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Branding is about creating and delivering a promise to target consumers. This promise can be about functional satisfaction, experiential enrichment, or aspirational fulfillment (Kapferer, 2004; Keller, 2008). Increasingly, brands are promising that they care not only about their customers but also about their employees, the environment, and humanity at large. Exxon Mobil’s recent advertising campaign attempts to position it as an environmentally sensitive company. PUR cares about water safety in developing countries, and companies such as Ben & Jerry’s and The Body Shop have even positioned their whole corporate strategy on CSR, committing to be fully socially responsible brands. As these examples indicate, CSR refers to a company’s “status and activities with respect to its perceived societal obligations” (Brown & Dacin, 1997, p. 68).

Corporations behaving in socially responsible ways do not transgress the law. In addition, they try to make a positive impact by voluntarily contributing to various social and environmental causes. These initiatives are thought to help build brand equity by enhancing brand awareness and image and by creating a sense of community (Hoeffler & Keller, 2002). Du, Bhattacharya, and Sen (2007a, p. 687) suggest that “a CSR initiative could build consumer trust as it signals that the company is serious about bettering social welfare (the benevolence dimension of trust) and is competent in effecting positive social change (the credibility dimension of trust).”

* The authors would like to thank Karen Gedenk, Franziska Volckner, and an anonymous reviewer for their valuable comments.
Such institutional initiatives are no longer considered an afterthought or trade-off but are strategic actions that help corporations to achieve support from the communities in which they operate (Handelman & Arnold, 1999). This view has been echoed in the management literature indicating that the strategic use of CSR policy is positively related to reputation (Fombrun, 1996). Researchers now convincingly argue that the issue is not whether a corporation should be socially responsible (Smith, 2003), the issue is how to conduct these initiatives to have maximum impact on the constituents (Keller & Lehmann, 2006).

CSR activities affect a variety of outcomes, including a corporation’s image, company evaluations, product evaluations, purchase intentions, and the company’s market value (Luo & Bhattacharya, 2006). It is important to acknowledge, however, that the impact of CSR activities goes beyond the traditional marketing context. Specifically, CSR is used by companies for the recruitment and retention of talented human resources (Greening & Turban, 2000). CSR activities have an impact on the target cause/issue, nonprofit organization, and the society (see Bhattacharya & Korschun, 2008, and Lichtenstein, Drumwright, & Braig, 2004, on these issues). In this chapter, we will review the academic literature on CSR as it relates to branding-related outcomes.

CSR activities for brand-building purposes include, but are not limited to, sponsorships and philanthropic initiatives, cause-related marketing, advocacy advertising, and employee participation in supported programs. Sponsorships and philanthropic initiatives are direct donations by the companies to support a certain cause such as donations to schools or sponsorships of cultural activities. Cause-related marketing is characterized by a company’s product linked to a certain cause. The company makes a donation to the specified cause each time a consumer purchases the product (Varadarajan & Menon, 1988). Advocacy advertising means an advertising message tries to influence a consumer’s behavior. An example would be a company calling on the consumer to exercise more in order to prevent a cardiovascular disease (Menod & Kahn, 2003). Employee participation in supported programs generally means employee involvement in social activities (Bhattacharya & Sen, 2004).

Although all these activities vary in terms of the level of commitment expected from the corporation, they are all voluntary activities. The voluntary nature of these activities paves the way for brand-building purposes. Companies hope that consumers will take these activities at face value and attribute positive characteristics to the company resulting in favorable evaluations, acquisition of new customers, and increased loyalty. Our review, however, suggests that favorable evaluations depend on several factors.
Some of these factors (e.g., communication) are design variables that companies can influence. Others (e.g., some consumer characteristics) may not be controlled by companies. We grouped these factors under four major categories. These categories are consumer characteristics, company characteristics and actions, company—CSR fit, and accessibility of other corporate and brand associations. Consumer characteristics include consumers’ familiarity and affinity with the cause and their personal characteristics. Company characteristics and actions comprise a company’s prior reputation, design elements of CSR activities (i.e., elements a company can influence when engaging in CSR), and the communication of CSR initiatives. The third category deals with the fit between a company and its CSR activities. The fourth category is about the process by which CSR associations influence product and company evaluations when other associations such as corporate ability or product attribute information are also accessible.

Figure 5.1 gives an overview of the effects of the different variables involved. The input variables are consumer characteristics, company characteristics and actions, and company—CSR fit. They affect output variables and their effects are usually mediated by consumer skepticism. The relationship between the input and the various output variables is moderated by the fourth category, namely, the accessibility of other corporate and brand associations.

**FIGURE 5.1**
Effect of CSR on branding-related outcomes.

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Consumer Characteristics

Awareness

Consumers’ awareness of a company’s CSR activities is a basic prerequisite for CSR to have any influence on brand-related outcomes. Several CSR initiatives are unnoticed and thus do not have any influence on corporate or brand image (Bhattacharya & Sen, 2004).

Familiarity

Once awareness is secured, consumers’ degree of familiarity with the cause and the brand can moderate the effect of CSR on brand and cause evaluations. Lafferty, Goldsmith, and Hult (2004) and Lafferty and Goldsmith (2005) investigate how familiarity with the cause and the brand affect the impact of the cause—brand alliance on attitudes toward the cause and the brand involved. They base their reasoning on attitude accessibility theory stating that consumers anchor on the most easily accessible information. Consequently, if consumers are familiar with a brand and have a positive brand attitude before the brand gets involved in CSR, they will adjust their attitudes toward the cause based on their brand attitude. Thus, a low familiarity cause profits from the positive brand attitude. If the familiarity toward the cause is already high, there will be no attitude change toward the cause. In terms of brand attitudes, findings have been mixed. Whereas Lafferty and Goldsmith (2005) find that attitudes toward brands are greater after the alliance for both low and high familiar causes, Lafferty et al. (2004) find that attitudinal effects on brands are much higher for familiar (vs. unfamiliar) causes. For new brands, the authors suggest cooperation with the most favorable causes because of the overall positive effect of a cause—brand alliance on brand attitudes.

Affinity for the Cause

Consumers’ affinity for the CSR activity plays a major role in evaluations and choice (Arora & Henderson, 2007; Basil & Herr, 2006; Drumwright, 1996; Lafferty et al., 2004; Sen & Bhattacharya, 2001) and consequently, managers have to carefully think about the choice of a suitable cause for their social activities.

In general, research has shown that prior positive attitudes toward the cause have a significant effect on the success of cause—brand alliances and the brand (Arora & Henderson, 2007; Basil & Herr, 2006; Lafferty et al., 2004). For example, Arora and Henderson (2007) investigated the effect of CSR on brand attitudes and purchase likelihood, and indeed find that
higher cause affinity has a positive effect on these two dependent variables. They use cause affinity to explain heterogeneity in the sample and find that consumers who have a higher (vs. lower) cause affinity are more concerned about promotions with a social dimension.

Sen and Bhattacharya (2001) show that changes in company evaluation due to CSR activities are greater for consumers who are more supportive of a CSR domain. These authors also demonstrate that a company’s CSR effort increases consumers’ perceptions of the congruence between the characteristics of the company and the consumers, particularly in areas where consumers are more supportive. Increased level of congruence then leads to higher company evaluations due to consumer–company identification. Consumer–company identification is quite important from a branding perspective. By creating a strong identification through CSR, companies can create a dedicated customer base.

**Personal Characteristics**

Consumers’ evaluations of CSR initiatives also vary as a function of their personal characteristics. Youn and Kim (2008) investigated the effects of psychographic and demographic factors on willingness to support cause-related marketing campaigns. For general charitable causes, external locus of control (i.e., lower self-efficacy), public self-consciousness, higher interpersonal trust, higher advertising skepticism, healthy eating, environmental responsibility, religiosity, stronger social networks, and previous prosocial behaviors are positively related with supporting cause-related marketing campaigns. Among several demographic factors included in the model, only age was significant in predicting intentions to support. Younger people are more supportive of brands associated with charitable causes. Basil and Weber (2006) investigated the extent to which personality traits affect the perception of companies’ social activities and consumers’ purchase behavior. They find that consumers who are driven by certain values are more susceptible to corporate social behavior than consumers who are low in this disposition. Consumers who are concerned about their appearances (i.e., those who are concerned about what others think of them) are also more likely to support a company engaging in CSR. They do so because purchasing from companies involved with CSR is recognized as a socially appropriate behavior. In contrast to the findings of Youn and Kim (2008), Basil and Weber (2006) find that women and older consumers are more supportive of CSR. Thus, extant research is not conclusive regarding the effect of demographic factors on the effect of CSR on branding.

Mohr, Webb, and Harris (2001) identified four groups of consumers with respect to their evaluations of CSR initiatives. Some consumers believe that companies should not engage in any activity beyond providing
a high-quality product, making a profit, and treating employees well. These consumers (identified as pre-contemplators) base their purchase decisions on standard economic criteria and do not consider CSR when choosing products. Another group of consumers, contemplators, evaluate CSR initiatives favorably, but they either do not know much about CSR records of companies or believe that such initiatives have limited impact. Consequently, their purchase decisions are rarely based on CSR. In contrast, another group of consumers (identified as maintainers) base their purchase decisions predominantly on CSR. They search for information about companies’ CSR activities and would like to influence corporate behavior by rewarding companies with good CSR records. Finally, consumers in the last group, the action group, have strong and favorable views about CSR. However, CSR is not a major factor in purchase decisions because they either find it difficult to learn about such initiatives or are skeptical about these efforts.

Consumer skepticism about CSR initiatives can be due to their dispositional skepticism or be raised due to situational factors (Forehand & Grier, 2003). Dispositional skepticism is an individual’s tendency to be suspicious of others’ motives in general, not only the motives of corporations. Skepticism can also be triggered situationally as a function of company and brand characteristics, characteristics of the cause, and the interaction of these factors (Barone, Miyazaki & Taylor, 2000; Drumwright, 1996; Ellen, Webb, & Mohr, 2006). Skeptic consumers infer egoistic, self-centered motives, or stakeholder-centered motives, leading to negative consumer responses (Ellen et al., 2006). Companies engaging in CSR should convey that they are driven by values. They can also convey that their self-centered motives are strategic as opposed to egoistic.

---

**Company Characteristics and Actions**

**Prior Reputation of the Company**

In general, consumers are less sceptical of CSR initiatives when a trustworthy (vs. untrustworthy) company engages in these initiatives. For example, Osterhus (1997) finds that trust in the company and attributions of consumer responsibility should be activated to increase the effectiveness of pro-social positioning strategies such as energy conservation. Similarly, Du, Bhattacharya, and Sen (2007a) find that trust mediates the relation between a company’s CSR initiative and consumers’ brand evaluations. Strahilevitz (2003) shows that the more ethical a company is perceived to be initially, the more likely it is to be judged as having altruistic
motives for engaging in CSR. Klein and Dawar (2004) demonstrate that trustworthy companies with positive CSR records are less likely to be blamed if a product-harm crisis takes place. The locus of the crisis is perceived as external (vs. internal) and the crisis event is perceived as unstable (vs. stable) and uncontrollable (vs. controllable) when a company’s prior CSR record is positive (vs. negative). Yoon, Gürcan-Canli, and Schwarz. (2006) show that consumers are quite skeptical about CSR activities and that these activities can backfire if a company supports causes in an area in which it has a bad reputation (e.g., cigarette manufacturers providing funds for cancer research). Consequently, a company needs to carefully choose the type of CSR activity it engages in.

**Design Elements of CSR Activities**

Consumer skepticism is an important issue companies have to deal with when engaging in CSR activities. Companies can control for it by carefully designing their CSR activities. The different design elements need to convey serious commitment. Design elements include the amount of financial contributions to a cause, how CSR activities are framed, the duration of the cause—brand relationship, geographical proximity of the cause, the positioning of the company in terms of CSR, and whether the brand is a pioneer in CSR efforts. Consumers can infer the level of company commitment to the cause considering these different types of information.

Findings concerning the amount of financial contributions are mixed. Whereas Dahl and Lavack (1995) and Holmes and Kilbane (1993) find that consumers perceive the cause—brand alliance to be more beneficial when donations are larger, Ellen, Mohr, and Webb. (2000) and Arora and Henderson (2007) did not find any evidence of the effect of the amount of donation on brand-related outcomes. Ellen et al. (2000) vary the level of commitment by describing the low level simply as collecting donations from the consumers and the high level as collecting donations from the consumers first and then in a second step matching these donations. The authors hypothesize that the matching of donations would convey a greater commitment of the company. However, they do not find any variation as a function of the type of donation. Arora and Henderson (2007) vary the magnitude of donation in the context of cause promotions. Specifically, they have three treatment conditions with donations of 15, 30, and 45 cents made to a charitable organization when consumers purchase water. They also do not find any significant effect of the magnitude of the donation amount on consumer responses.

Strahilevitz (1999) investigated whether consumers prefer a brand tied to a donation over a brand on price promotion or over a brand featured at a lower regular price. She finds that consumers’ willingness to pay more for a charity-linked brand depends on several variables, such as product...
type (i.e., hedonic vs. utilitarian products) and donation magnitude. As for
donation magnitude, consumers are more likely to choose a brand offering
a donation over a brand offering an equivalently lower price when
the donation and price difference are relatively small than when they are
relatively large.

Companies can make a monetary or nonmonetary donation (e.g.,
goods they manufacture) to a specific social cause or they can tie these
kinds of donations to the sales level as in cause-related marketing. Dean
(2003/2004) finds that firms using unconditional (vs. conditional) dona-
tions are perceived as less self-focused. However, brand evaluations are
not affected by the type of the donation.

In the context of conditional donations, Grau, Garretson, and Pirsch
(2007) investigated whether the amount of a donation to a social cause
relative to the price of the product plays a role in consumer evaluations
of the appropriateness of the amount donated to the cause. They find that
respondents care about the relation between the product’s price and the
amount donated. Small donations relative to the price are considered to be
inappropriate and promote consumer skepticism.

Conditional donations can be framed explicitly or implicitly using
donation quantifiers (Grau et al., 2007). Companies can use exact, calcu-
lable, estimated, or abstract donation quantifiers. By using exact quanti-
fiers, a company communicates the exact amount of the donation made if
the target product is purchased by the customer (e.g., 5 cents are donated
each time a bottle of water with a price 89 cents is purchased). With cal-
culable quantifiers, consumers are given information (e.g., the percentage
of the product price donated to the cause) so that they can calculate the
donation themselves. Estimable quantifiers do not present much infor-
mation about the donation mechanism. Consumers are informed about
one piece of information needed to calculate the actual donation amount,
but with their limited knowledge, they will not be able to calculate the
exact amount donated (e.g., 5% of the profit from the proceeds would be
donated to a cause). Because consumers are unlikely to know the exact
margin, they are unable to tell how much is actually donated to the cause.
Abstract quantifiers reveal even less information about the company’s
contribution. They state that an amount will be donated, but whether
it is a certain percentage of the price or the profit, for example, remains
unclear. Considering the different frames of conditional donations, per-
ceived commitment is highest if a company uses exact quantifiers and
lowest if it uses abstract quantifiers. Grau et al. (2007) investigated which
of these quantifiers influenced consumer trust the most. Not surprisingly,
they find that consumers prefer more tangible information regarding
donations. Providing more (vs. less) details is perceived as trustworthier
and demonstrates a greater commitment of the company.
The duration of a company’s involvement with the cause is another variable that influences perceived commitment (Drumwright, 1996). The longer the relationship the more committed the company is perceived to be. Grau et al. (2007) examine the effects of the duration of cause–brand cooperation together with consumer effort on consumer responses. In the example they used, consumers had to turn in yogurt lids in order to trigger a donation. The lids can be sent in only until a certain date. The authors investigate whether this deadline decreases consumer procrastination or incites the consumers to scrutinize the company’s commitment to raise money for the cause. They find that consumers do not judge deadlines to be generally negative as long as they are reasonably set. Consumers seem to understand that a company has to introduce a deadline for operational procedures. Consumers also seem to understand that the company has to place a limit on the total amount it will donate to the cause (Grau et al., 2007). The donation cap does not affect perceived company commitment.

Companies can choose to support local, regional, or national causes. Research on prosocial behavior has shown that being close to the recipient of a donation increases the likelihood of engaging in some form of prosocial behavior (Burnett & Wood, 1988). Consequently, consumers may have more favorable attitudes toward companies supporting local causes than companies supporting national or international causes. Ross, Stutts, and Patterson (1991) and Grau and Folse (2007) find that consumers are more likely to support causes that have a local or regional focus than a national or international focus. However, Ross, Patterson, and Stutts (1992) find that consumers’ attitudes toward cause-related marketing initiatives do not vary for local or national causes. These contradicting findings require further research.

A brand that positions itself on CSR by integrating its CSR strategy with its core business strategy displays the most commitment and consequently is more likely to capture consumers’ loyalty (Du, Bhattacharya, & Sen, 2007b). Thus, CSR positioning becomes a competitive advantage since the brand is able to differentiate itself from competitors. When CSR activities are implemented correctly, they influence consumers’ awareness positively and this awareness may spill over positively to consumers’ beliefs about the brand’s performance in product-specific dimensions. Du et al. (2007b) find that consumers have higher levels of CSR awareness, higher intrinsic attributions and lower extrinsic attributions (i.e., lower image motives), and more favorable CSR beliefs for a brand positioned on CSR than for the competitors’ brands. Furthermore, the authors show that higher brand loyalty is clearly an advantage of CSR brands. Finally, being perceived as a pioneer in CSR positioning is another important factor in the context of CSR positioning (Bhattacharya & Sen, 2004). Consumers perceive companies as more committed if they are pioneers in CSR versus if they are using CSR as an add-on.
Communication of CSR Activities

Communicating about one’s CSR activities is a crucial factor that companies have to consider. On the one hand, managers do not want to advertise at all about their CSR efforts because consumers’ skepticism about company motives would elevate under intense advertising. For example, Apple—with iPod Nano, iPod Shuffle, and iTunes Gift Card (PRODUCT) RED™ supporting the Global Fund—does not advertise CSR initiatives. On the other hand, it is necessary to communicate CSR efforts to consumers in order to improve brand-related outcomes. Clear and credible communication can enhance consumers’ attitudes toward a company embracing CSR. Additionally, a company can increase the consumers’ perception of fit between a company and a social cause by using a communication that highlights how the company and the cause are related (Simmons & Becker-Olsen, 2006).

Although communication about CSR is an important issue, relatively little research addresses how communication can be used to increase the effectiveness of CSR initiatives with respect to brand-related outcomes. Specifically, extant research examined the effect of three communication-related factors on consumer evaluations (Forehand & Grier, 2003; Simmons & Becker-Olsen, 2006; Yoon et al., 2006). These factors are message source, message content, and the amount spent on advertising relative to the amount spent on the cause itself.

When companies decide to communicate their CSR initiatives to consumers, they can do so using company sources (e.g., advertising, company Web sites) or using third parties (e.g., public relations, partnering with charitable organization or other beneficiaries). All else being equal, it is more advantageous to communicate CSR initiatives through third parties as opposed to company sources. Simmons and Becker-Olsen (2006) show that communication through the sponsored nonprofit can be particularly beneficial for low-fit sponsorships. Yoon et al. (2006) find that the source through which consumers learn about CSR affects perceived sincerity of company motives. Third party (i.e., neutral) sources are perceived as unbiased sources. When consumers learn about CSR activities through such unbiased sources they attribute more sincere, other-centered motives to company actions and thus evaluate the companies more favorably.

In terms of message content, Forehand and Grier (2003) examine the effect of expressing company intent on consumer skepticism and company evaluations. In their experiment, there were two levels of stated motive: (1) public-serving motives, and (2) public-serving and firm-serving motives. They find that firm-serving attributions lead to a decrease in company evaluations only when they are inconsistent with the firm’s expressed motive. Specifically, company evaluations were lowest when firm-serving motives were salient and the company expressed public-serving motives.
Consumers seem to penalize companies when they infer that companies are not sincerely motivated to help out. Menon and Kahn (2003) show that cause promotions result in more favorable CSR ratings than advocacy advertising. Cause promotions promise a donation to a charity contingent on the purchase of a product. In advocacy advertising, companies try to raise awareness about social issues. Menon and Kahn (2003) find that consumers elaborate on advocacy advertising more than they do on cause promotions because advocacy advertising is perceived as more unusual than cause promotions. Increased elaboration leads consumers to think more about motives behind these CSR initiatives and results in less favorable CSR ratings for companies involved in advocacy advertising (vs. cause promotions).

Another factor that affects perceived sincerity is the ratio of CSR contributions and CSR-related advertising. Consumers infer insincere motives when they learn that a company spends more on advertising that features CSR than on CSR activities. Consumers evaluate companies more favorably when companies spend more on CSR activities than on advertising that features CSR (Yoon et al., 2006). For example, Avon, a company famous for supporting breast cancer causes, was criticized because about 40% of the donor contribution went into advertising, marketing, administration, and logistic costs, and not to the charities. Currently, Avon claims that 100% of proceeds are donated to the charities (Benson, 2006).

Company–CSR Fit

Extensive research investigated the moderating effect of fit between a company and the CSR activity on evaluations, intentions, and choice. Generally speaking, fit indicates a good match between the type of social performance a company exhibits and the company's characteristics (Brammer & Pavelin, 2006). The company's characteristics comprise the company's mission; products; brand image and positioning; manufacturing; technologies; target market; and relationships with stakeholders such as employees, consumers, and community (Brammer & Pavelin, 2006; Ellen et al., 2000; Simmons & Becker-Olsen, 2006; Varadarajan & Menon, 1988). In sum, the company's characteristics include all business activities.

Fit is not strictly a CSR issue, but it is of interest in several research streams in branding such as brand extensions, comarketing alliances, sponsorships, and brand alliances. In general, perceived fit leads to a positive effect on consumer attitude toward the company or the brand unless consumers are exposed to negative information about the brand or the new extension (e.g., Aaker & Keller, 1990; Keller & Lehmann, 2006).
Extant research on the effect of company–CSR fit has produced mixed results. Some researchers suggest that high fit should lead to a positive effect on consumer evaluations and purchase intentions (Basil & Herr, 2006; Lafferty et al., 2004; Pracejus & Olsen, 2004). In contrast, others find that high fit increases the salience of branding benefits for the company and may raise consumers’ skepticism about company motives (Ellen et al., 2000; Forehand & Grier, 2003; Yoon et al., 2006). There is also some evidence indicating no effect of fit (Lafferty, 2007) or that the effect of fit varies as a function of other variables (Barone, Norman, & Miyazaki, 2007; Menon & Kahn, 2003; Nan & Heo, 2007).

Lafferty et al. (2004) find a positive effect of attitude toward a cause–brand alliance on postexposure attitudes toward the cause and the brand. Two of the antecedents of the cause–brand alliance are fit components: brand–name fit and product–category fit. Brand–name fit means how logical consumers perceive the cause–brand pairing to be (e.g., women’s cosmetics brand and breast cancer research). Analogously, product–category fit means the logical fit of the two product categories involved (e.g., fiber cereal and cancer research). They find that perceptions of brand–name fit are positively related to attitudes toward the cause–brand attitude. Product–category fit, however, does not seem to play a role.

Basil and Herr (2006) also show that fit has a positive impact on attitude toward both the cause–brand alliance and the change in attitude toward the company due to the cause–brand alliance. Additionally, high fit leads to perceptions of a stronger relationship between the company and the charity involved. The effect of fit on company–cause attitude is partially mediated by perceptions of relationship strength. One can conclude that fit partially influences the attitude toward a cause–brand alliance by strengthening perceptions of the relationship between the firm and the charity. The authors also investigate the effect of fit on judgmental as opposed to affective assessment of cause–company alliances and find that fit influences judgments of appropriateness or propriety more strongly than judgments of positive affect.

When comparing common price promotions with promotions that have a social component, fit also plays a role. Arora and Henderson (2007) find that promotions with a self component (i.e., price promotions) are generally more effective than those promotions with a social component (i.e., promotions related to a social cause). The level of fit between the company and the cause, however, moderates this finding. Consumers, who perceive the level of fit to be higher, favor promotions with a social component. Pracejus and Olsen (2004) use a choice-based conjoint analysis to examine how consumers’ willingness to pay varies as a function of fit. The authors find that a high-fit charity can result in 5 to 10 times the value of donation to a low-fit charity. They find a similar effect for market share as well.
Previous research also examined psychological processes underlying the positive effect of fit. Consumers generate fewer thoughts that are focused on company motives when they evaluate CSR activities that have high (vs. low) fit. These thoughts are more favorable and as a consequence lead to more positive attitudes toward the company (Becker-Olsen, Cudmore, & Hill, 2006; Simmons & Becker-Olsen, 2006). Additionally, companies are judged to be more credible and thus purchase intentions increase (Becker-Olsen et al., 2006; Simmons & Becker-Olsen, 2006).

There are also some studies that did not find an effect of fit. For example, Lafferty (2007) does not find support for her hypothesis that a better fitting cause has a more positive effect on attitudes toward the company. Besides fit, she examined the direct effect of corporate credibility on brand attitude. This variable might have diminished the importance of fit. Nan and Heo (2007) do not find that a high fit leads to more favorable attitudes. Interestingly, they find an interaction of cause–brand fit with brand consciousness. That is, the impact of the level of brand–cause fit on attitudes toward the brand and the advertisement is more pronounced for individuals with high (vs. low) brand consciousness. Brand–cause fit does not have an impact on either ad or brand evaluations for consumers who had low brand consciousness. Barone et al. (2007) show that when company motivations are positive for engaging in CSR (e.g., company does not expect to benefit from the sponsorship of a charitable organization), fit has a positive impact on evaluations. Fit has no effect on evaluations when company motivations are perceived to be negative. They also find that if consumer attitudes toward the cause are relatively high, fit has no impact on consumer evaluations. If consumer attitudes toward the cause are low, fit has a positive impact on evaluations.

Menon and Kahn (2003) examine the effect of fit as a function of two types of philanthropic messages: first, cause promotions that promise a donation when a purchase is made, and second, advocacy advertising of social issues that are sponsored by brands. The authors find that the impact of fit between the sponsor and the social issue depends on the consumers’ focus (i.e., whether they focus on the sponsor or the social issue). Low fit is perceived as more appropriate if the focus is on the social issue or on the message such as in advocacy advertising. High fit is more appropriate if the focus is on the purchase of a brand such as in cause promotions.

High fit has a negative effect when branding benefits for the company are salient. In this situation, CSR activities may raise consumers’ skepticism about company motives and thus CSR activities are not only ineffective but may actually harm the company. Yoon et al. (2006) and Forehand and Grier (2003) find that CSR activities that have high versus low fit resulted in perceptions of lower sincerity and perceived sincerity mediated the effect of fit on consumer evaluations. In a retailing context,
Ellen et al. (2000) find a positive effect of low fit on the evaluations of CSR activities. If the donation is incongruent, rather than congruent with the company’s core business, consumers evaluate a CSR offer more positively. Although their finding is not very strong, it suggests that high fit would not necessarily be beneficial for branding purposes in the context of CSR.

### Accessibility of Other Corporate and Brand Associations

A growing body of literature has investigated the process by which CSR associations influence product and company evaluations and intentions to purchase when other associations such as corporate ability, brand, or product information are also accessible (Arora & Henderson, 2007; Berens, van Riel, & van Bruggen, 2005; Biehal & Sheinin, 2007; Brown & Dacin, 1997; Folkes & Kamins, 1999; Gürhan-Canli & Batra, 2004; Sen & Bhattacharya, 2001). In this section, we summarize some of the major findings from these studies.

1. CSR associations have more influence when other associations are relatively less accessible. For example, Arora and Henderson (2007) find that CSR associations influence product quality perceptions when consumers are unfamiliar with the brand. Berens et al. (2005) demonstrate that the dominance of corporate brand affects accessibility of corporate ability associations. When the corporate brand is not dominant and accessibility of corporate ability associations decreases, CSR influences product evaluations under low diagnosticity threshold (i.e., low involvement) or when consumers perceive CSR associations as more diagnostic (i.e., when the fit is high). In the context of other accessible associations, CSR influences product evaluations under limited conditions such as when product quality is low and when consumers care about the supported cause highly (Sen & Bhattacharya, 2001).

2. CSR associations influence product evaluations indirectly through their effect on corporate evaluations. In contrast, corporate ability associations also have a direct influence on product evaluations (Brown & Dacin, 1997). CSR associations may have a direct influence on product evaluations when CSR domain is relevant for inferring corporate ability (e.g., CSR initiatives focusing on well-being of employees; Sen & Bhattacharya, 2001).

3. Corporate evaluations (including those based on CSR) can be used as an evaluative context to judge new products. Superior
corporate images may lead to mediocre product ratings due to contrast effects (Brown & Dacin, 1997; Sen & Bhattacharya, 2001).

4. Some consumers may perceive a trade-off between corporate ability and CSR. That is, they may believe that companies are pursuing CSR at the expense of improving corporate ability. CSR initiatives may hurt company evaluations if consumers have such beliefs (Sen & Bhattacharya, 2001).

5. Product attribute information is more diagnostic than positive CSR information in forming company evaluations (Folkes & Kamins, 1999; Gürhan-Canli & Batra, 2004). In contrast, negative CSR information is more diagnostic than product attribute information (Folkes & Kamins, 1999). In general, consumers are more sensitive to negative versus positive CSR information (Sen & Bhattacharya, 2001).

6. CSR messages work best for an umbrella brand when many products are dissimilarly positioned and when the objective is to maintain a portfolio of brands with different positioning (Biehal & Sheinin, 2007).

Conclusion

We have identified four categories that influence consumers’ perceptions of CSR and company evaluations. These categories are consumer characteristics, company characteristics and actions, company–CSR fit, and accessibility of other corporate and brand associations. Our review suggests that companies should attempt to reduce consumers’ skepticism regarding their CSR efforts if they would like to reap any branding benefits. Untrustworthy companies can change their image only if consumers attribute sincere motives to CSR activities. This requires that companies should choose their CSR initiatives carefully in terms of fit, demonstrate their commitment, and be cautious in communicating these initiatives to their customers.

Our review also identified several mixed findings in the literature. Future research is required to address these mixed findings and identify other variables that may affect consumer skepticism. For example, an interesting avenue for further research is investigating whether brands having the same partner or supporting similar causes influences consumer responses. Additionally, future research can investigate the extent to which core brand associations are diluted due to newly created CSR
associations. More research is also needed to understand when and how to communicate CSR initiatives to consumers.

It is also important to investigate how to get customers involved with CSR in order to reduce their skepticism. Skepticism can be raised not only about company motives but also about product performance. Consumers may assume that a product advocating green consumption would perform poorly or be expensive. Research can address how to increase awareness about CSR without too much advertising. Examining long-term effects of CSR initiatives is also important from a branding perspective (Simmons & Becker-Olsen, 2006). We hope that this chapter will be useful to stimulate further research in this important area.

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