentions increased ($F_{1, 53}$=1.46, p< .05

and $F_{1, 53}$=2.48, p< .05, respectively). There is no significant change in purchase intentions within the high-fit condition ($F_{1, 53}$=. 05, p>.05).

Discussion

We find that firms with the desire to be perceived as "doing good" within their target markets may be able to do so through promotion of carefully selected social initiatives. They may even enhance some corporate associations and overall brand equity with appropriate marketing. However, these good deeds will not always lead to positive thoughts, beliefs, attitudes, and intentions. Low-fit initiatives are likely to diminish overall attitude as well as perceptions of corporate credibility, corporate position, and purchase intention. Interestingly, when the firm is viewed as motivated by firm centered interests (i.e., profit), there is not a reduction in perceived corporate credibility. This is consistent with Forehand and Grier's (2003) notion that skepticism is not driven simply by a firm being profit motivated, but rather by a discrepancy between stated objectives and firm actions (e.g., if the objectives are stated as purely social and firm actions appear to be self-serving). Thus, marketers need to be acutely aware of the negative impact of choosing low-fit CSR initiatives and how the firm communicates its motivation for getting involved with a given initiative. Finally, we found no changes in perceived corporate ability across fit or motivation, suggesting that companies cannot use social initiatives in place of strong brand management and high-quality products. In categories where there is intense competition among similar goods and services, social initiatives may be used to differentiate offerings but are unlikely to influence consumers' assessments of desired functionality.

Study 2: The Effects of Information Timing

In the first study, we evaluated fit and motivation and found that promotion of high-fit, socially motivated initiatives improves consumers' responses to firms, while promotion of low-fit, profit motivated initiatives has the opposite relationship. The firms described in Study 1 engaged in the initiative proactively, rather than as a response to some environmental catalyst or disaster. In Study 2 we examine the case in which firms react to events that prompt them to behave in a socially responsible manner. We believe that this additional variable, referred to in this work as timing and characterized on two levels as proactive and reactive, will influence perceptions of firms.

Timing

Firms often engage in social initiatives as a reaction to natural disasters, consumer boycotts, NGO pressures, or a number of other corporate crises. It seems intuitive that consumers' responses to reactive CSR initiatives (e.g., McDonalds and its use of recyclable packaging material or Starbucks' consumer boycott for free-trade coffee) will be different than responses to proactive initiatives (e.g., Yoplait and Breast Cancer). Ellen, Mohr and Webb (2000), through a variable donation manipulation, demonstrate that consumer response to firms' support for natural disasters is more positive than support for ongoing causes. They suggest that support for ongoing causes may arouse skepticism about firms' potentially self-interested motives, while support for a disaster is likely to spark attributions that firms are altruistic. In this work we do not look at natural disasters for which firms have no real culpability, rather we look at events for which firms may have culpability, such as widespread layoffs or child labor. In these cases, we expect skepticism to drive consumer response. Kernisky (1997) argues that during times of corporate crisis it is increasingly difficult, yet increasingly important, for firms to maintain legitimacy in order to reduce consumer skepticism.

We know from the marketing literature that when expectations are exceeded by actions, firms are rewarded with more positive attitudes and an increase in behavioral intentions (Creyer and Ross, 1997; Pyu, 1998; Zeithaml, 1998). Therefore if consumers are inherently skeptical of firms' actions (e.g., Exxon's involvement in environmental issues after a major oil spill), then only proactive social initiatives (e.g., Home Depot's support of Habitat for Humanity) may exceed baseline expectations and lead to more positive beliefs, attitudes, and intentions (Creyer and Ross, 1997).

We expect that consumers will interpret firms' behaviors and draw conclusions about motives depending upon the context in which they occur (Jones and Davis, 1965; Ellen, Webb, and Mohr, 2000). In the case of reactive initiatives, context provides cues as to firms' motivations, prompting consumers to elaborate more on their actions; this greater elaboration is likely to lower CSR evaluations (Menon and Kahn, 2003). In contrast, under conditions of proactive initiatives the context and motivations are ambiguous, thus it is less likely that consumers will elaborate on their actions. Corporate credibility also may be impacted since communications that are perceived as reactive may decrease corporate legitimacy, increase feelings of corporate self-interest, and decrease feelings of honesty and trust (Kernisky, 1997), all of which are likely to increase skepticism and decrease attitudes and beliefs towards firms.

This discussion suggests Hypothesis Three:

> Reactive versus proactive CSR initiatives will result in a greater number of thoughts (H3a), thoughts that are less favorable (H3b), thoughts that are more focused on firm motive (H3c), more negative attitudes toward the

firm (H3d), beliefs about the firm as less credible (H3e), and lower likelihood of purchase intention (H3f).

Method

In this experiment we examined three firms (Home Depot, Ford Motor Company, and Toys R Us) and three social issues (homelessness, vehicle safety, and missing children), which are paired to reflect the high-fit conditions described in Study 1. Each of the reactive conditions presents the firm and social initiative as a response to some previously taken action. For example, Home Depot lays off 1200 employees, 20 of whom cannot find alternative jobs and end up homeless. As a consequence the firm participates with local shelters to help homeless people find jobs. Ford initiates a child seat safety campaign after fourteen children are severely injured in Ford Windstar vans where child seats were not installed properly. Toys R Us initiates several programs for missing children after a seven-year old girl is taken from a store and found murdered in a nearby field. The proactive conditions show no tie other than to corporate mission and social domain.

Similar to the first experiment, the three firms are equally well-liked (*M*s=6.41, Ms=6.46 and 6.35, $F_{1,25}$<1) and familiar (*M*s=6.04, Ms=6.13 and 6.27, $F_{1,27}$<1), and the three social initiatives are perceived as equally important (*M*s=6.02, Ms=6.18 and 6.09, $F_{1,25}$<1) and relevant (*M*s=5.88, Ms=5.84 and 5.94, $F_{1,25}$<1). One hundred fifty subjects from a continuing education program participated in this study without compensation. The average age was 36 and 47% of the respondents were female.

Results

Once again results are generally consistent with our predictions and do not vary by firm, so their reporting is collapsed across organizational exemplars. Our first three sub-hypotheses were regarding amount and content of elaboration. Two researchers coded thoughts with inter-coder reliability of 86%. Consistent with H3a and H3b, more thoughts were generated when the initiatives were reactive than proactive (*Ms reactive*= 4.56, *Ms proactive* = 2.36; $F_{1,149}$=18.82, p<. 05), and these thoughts were generally more positive when the initiatives were proactive. In contrast, H3c was not supported since there was no significant difference in the total number of motive thoughts (*Ms proactive* = 1.19, *Ms reactive* = .96; $F_{1, 149}$ = 2.68, p>.05). However, the valence of these thoughts varied, and within the proactive conditions respondents characterized motive as "helping" and benefiting both the firm and the cause, while in the reactive conditions motivation was described as selfish and profit driven.

Although not hypothesized specifically, we find a significant difference in the number and content of attribution thoughts (*Ms proactive* = .14, *Ms reactive* =1.56; $F_{1, 149}$ = 11.49, p< .05), suggesting that respondents blamed the companies for problems in the reactive conditions. Finally, both the content and number of thoughts related to efficacy varied across conditions (*Ms proactive* = .78, *Ms reactive* =1.89; $F_{1, 149}$ = 9.13, p< .05). Thoughts in the proactive conditions were equally split between companies and program efficacy and were entirely positive, whereas thoughts in the reactive conditions were skewed towards companies rather than program efficacy and were stated negatively.

Our final three sub-hypotheses reflect objective questions rather than spontaneous inferences. Using these measures, we find support for H3d since attitudes toward the firms were enhanced when the programs were perceived as proactive ($F_{1, 149}$=34.19, p<.01) and reduced when the programs were perceived as reactive ($F_{1, 149}$=15.18, p<. 05). Consistent with the first study, we find support for H3e/H3f. Specifically, corporate credibility, ($F_{1, 149}$=29.18, p< .05), corporate positioning ($F_{1, 149}$=9.46, p<. 05), and purchase intentions ($F_{1, 149}$=11.37, p< .05) are all significantly enhanced when the initiatives are proactive. A unique result of this investigation is that corporate ability also was enhanced when the initiatives are proactive ($F_{1, 149}$=8.79, p< .05). If this variable is split into product and management dimensions, the management factor is revealed as the driving force and there are no differences in product assessments across conditions ($F_{1, 149}$=1.89, p>.05).

Discussion

We were able to replicate the findings of the first experiment with regard to high-fit, socially motivated initiatives. Furthermore, we extend these findings and demonstrate that some high-fit, socially motivated programs may negatively impact consumer behavior responses to promotions. The thought listings suggest that when consumers assign blame for acts to firms, they strongly question organizational motives and negatively evaluate organizational actions. The findings involving corporate ability may be the result of using social initiatives that are more closely aligned to product/service offerings than in Study 1, suggesting to respondents that managers could have prevented the acts that sparked the initiatives.

Consumer Behavior Implications

In his book *Give and Take*, Levy (1999) espouses the belief that corporate philanthropy and social initiatives are the heart and soul of business. He stresses that social endeavors must be consistent with firms' operating objectives (heart) and must be an expression of their values (soul). Our research provides empirical support for this contention and shows that when social initiatives are not aligned with corporate objectives (low fit), CSR can actually become a liability and diminish previously held beliefs about firms. Thus, marketers should select social programs carefully and ensure that their communications make the connection between the social domain and the firm so that consumers perceive initiatives as proactive and socially motivated.

While some CSR research suggests divergent results, this variation may have been a function of their historical context (see Carroll, 1999; Hill, Stephens, and Smith, 2003). Most likely consumer expectations related to CSR have increased over the past five to ten years as: (1) the number of firms with social responsibility programs grew, (2) more firms communicated their efforts with the public, and (3) consumer groups promoted firm wrongdoings and called for large-scale boycotts (Snider, Hill, and Martin, 2003). There is managerial and empirical evidence that corporations with poor CSR records experience significant negative consequences (e.g., large-scale consumer boycotts, reductions in brand images, or temporary drops in sales) when their negative records become public (Sen and Bhattacharya, 2001). Consumer watchdog groups such as CorpWatch have successfully exploited this relationship with their name-and-shame publicity programs for irresponsible firms.

Interestingly, across our two studies we found that greater than 80% of respondents believed firms should engage in social initiatives and 76% felt those initiatives would benefit firms. In our second study we also asked respondents if they would boycott firms that acted irresponsibly, and we found that 52% stated that they would boycott if reasonable alternatives were available. Thus, our results suggest that consumers expect firms to be involved in social initiatives and may reward them for their efforts through purchase behavior. Additional investigations that focus on actual buying behavior are warranted in order to determine the external validity of this finding.

Although these studies generally present a consistent set of results, scholars may wish to extend other findings as well. First, investigations focused on several firm-specific factors may advance our understanding of consumers' perceptions of fit and motivation. Second, research conducted in marketplace settings with actual initiatives and targeted consumers will expand the external validity of our results. Third, research that considers a wider variety of industries and program initiatives will increase the generalizability of findings and relevant contexts for marketing decision-making. Fourth, some of our variables such as timing may be confounded with other factors such as locus of control and require refinement. Finally, investigations of the persistence of effects over time may enhance our understanding since consumers typically process information and form opinions during longer time horizons than these studies allowed.

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Table 1: Study Design

	Profit motivated	Socially motivated
High Fit	Home Depot – Homelessness Revlon – Domestic violence	Home Depot – Homelessness Revlon – Domestic violence
Low Fit	Home Depot – Domestic violence Revlon – Homelessness	Home Depot – Domestic violence Revlon – Homelessness

Table 2: Study 1 Results

	Low Fit	High Fit		Profit Motivation	Social Motivation
Number of thoughts (H1a and H2a)	4.64^{a}	2.13^{b}		3.57^{c}	2.93^{d}
Favorability of thoughts (H1b and H2b)	$.96^{a}$	1.45^{b}		1.21^{c}	1.73^{d}
Thoughts related to motive (H1c and H2c)	$.89^{a}$	$.53^{b}$		1.36^{c}	$.72^{d}$
Overall attitude (H1d and H2d)	$-.79^{a}$	$.38^{b}$		$-.34^{c}$	$.21^{d}$
Purchase intention (H1f and H2f)	$-.9^{a}$	$.39^{b}$		$.05^{c}$	$.41^{d}$
Firm credibility (H1e and H2e)	4.62^{a}	5.86^{b}		4.88^{c}	5.04^{c}
Firm position (no specific hypotheses)	4.02^{a}	5.99^{b}		5.01^{c}	4.99^{c}
Firm ability (no specific hypotheses)	5.93^{a}	6.09^{a}		5.97^{c}	6.06^{c}

* Means with different superscripts differ, $p<.05$