

Consumers' Responses to Corporate Motives: Is Covid-19 A Good CSR Initiative?

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Abstract

Covid-19 outbreaks required brands to transform their CSR activities to address relevant social issues. Consumers develop good attitudes toward the brand if the CSR initiatives support the well-being of the society. With the emergence of social media, brands can utilize social media influencers to endorse CSR campaigns. This paper investigates how consumers' perceived CSR motives influence their perceived brand credibility and brand love, taking into consideration of the moderating effects of SMI endorsement. Findings reveal that brand credibility mediates the effects of perceived CSR motives on brand love, and the effect was stronger without the SMIs endorsement. In addition, compared to the macro-SMI endorsement, the effect of CSR motives on brand credibility was stronger with the middle SMIs endorsement. Our research suggests some marketing communication approaches for CSR activities using SMIs to strengthen the effectiveness on brand credibility and brand love.

Keywords: *CSR communication; influencer; brand love*

Track: *Social Responsibility & Ethics*

1. Introduction

Corporate social responsibility (CSR hereafter) has been regarded as a firm's commitment to be a good citizen while striving for corporate profit (Luo & Bhattacharya, 2006). Brands increasingly incorporate social issues in their marketing activities which balance at doing good business while doing social good (Li, 2021). Consumers also expect the brand to behave in responsible manner contributing to address issues of social, environment, and economic justice (Gao & Mattila, 2014). As such, perceived CSR motives indeed have a significant influence on consumers' perceptions, attitudes and behaviours towards the brands (Becker-Olsen, Cudmore & Hill, 2006). Consumers have the tendency to interpret a corporate's motives behind its CSR campaigns to form the attitudes and subsequent behaviours toward the brand (Gao & Mattila, 2014). Consumers may form good attitudes if they perceive the CSR initiatives as good movements for community development and increase the overall well-being of the community (Luo & Bhattacharya, 2006). In contrast, when consumers think the purpose of the CSR activities is to benefit the brand's sales and increase profits, they will form negative attitudes and call for subsequent boycotting activities toward the brand (Sreejesh et al., 2020). With the emergence of social media, brands increasingly employ social media influencers (SMI hereafter) to endorse their marketing campaigns. Influencers with a high number of followers have better popularity and attractiveness, yet influencers with lower numbers of followers are found to be more knowledgeable and trustworthy among their followers (Li, 2021).

While many studies have explored different facets of CSR and its relationship with influencers and various brand constructs (Gao & Mattila, 2014; Li, 2021), limited research investigated the effect of philanthropic CSR that address the social issue during Covid-19 pandemic on perceived brand motives and its impact on branding outcomes (e.g. love, credibility). Hence, this research aims to examine the impacts of CSR activities relating to Covid-19 on perceived brand love, taking into consideration of the mediating effect of brand credibility and the moderating effects of SMIs endorsement.

2. Literature Review and Hypothesis Development

2.1 CSR activities and brand love

Brand love has been regarded as a high-order construct that includes several cognitions, feelings and behaviours in response to a brand (Batra, Ahuvia & Bagozzi, 2012). When

consumers form a close, affective relationship with the brand, they will feel emotionally attached to it. The emotional attachment includes passion, positive attitudes, positive evaluation and satisfaction towards the brand (Carroll & Ahuvia, 2006). Scholars highlight that customer perceive brand love and interpersonal love as comparable (Albert & Merunka, 2013; Batra et al., 2012). Accordingly, customers may love the brand if they perceive the brand has some valuable benefits that they look for (e.g. functional value to solve consumer problems, or hedonic value to create fun, pleasure, and enjoyments) (Albert & Merunka, 2013). When consumers love the brand, they can form their loyalty to the brand, to protect the brand from any criticism, and try to promote the brand to others.

Although brand love has emerged as an important consumer–brand relationship construct, limited studies were conducted to see how CSR activities can generate the love. In the CSR context, consumers use the brand’s CSR initiatives to define themselves and maintain a positive societal self-image, which subsequently can make CSR an antecedent of consumer-brand love (Kaufmann, Loureiro & Manarioti, 2016). If a firm is known for doing good, the company's goodness will be transferred into an increase of brand love (Kim, Nobi & Kim, 2020). In other words, consumers will develop an emotional attachment with the brand when they perceive that the brand is engaging in ethical activities for social causes. This, however, raises a question regarding the effectiveness of CSR when consumers do not perceive the CSR motive is good for their community.

Findings from previous research show that perceived CSR motives can differently impact consumer-brand relationships (Ellen, Webb & Mohr, 2006). In particular, perceived self-oriented motive lead to a decrease in customer satisfaction and subsequently generate negative perceptions of customers towards the brand. Conversely, social-oriented motive can increase satisfaction and nurture a favorable customer-brand relationship (Gao & Mattila, 2014; Luo & Bhattacharya, 2006). We therefore expect that perceived social-oriented motive will generate more positive attitudes of consumers towards the brand, thus leading to a higher brand love level.

2.2 The mediating role of brand credibility

Brand credibility is defined as the believability of consumers towards the brand’s information, its ability to deliver what is promised and the credibility effect of all marketing activities (Perera, Nayak & Nguyen, 2020). Brand credibility can lead to a sense of comfort that

consumers have for a brand (Kim, Morris & Swait, 2008). According to signalling theory, brand credibility is essential during the consumers' decision-making process since it is an indicator for consumers to evaluate the brand's products/services, decrease consumers' uncertainty (Veasna, Wu & Huang, 2013) and bring benefits to both consumers and companies (Baek, Kim & Yu, 2010), which later can strengthen consumer-brand relationship. Such factors are crucial for the development of brand love.

In the case of CSR activities, brand credibility is an important driver to ensure effectiveness (Fernández, Hartmann & Apaolaza, 2021). A lack of credibility can lead to hypocrisy and skepticism, which may result in negative attitudes and behaviours towards the brand (Wagner, Lutz & Weitz, 2009). Conversely, the credibility of the brand can be affected by CSR motive attribution. For example, if consumers perceive CSR initiatives as good for society, CSR can enhance corporate image, yet it may damage corporate credibility if self-oriented motive is perceived. As such, credibility is the important indicator to link both CSR motives and brand love. Hence, we hypothesize:

H1: Brand credibility mediates the effect of perceived CSR motives on brand love.

2.3 The moderating effects of social media influencers (SMI) endorsement

Social media platforms like YouTube, Facebook, TikTok, and Instagram become key marketing communication channels for the brand to interact with their customers for their CSR activities (Sreejesh et al., 2020). On these platforms, SMIs such as 'fitfluencers', 'travelbloggers', or 'beautyvloggers' have developed their contents, activities to increase networks of followers. SMIs can have the ability to generate engagement, drive conversation and sell products/services for brands (Kim & Kim, 2021). They can attract target customers and communicate branding topics closely with them (Boerman, 2020) through social media content that is normally based on their daily lives, which make them more natural and genuine to consumers. As such, their online word-of-mouth (sharing, comments, reviews, and endorsement) has become important factors to drive their follower attitudes and behaviours (Janssen, Schouten & Croes, 2021).

For businesses, SMIs have emerged as central players in CSR communication, strengthening the relationship between businesses and stakeholders (Cheng, Chen & Hung, 2021). When consumers feel connected to SMIs, they can perceive them as more credible and reliable sources for updating relevant brand information (Djafarova & Rushworth, 2017). We

posit that influencers will affect the overall perceived credibility of the brands endorsed by that influencers and generally establish a favorable attitude for the brands. Thus this study expects that CSR campaigns with influencer endorsement lead to better effects on brand credibility and brand love. We propose that:

H2: SMI endorsement moderates a) the effect of perceived CSR motives on brand credibility, and b) the effect of perceived CSR motives on brand love.

Social media influencers are usually categorized based on the number of their followers. For example, macro influencers are those having 500,000 - 1,000,000 followers while middle influencers are those who attract 50,000 - 500,000 followers (Mediakix, 2019). Although influencers with a high number of fans can gain more popularity and attractiveness, those with a lower number of followers have the potential to create higher quality content, be considered as more knowledgeable in their fields and develop a more close-knit relationship with their followers (Boerman, 2020; Li, 2021). While research about the effect of macro influencers has been sufficiently studied, there is limited research about middle influencers - a novel influencer type in light of the fast growing demand of brands for serving multiple target groups. Since middle influencers have a moderate number of followers, they may possess characteristics of macro influencers in terms of popularity, yet simultaneously have closer relationships with followers. We therefore posit that:

H3: SMI types (middle vs. macro) moderate a) the effect of perceived CSR motives on brand credibility, and b) the effect of perceived CSR motives on brand love.

3 Research Design and Methodology

3.1. Experiment design

During the Covid-19 outbreak in Vietnam, the government implemented several restriction directives, leading to a significant increase in food delivery demand. Hence, we adapted a real CSR campaign of a food delivery brand in Vietnam to develop a fictitious brand called XFood. The CSR campaign aims to assist small restaurants and food vendors (those who are struggling with their small businesses during the Covid-19 outbreak since eating in public places and restaurants is prohibited) by instructing them to take online orders, help them reach potential

customers to maintain their businesses. Instagram was chosen as the social media platform to promote this CSR campaign due to its popularity for the young generation, which is the key target of this study. Two middle SMIs and two macro SMIs were selected according to the number of followers and their CSR supporting backgrounds. Accordingly, the mock-up Instagram posts of XFood and influencers were developed (see figure 1).

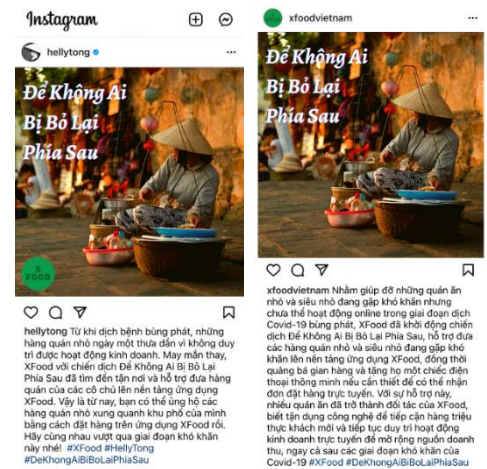


Figure 1. Stimuli used

3.2. Data collection and measures

Preliminary data consisted of 254 participants who were both Vietnamese Millennials (aged 25-38) and Gen Z (18-24), have an Instagram account, have used food delivery services in the past 6 months and do not recognize the fictitious brand XFood. Participants were then provided with the introduction of XFood, followed by randomly assigned to one of three experiment conditions (no influencer, middle influencer and macro influencer). The measurement of CSR motives was adapted from Sreejesh et al. (2020). Brand credibility scale was drawn from Kareklas, Muehling & Weber (2015) and ten items of brand love were adopted from Carroll & Ahuvia (2006).

4 Findings

Hypothesis 1 depicts that brand credibility mediates the effect of CSR motives on brand Love. The indirect effect between CSR motives and brand love was significant (indirect effect = 0.17; 95% bootstrap CI from 0.09 to 0.28). The direct effect of CSR motives on brand love remained statistically significant over and above the indirect effect, indicating a partial mediation (direct effect = 0.50; 95% bootstrap CI from 0.38 to 0.62).

Table 1. Summary of path coefficients and associated bootstrap confidence intervals

Path	Brand Love	
	B	95% CI
Without brand credibility as the mediator		
Direct effect of CSR motives	.69	.58 to .80
With brand credibility as the mediator		
Direct effect of CSR motives	.50	.38 to .62
Indirect effect of CSR motives via brand credibility	.17	.09 to .28

Hypothesis 2 depicts that SMI endorsement moderates the positive effects of a) CSR motives on brand credibility, and b) CSR motives on brand love, such that the relationships are stronger with SMI endorsement. The findings confirm that SMI endorsement only moderate the positive effect of CSR motives on brand love, and thus, confirm hypothesis 2b. Interestingly, the conditional effect of CSR motives on brand love was stronger without the SMIs endorsement compared to that for those with SMIs endorsement. However, we found no moderating effect on the relationship between CSR motives on brand credibility and, thus, reject hypothesis 2a.

Table 2. Hypothesis 2 moderating test results

Relationship	With SMI Endorsement (n = 200)		Without SMI Endorsement (n = 54)		Differences between parameters	t-value Differences between parameters
	B	t-value	B	t-value		
CSR Motives ⇔ Brand Credibility	0.60	9.05***	0.53	2.50**	0.07	6.45 ^{NS}
CSR Motives ⇔ Brand Love	0.31	4.11***	0.80	6.04***	0.49	1.93***

Notes: *** p < 0.01; ^{ns}: non-significant; B: unstandardised beta coefficients

Hypothesis 3 depicts that SMI types moderate the positive effects of a) CSR motives on brand credibility, and b) CSR motives on brand love, such that the relationships are stronger with middle SMIs endorsement. The findings confirm that SMI types moderate the positive effect of CSR motives on brand love. The conditional effect of CSR motives on brand credibility was stronger with middle SMIs endorsement compared to that for those with macro SMIs endorsement, and thus, confirm hypothesis 3a. However, we found no moderating effect on the relationship between CSR motives on brand love and, thus, reject hypothesis 3b.

Table 3. Hypothesis 3 moderating test results

Relationship	Middle SMI Endorsement (n = 77)		Macro SMI Endorsement (n = 123)		Differences between parameters	t-value Differences between parameters
	B	t-value	B	t-value		
CSR Motives ⇔ Brand Credibility	0.82	8.42***	0.41	4.91**	0.41	2.50***
CSR Motives ⇔ Brand Love	0.60	3.27***	0.63	7.63***	0.03	4.36 ^{NS}

Notes: *** p < 0.01; ^{ns}: non-significant; B: unstandardised beta coefficients

5 Discussion and Implications

This paper extends the literature on how consumers' responses to CSR motives influence brand performance and the role of SMIs endorsement in moderating the effectiveness of CSR communication. The results indicate that perceived CSR motives have a significant impact on consumers' love towards the brand, and brand credibility is identified as a subprocess mediating the relationship between these two constructs. Results also suggest that SMIs have a moderating effect of CSR motives on brand love, which support previous research on the relationship between CSR and corporate performance (Cheng et al., 2021). However, what surprising is that CSR campaigns without SMIs can generate better brand love than having SMIs endorsement, and middle SMIs endorsement demonstrate better regulating effect on brand credibility compared to macro SMIs. These findings raise intriguing questions regarding the nature and extent of SMIs effectiveness in marketing campaigns. A possible explanation for this might be that consumers' attitudes towards the SMIs may leave an impact on their attitudes for the brands. For example, if they do not recognize the SMI as a good, ethical influencer for the CSR campaign, their love relationship for the brand can be weakened.

In terms of practical implications, since brand credibility mediate the relationship between CSR motives and brand love, managers should stay transparent with what it promises to deliver during the CSR campaigns. Further, marketers should note that using SMIs can be a double-edged sword for their CSR communication, as sometimes less is more. If choosing to use SMIs, marketers may need to consider the unexpected negative attitudes that consumers have towards the SMIs, which subsequently may leave a negative impact on their CSR campaigns.

This preliminary study offers many opportunities for future research. First, major studies with large sample size should be conducted to verify the findings. Second, this research only studies the social-oriented aspects of CSR motives. Further research may investigate other attributions of this construct such as egoistic, strategic, stakeholder-driven motives (according to Vlachos et al. 2009). Second, the study only focuses on macro and middle Instagram SMIs, whereas other types of SMIs (e.g. mega, micro, nano influencers) on different platforms (e.g. video-based platforms such as YouTube, TikTok) may lead to different consumers' responses. Finally, the model in this study is only tested for the food delivery industry, which leaves unanswered questions for other industries that are affected during the Covid-19 periods. More studies in other sectors are required to generalize the finding implications.

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