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

ABSTRACT

Globalisation and increased stakeholder pressure have compelled companies to be more creative in their pursuit of legitimacy in contemporary society. Against this background, companies are expected to establish a reputation associated with corporate social responsibility (CSR) and good corporate citizenship. The purpose of this article is to determine whether there is a relationship between consumer perceptions of, and consumer attitudes toward, a corporate sponsor’s CSR activities and its resultant impact on consumer behaviour. By means of replication, the research focuses on consumer perceptions, attitudes and behaviour by testing the generalisability of an American study’s research instrument in the South African context. Survey data were collected from a target population of adult zoo visitors. Significant findings reveal a correlation between consumer recall of a corporate sponsor’s involvement with a prominent South African zoo (the National Zoological Gardens of South Africa, or NZG) and positive consumer perceptions toward a corporate sponsor’s CSR activities; and regular consumer use of the corporate sponsor’s products and positive perceptions towards the corporate sponsor’s CSR activities. The findings also suggest that managers should be aware of consumer scepticism associated with CSR communication. A good corporate reputation is furthermore necessary to support successful CSR activities.

Keywords: corporate social responsibility; consumer perceptions; consumer attitudes; consumer behaviour; survey; zoo visitors; South Africa

INTRODUCTION

Increased stakeholder demands for companies to take responsibility for their actions has led to companies taking up corporate social responsibility (CSR) as a formal business practice in order to obtain legitimacy and a licence to operate (Scherer & Palazzo 2011: 907). From this perspective, corporate legitimacy refers to a company’s attempts to justify its right to exist in a specific community or value chain (Johansen & Nielsen 2012: 435).
Central to this increased attention to CSR, is the consumer and his/her perceptions, attitudes and behaviour. This increased focus on consumers can be ascribed to the fact that their purchasing and consumption behaviour define the state of the society within which they and future generations live (Babin & Harris 2011: 13). Hutton, Goodman, Alexander and Genest (in Parguel, Benoît-Moreau & Larceneux 2011: 15) also state that CSR communication has become the third largest element of expenditure for communication divisions of companies.


Findings of a study conducted by the University of South Africa’s Centre for Corporate Citizenship indicated that companies’ CSR decisions have an impact on consumer investment, purchasing and brand loyalty behaviour (Kaelo Worldwide Media 2006: 10). Almost half of the respondents in the study (47.4%) indicated a preference to support good corporate citizenship regardless of higher prices; slightly more than half (55%) admitted their support of companies that are devoted to charitable activities; while the majority (69%) felt that irresponsible companies should be exposed in the media (Kaelo Worldwide Media 2006: 10). From this it can be deducted that the South African consumer is becoming more aware of CSR due to an increase in the availability of information related to these issues. Companies can also choose from a wide range of CSR reporting frameworks complementing their corporate reputations (Kaelo Worldwide Media 2006: 7).

Against the above background and considering the importance of CSR in contemporary organisations, this study replicated a case study originally conducted amongst the visitors of Zoo Atlanta in Georgia in the United States (Cole 2008: i-53). During that time UPS, the corporate sponsor in the case study was actively involved with Zoo Atlanta with regard to campaigns and corporate sponsorship – specifically focusing on saving the giant panda species. The items used in Cole’s (2008) questionnaire were mostly derived from the Harris-Fombrun Corporate Reputation Quotient; Grunig and Hon’s Guidelines for Measuring Relationships in Public Relations; and three other studies focusing on CSR measures relevant to this study (Cole 2008: 23). By means of factor analysis, 11 factors were extracted and only items with a Cronbach’s Alpha of $\alpha \geq 0.60$ were accepted and included in the questionnaire. The factors included regard and scepticism under CSR perceptions; reputation, trust and satisfaction under attitudes regarding CSR; purchasing intent, loyalty and investment under behaviours related to CSR; and under CSR reputation for UPS, the following three factors were included: treats people well; supports good causes; and good company in general (Cole 2008: 25).
LITERATURE REVIEW

The original study was conducted with the goal of determining the underlying relationships between the variables associated with perceived corporate reputation for social responsibility; and to determine attitudes and behaviours that would potentially affect the corporate entity in a positive way. Cole (2008) concluded that the findings of the study contributed to corporate communication initiatives by setting out guidelines for the evaluation of CSR programmes, ultimately improving the understanding of corporate reputation. Secondly, the findings showed how important it is for companies to position themselves as responsible corporate citizens (Cole 2008: i).

In Cole’s (2008) study, significant correlations were achieved between the following pairs of constructs: perceptions of CSR (regard) and attitude factors for brand trust; regard for CSR and consumer behaviour (purchasing intent, brand loyalty and investment); brand attitudes and CSR reputation variables for UPS (treats people well; supports good causes; and good company); brand behaviour and CSR reputation variables (treats people well; supports good causes; and good company); personal use of UPS products/services and the perceived CSR reputation of UPS (treats people well; supports good causes; and good company). Significant negative correlations were observed between scepticism and CSR attitudes (brand trust and brand reputation); as well as scepticism and the brand behaviour factor of investment. The following relationships were not supported: perceptions of UPS’ CSR reputation and the respondents’ “ability to recall company sponsorship of the pandas”; scepticism toward CSR and perceived CSR reputation of UPS (treats people well; supports good causes; and good company) (Cole 2008: 30-33).

In essence, this adapted South African study made use of the measuring instrument developed by Cole (2008: 51-53) to test the above-mentioned variables by means of a quantitative survey amongst a South African population and within a South African context. As CSR is being embraced more vigorously by international and multinational corporate entities in South Africa, it is important to determine the impact of these investments and how CSR is perceived by the consumer who purchases products and services from these companies. Consumers’ perceptions and attitudes are ultimately instrumental in ensuring desired consumer behaviour such as purchasing intent and brand loyalty. Non-profit organisations (NPOs) can also help corporate entities to channel a company’s donations and investments toward a more constructive goal for societal upliftment. By conducting this study in a South African context, links between the concepts of CSR, collaboration with NPOs and/or a cause, as well as the consumer could be determined and could inspire further research in this academic field.

According to Babin and Harris (2011: 125-126), consumer attitudes have an effect on consumer behaviour. Oliver (in Van den Brink, Odekerken-Schröder & Pauwels 2006: 17) divided consumer brand attitudes into three components, including affective, cognitive and conative related to consumer emotions, knowledge and purchasing intent. If the content of a message relates to a consumer’s attitude toward a brand, persuasion to modify the consumer’s behaviour will be easier (Arnould, Price & Zinkhan 2004: 632).
Based on the findings of a study conducted by Carroll and Buchholtz (2006: 490), 76% of American consumers prefer to buy a “socially responsible brand” if price and quality were similar to a competing non-socially responsible brand. A different study showed that 84% of consumers will have higher levels of tolerance for companies within their communities who are involved with CSR. Seventy seven percent of the same consumer sample felt that a company’s commitment to CSR will influence their preference for an employer, while 66% indicated that they would invest in a company that has a reputation of being socially responsible (Carroll & Buchholtz 2006: 480).

From this perspective, corporate citizenship has a positive impact on stakeholder attitudes and overall corporate performance (Carroll & Buchholtz 2006: 480). CSR can also enhance corporate reputation in that it assists with brand differentiation and provides the company with a competitive advantage (Park, Lee & Kim 2013: 1; Hsu 2012: 189). Willmott (in Kang & Hustvedt 2013: 2) furthermore proposed a model for brand citizenship in which the crucial elements necessary to create a trusted brand relationship with consumers are identified as transparency, communication and positive citizenship perceptions.

The most relevant literature related to this study will be discussed next under the main headings of CSR, corporate brand reputation and consumer behaviour.

Corporate social responsibility

In South Africa, the terms corporate social responsibility (CSR), corporate citizenship (CC) and corporate social investment (CSI) are sometimes used interchangeably (Tustin & De Jongh 2008: 30). Hopkins (2007: 15-16) comprehensively define CSR as follows:

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

Carroll and Buchholtz (2006: 40) define CSR in the form of a pyramid, demonstrating its crucial role in ensuring profit for the corporate entity whilst simultaneously adhering to the law, reacting ethically and striving to become a “good corporate citizen”.

From this perspective, a US poll indicated that 72% of consumers believe that companies possess too much power and are more concerned with profits than with the safety, reliability and quality of the products they offer (Walker & Kent 2009: 743-744). This is where CSR presents companies with various routes to enhance consumers’ perceptions and to secure legitimacy amongst the members of society (Stanaland, Lwin & Murphy 2011: 53).

The term corporate citizenship (CC), first referred to in the context of business and society in the 1980s, personifies the organisation as a citizen within a community (Garriga & Melé 2004: 57; Carroll & Buchholtz 2006: 54). CC encompasses a company’s
commitment to sound ethical behaviour, ensuring there is a balance between stakeholder requests and environmental preservation by intentionally interacting with NPOs, communities and other stakeholders (Carroll & Buchholtz 2006: 54). Tustin and De Jongh (2008: 28) define organisational CC as “a business with comprehensive policies and practices that enable it to make decisions, be accountable for them, conduct operations ethically, meet legal requirements and show consideration for broad stakeholders, including society and the natural environment”.

The King III Report also states that companies should focus on becoming corporate citizens (IoDSA 2009: 52), which should lead to increased performance (Carroll & Buchholtz 2006: 480). The advantages associated with good CC include, but are not limited to, enhanced customer relations, increased sales, favourable brand image, brand loyalty and the support of the company’s image and reputation (Carroll & Buchholtz 2006: 55; Crosby & Johnson 2006: 13). CC should be implemented as the ultimate strategy for brand building, ensuring competitive advantage as well as reputational enhancement by satisfying customers and other stakeholders in a sustainable manner (Tustin & De Jongh 2008: 25).

Corporate brand reputation

CSR can also be regarded as a strategic approach to enhance the corporate reputation of an organisation, or to differentiate its brand from those of competitors’ (Park et al. 2013: 1; Hsu 2012: 189), and it has been associated with positive brand evaluations, purchase intentions and recommendation by consumers (Marin, Ruiz & Rubio 2009: 67). From this perspective, a brief discussion on corporate identity; corporate brand personality; corporate image; corporate reputation; brand citizenship; and a reputation for being a good corporate citizen follows.

Corporate identity is defined as “the symbols and nomenclature an organisation uses to identify itself to people (such as the corporate name, logo, advertising slogan, etc.)” (Dowling 2001: 19). A corporate identity serves the purpose of ensuring cohesion in stakeholder perceptions; establishment and maintenance of corporate reputation; protecting legitimacy; and promoting competitive differentiation (Johansen & Nielsen 2012: 437).

As defined by Aaker (in Babin & Harris 2011: 115), the personality of a brand includes the “human characteristics that can be associated with a brand”. Consumers make use of brand personalities in support, and to the expression, of their “actual or idealised self-image”. The corporate brand personality echoes the “values, actions, and words” of the company’s workforce (Keller & Richey 2006: 76). According to Gwinner and Eaton (in Babin & Harris 2011: 115), brand personality is an element of corporate image.

Corporate image is “the global evaluation (comprised of a set of beliefs and feelings) a person has about an organisation” (Dowling 2001: 19). Brand image includes characteristics related to the product, the brand, as well as the consumer (knowledge, perceptions and attitudes) which are activated in certain contexts or by relevant cues (Arnould et al. 2004: 121). Brown and Dacin (in Pérez, De Los Salmones & Del Bosque 2013: 219) argue that there is a relationship between corporate image and consumer perceptions and behaviour.
If corporate image includes the perceptions and attitudes of external stakeholders and corporate identity includes the perceptions and attitudes of internal stakeholders, the congruency of these two constructs will determine the strength of the corporate reputation of a company (Davies, Chun, Da Silva & Roper 2003: 61):

A corporate reputation is a collective representation of a firm's past actions and results that describes the firm’s ability to deliver valued outcomes to multiple stakeholders. It [corporate reputation] gauges a firm’s relative standing both internally with employees and externally with its [other] stakeholders, in both the competitive and institutional environments (Gardberg & Fombrun 2002: 304-305).

Advantages associated with a positive corporate reputation include the eagerness of qualified people to work for the company; improved supplier relationships; free media attention; extra symbolic value added to products and services such as trust; diminishing consumer risk perceptions; higher credibility; presence of a reputational “safety net” in crisis times; better financial performance; and bargaining power across trade channels, to mention a few (Doorley & Garcia 2007: 4, 12-13; Park et al. 2013: 2; Schwaiger 2004: 50). Corporate philanthropy can also have favourable results on a company’s reputation. For example, results by a Cone, Inc. study illustrated that 84% of respondents regard a company’s commitment to social matters as a determinant in deciding on which companies they want in their community. In the same study, 77% felt that social commitment impacts the choice of who they want to be employed with; 66% looked at social commitment as determinant when deciding in which company they would rather invest (Carroll & Buchholtz 2006: 480).

Brand citizenship is displayed by companies that rely on “sound business practice and values, including good corporate governance, the commitment of staff to the brand, and the relevance and legitimacy of the brand as seen by the broader society”. If a company establishes good brand citizenship, the creation of an ethical brand identity would result throughout the entire value chain, ultimately ensuring a good corporate reputation to back CSR initiatives (Tustin & De Jongh 2008: 32).

Consumer behaviour

Socially responsible consumer behaviour (SRCB) is a concept defined as: “… a person basing his or her acquisition, usage, and disposal of products on a desire to minimise or eliminate any harmful effect and maximize the long-term beneficial impact on society” (Mohr, Webb & Harris 2001: 47). From this perspective, the interconnectedness between consumer perceptions, attitudes and behaviour will be addressed here.

A positive relationship exists between consumer awareness of CSR, attitudes and behavioural intentions (Öberseder, Schlegelmilch & Murphy 2013: 1840; Lii & Lee 2012: 72). Consumer perceptions of CSR activities also influence consumer purchase intentions (Lee & Shin 2010: 2). CSR activities also have a positive effect on corporate reputation, corporate image, consumer trust and loyalty (Stanaland et al. 2011: 48; Perera & Chaminda 2012: 3; Hsu 2012: 189; Park et al. 2013: 1; Bae & Cameron 2006: 145).

Consumer scepticism appears to be increasing towards companies that make unsupported CSR claims (Parguel et al. 2011: 17). By exploiting a cause (greenwashing),
a company will most certainly experience that consumer perceptions towards the corporate brand will be less favourable and their CSR communication regarded as non-credible (Parguel et al. 2011: 17). According to a South African study conducted by Kaelo Worldwide Media (2006: 10) consumers would rather buy from “good corporate citizen[s]” regardless of higher prices.

Consumer attitudes play a crucial role in persuasion and CSR has also been shown to correlate positively with the consumer attitudes of a company (Arnould et al. 2004: 632; Park et al. 2013: 2-3; Bae & Cameron 2006: 145; Marin et al. 2009: 65). Ultimately, consumer attitudes (especially those attitudes related to trust) influence consumer purchase intent and behaviour favourably (Kang & Hustvedt 2013: 4; Marin et al. 2009: 68). Lichtenstein et al. (in Lii & Lee 2012: 72-73) found that the CSR reputation of a company correlates with consumer attitudes and with consumer behaviour. With the use of sponsorships, customer relationship management (CRM) and philanthropy, consumers will develop more favourable attitudes toward a brand if the company possesses a good reputation (Lii & Lee 2012: 71-72).

It has been found that consumer perceptions of a brand impact consumer behaviour (Tustin & De Jongh 2008: 31; Kim 2011: 219; Marin et al. 2009: 65; Kang & Hustvedt 2013: 3). Other studies indicated that there is a positive relationship between CSR and consumer behaviour (Kim 2011: 219). Various academics have also identified a correlation between consumer perceptions of CSR and consumer behaviour and other related constructs such as consumer trust, attitudes, purchase intent and word-of-mouth (Cole 2008: 34, 36; Öberseder, Schlegelmilch, Murphy & Gruber 2013: 2; Kang & Hustvedt 2013: 1). CSR and corporate reputation, corporate image, consumer trust and loyalty have furthermore been found to correlate (Park et al. 2013: 2; Stanaland et al. 2011: 48). According to Marin et al. (2009: 65), CSR has been found to increase consumer loyalty due to favourable company evaluation and stronger company identification.

**METHODOLOGY**

The core research problem of the study is that there is a lack of clarity about the relationship between consumer perceptions of, and consumer attitudes towards, a corporate sponsor’s corporate social responsibility (CSR) activities and the impact thereof on consumer behaviour. The sampling, data collection and measures to address this problem are discussed below.

**Sampling**

The target population for this study consisted of adult zoo visitors aged 18 years and older who were physically present at the National Zoological Gardens (NZG) on the days that data were collected. As such, the respondents for this study consisted of adult (18 years and older), literate South African visitors to the NZG. A nonprobability sampling method and convenience sampling were applied. The sampling method was appropriate for the nature of the target population because the researcher could not determine which individuals would be present at the NZG for the study to be conducted.
with the use of a probability sampling method. The subjective judgement with which individual respondents were approached can be regarded as a major disadvantage of this sampling method. Self-selection bias limits the generalisability of a study’s findings to the population (Zikmund 2003: 297-299).

From the sample of 200 zoo visitors, 63.5% were female and 35.5% were male. The majority (86%) live in Pretoria and 4.5% were from Johannesburg. Just over half of the sample (55.5%) indicated that they are white, 38% black and 5.5% Coloured.

Data collection
The first adapted version of the original questionnaire by Cole (2008: i-53) was reviewed by a CSR specialist and recommended changes were incorporated into a second draft which was tested amongst 20 respondents of the target population. A third and final draft, edited according to the respondents’ feedback, was derived (Saunders, Lewis & Thornhill 2007: 386-387).

Data were collected in the form of a self-administered delivery and collection questionnaire (Saunders et al. 2007: 356-357). This form of data collection is a relatively inexpensive means to collect data from a larger sample, but is also a labour-intensive method (Saunders et al. 2007: 358). In this study, the zoo visitors were approached by a fieldworker on two Saturdays. These individuals were informed of the nature of the study and were asked whether they wish to participate in the study by anonymously completing the questionnaire presented to them. They were also asked to sign an informed consent form in which they acknowledged their participation out of free will and without any incentives offered. A total of 200 respondents was required based on the recommendation by Field and Miles (2010: 197-198), as well as Diamantopoulos and Schlegelmilch (2000: 142).

Measures
The ability of consumers to recall that Coca-Cola was a corporate sponsor of the NZG was operationalised with a multiple-choice single-response scale with the following options to choose from: “Pick ‘n Pay” (option “1”), “Mr. Pie” (“2”), “Coca-Cola (ABI)” (option “3”), and “I don’t know” (option “4”).

The constructs were all measured on four separate multiple rating scales in the form of a five-point Likert scale. The response options ranged from a least favourable response of “1” (“Strongly Disagree”) to most favourable “5” (“Strongly Agree”). In all instances composite scale scores were averaged and a final score per construct was obtained. High scores indicate more positive perceptions, attitudes, and behavioural intent respectively, while lower scores indicate more negativity or a weaker presence of a specific construct. These interpretations are valid for all items except for reverse scored items. Consumer perceptions of a corporate sponsor’s CSR activities were measured in Question 2. The construct of zoo visitors’ perceptions of Coca-Cola CSR activities consisted of nine items (2.1 – 2.9), where item 2.6 was reverse scored. Consumer perceptions of CSR were measured with nine items (3.1 - 3.9). Item 3.3, 3.5
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and 3.7 have been reversed scored. Consumer attitudes toward corporate citizenship were measured in Question 4 (items 4.1 – 4.9), while consumer behaviour towards a corporate sponsor was operationalised in Question 5. Consumer behaviour towards Coca-Cola was measured by means of nine items (5.1 – 5.9).

Consumers’ business use and consumers’ personal use of Coca-Cola’s products were operationalised respectively in two multiple-choice single-response scales. Question 12, measuring business use, presented the respondent with the following response options: “Frequent business user”, “Occasional business user”, and “I do not use Coca-Cola’s products for business purposes”. In Question 13, on consumers’ personal use, respondents could select one of the following options: “Frequent personal user”, “Occasional personal user”, and “I do not use Coca-Cola’s products for personal purposes”. By calculating the frequency of each response option in both question 12 and 13 respectively, totals were obtained.

For the purpose of this study, Bryman and Bell’s (2007: 164) recommended Cronbach’s Alpha value of 0.7 or higher was regarded as a healthy standard. Question 2, measuring consumer perceptions of a corporate sponsor’s CSR activities, had the highest Cronbach’s Alpha (α = 0.90). The other constructs measured as follows from the highest to the lowest Cronbach’s Alpha value: consumer corporate citizenship attitudes (Question 4) with α = 0.86; consumer behaviour toward the corporate sponsor (Question 5) with α = 0.86; consumer regard for CSR (Question 3a) with α = 0.70; and consumer scepticism about CSR (Question 3b) with α = 0.67.

The demographic variables measured in the survey (questions 6-11) included respondent living area, gender, ethnicity, education, income and age. Table 1 comprises a summary of the relevant questionnaire items discussed above:

 TABLE 1: ITEMISED REPRESENTATION OF THE MEASUREMENT INSTRUMENT

| Q1. Which one of the following three companies do you think donates money to the Zoo? |
| Pick ’n Pay / Mr. Pie / Coca-Cola (ABI) / I don’t know |

**SECTION A**

1 = Strongly Disagree / 2 = Disagree / 3 = Neutral / 4 = Agree / 5 = Strongly Agree

| Q2. Amalgamated Beverage Industries (ABI), or more commonly known as Coca-Cola, is one of the Zoo’s major sponsors. Please indicate how much you agree or disagree with the following statements on Coca-Cola. |
| Coca-Cola… |
| 2.1 Is a good company |
| 2.2 Behaves socially responsible |
| 2.3 Cares about the environment |
| 2.4 Helps South African communities |
| 2.5 Treats people well |
| 2.6 Sponsors causes only to “look good” to the public |

Table continues
2.7 Does what it promises to do in the community
2.8 Has a record of doing good deeds in society
2.9 Is a company that cares about the communities where it does business
Q3. Please indicate how much you agree or disagree with the following statements:
3.1 Companies should give back to society.
3.2 It should be standard that all companies should give back to society.
3.3 Companies only do good deeds to “look good” to the public.
3.4 Companies should support meaningful causes.
3.5 I am suspicious of companies that frequently support good causes.
3.6 I want to know if a company does good deeds for communities.
3.7 I am suspicious if companies talk about the good things they do for a community over the news.
3.8 I think companies mean well when they do good deeds for communities
3.9 I think companies should speak in public about the money they donate to good causes.
Q4. Please indicate how much you agree or disagree with the following statements:
4.1 I trust a company that does good deeds.
4.2 I believe that Coca-Cola will keep its promise to give back to society.
4.3 I trust companies that do their part to help society.
4.4 If I buy something, I want to know that the company behind it is doing good in society.
4.5 Companies that give back to the community are better than companies that do not.
4.6 Coca-Cola’s support at the Zoo makes me feel positive about the Coca-Cola brand.
4.7 Companies that are known for doing good for society are more likely to have better products and services.
4.8 I think companies have giving programs to provide value only for themselves.
4.9 If I support a company that does good deeds, I also feel I am doing a good deed.
Q5. Please indicate how much you agree or disagree with the following statements:
5.1 I would continue to buy from a company that does good deeds.
5.2 I would rather buy from the company that does good to society if price and quality were the same between two companies.
5.3 I would rather buy from a company that has a history of helping communities, even if the product or service was a bit more expensive.
5.4 A company’s history of good deeds determines if I buy its products / services.
5.5 If a company I buy from does irresponsible/ bad deeds, I would buy from another company instead.
5.6 I will rather buy from Coca-Cola now that this company supports the Zoo.
5.7 If Coca-Cola did not help organisations like the Zoo, I would not buy their products.
5.8 I would keep on buying from Coca-Cola because of its history of good deeds.
5.9 Because Coca-Cola supports the Zoo, I will be more likely to tell others about Coca-Cola.

SECTION B

Q6-Q11: demographic information

Q12. Do you buy Coca-Cola or other soft drinks of ABI for use at work functions? Indicate how you would describe your *business use* of Coca-Cola’s products.

- Frequent business user
- Occasional business user
- I do not use Coca-Cola’s products for business purposes

Q13. Do you buy Coca-Cola or other soft drinks of ABI for personal use at home or with friends? Indicate how you would describe your *personal use* of Coca-Cola’s products.

- Frequent business user
- Occasional business user
- I do not use Coca-Cola’s products for business purposes

DISCUSSION OF FINDINGS

The purpose of this study was to determine whether there is a relationship between consumer perceptions of, and consumer attitude toward a corporate sponsor’s activities. The impact thereof on consumer behaviour was also explored. The main findings of the study, and how it relates to the six objectives that guided the study, are explained below.

Consumers’ ability to recall a corporate sponsor of an NPO

According to Wagner, Lutz and Weitz (in Öberseder et al. 2013: 1840), consumer awareness of CSR correlates positively with consumer attitudes and behavioural intent.

The first objective of this study was to investigate consumers’ ability to recall (have a clear mental image of) a specific corporate sponsor involved with an NPO. In answer to this objective, the majority of respondents correctly recalled Coca-Cola’s sponsorship at the NZG (60.5%).

Consumer perceptions of a corporate sponsor’s CSR activities

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

Companies make use of socially directed activities in order to enhance their reputations (Kang & Hustvedt 2013: 3). Research also found that there are positive correlations between CSR activities, corporate reputation, corporate image, consumer trust and consumer loyalty (Stanaland et al. 2011: 48). Other studies supported the positive relationship between consumer perceptions of ethical corporate actions and corporate reputation (Park et al. 2013: 2; Hsu 2012: 194). Recognised companies that engage in
CSR activities also stand a greater chance to achieve positive consumer perceptions related to product or service quality (Kim 2011: 218).

**Hypothesis 1**

Hypothesis 1 was formulated based on the above literature and reads as follows:

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

\[ H_1 \] was rejected at a 10% level of significance. Resultantly, awareness of the corporate entity’s involvement with CSR will lead to more positive consumer perceptions toward the entity’s current and possible future CSR activities.

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

The third research objective was to determine the nature of consumer perceptions of CSR as a business practice in general. Hypotheses 2 and 3 are relevant to this objective.

How consumers perceive CSR in general can affect how they experience a specific company’s marketing efforts (Öberseder et al. 2013: 1846). Depending on the perceived motives behind companies’ CSR efforts, their perceptions toward CSR will be either positive or negative (Park et al. 2013: 3). If consumers are suspicious towards CSR, corporate communication and the effectiveness of CSR messages might vary. Philanthropy on the other hand has been associated with less instances of consumer scepticism (Bae & Cameron 2006: 146). Scepticism results if consumers believe that CSR should not be advertised (Öberseder et al. 2013: 1840; Mohr et al. 2001: 67).

Consumer perceptions of CSR influence consumer attitudes toward the corporate entity involved (Webb & Mohr 1998: 226). In the original study by Cole (2008: i-53), support was obtained for the hypothesis that illustrated a positive correlation between consumer perceptions of CSR in general and consumer perceptions towards a corporate sponsor, as well as consumers’ intent to demonstrate it in behaviour (Cole 2008: 34, 36). Related to this finding, a study by Champniss and Rodés Vilà (2011: 37) found that 40% of respondents indicated that they associate sustainability with increased prices; 28% perceived an association with past inequalities; and 25% regarded sustainability as a form of placing blame.

**Hypothesis 2**

In this study, consumer responses to the (positive) “regard for CSR” question items were mainly “4” (“Agree”) or “5” (“Strongly Agree”), which shows that respondents’ perceptions toward the use of CSR in business were favourable. On the other hand, consumers mostly selected the “Neutral” option (“3”) with CSR scepticism items.

\[ H_2 \] included the constructs related to consumer CSR scepticism (Question 3b) and consumer perceptions of a corporate sponsor’s CSR activities (Question 2), and reads as follows:
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Hypothesis 2: Consumers who are sceptical of CSR will have low perceptions of Coca-Cola’s CSR activities.

Interval data were collected from both of the above-mentioned Likert scales to test the correlation between the constructs. In terms of scale reliability, consumer scepticism about CSR delivered a value of $\alpha = 0.67$ and consumer perceptions of a corporate sponsor’s CSR activities yielded $\alpha = 0.90$.

A weak correlation was achieved for Hypothesis 2: $-0.05 [r(198) = -0.05, p = 0.486]$. No support could therefore be found for the relationship between consumer scepticism about CSR and consumer perceptions of a corporate sponsor’s CSR activities. Consumers did not appear to harbour firm beliefs related to the negative stated items on CSR.

**Hypothesis 3**

Hypothesis 3 tested whether there is a relationship between consumer regard for CSR and consumer corporate citizenship attitudes toward a corporate sponsor, and reads as follows:

Hypothesis 3: Consumers who have regard for CSR are likely to report positive consumer corporate citizenship attitudes towards Coca-Cola.

The questions that formed part of this hypothesis included Questions 3a (consumer regard for CSR) and 4 (consumer corporate citizenship attitudes toward a corporate sponsor). The respective reliability values of these constructs are $\alpha = 0.70$ and $\alpha = 0.86$.

The correlation between consumer regard for CSR and positive consumer corporate citizenship attitudes was weak but positive $[r(198) = 0.42, p < 0.001]$. The null hypothesis was rejected at a 1% level of significance. Respondents who are positive towards CSR will be more likely to also respond with positive corporate citizenship attitudes related to CSR.

More significant but contrasting findings were expected between H$_2$ and H$_3$. One possible reason for variance across the scepticism scale could be due to confusion caused by the negatively scored items in comparison to the majority of the other question items being positively worded.

The third research objective was reached in that the nature (positive/negative) of consumer attitudes toward CSR was determined with the help of Hypotheses 2 and 3.

**Consumer attitudes toward corporate citizenship**

Hypothesis 3 and 4 provide support for the fourth objective: to investigate the effect of perceived corporate philanthropy on consumer corporate citizenship attitudes towards a corporate sponsor of an NPO.

Cole (2008: 25) tested three supporting factors for the construct of brand reputation, trust and satisfaction. However, a principle factor analysis of this construct in the current study showed that a single factor explains the total variance of the items in
Question 4. After careful consideration, and consideration of existing literature, the single factor was renamed to consumer corporate citizenship attitudes.

The fourth research objective investigated consumer corporate citizenship attitudes toward a corporate sponsor of an NPO.

After testing Hypothesis 3, a weak but positive correlation was found between consumer regard for CSR and consumer corporate citizenship attitudes towards a corporate sponsor \[ r(198) = 0.42, p < 0.0001 \]. Consumers who have favourable perceptions of CSR will have slightly more positive corporate citizenship attitudes toward Coca-Cola due to this corporate sponsor’s CSR involvement.

Hypothesis 4

Hypotheses 4 proposed a relationship between consumer perceptions of a corporate sponsor’s CSR activities and consumer corporate citizenship attitudes towards the same corporate sponsor.

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

Question 2 on consumer perceptions of a corporate sponsor’s CSR activities and Question 4 on consumer corporate citizenship attitudes apply. These two scales rated very high on reliability: \( \alpha = 0.90 \) for Question 2 and \( \alpha = 0.86 \) for Question 4.

The null hypothesis was rejected and a moderate positive relationship was achieved between consumer perceptions of Coca-Cola’s CSR activities and consumer corporate citizenship attitudes toward the corporate sponsor \[ r(198) = 0.55, p <0.0001 \]. Consumers who hold positive perceptions regarding the CSR activities of Coca-Cola are more likely to have positive attitudes toward the company’s corporate citizenship.

Consumer business and personal use of sponsor’s products

The fifth research objective was to investigate consumers’ business and personal use of the corporate sponsor’s (Coca-Cola’s) products. \( H_{5a} \) and \( H_{5b} \) applied.

Hypothesis 5

These two hypotheses \( (H_{5a} \text{ and } H_{5b}) \) revolved around consumer perceptions of a corporate sponsor’s CSR activities and the business/personal use/non-use of the corporate sponsor’s products:

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

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

Research shows support for a positive correlation between consumer perceptions and consumer behaviour (Öberseder et al. 2013: 2). Corporate reputation impacts directly
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on consumer attitudes and consumer behaviour (Lii & Lee 2012: 72-73). In a survey with a sample of 443 consumers, findings supported the relationships between CSR and constructs of corporate reputation, consumer trust and loyalty (Stanaland et al. 2011: 53). If consumers identify with a company’s values as expressed with the help of CSR activities, consumer loyalty will result (Marin et al. 2009: 65). The consumers who associate with a company will also be more likely to harbour positive consumer attitudes about the company if it engages in CSR (Walker & Kent 2009: 749-750).

A few benefits of CSR activities are positive brand assessments, purchasing intent and willingness to recommend the brand (Marin et al. 2009: 67). Two measurement scales have been designed in order to confirm the correlation between CSR and consumer behaviour. One of these scales focused on consumer perceptions of corporate social irresponsibility and the second one approached specific CSR activities individually (Öberseder et al. 2013: 2).

In H_{5a}, Question 5 and Question 12 applied, which were the scales measuring consumer behaviour and consumer business use of Coca-Cola’s products respectively. The reliability of Question 5 was very good at $\alpha = 0.86$.

Questions 5 (consumer) and 13 (consumer’s personal use of Coca-Cola’s products) supported the testing of H_{5b}.

Both questions 12 and 13 collected data at an ordinal level in the form of multiple-choice single-response scales regarding the consumers’ business and personal use or non-use of Coca-Cola’s products.

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

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

A significant relationship was observed between consumer perceptions of the corporate sponsor’s CSR activities and consumers’ personal use of Coca-Cola products. This significance was not achieved at a 5% but rather at a 10% level of significance.

No significant difference was found with regard to consumer perceptions of the corporate sponsor’s CSR activities and respondents who indicated they are occasional (M = 3.74, SD = 0.67) or non-users (M = 3.59, SD = 0.93) of the corporate sponsor’s products on a personal level. However, frequent personal users were significantly more positive (M = 4.08, SD = 0.59) towards the CSR activities of Coca-Cola’s CSR
reputation than non-users ($M = 3.59, SD = 0.93$), according to the Duncan Multiple Range Test results.

**Consumer perceptions of CSR activities and consumer behaviour**

The last research objective was to investigate whether consumer perceptions of a corporate sponsor’s CSR activities relate to changes in consumer behaviour towards a corporate sponsor. As such, the objective is a core driver of this study. Hypotheses 6 and 7 apply.

The way consumers perceive the brand determines their behaviour (Tustin & De Jongh 2008: 31; Kim 2011: 219; Marin *et al.* 2009: 65; Kang & Hustvedt 2013: 3). According to Kang and Hustvedt (2013: 1), consumer CSR perceptions correlate positively with consumer trust, consumer attitudes, their intent to purchase, and the sharing of positive word-of-mouth about the brand. Similarly, another source confirms the link between consumer attitudes and consumer purchase intent and behaviour (Marin *et al.* 2009: 68). The more loyal customers are, the higher the probability that they will pay higher prices for quality products associated with a good cause (Van den Brink *et al.* 2006: 16). Consumers want to support good companies (Lee & Shin 2010: 2). In the same study, it was found that consumers will alter their behaviour positively if a company invests in corporate social and local community products, but these findings were not supported for environmental projects (Lee & Shin 2010: 2). Corporate reputation will also enjoy a boost when companies invest in CSR due to positive consumer perceptions (Perera & Chaminda 2012: 3).

**Hypothesis 6**

Hypothesis 6 proposed a relationship between consumer perceptions of a corporate sponsor’s CSR activities and consumer behaviour towards the same entity.

$H_{6alt}$: Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer behaviour towards Coca-Cola.

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

**Hypothesis 7**

$H_{7alt}$: Consumers with positive regard for CSR are likely to report positive consumer behaviour towards Coca-Cola.

The null hypothesis was rejected at a 5% level of significance. A weak positive relationship was observed between consumer regard for CSR and consumer behaviour towards Coca-Cola [$r(198) = 0.35, p < 0.0001$]. Thus, consumers who perceive CSR in a positive light will also be more loyal in their behaviour towards Coca-Cola because it sponsors a good cause.
TABLE 2: SUMMARY OF RESULTS OF HYPOTHESIS TESTS

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1(alt): There is a significant difference in consumer perceptions of Coca-Cola’s CSR activities between consumers who correctly recalled Coca-Cola’s involvement and those who did not correctly recall Coca-Cola’s involvement at the NZG.</td>
<td>H1(alt) was rejected at a 10% level of significance.</td>
</tr>
<tr>
<td>H2(alt): Consumers who are sceptical of CSR will have low perceptions of Coca-Cola’s CSR activities.</td>
<td>A weak negative correlation was achieved [r(198) = -0.05, p = 0.486].</td>
</tr>
<tr>
<td>H3(alt): Consumers who have regard for CSR are likely to report positive consumer corporate citizenship attitudes towards Coca-Cola.</td>
<td>A weak positive correlation was observed [r(198) = 0.42, p &lt; 0.001]. The null hypothesis was rejected at a 1% level of significance.</td>
</tr>
<tr>
<td>H4(alt): Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer corporate citizenship attitudes toward Coca-Cola.</td>
<td>A moderate positive correlation was observed [r(198) = 0.55, p &lt; 0.0001].</td>
</tr>
<tr>
<td>H5a(alt): There is a significant difference between respondent perceptions of the corporate sponsor’s CSR activities and the business use and non-use of the corporate sponsor’s products.</td>
<td>Hypothesis 5a(null) was rejected at a 5% level of significance [F(2, 186) = 3.37, p = 0.037].</td>
</tr>
<tr>
<td>H5b(alt): There is a significant difference between respondent perceptions of the corporate sponsor’s CSR activities and the personal use and non-use of the corporate sponsor’s products.</td>
<td>Hypothesis 5b(null) was rejected at a 10% level of significance [F(2, 186) = 2.54, p = 0.082].</td>
</tr>
<tr>
<td>H6(alt): Consumers who perceive Coca-Cola as being socially responsible are likely to report positive consumer behaviour towards Coca-Cola.</td>
<td>The null hypothesis was rejected on a 5% level of significance [r(198) = 0.35, p &lt; 0.0001] and a weak positive relationship was observed.</td>
</tr>
<tr>
<td>H7(alt): Consumers with positive regard for CSR are likely to report positive consumer behaviour towards Coca-Cola.</td>
<td>The null hypothesis was rejected at a 5% level of significance. A weak positive relationship was observed [r(198) = 0.35, p &lt; 0.0001].</td>
</tr>
</tbody>
</table>

CONCLUSION

The overall research objectives for the study were achieved in that more clarity was obtained regarding consumers’ ability to recall a corporate sponsor of an NPO; consumer perceptions of a corporate sponsor’s CSR activities; the nature of consumer perceptions of CSR in general; the effect of perceived corporate philanthropy on consumers’ attitudes towards a corporate sponsor; consumers’ business and personal
use of a corporate sponsor’s products; and consumer perceptions of a corporate sponsor’s CSR activities and whether it relates to changes in consumer behaviour towards a corporate sponsor.

South African companies play an important role in the protection of the integrity of CSR as a business practice, whether they make a once-off donation to a charity or whether they support a good cause on a permanent basis. From this perspective, CSR can add economic, environmental and social wealth in a sustainable manner to the communities of this developing country. This approach can also be beneficial to a company’s reputation by building and maintaining quality relationships with customers through corporate social responsibility.

REFERENCES


