

## The effect of Corporate Social Responsibility in consumers' attitude towards waste treatment facilities

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### Abstract

The paper analyzes the role of Corporate Social Responsibility (CSR) as a tool for firms to adopt social initiatives and increase their reputation amongst customers. Despite a growing effort in investigating corporate environmental strategies and CSR effects on consumers' attitudes, extant research does not provide sufficient knowledge of the relationship between consumers' attitude towards CSR activities and their strictly related behavior. By employing Attribution Theory, we developed a conceptual framework and conducted two separate experiments showing the impact of firms' CSR initiatives on consumers' attitudes, behavior, and purchase intentions. Our first experiment shows that company evaluation improves when CSR activities is considered to be rooted on sincere motives. Conversely, CSR initiatives backfires on the proponent when consumers perceive that the company motives are driven by internal and profit reasons. Additionally, our second experiment shows that consumers' attitudes are significantly related to the overall behavioral intentions toward the firm; positive (negative) attitudes toward CSR activities result in positive (negative) consumers' behavioral intentions toward the firm. Moreover, when we set firm's reputation as a moderator of the relationship between attitudes and behaviors, we found that it moderates consumer's attitudes toward the firm's social initiative and, consequently, consumers' behavioral intentions.

**Keywords:** Corporate Social Responsibility, Consumers Attitudes, Attribution Theory.

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<sup>1</sup>Even though the authors equally contributed to each section of the present paper, sections 1, 2, 3 and 6 can be attributed to Vincenzo Pisano; while sections 4 and 5 can be attributed to Alessandra Distefano.

## 1. Introduction

Environmentalism has emerged as a vital aspect of our lives due to an increasing number of natural and human disasters affecting various communities all around the world. Increasing concern about a limited access to natural resources has driven academic research to focus on why and how firms should engage in more environment-friendly behaviors (e.g. Campbell, 2007; Doh and Guay, 2006). In particular, management scholars emphasize the significant role played by environment-friendly practices to achieve a superior performance, but also to display a serious commitment for the benefit of the communities wherein they operate. Among them, an interesting line of research has been progressively examining the concept of Corporate Social Responsibility (CSR), a research field that has gained growing interest in the past decades and that generally relates to activities aiming to be socially beneficial (Becker-Olsen, Cudmore, and Hill, 2006; Gössling and Vocht, 2007; Kotler and Lee, 2005; Dahlsrud, 2008; McWilliams, Siegel, and Wright, 2006; Sen, Bhattacharya, and Korschun, 2006).

Concurrently, many consumers are becoming aware of their market power, conscious that their purchasing behavior might potentially cause harming consequences to the ecosystem and to have a crucial part in the success (failure) of ethical (unethical) firms. In particular, also because of the exponentially higher availability of information compared to the past, younger generations have started to develop a new form of demand looking for eco-friendly products, and sometimes even acquiescent to pay a premium price (e.g. Auger et al., 2003; Kahn, 2007; Lee, Hsu, Han, and Kim, 2010; Royné, Levy, and Martínez, 2011). This is why many of them have begun to ask firms to provide more information about their products (e.g. label) and production processes (Pomeroy and Dolnicar, 2009).

Such trend has been progressively influencing firms' strategic choices. For instance, it has pushed them to reorganize their internal production systems recognizing a need for more sustainable products and business practices even through their marketing communications (Parguel, Benoît-Moreau, and Larceneux, 2011). These efforts aim to intercept such growing forms of demand, driving firms to put increasing attention to their production processes, in compliance with new laws and regulations requiring higher standards of prevention and respect for the environment (Hart and Ahuja, 1996; Russo and Fouts, 1997). Though, the complexity of global supply chain management has also resulted in an increased number of incidents due to socially irresponsible behaviors or to the irresponsible practices of the main firm's suppliers (Amaeshi, Osuji, and Nnodim, 2008; Lange and Washburn, 2012; Mocciaro Li Destri, 2014). In those cases, the negative information has spread out very quickly with consequent damage to the firms' image (Folkes and Kamins, 1999; Mocciaro Li Destri, 2014). To mitigate the effects of such negative information, some firms pursue a reactionary strategy by deploying a CSR initiative

immediately following the irresponsible behavior (Ricks, 2005). The counter effect is that consumers generally provide a negative response to reactionary behaviors (Becker-Olsen et al., 2006; Wagner, Lutz, and Weitz, 2009). Typically, they interpret them negatively compared to proactive ones. In fact, when firms are proactive, they look more trustable and sincerely committed in the eyes of the beholders as they try to look socially responsible before a negative event occurs; while, when they are reactive, skepticism typically arises as CSR actions are only subsequent to a negative event. Hence, consumers seem to be less skeptical with regard to proactive firms.

Overall, consumers, governments, and stakeholders in general are interested in the contributions firms should give to societies. This is why, in the last decades, CSR has prominently appeared on many firms' corporate agenda (McWilliams, Siegel, and Wright, 2006) with a clear focus on the application (and, very importantly, communication) of ethical standards to their businesses. Indeed, compared to some time ago (when firms used to interpret environmental issues as a mere cost or threat) (Mohr and Webb, 2005), CSR activities represent an opportunity for firms to propagate positive information to the outside (Porter and Kramer, 2002; McWilliams and Siegel, 2001); and media and technological advancements have given the public a much wider access to these information (e.g., through social media, consumer "watchdog" groups, and so on). This implies that such behaviors spread out quickly, as there are several information channels through which knowledge can flow and reach the public; and consumers' reactions seem to reward certain kinds of efforts. For instance, Sen and Bhattacharya (2001) found that consumers attributed a better evaluation to those firms whose CSR initiatives were strictly connected to their products. However, there is a flip side of the coin: if consumers realize that CSR efforts have only been implemented to improve the firm's image (as much as to recover it from a negative event), their consequent response may even be worse than if the firm had never implemented any CSR initiative, with a resulting damage on its image and reputation (Yoon, Gürhan-Canli, and Schwarz, 2006).

Our paper provides a more comprehensive explanation of these effects, as we still lack of a sufficient amount of studies examining the antecedents and consequences of consumers' skepticism toward CSR activities (Skarmeeas and Leonidou, 2013) and of factors affecting skepticism in general. The main idea is that whether some firms implement a sincere change through the adoption of social motives within their mission, some others have self-interest motives that they try to disguise behind social initiatives (e.g. *greenwashing*) (Parguel et al., 2011). This is why rewards seem to be strictly linked to the level of a firm's trustability in terms of its sincere will to be socially concerned (Osterhus, 1997). Given the complexity of this matter, we are interested in a deeper understanding of how consumers unravel among trustworthy and untrustworthy firms when they have to decide whether to reward or not their efforts. The decision should depend on the developed attitude toward the firm, which may be influenced by several factors and, particularly, by the

flow of information the firm voluntarily or involuntarily channels to the public and by its reputation (Zavyalova, Pfarrer, Reger, and Hubbard, 2016).

To investigate this process, we adopt Attribution Theory (Heider, 1958), which helps explaining how people interpret behaviors in terms of their causes. Such interpretations seem to be crucial in determining the future reactions to the observed behaviors (Kelley and Michela, 1980). In major details, we aim to firstly demonstrate that CSR activities – whenever perceived as firm's "self-interest oriented" vs. "socially oriented actions" – can drastically influence (positively or negatively) consumers' attitudes toward a firm's image and products. Secondly, and in line with previous research (Lii and Lee, 2012), we suggest that, once such attitude is formed, it might impact the consumers' consequent behavior toward the firm. Thirdly, and most importantly, we consider firm's reputation as a crucial moderator of this relationship affecting consumers' attitudes and actually influencing their preferences toward their future purchasing intentions.

Accordingly, the following are our research questions:

- 1) Do CSR initiatives strengthen (weaken) consumers' attitude toward a firm's products?
- 2) Do public-serving motives have more positive influence on consumers' perception of a firm's CSR activities than firm-serving motives?
- 3) Does corporate reputation moderate the relationship between consumers' attitudes toward the firm's CSR and their behavioral intentions?

To answer these questions, we ran two experiments. Data collection was accomplished through an online survey using the subject pool Amazon Mechanical Turk, and the data analysis was implemented through SPSS. The experiments employed three scenarios wherein the examined context was the formation of customers' intentions to engage with CSR activities promoted by a waste treatment business. The context was selected as representative of a crucial setting wherein to examine consumers' information and awareness with regard to firms implementing CSR initiatives for social and environmental benefit. Importantly, the selected context is particularly interesting because consumers become more suspicious when a firm declares to implement CSR activities within an environment that is typically affected by its business (Yoon et al., 2006).

Overall, 120 individuals participated to the online questionnaires. Half of them answered to questions related to the first experiment, while the other half completed the questionnaire for the second one. All participants were randomly assigned to one of the three conditions specifically designed for the experiments (public-serving motives, firm-serving motives, and control condition).

Results show that the adopted theoretical model fits the data satisfactorily exhibiting a strong predictive power of consumers' intentions. Our examination emphasizes how consumers shape their attitudes toward CSR activities, creating a propensity toward the reliability of a firm's marketing communications. This thereby turns into positive or negative behavioral intentions. In major details, the first

experiment aims at individuating the way public- vs. firm-serving initiatives adopted by a firm may influence consumers' perceptions of CSR activities. Conversely, the second experiment examines whether there is a positive relationship between consumers' attitude toward CSR activities and their consequent behavior; moreover, this same experiment confirms that firms' reputation moderates such relationship with consequential positive or negative impact on consumers' behavioral intentions.

Our work contributes to CSR literature by fostering and testing a model able to explain the development of consumer attitudes and skepticism toward CSR activities, the moderating influence of reputation within this process (which, to our knowledge, has never been tested in such setting), and the consequent impact on consumer-related outcomes within the context of waste treatment management firms.

The paper is structured as follows. The next section examines the concept of CSR and some traditional theoretical approaches applied to the consumer's perception of such activities. In the third section, we present our conceptual framework and develop our research hypotheses. Then we explain the methodology and describe our two experiments. Finally, we discuss managerial and public policy implications, limitations, and provide some concluding remarks.

## 2. Theoretical Background

Like for other organizational phenomena, CSR has been variously explained and scholars do not seem to agree on a unique definition (Dahlsrud, 2008). For the purpose of this work, we adopt Gössling and Vocht's (2007) perspective, which define CSR as a firm's attempt to achieve a balance between economic, environmental, and social imperatives without foregoing the expectations of its shareholders, also trying to give something back to the community as a whole. Acting in a socially responsible manner requires the compliance of legal requirements, but also the will to go beyond them through voluntary investments in human capital, environmental management, and relationships with all stakeholders.

Prior research assesses that, to a certain extent, CSR activities tend to affect consumers' attitudes, purchase intentions, loyalty, and satisfaction (Öberseder, Schlegelmilch, and Murphy, 2013). More specifically, it asserts that negative CSR perceptions exert stronger influence on consumers' cognitive processes, and thus intentions, compared to positive perceptions (Brown and Dacin, 1997; Mohr and Webb, 2005; Sen and Bhattacharya, 2001). The reason is that, in comparison to positive behaviors and events, when encountering a negative behavior people tend to pay more attention to understanding its causes searching for more information (Kanouse and Hanson, 1972; Taylor, 1991). Moreover, people tend to search for

more information when they become suspicious about the reliability of those that were provided to them by the firm. Surprisingly, though, not many individuals seem to look at a firm's CSR activities when having to decide if to buy or not its products (Mohr et al., 2001). Indeed, while many firms try to communicate their commitment to environmentally friendly activities, average consumers are not fully aware of CSR practices (Sen, Bhattacharya, and Korschun, 2006; Pomeroy and Dolnicar, 2009). Moreover, even when aware (which is a subject under researched that would make only theoretical the impact of CSR activities on purchasing behaviors – Pomeroy and Dolnicar, 2009), there seem to be an inconsistency between their developed attitude and the consequent behavior (i.e. the so-called attitude-behavior gap). Indeed, even if expressing a clear intent to make ethical purchases when interviewed by researchers, consumers do not behave consistently when effectively executing their purchases (Mainieri, Barnett, Valdero, Unipan, and Oskamp, 1997; Boulstridge and Carrigan, 2000; Carrigan and Attalla, 2001; Auger and Devinney, 2007). Such discrepancy is the practical expression of what is commonly known as attitude-behavior gap. The reason of this gap is that, when questioned, people try to reply offering socially desirable answers (King and Bruner, 2000).

Much of the research on the attitude-behavior gap is focused on how consumers form their initial intentions. Indeed, attitudes do not determine behaviors directly, but they affect people's intentions that, most likely, should drive to a certain behavior. However, there is still lack of understanding regarding the way intentions translate into purchasing behaviors. In fact, to assume that ethical intentions determine directly consumers' purchasing behaviors means overlooking various results reached by empirical research in both consumer behavior and social psychology (Carrington, Neville, and Whitwell, 2014).

To understand the decision-making process of ethical consumers, past research has typically employed the Theory of Planned Behavior (TPB) (Ajzen, 1985), whose central factor is the individual's intention to perform a given behavior. In the words of Ajzen (1991: 181), "intentions are assumed to capture the motivational factors that influence a behavior". Therefore, if a person has sufficient resources, s/he should succeed in performing the planned behavior. Crucial in this reasoning are the available resources, and particularly the information s/he holds to control the process<sup>2</sup>. However, we did not adopt this theoretical approach as it displays the important limitations to consider individuals as fully rational and able to process all the necessary information. Such latter assertion is indeed in conflict with the above-mentioned consideration that average consumers are not fully aware of CSR

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<sup>2</sup>The TPB is an evolution of the previous Theory of Reasoned Action (TRA) (see Sheppard, Hartwick, and Warshaw, 1988 for a comprehensive review). Indeed, the former differs from the latter because of the addition of the concept of perceived behavioral control, which refers to how easy or difficult an individual perceives it will be to perform a certain behavior (Ajzen, 1991).

practices: namely, they do not possess sufficient information. Interestingly, Gupta and Ogden (2006) assess that the attitude-behavior gap can be reduced through a better involvement of the consumer, achieved through providing her/him with better and more complete information, thereby increasing her/his level of both knowledge and involvement. Overall, this is to contend that a better knowledge of CSR practices achieved through an improved and focused marketing communication could drive the consumer to align her/his attitudes and behaviors.

Hence, the firm's marketing communication has a crucial role in influencing the consumer's attitude and consequent behavior. What is disputable, however, is that most firms claim to adopt CSR practices and be committed to the environment even in their mission statement. Therefore, consumers need to have more information in order to distinguish between those firms that sincerely care about the surrounding environment and those displaying an untrue commitment. Since information are today much more abundant, consumers can much more easily access them, for instance regarding incidents, and thus elaborate on their causes and responsibilities (Klein and Dawar, 2004; Tian, Wang, and Yang, 2011). Thus, particularly important is the firm's reputation (Bitektine, 2011), as CSR activities exert a positive impact on both image and consequent reputation (Gray and Balmer, 1998), influencing consumers' attitudes toward the firm's products, and thus competitiveness (Weber, 2008), especially in the eyes of environmentally active and attentive consumers.

In view of the crucial role of the information channeled through marketing communications as a tool to build a firm's image and reputation (Hoeffler and Keller, 2002), and to influence consumers' attitudes, central in shaping such attitudes is to understand the real motives underlying firms' communications (Pirsch, Gupta, and Grau, 2007; Van de Ven, 2008). In this study, we employ Attribution Theory (AT) as a theoretical approach able to help us in the examination of consumers' perceptions regarding such firms' underlying motives (i.e. attributions). More in detail, AT is an ideal theoretical approach to explain how consumers attribute specific causes to specific events or phenomena, and how their cognitive processes produce specific perceptions influencing their attitudes and consequent behaviors (Kelley and Michela, 1980). In this regard, Groza and colleagues (2011) confirm that consumers' perceptions of what they believe to be the real motives behind a firm's CSR choices affect their attitude toward the firm and their purchase intentions. In their model, motives/attributions are mediators of the relationship between CSR strategies (proactive vs. reactive) and consumer reactions. Hence, how consumers will perceive CSR strategies may depend on the firm's communications and reputation.

To improve their reputation, firms generally communicate their CSR initiatives to the public in order to show to have a serious social commitment. Many scholars consider CSR to be a necessity for all firms; without CSR activities, reputation could be at risk (Falkenberg and Brunsæl, 2011). This aspect is crucial because it reveals that many firms declaring CSR initiatives do so just because they have to and not because they feel to – a risky conduct whether perceived by consumers. Hence,

what should provide a positive image to the outside might reveal a downside if consumers should react skeptically (Sen and Bhattacharya, 2001; Skarmeas and Leonidou, 2013). This would particularly occur when the firm's motives are perceived as selfish (i.e. the firm merely acts in its own interest), influencing negatively their consequent purchasing behavior (Becker-Olsen et al., 2006). Forehand and Grier (2003) clearly explained that consumers have an ideal view of CSR. They need to see public-serving motives as the fruit of a firm's altruistic propensity; otherwise, a negative reputation will be attributed accordingly (Yoon et al., 2006). For instance, it could happen that a firm tries to employ CSR activities in a domain that is negatively affected by its usual business (as in our experiments) increasing the suspicion that its motives are not sincere (Yoon et al., 2006); furthermore, if a firm developed a bad reputation due to environmental damages provoked in the past, it may struggle in attracting both customers and investors (Fombrun, 1996; Rao and Hamilton, 1996; Mocchiari Li Destri, 2014).

Managerial and financial literatures are both fertile of studies examining how bad reputation may represent a serious additional cost for firms (Baucus and Baucus, 1997; Pfarrer, Pollock, and Rindova, 2010; Janney and Gove, 2011; Johnson, Xie, and Yi, 2014). In this sense, Lange and Washburn (2012) developed a conceptual model that, through the adoption of AT, explains the cognitive process leading a perceiver to attribute a certain responsibility to firms' actions. In particular, they focused on three factors such as 1) the perception of a negative effect, 2) the potential firm's culpability, and 3) the potential complicity or joint responsibility of the affected party. The combination of these three factors drives the individual's mental process in the attribution of responsibility.

Conscious of the risks of developing a negative reputation and in order to strengthen public opinion with regard to their activities, organizations need to legitimate their actions through the achievement of practical results that they should try to promote through their marketing channels (Suchman, 1995; Bitektine, 2011). This would allow a positive public focus on their image and a positive return in terms of reputation. For instance, if we look at a tobacco company whose CSR activity is represented by offering support to the National Cancer Association, consumers are most likely aware that the firm's real motive is to achieve an improvement of its negative image. Therefore, the question is how sincere is a firm with regard to the supported cause. This explains why corporate credibility could be damaged if communications were perceived as merely reactive, decreasing corporate legitimacy and increasing a generalized feeling of corporate self-interest (Kernisky, 1997; Korten, 2001); this is likely to make them less trustworthy increasing skepticism, decreasing positive perceptions, attitudes, and beliefs toward that specific firm (Becker-Olsen et al., 2006).

Hence, central in our analysis is the perspective of the observer and, particularly, her/his perception of a firm's social responsibility (Lange and Washburn, 2012). AT relates to a person's mental process through which s/he decides to which factors



attributing the causes of a certain event or behavior. This aspect is extremely relevant for our analysis since, in case of environmental damages, it is crucial to understand if people tend to attribute the causes to the firm's responsibility or not. Following AT, people attribute causes to events through internal or external attributions. As commonly acknowledged, with the first type people assign the causes of the certain event to the subject's characteristics, such as her/his personality, abilities or attitudes<sup>3</sup>; while, with the second, people assign the causes of a given event to the surrounding environment or the specific situation (Schmitt and Branscombe, 2002). Depending on which of the two attributions is made, people develop different perceptions of the firms adopting a certain behavior. For instance, previous research found that consumers make inferences (attributions) about marketers' motives (Campbell and Kirmani, 2000) and that such attributions impact their subsequent evaluations (Forehand, 2000).

Focusing on the specific moral context of our analysis from an AT perspective, individuals attribute two primary types of motives to firms: those centered on the possible advantages benefitting those who are external to the firm (known as public-serving or social motives); and those centered on the possible advantages benefitting the firm itself (known as firm-serving motives) (Forehand and Grier, 2003; Heider, 1944). Suspicion that firms might give priority to profits than social interest is likely to be a source of negative perception with regard to their reputation, especially in a context of an ethical evaluation of the firm's actions. Indeed, under some circumstances (e.g. in case of reactive initiatives), the context and motivations leading firms to employ CSR activities are ambiguous and it is unlikely that consumers will trust their actions. Thus, overall, internal attributions are to be preferred with respect to external ones as, in the former case, consumers view major transparency and sincerity in the firms' actions compared to the latter (Parguel et al., 2011). AT in this regard has a very linear reasoning, as it shows that, when consumers select an external attribution, this occurs as they see that the firm is employing a CSR initiative just because it is looking for a corresponding reward. Such an attitude looks selfish and opportunistic, putting the firm in a negative perspective at the consumer's eyes.

With the aim of measuring a specific behavior, attitudes to be measured need to be directed toward a specific environmental issue (Gadenne, Sharma, Kerr, and Smith, 2011). This is why we built our experiments asking our sample to express their opinion with regard to the management of a landfill facility.

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<sup>3</sup>Since we are referring to a firm and not to a single individual, the subject's characteristics herein relate to the firm's managers.

### 3. Research Hypotheses and Conceptual Framework

Our study applies onto the context of waste management, chosen because (1) it represents one of the most fecund business areas within CSR; (2) and because, from a consumer's perspective, it represents a high-involvement service (i.e., it is a service provided by a private institution, but it concerns environment protection and future generations' health safeguard). For the purpose of this work, we refer to involvement as the consumer's inherent interest toward a specific service.

Investigating a high-involvement category is important since it means that consumers process information actively before making any decision or assumption, implying that the service has sharp relevance to them.

In view of the AT concept of perception and its influence in shaping individual attitudes, and given the complex environmental issues daily faced by waste management firms, we aim to demonstrate that a firm's CSR activities, whenever perceived as firm's socially oriented vs. self-interest oriented, can drastically influence (positively as well as negatively) consumers' attitudes toward them. Public-serving motives are also known as value-driven motives, as the firm engages in CSR activities because it believes it is its duty to contribute to a better environment (Groza et al., 2011). If consumers perceive such motives as intended by the firm through complete and sincere information flowing through its marketing channels, we expect that:

*H1: Consumers' perception of public-serving motives will positively influence their attitudes toward CSR initiatives.*

Conversely, the firm's self-serving motives, also defined as egoistic motives (i.e. the firm engages in CSR to accrue a selfish advantage), negatively affect purchase intentions. Therefore, if consumers perceive that the firm is acting in its own interest without a sincere commitment toward social benefits, we also expect that:

*H2: Consumers' perception of firm-self-serving motives will negatively influence their attitudes toward CSR initiatives.*

Once the attitude toward the firm's CSR motives is formed, we expect it to impact the consequent consumers' behavior toward that firm. Lii and Lee (2012) found that the attitude toward the firm positively affects the consumers' purchase intentions. Thus, our experiment tests this same result by hypothesizing that:

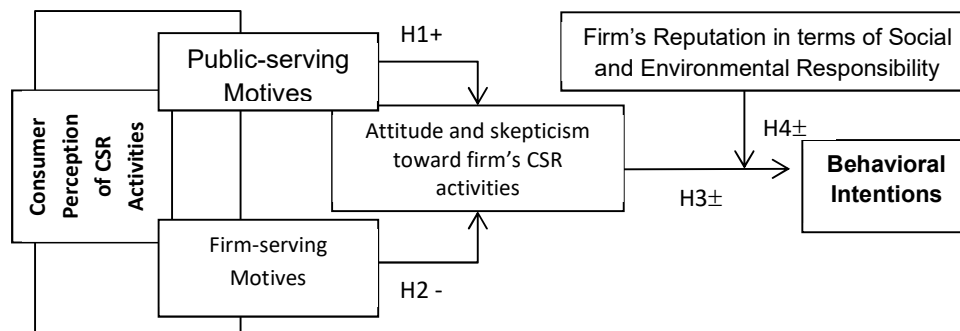
*H3: Positive (Negative) attitudes toward a firm's CRS activities will result in positive (negative) consumers' behavioral intentions toward the firm's products.*

Very importantly, we also test the firm's reputation as a crucial moderator of such relationship, which consumers might take into account before actually expressing any preference toward their specific behavioral intentions. This occurs because,

when consumers are involved in the attribution process, they can refer to what they currently know about the firm (Brown and Dacin, 1997). Thus, reputation might drive consumers' attitudes toward different behavioral choices in favor or against that peculiar firm, as it represents the main frame of reference to them. Of course, should consumers realize that the CSR activities are implemented with the mere aim of improving reputation, they will be skeptical and generally have a negative reaction. Hence, we hypothesize that:

*H4: Firm's reputation positively or negatively moderates consumers' attitudes toward the firm's social initiatives and, consequently, their behavioral intentions.*

**Figure 1 - Conceptual framework**



Source: Our own elaboration

Clearly, behavioral intentions are central to our analysis. They represent a variable trying to seize the individual motivation to act in a certain direction (i.e. in our experiment, deciding to reward the firm or not). Therefore, crucial for understanding the type of intentions an individual might develop, we first need to grasp her/his perception of the firm's motives behind CSR activities: depending on which of the two groups of motives s/he will perceive dominant, a certain attitude will take shape determining her/his future behavioral intentions.

Therefore, by looking from the left to the right side of our framework, consumers' perceptions of CSR activities represent the independent variable of our first experiment. It is composed by public-serving vs. firm-serving motives. The perception of such motives is supposed to affect our two dependent variables: namely, the consumer's attitude and her/his potential skepticism toward the firm's CSR activities. Such relationship will be examined in our first experiment.

Moving forward to the right side, we intend to measure how consumers' attitudes may determine their behavioral intentions. Hence, as outlined in our second experiment, consumers' attitudes represent our independent variable, and behavioral intentions are our dependent variable. Moreover, we aim to demonstrate how such relationship may be moderated by the firm's reputation in terms of its social and environmental responsibility.

Thus, overall, individuals seek information to determine whether the company is responsible for the situation of misbehavior. If they perceive that the firm-serving motives are the drivers of a specific behavior, they will respond unfavorably to the firm's CSR campaign. However, the perceived firm's reputation acts as a moderator of such relationship and individuals, independently from what condition they were assigned to, demonstrate a much more positive behavioral intention toward a firm with a good social reputation if compared to a firm with a worse perceived reputation.

In the following sections, we describe the research method and analyze the results of our two experiments.

#### **4. Research Method**

The present research was developed through a survey articulated in two experiments, wherein we asked respondents to rate the management of a landfill facility with regard to its environment-oriented policy and response after a natural disaster caused by a chemical leachate spillover. To answer to our three research questions, we built two separate surveys using Qualtrics. Data collection was achieved through an online survey using the subject pool Amazon Mechanical Turk.

*Participants.* One hundred and twenty individuals participated to the online questionnaires. Half of them answered the questions related to the first experiment and the other half completed the questionnaire for the second one. All participants were randomly assigned to one of the three conditions specifically designed for the experiments. A thorough review of the pertinent literature, together with the questionnaires, helped to specify the conceptual domain of each construct and to effectively operationalize it. The constructs were measured by means of multi-item scales, and the instruments used were adapted from the available literature. The design involved three between-subjects conditions: positive CSR, negative CSR, and a control condition in which no information about CSR. Accordingly, three versions of the questionnaire were presented. The two experiments were designed by presenting three scenarios describing WasteCo., an imaginary waste management firm involved in CSR activities.

#### **4.1 Experiment 1**

*Procedure.* In the first experiment, before asking participants to fill the questionnaire, we instructed them to read recent events involving a waste treatment facility. Three different versions (positive CSR, negative CSR, and descriptive) of the firm's background were randomly given as introduction to the experiments. The three different scenarios were presented to build the respondents' attitude/skepticism condition with regard to the firm. The first scenario read as it follows:

*Recently, WasteCo. has been ranked 1st out of 10 major waste management companies on environmental treatment. It has been viewed as very much environmentally responsible compared with the last year rating, it has covered similar top positions in terms of past environmental rankings, and has consistently shown intensive care for the environment. Moreover, its recent work on preservation of the nearby town suburb helped the local community to build a new recreational playground park.*

The second scenario read as it follows:

*Recently, WasteCo. has been ranked as the last out of 10 major waste management companies on environmental treatment. The company has been viewed as very much environmentally irresponsible, has achieved similar bad rankings in the past, and has consistently shown constant negligence for the environment. Furthermore, its recent harm caused gas-methane dispersion to the nearby town suburb that has not been repaired yet.*

Finally, the third scenario provided a general description of the firm and generically specified that:

*Gas Recovery and Leachate Removal Systems are installed on the site to ensure environmental compliance.*

Then, participants were invited to read a recent article describing an environmental disaster caused by a leachate spillover in one of the WasteCo. facilities. In major details, the article read as it follows:

*"There have been reports of severe groundwater contamination linked to WasteCo.'s containment liners breaks. This damage did not allow the liner to work properly and the firm was not able to prevent leachate spillovers (water percolation through the waste and picking up contaminants) from moving out of the bottom liner of the landfill, so the result was groundwater contamination". However, a WasteCo.'s manager said yesterday, "there is no problem with the leachate percolation into the groundwater, since we detected the issue on time and dragged the area interested by the damage fixing the liner break".*

After reading the article, respondents completed a survey including questions concerning the event's degree of stability and controllability, firm's blame, firm's evaluation, and behavioral intentions, providing at the end some demographic

information. The specific items were consistent with previous research on attributions (e.g. Agarwal and Rao, 1996; Dawar and Pillutla, 2000; Weiner, 1980) related to consumer perceptions of a waste treatment firm's CSR activities and the related impact on their attitude (positive or negative) and skepticism (high/low) toward them.

In light of our research hypotheses, the first experiment employed a 7-points Likert scale to measure consumers' perception of the waste management firm's CSR activities (strongly disagree – strongly agree, very unlikely – very unlikely, very poor control – very good control). Herein, we replicated previous works' findings with regard to firms' motives and AT in order to identify the key relationship between CSR activities and consumer attitudes toward environmental issues (Sen and Bhattacharya, 2001; Yoon et al., 2006). Then, we built on previous literature by explicitly evaluating firms' initiatives that could influence consumers' responses toward a firm and its products, such as the perceived motives of the firm (public-serving motives and firm-serving motives).

In this first experiment we tested H1 and H2. The independent variable herein adopted was the consumer perception of a waste treatment firm's CSR activities and its impact on two dependent variables: namely, consumers' attitude (positive or negative) and skepticism (high/low) toward the firm's CSR activities. Skepticism is a trait predisposing consumers to doubt about the trustability of marketing communications. Such skepticism "is not simply driven by the belief that the firm's motives are self-serving, but rather by the perception that the firm is being deceptive about its true motives" (Forehand and Grier, 2003: 350).

We expect that consumers' perception of public vs. firm-oriented motives would accordingly influence their attitudes toward the firm and its products. Specifically, whenever a public-oriented perception should arise, we consequently expect positive attitudes toward the firm in terms of trust and dependability, and a consequent decrease in terms of skepticism. Correspondingly, whenever a self-oriented perception should arise, we expect negative attitudes toward the firm in terms of trust and dependability, and a consequent increase in terms of skepticism.

*Results.* A total of 59 subjects (38 males and 21 females) participated to this experiment through an online survey. Subjects were randomly assigned to one of the three conditions previously presented (19 subjects viewed the positive CSR conditions, 19 viewed the negative one, and 21 were assigned to the control one).

After the responses, we first summed up all scores related to the attitudes' measurement to obtain an overall attitude index (i.e., OverallATTITUDE), wherein higher scores were translated into more positive attitudes and lower scores corresponded to negative ones; in the same vein, we summed up the skepticism items to get an overall skepticism index (i.e., OverallSKEPTICISM), wherein higher scores were translated into more skepticism toward the firm's initiatives, and vice versa.

As depicted in Fig. 2, MANOVA showed a significant relationship between the independent variable (consumers' perception of CSR activities: i.e. CSRLABEL) and

the two dependent variables: specifically, attitudes [ $F(1,59)=47.93$ ,  $p<.001$ ] and skepticism [ $F(1,59)=54.46$ ,  $p<.001$ ] toward the firm's public vs. firm-oriented motives. We tested the consumers' perceptions of the waste treatment firm's CSR, whether firm- or public-oriented, using the following measures (on a 7-point Likert scale): trust, dependability, harmfulness, consumer-oriented strategies (i.e., attitudes' components), as well as stability, problem-solving strategies, and control over unexpected outcomes (i.e., skepticism components) as distinctive traits of the firm's core business. As expected, consumers' evaluations of the firm followed the pattern of a perceived sincerity of motives; namely, they improved when CSR activities were considered as sincere motives; and, conversely, they worsened when consumers perceived the firm motives as driven by internal and profit reasons. In other words, the more public-oriented the firm was perceived, the higher the positive attitudes, and the lower the skepticism towards it; in the same vein, the more self-oriented the firm was perceived, the more negative the attitudes, and the higher the skepticism towards it.

**Figure 2 - MANOVA H1****Between-subject Factors**

CSRLABEL	N
Firm	40
Public	19

**Multivariate Tests (a)**

Effect	Value	F	Hypothesis df	Error df	Sig.
Intercept	.994	4722.389 (b)	2.000	56.000	.000
Pillai's Trace	.006	4722.389 (b)	2.000	56.000	.000
Wilks' Lambda	168.657	4722.389 (b)	2.000	56.000	.000
Hotelling's Trace	168.657	4722.389 (b)	2.000	56.000	.000
Roy's Largest Root	168.657	4722.389 (b)	2.000	56.000	.000
CSRLABEL	.514	29.588 (b)	2.000	56.000	.000
Pillai's Trace	.486	29.588 (b)	2.000	56.000	.000
Wilks' Lambda	1.057	29.588 (b)	2.000	56.000	.000
Hotelling's Trace	1.057	29.588 (b)	2.000	56.000	.000
Roy's Largest Root	1.057	29.588 (b)	2.000	56.000	.000

(a) Design: Intercept + CSR LABEL

(b) Exact statistic

**Tests of Between- Subjects Effects**

Source	Dependent Variable	Type III Sum of Squares	Df	Mean Square	F	Sig.
Corrected Model	OverallSKEPTICISM	691.902(a)	1	691.902	54.463	.000
	OverallATTITUDES	1949.654(b)	1	1949.654	47.933	.000
Intercept	OverallSKEPTICISM	29890.546	1	29890.546	2352.834	.000
	OverallATTITUDES	27023.553	1	27023.553	664.385	.000
CSRLABEL	OverallSKEPTICISM	691.902	1	691.902	54.463	.000
	OverallATTITUDES	1949.654	1	1949.654	47.933	.000
Error	OverallSKEPTICISM	724.132	57	12.704		
	OverallATTITUDES	2318.447	57	40.675		
Total	OverallSKEPTICISM	39450.000	59			
	OverallATTITUDES	29578.000	59			
Corrected Total	OverallSKEPTICISM	1416.034	58			
	OverallATTITUDES	4268.102	58			

(a) R Squared = .489 (Adjusted R Squared = .480)

(b) R Squared = .457 (Adjusted R Squared = .447)



Furthermore, as depicted in Fig. 3, MANOVA showed the main effects of the three conditions on both skepticism [ $F(1,59)=35.61$ ,  $p<.001$ ] and attitudes [ $F(1,59)=53.18$ ,  $p<.001$ ] toward the firm. Specifically, as illustrated in Fig. 4, the Sheffe's post-hoc test showed significant differences in the means among the three conditions.

**Figure 3 - MANOVA H2**

Source	Dependent Variable	Type III Sum of Squares	Df	Mean Square	F	Sig.
Corrected Model	OverallSKEPTICISM	792.766(a)	2	396.383	35.615	.000
	OverallATTITUDES	2796.117(b)	2	1398.058	53.188	.000
Intercept	OverallSKEPTICISM	37576.670	1	37576.670	3376.225	.000
	OverallATTITUDES	25781.770	1	25781.770	980.838	.000
Conditions	OverallSKEPTICISM	792.766	2	396.383	35.615	.000
	OverallATTITUDES	2796.117	2	1398.058	53.188	.000
Error	OverallSKEPTICISM	623.268	56	11.130		
	OverallATTITUDES	1471.985	56	26.285		
Total	OverallSKEPTICISM	39450.000	59			
	OverallATTITUDES	29578.000	59			
Corrected Total	OverallSKEPTICISM	1416.034	58			
	OverallATTITUDES	4268.102	58			

(a) R Squared = .560 (Adjusted R Squared = .544)

(b) R Squared = .655 (Adjusted R Squared = .643)

**Figure 4 - POST HOC TESTS H1 AND H2**

#### Conditions

						95% confidence interval		
Dependent Variable		(I) Conditions	(J) Conditions	Mean Difference (I-J)	Std. Error	Sig.	Lower Bound	Upper Bound
OverallSKEPTICISM	Scheffe	Control	Good	6.32*	1.082	.000	3.59	9.04
			Bad	-2.37	1.056	.089	-5.03	.28
		Good	Control	-6.32*	1.082	.000	-9.04	-3.59
			Bad	-8.69*	1.056	.000	-11.35	-6.03
		Bad	Control	2.37	1.056	.000	-.28	5.03
			Good	8.69*	1.056	.089	6.03	11.35
	LSD	Control	Good	6.32*	1.082	.000	4.15	8.48
			Bad	-2.37*	1.056	.029	-4.49	-.26
		Good	Control	-6.32*	1.082	.000	8.48	-4.15
			Bad	-8.69*	1.056	.000	-10.81	-6.57
		Bad	Control	2.37*	1.056	.029	.26	4.49
			Good	8.69*	1.056	.000	6.57	10.81

OverallATTITUDES	Scheffe	Control	Good	-12.84*	1.663	.000	-17.03	-8.66
			Bad	3.11	1.623	.169	-.97	7.19
		Good	Control	12.84*	1.663	.000	8.66	17.03
			Bad	15.95*	1.623	.000	11.87	20.04
		Bad	Control	-3.11	1.623	.169	-7.19	.97
			Good	-15.95*	1.623	.000	-20.04	-11.87
	LSD	Control	Good	12.84*	1.663	.000	-16.17	-9.51
			Bad	3.11	1.623	.060	-.14	6.36
		Good	Control	12.84*	1.663	.000	9.51	16.17
			Bad	15.95*	1.623	.000	12.70	19.21
		Bad	Control	-3.11	1.623	.060	-6.36	.14
			Good	15.95*	1.623	.000	-19.21	-12.70

Based on observed means.

The error term in Mean Square (Error) = 26.285.

\*The mean difference is significant at the.

This means that, when the positive condition was presented, participants rated the firm's actions with less skepticism (i.e., OverallSKEPTICISM) than those who were proposed the negative (M=-8.69) or the control condition (M=-6.32). Participants assigned to the negative or control condition, on the other hand, rated the firm's management with higher skepticism.

Similarly, when exposed to the positive condition, participants showed more positive attitudes (i.e., OverallATTITUDE) toward the firm when compared to those exposed to the negative (M=15.95) or the control condition (M=12.84) in terms of trust, dependability, safety, consumer-oriented perspective, and social responsibility. Such results suggest that the public- vs. the self-serving policy adopted by the firm strongly influences customers' perspective in terms of CSR activities. Hence, our results support both H1 and H2 (Fig. 4).

## 4.2 Experiment 2

*Procedure.* The second experiment shows that consumers' behavior – in terms of acceptance or reluctance of a firm's social initiatives – is strictly related to positive (or negative) attitudes toward a specific firm's CSR activities. An attitude refers to a consumer's positive or negative feeling toward an object (Mowen, 1987); therefore, an attitude toward CSR initiatives refers to a consumer's positive or negative feeling toward a firm's CSR initiatives. Consequently, the attitude toward CSR initiatives was measured by eight 7-point semantic differential items (Cronbach's  $\alpha=.94$ ). Moreover, through the use of three items from the Consumer-Based Corporate Reputation (CBR) scale (Walsh and Beatty, 2007), we were able to test the consumers' overall

evaluation of the firm on the basis of their reactions toward the firm's communication activities (Cronbach's  $\alpha=.82$ ). Additionally, respondents were asked to answer demographic questions, including gender, age, educational qualification, ethnicity, and household income. All participants (independently from the group they were randomly assigned to) read a general description of the firm facility with the following specification:

*"Gas Recovery and Leachate Removal Systems are installed on the site to ensure environmental compliance."*

The statement "I think WasteCo. CSR initiatives are" was rated on scales anchored by bad/good, unfavorable/favorable, untrustworthy/trustworthy, not beneficial/beneficial, negative/positive, unimportant/important, insincere/sincere, and fake/authentic. Then, we randomly assigned participants to one of the following three conditions: cause promotion (reactive strategy), corporate volunteering (proactive strategy), and a control condition with no message. The three conditions were built to test the respondents' reaction with regard to the firm's strategy and reputation.

In the first scenario, WasteCo. was described as promoter of a partnership with another environment-friendly firm to increase awareness with regard to the world water crisis and the need to provide pure clear water to undeveloped countries. However, the partnership was presented as the result of a reactionary strategy. The participants assigned to this group read the following:

*Recently, after a negative event, WasteCo. started a cause promotion in partnership with Pura Water.*

*"More than 1 billion people around the world lacks of clean, safe drinking water; and more than 2.6 billions lack of adequate health services. This situation mainly affects children and is becoming the most significant public health issue of our times. WasteCo. Foundation, in partnership with Pura Water and other organizations, is working to increase awareness with regard to the world water crisis. WasteCo. provides online messages about the world water crisis to educate employees and customers about how they can help to solve problems. Additionally, WasteCo. is a major sponsor of (and contributor to) 2013 World Water Day, encouraging employees and customers to participate to this important social change".*

In the second scenario, the firm was described as a promoter of internal initiatives to raise awareness around the importance of involving employees and local community with regard to environmental issues. Importantly, the initiative was presented as the result of a proactive strategy. The participants assigned to this group read the following:

*Recently, WasteCo., always committed to environmental concern, started a volunteering program on environmental education.*

*"District staff and a group of volunteers organize a successful Environmental Educator round-table, bringing together teachers, school administrators, non-formal educators, and agency representatives to network and discuss ways to improve and expand environmental education for children at school. From the time of the round-*

*table, organizers have formed the WasteCo. Environmental Educators Network (WEEN), a group of educators who meets to plan subsequent actions in this arena. The district supports the development of a national environmental education study to be completed by October 2014."*

In the last scenario, respondents were given only a brief description of how the firm complied with CSR initiatives, without any specific direct involvement:

*WasteCo. is involved in social responsibility initiatives and promotes environmental education round-tables once a year in partnership with other socially responsible organizations.*

The treatment conditions and the control condition were developed to test our hypotheses. The messages used in the treatment conditions were adapted to best represent CSR initiatives. The third condition acted as an overall control condition for the experiment. It contained no message from WasteCo. and was used to control for pre-existing attitudes toward the firms' mission, awareness, and behavioral intentions.

This second experiment shows that consumers' behavior (in terms of acceptance or reluctance toward a firm's social initiatives) is strictly related to positive (or negative) attitudes toward a specific firm's CSR activities. We evaluated not only general appraisals of the firm (e.g. overall consumers' attitude toward the firm itself), but also specific beliefs, such as corporate credibility or reputation.

Such experiment offers more insights onto our current knowledge of the effects of CSR initiatives. Particularly, it indicates that a firm's reputation affects the relationship between consumers' positive/negative attitude toward CSR and their consequent behavior. To achieve this goal, we used positive (negative) attitudes toward CRS activities as the independent variable (H3) and firm's reputation (H4) as moderator of the relationship between attitudes and behavioral intentions, which represents our dependent variable.

*Results.* A total of 55 subjects (29 males and 26 females) participated to this experiment through an online survey handed out through Qualtrics.

To test H3, we conducted ANOVA (Fig. 5) considering attitudes (positive vs. negative) toward the firm's CSR activities as the independent variable, and the consequent behavioral intentions as the dependent variable. We first summed up all scores related to attitudes' measurement (i.e., goodness, favorability, trust, importance, sincerity, and authenticity of the initiative) in order to achieve an overall attitude index (i.e., ATTITUDES), wherein higher scores were translated into more positive attitudes and lower scores corresponded to negative attitudes. In the same vein, we summed up all behavior items to get an overall behavior index variable (i.e., OverallBEHAVIOR), wherein higher scores were translated into more positive behavioral intentions toward the firm's initiatives, and vice versa.

Consistent with H3, ANOVA showed a significant relationship between attitudes and behaviors toward the firm's CSR activities, independently from the three conditions we randomly presented (cause-related condition, volunteerism-related

condition, and control condition). Specifically, consumers' attitudes were significantly related to the overall behavioral intentions toward the firm [ $F(1,55)=4.49$ ,  $p<.05$ ]; positive (negative) attitudes toward CSR activities resulted in positive (negative) consumers' behavioral intentions toward the firm. Hence, H3 was also confirmed.

### Figure 5 - ANOVA H3

Univariate Analysis of Variance  
Between-Subjects Factors

Attitudes	N
Negative	2
Positive	53

### Tests of Between-Subjects Effects

Dependent Variable : OverallBEHAVIOR

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	74.039(a)	1	74.039	4.491	.039
Intercept	1223.712	1	1223.712	74.235	.000
ATTITUDES	74.039	1	74.039	4.491	.039
Error	873.670	53	16.484		
Total	14115.000	55			
Corrected Total	947.709	54			

(a) R Squared = .078 (Adjusted R Squared = .061)

In addition, when we considered the reputation index (OverallREPUTATION) as a moderator of the relationship between attitudes and behaviors, MANOVA (Fig. 6) showed a significant effect of the relationship between the independent variable (attitudes) and the covariate (reputation) on the behavioral intentions toward the firm. More specifically, whenever a positive attitudes was recorded, the levels of participation to CSR activities [ $F(1,55)=24.20$ ,  $p<.001$ ], as well as the request for more information about the firm's initiatives [ $F(1,55)=11.28$ ,  $p<.001$ ], were both significant. Hence, our results support H4. Firm's reputation moderates consumer's attitudes toward the firm's social initiatives and, consequently, consumers' behavioral intentions.

**Figure 6 - MANOVA H4**

Source	Dependent Variable	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	Participation	66.999(a)	2	33.500	24.200	.000
	Info	37.815(b)	2	18.908	11.289	.000
	Involvement	29.049(c)	2	14.524	9.085	.000
	OverallBEHAVIOR	382.121(d)	2	191.060	17.566	.000
Intercept	Participation	.211	1	.211	.153	.698
	Info	3.249	1	3.249	1.940	.170
	Involvement	3.383	1	3.383	2.116	.152
	OverallBEHAVIOR	10.125	1	10.125	.931	.339
ATTITUDES*Overall REPUTATION	Participation	66.999	2	33.500	24.200	.000
	Info	37.815	2	18.908	11.289	.000
	Involvement	29.049	2	14.524	9.085	.000
	OverallBEHAVIOR	382.121	2	191.060	17.566	.000
Error	Participation	71.982	52	1.384		
	Info	87.094	52	1.675		
	Involvement	83.133	52	1.599		
	OverallBEHAVIOR	565.588	52	10.877		
Total	Participation	1524.000	55			
	Info	1654.000	55			
	Involvement	1589.000	55			
	OverallBEHAVIOR	14115.000	55			
Corrected Total	Participation	138.982	54			
	Info	124.909	54			
	Involvement	112.182	54			
	OverallBEHAVIOR	947.709	54			

(a) R Squared = .482 (Adjusted R Squared = .462)

(b) R Squared = .303 (Adjusted R Squared = .276)

(c) R Squared = .259 (Adjusted R Squared = .230)

(d) R Squared = .403 (Adjusted R Squared = .380)

## 5. Discussion

The first experiment underlines the significant role exerted by consumers' perceptions with respect to a firm's CSR initiatives; and perceptions are at the roots of forming consumers' attitudes. In particular, our results emphasize the role played by a firm's motives behind such initiatives, thereby affecting the development of both consumers' attitudes and skepticism. Indeed, in view of the three randomly assigned scenarios, respondents were able to develop a positive or negative attitude toward the firm.

Then the second experiment aimed to modify (the negative) or reinforce (the positive) attitude consumers previously developed toward that specific firm. Thus, if the firm already had a positive reputation reinforced by communications emphasizing its role to the benefit of the society (or local community), the yet positive attitude of consumers resulted even reinforced, and that reinforcement mirrored in their consequent behavior. Conversely, when the respondents had a negative attitude, but were then communicated that the firm was trying to recover through CSR efforts, then the moderation acted positively, partially modifying the previous negative attitude. Finally, when the respondents had a negative attitude, but were then exposed to a neutral scenario, there was no positive reaction in terms of consequential behavior.

### ***5.1 Managerial and Public Policy Implications***

The findings from this study have several implications for both managerial practice and policy development. Since consumers have more positive attitudes toward firms' CSR activities when they show concern about the environment, firms as well as institutions and governments should pay attention to promoting the concept of environmental protection to heighten their public concern. Many factors contribute to inactivity among consumers and insufficient information is one of the most important. The waste management industry should effectively convey its message explaining the goals of its environmental CSR activities to make consumers understand the rationale behind green activities, strengthening reputation and corporate profile.

Nowadays, irresponsible behaviors involve relevant economic players. Their demise or survival affects the competitive scenario of the industries wherein they operate as much as the overall welfare of societies. Too many cases of unethical behavior are unfortunately evident, driving some consumers to now pretend more than a simple mission statement to believe in what firms intend to do for the environment, and consequently trust them. Overall, today's consumers need to be better informed and proactive firms need to find the best way to promote such new dialogue. It ensures that managers of environment-active firms should converge much more energies in the development of a clear communication policy through which to explain what are their short- and long-term goals in terms of environmental protection. Possibly, communications should then be nurtured by a follow up of socio-institutional legitimization (Bitektine, 2011), meaning that CSR activities need to receive the support of the media able to follow and testify their progresses, confirming their positive achievements step by step. Only in this way, firms can guarantee consumers about the trustworthiness and reliability of their actions,

strengthen their reputation, and address people perceptions, stimulating a positive attitude toward their products.

CSR activities are managerial practices requiring constant inputs and updates from suppliers, government legislations, local institutions, and people. Managers should work in order to reduce their risk-related costs and over time increase consumers' trust. At the same time, they should work to transform old products in environment-friendly products, since firms' role in the society is not just economic, but also socially relevant. To tightly anchor firms around CSR, few steps must be taken to facilitate dialogue between firms and their key stakeholders. Only then CSR values can become deeply integrated within a firm's management philosophy and culture, becoming the source of innovativeness required for developing sustainable businesses and better communities to live in.

Moreover, since many firms disguise their selfish interests behind "green actions", governments and policy makers should start to create stricter limitations to production processes and marketable products. Just like in the example of the catalytic converter imposed to the car industry by European legislators in the 90's in order to fuel cars with unleaded gasoline, modern societies need new legislations addressing environmental issues to force firms to adopt new environment-friendly practices. With regard to the car industry, for instance, the compulsory introduction of electric cars would be a great step in such new and better direction, proven that electricity would not be produced through polluting means.

Finally, a concluding thought has to be devoted to the turnaround strategies employed by those firms that have been caught pursuing irresponsible behaviors. Future research should focus on the ways such firms are able to recover and restart from a new and sustainable beginning. So far, some scholars have focused on the identification of the factors through which firms can maintain their legitimacy following a negative event (Mocciaro Li Destri, Mina', and Picone, 2016). The turnaround processes that follow such negative event(s) are at the roots of the firm's chances to rehabilitate and succeed again. Thus, they need to possess sound sources of competitive advantage in at least one or more of the business in which they operate. When they base their actions on such sound sources, firms may trigger innovations able to mark a new beginning for a certain industry. Such behavior may represent an authentic industry turnaround towards sustainability and a simultaneous economic improvement. Overall, firms should employ a three-steps turnaround process. First, they should quickly fix the situation trying to immediately send a clear signal to all stakeholders: in this sense, a typical action is asking the top management to resign; replacing some of the board members may also represent a forceful move reflecting the firm will to dissociate from the negative event. Immediately following such a change, the firm should hire a new management able to supply a new philosophy. This philosophy should be mirrored by an immediate action plan (the second step of the turnaround process). This part of the process should be designed to first stabilize the situation and then implement new actions



aimed to regain customers' trust and rebuild corporate reputation. An ideal move in this phase of the process would be to transform old products in new environment-friendly products. Again, the main goal is to rebuild reputation through the creation of a new sustainable value. In the meantime, communication toward stakeholders should be the utmost through the all process, as stakeholders and the entire society require precise information of the CSR initiatives the firm is implementing to retrieve its positive image. Hence, the firm should engage with media, financial institutions and governments, exploring new markets or customers segments to normalize its activity. For instance, reputation-oriented actions may produce a positive impact on sales as in the case of Best-Buy, which quite recently asked its customers to bring their old products back to its stores in order to recycle them. This decision has yielded a positive feedback at both media and customers' level pushing the firm toward an improved environmental-leadership position.

## **5.2 Limitations**

The main limitation of our analysis relates to examining consumers' intentions to understand and accept CSR activities on the basis of the AT model instead of their actual behavior. Previous studies indicate that behavioral intention models are robust in many behavioral domains (Ajzen, 2001), but scholars must be cautious since a consumer's actual behavior is not always equivalent to her/his attitudes and not even to her/his stated behavioral intentions (i.e. attitude-behavior gap). Moreover, investigations considering a wider variety of industries and CSR activities may increase the generalizability of our findings and relevant contexts for marketing decision-makers.

Moreover, a wider audience for the survey would have allowed us to generalize the results in a more structured and reliable way. Hence, additional research on this field would help this study to evolve and provide further evidences. Although our study generally presented a consistent set of results, scholars may wish to extend our findings by employing them, for instance, onto a different context or with regard to a different environmental practice. For instance, an interesting extension of the present research would be a current analysis of the car industry after the recent scandal involving Volkswagen emissions. This case would represent an interesting extension of our study to a different industry and would help understand the turnaround strategy adopted by of one of the most important multinational companies in order to rebuild its affected reputation.

## 6. Conclusions

In this paper, we tried to fill the gap of knowledge regarding consumers' attitudes/behaviors and social reputation of waste management facilities. As demonstrated by our experiments, CSR initiatives strengthen (or weaken) consumers' attitude toward a firm's products depending on their perception of the underlying firm's intentions.

It also underlines the moderating role of reputation, a factor of crucial importance and so far mostly under investigated by scholars. Conscious of the modern role and impetus of communication in our society, we tested reputation as a moderator of the relationship between attitudes and behaviors, finding that it exerts a crucial influence and reveals interesting in clarifying some of the complexities of the attitude-behavior gap. Thus, if the reasons of such gap have for long been difficult to unravel with regard to how consumers develop their behavioral intentions, it is sure that the firm's reputation deriving by its past actions and environmental strategies has an impact on the way consumers' intentions translate into actions. Again, as we mentioned, Gupta and Ogden (2006) had a right intuition in suggesting a higher involvement of the consumer who has to be nurtured with a more precise and constant flow of information.

The above are general rules valid for all firms, and particularly for those that have been involved in incidents or scandals stimulating negative attitudes and reactions among the public. For these latter firms, retrieving a positive image is obviously more difficult, and the consequent damages can be inestimable. In fact, these latter firms are wrapped up of a layer of suspicion and negativity, and our experiments confirm that their reactionary behavior – a strategy conceived only after a negative event has occurred – is the wrong choice. For proactive firms, instead, it may reveal an interesting new path to succeed in modern competition, setting the way for a new form of rivalry based on their social and environmental policies.

We confirm that, compared to firm-serving motives, public-serving motives have a more positive influence on consumers' perception of a firm's CSR activities. To verify this statement, we employed the principles of Attribution Theory. Making attributions (i.e. understanding the causes behind a specific action) helps individuals achieve cognitive control over environmental phenomena by providing a better understanding of a firm's actions and the causes behind environmental events. This means that people tend to judge the outcomes of specific actions by looking at the overall picture together with the firm's background.

Our research provides empirical support for this topic showing that, when a firm's initiatives are not aligned to corporate objectives, CSR activities may actually become liabilities, weakening previously held beliefs about the firm.

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