

# Corporate Social Responsibility Information Dilutes Brand Positioning

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## **Abstract**

We investigate the consequences of communicating CSR-activities on consumers' price expectations for a given brand. We theorize that a brand's price image - whether the brand is perceived as low-cost or a premium priced luxury brand - moderates the effect of CSR information on price expectations. The results show that CSR information increases price expectations for low price image brands and decreases price expectations for high price image brands. These effects are mediated through perceived quality. For low price image brands, CSR information can be a signal of pro-social consciousness and ethicality, which might increase quality perceptions, and finally increase price expectations. For high price image brands, CSR information can signal compromises to quality, and thereby decrease price expectations. For both low and high price image brands, CSR information moves price perceptions towards the middle, which might not be a good place to be stuck.

**Keywords:** *Corporate Social Responsibility; Price Image; Price Expectations*

**Track:** Product and Brand Management