

An analysis of what causes CSR to be perceived as sincere and how warmth functions as a mediator between this perceived sincerity and customer loyalty

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23 July 2021

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Abstract

Purpose: The purpose of this paper is to examine what influences the perceived sincerity of CSR and to examine whether ‘warmth’ functions as a mediator between the perceived sincerity of CSR and customer loyalty.

Method: a 2x2x2 between-subject design survey was used. The relationship between CSR-brand fit, motives, message source, and perceived sincerity was tested using a factorial ANOVA. Next, the mediation effect of warmth was tested using linear multiple regression analysis.

Results: No main effect of CSR-brand fit, motives of message source on perceived sincerity of CSR was found. The only interaction effect on perceived sincerity of CSR found was the interaction between CSR-brand fit and message source. Furthermore, warmth was found to operate as a mediator between the perceived sincerity of CSR and message source.

Keywords: corporate social responsibility; CSR-brand fit; motives; message source; warmth; customer loyalty.

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‘Our planet doesn’t have enough natural resources for us to keep doing what we've been doing. Full stop. That's why we need to do things differently.’ This quote can be found on the sustainability page of the website of fashion retailer H&M and reveals that this company engages in Corporate Social Responsibility (CSR). H&M is far from the only company that engages in CSR. Many big brands, like Nike, Zara, and Adidas, all engage in CSR initiatives. This is no surprise since CSR has gathered more and more attention over the years, not only in daily life but also in the academic world.

Within the literature, there are many different definitions for CSR. Some defining CSR as something that is more enforced by society, while others state that the company does it to benefit society (Kraus, & Brtitzelmaier, 2012). For this paper, the definition of Marrewijk (2003, pp 101-102) is used: ‘In general (...) CSR refers to company activities – voluntary by definition – demonstrating the inclusion of social and environmental concerns in business operations and in interactions with stakeholders.’ Examples of this are charitable giving, trying to be more sustainable by not using plastic cups, or setting up a community program to make houses for the homeless.

CSR has risen in importance over the last few years. Customers have become more critical and indicate that they are more likely to support companies that engage in CSR (Childs et al., 2019). Consequentially, companies increasingly highlight the importance of CSR (Sprinkle, & Maines, 2010). Companies being associated with socially responsible practices may benefit from this through, for example, increased purchase intentions and better relationships with customers (Huang et al., 2014; Childs et al., 2019)

However, CSR is not a one-size-fits-all. Different companies can follow the same CSR initiative and get different results (Yoon et al., 2006). So, one company might see an increase in purchase intention while another company, using the same CSR initiative, sees a decrease in purchase intention. From this, it can be concluded that something more than just the CSR initiative is at play here, for example, how sincere the customer thinks the CSR initiative is.

The perceived sincerity of CSR has been found to influence whether the CSR will have a positive or negative effect (Kim, 2011; Childs et al., 2019). Perceived sincerity of CSR indicates whether people think the company is sincere in displaying its CSR initiatives, for example, that the company is not hiding things or engaging in CSR for different reasons than

stated. The higher the perceived sincerity of the CSR initiative, the more positive the reaction to the CSR initiative. To conclude whether a CSR initiative is sincere, customers use different cues found in the initiative. Research has already recognized some cues that customers use. Some of them being motives (Becker-Olsen et al., 2006; Huang et al., 2014; Ellen et al., 2006; Cuypers et al., 2015), CSR-brand fit (Becker-Olsen et al., 2006; Kim, 2011; Ellen et al., 2006; Scheinbaum et al., 2017), and message source (Yoon et al., 2006; Kim, 2011). However, less is known about how these factors work together to influence perceived sincerity. While some research has been done (Yoon et al., 2006), there is still more to uncover regarding the interaction effects. This research tries to uncover how the factors CSR-brand fit, motives, message source, and possible interactions influence the perceived sincerity of CSR by answering the following question:

Research question 1

What is the relationship between the factors CSR-brand fit, motives, and message source, and perceived sincerity of corporate social responsibility?

While it has been found that perceived sincerity of CSR can cause an increase in customer loyalty (Huang et al., 2014; Mandhachitara, & Poolthong, 2011), this paper suggests that this relationship is mediated through ‘warmth’. Warmth on its own has been found to influence customer loyalty (Xue et al., 2020; Grazzini et al., 2020). It could be that perceived sincerity has an indirect relationship with customer loyalty through warmth, which the other studies did not see because they had not included warmth. This leads to the following research question:

Research question 2

Does warmth function as a mediator between the perceived sincerity of corporate social responsibility and customer loyalty?

Using literature and different theories, this paper hopes to answer these two research questions. This research will provide insights into the relationships between the perceived

sincerity of CSR and customer loyalty. This will provide companies with a better understanding of how to implement CSR in a way that will benefit them. Furthermore, this paper will also be adding to the academic world: by looking at the interaction of the three factors and the mediating function of warmth, this paper will add to the literature by providing a better understanding of what comes into play when assessing CSR. This information can explain why prior research did not find what was expected and provide future research with a better understanding of what they have to consider when researching this topic.

The relevant literature regarding the three factors, motives, CSR-brand fit and message source, perceived sincerity of CSR, warmth, and customer loyalty, will be reviewed in the following section. After this, a section will be dedicated to the conduction of the survey and the manipulation of the data. Then, another section will be dedicated to the results of different analyses between the three factors, perceived sincerity of CSR, warmth, and customer loyalty. Lastly, the findings will be discussed.

Literature background

This section will examine the different factors, motives, CSR-brand fit, and message source and explain how they influence perceived sincerity. Furthermore, the role of warmth as a mediator between perceived sincerity and customer loyalty will be explained. Lastly, Figure 1 will provide an overview of the model to be tested.

Brand-CSR fit

CSR-brand fit is the perceived link between the company and the CSR initiative (Becker-Olsen et al., 2006). This initiative can be more integrated into the company, for example, when a hardware store is helping build houses for those in need (Aguinis, & Glavas, 2013). However, it can also be a peripheral link, e.g., when a bank supports a children's football team. Research has found that CSR-brand fit is important because it influences how much people think about the initiative, what kind of thoughts this relationship evokes, and how people evaluate the company and CSR initiative (Becker-Olsen et al., 2006; Kim, 2011; Ellen et al., 2006; Scheinbaum et al., 2017). While a high CSR-brand fit evokes more positive emotions and attitudes, a low CSR-brand fit causes people to evoke more negative feelings

and attitudes towards the company and CSR initiative and perceive the initiative as less credible or sincere (Becker-Olsen et al., 2006). This leads to the following hypothesis:

H1. Organizations with a higher CSR-brand fit will have a higher perceived sincerity of CSR than organizations with a lower CSR-brand fit.

Motives

There are two different kinds of motives that people can ascribe to a CSR initiative. The first motive is public-serving; this is when companies focus the initiative more on how it can help society, e.g., making the world a better place or helping fight poverty. The second is self-serving; this is when companies focus the initiative more on how it can help them, keeping them on top of their game or increasing their sales. Why people ascribe motives to a CSR initiative is explained by attribution theory. According to attribution theory (Folkes, 1988; Scheinbaum et al., 2017), people tend to give reasoning or motive to behaviour that they are perceiving. They do this by analysing the information that is given. For example, a company reporting that they want to save the world will most likely lead to people feeling like the company is engaged in CSR because they want to help society (public-serving). However, this reasoning and the attitudes that follow from that reasoning are also influenced by the person's assumptions. A common assumption about CSR is that it is done to better society, thus it is an altruistic action (Childs et al., 2019). When a company is communicating self-serving motives, the initiative is not seen as altruistic. As a result, people will form a more negative opinion regarding the CSR initiative, while public-serving motives lead to more positive evaluations of the initiative (Childs et al., 2019; Becker-Olsen et al., 2006). The negative stance causes people to evaluate the company as being less credible and sincere. Therefore:

H2. Organizations that communicate public-serving motives will have a higher perceived sincerity than organizations that communicate self-serving motives.

Message source

There are different ways people can learn about the CSR initiative of a company. This company can report on the initiative by dedicating a website page to it or displaying it on a billboard. This is an internal source. However, the CSR initiative can also be reported on by third parties. These third parties can be websites which rate different CSR initiatives or magazines that do the same. This is an external source.

When people read about the CSR initiative through an internal source, they might feel like the company is ‘bragging’ about the good deeds that they are doing (Kim, 2011). For example, seeing a company report that they donated money to a charity leads to people feeling like the company is trying to increase their image by showing their good deeds. This thought process causes people to view the CSR initiative as less sincere. However, when people learn about the initiative through an external source, they consider it to be more reliable (Kim, 2011; Vanhamme, & Grobbsen, 2008). Thus, learning about a CSR initiative through an external source will lead to a higher perceived sincerity than learning about the initiative through an internal source. This leads to the following hypothesis:

H3. Hearing about CSR through a third party will have more of a positive effect on the perceived sincerity of CSR than hearing about CSR through the company.

Interactions between CSR-brand fit, motives, and message source

As earlier indicated, this paper will consider not only the main effects of the three factors but also the interaction effects. Unfortunately, literature on these interactions appears to be slim to non-existent. Because of this, it is hard to deduce the expected influence of these interactions on the perceived sincerity of CSR, making it impossible to form a hypothesis. As a result, these interactions will be looked at in the form of explorative research.

Warmth

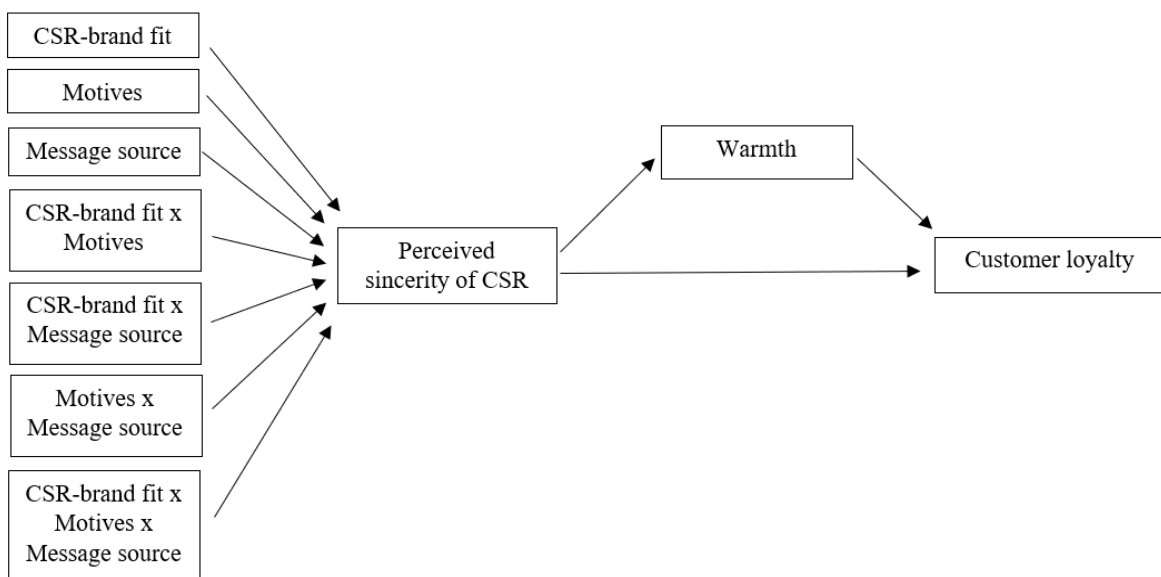
Warmth is often associated with interpersonal relationships. With the information warmth provides, people determine whether the other is friendly or trustworthy and if they should approach or avoid the other (Cuddy et al., 2011; Fiske et al., 2006). However, it can

also be applied to companies (Fournier, & Alvarez, 2012; Grazzini et al., 2020; Malone, & Fiske, 2013). Research has found that people ascribe human-like characteristics to companies and even have relationships with that company that resemble interpersonal relationships (Xue et al., 2020). One other thing about warmth is that it consists of different characteristics, with sincerity being one of them. When a company has a CSR initiative that is perceived as being sincere, it will cause an increase in warmth. A result of this increase in warmth is that people want to form lasting relationships with this brand, which translates to an increase in customer loyalty (Fournier, & Alvarez, 2012).

H4. Warmth will operate as a mediator between the relationship of perceived sincerity and customer loyalty.

Figure 1.

Overview of the model.



Method

Design

To collect the data, a survey was made with a 2 x 2 x 2 between-subjects design. The three independent variables were CSR-brand fit, consisting of high CSR-brand fit, and low CSR-brand fit; motives, consisting of public-serving motives and self-serving motives; and message source, consisting of external source and internal source. The dependent variables were perceived sincerity of CSR, also used as independent variable, warmth, and customer loyalty.

Participants

Prior to obtaining participants, a power analysis was conducted to determine which sample size was needed. For the power analysis, the effect size of $F^2 = .05$ found in the study of Zasuwa (2017), which looked at company-cause fit, company's involvement, and consumer response, was used because the used variables resemble the variables used in the current study. Therefore, the power analysis was performed with an effect size of $f^2 = 0,05$, power = 0,8, alpha = 0,05, and 3 predictors, which showed that 213 participants were needed in this research (Faul et al., 2009).

Unfortunately, this number of participants was not reached. The only requirements for the people to participate in the survey were that they were aged 18 or above and gave their informed consent. It was decided to exclude participants under the age of 18 because using their data would require getting parental consent. One-hundred-eighty-one participants completed the survey. From these 181, four were excluded because they either did not have a valid response (the same answer on every question, showed a pattern, failed the reversed item of perceived sincerity). Lastly, one participant was excluded because they were a significant outlier for warmth. In the end, 175 participants were used in the analysis.

Of the 175 participants, 48 were male (27.4%), and 127 were female (72.6%). Participants ranged in age from 19 to 64 ($M = 27.65$), with most being young. Most participants indicated that they were students, with a few stating that they were both student and working (72.6% student, 25.1% working, and 2.3% student and working).

Procedure

The participants were obtained through two methods: a snowball sample by sending the survey to friends and family and asking them to send it to more people, and sharing the survey online on different sharing platforms. Participants were told that researchers were interested in how customers perceived a company's engagement in CSR. They could only participate in the survey when they indicated they were 18 or older and gave their informed consent. In the survey, participants were randomly assigned to one of the sixteen different scenarios. After reading this scenario, they had to answer multiple questions about the fictional company in the scenario. The order of questions was as follows; questions that controlled for the manipulations, questions regarding their perception and opinion of the company, questions regarding their purchase intentions, control questions about their general impression of CSR programs, and demographic information. The survey ended with a debriefing, explaining the real purpose of the study.

Materials

The survey was conducted using the online survey building site Qualtrics. For this survey, 16 different scenarios were written to contain the different manipulations. These scenarios indicated either high or low fit, public-serving or self-serving motives by using certain words. For high fit, words were used that gave the feeling that the company cared about the cause. One example of a sentence used to indicate high fit was; 'For us, responsible practices are the basis of what we stand for and central to the way we do business'. For low fit, words were used that gave the feeling that CSR was more a side project and not integrated into the company. For example, a sentence used to indicate low fit was; 'Therefore, we donate 0.10 Euro after each sold product to the Happy Lives foundation who raise awareness around the topic of fair and equal pay for all'. For public-serving motives, words were used that gave the feeling that the company engaged in CSR to better society. An example of a sentence used to indicate public-serving motives was: 'Taking actions that both serve our customers, employees, suppliers and the environment is always our top priority'. For self-serving motives, words were used that gave the feeling that the company tried to benefit from the CSR. A sentence used to indicate self-serving motives was: 'Taking actions that improve our productions and follow industry guidelines is always our top priority'. These sentences indicating a manipulation were not concentrated in one paragraph of the text but were

scattered throughout the text. By writing the scenario in this way, there was a bigger chance that the respondent did read at least some indications of the manipulation even when they did not read the whole text.

For message source, the manipulation was done by either showing the website of the company and writing like they are reporting on their own CSR by using ‘we’, or showing the website of a third-party company and writing like they are reporting on the CSR of the other company by using ‘they’ (see Appendix 1).

The website was made by using the online website creation tool Wix. Firstly, two logos were created in Canva, one for the fictional company and one for the third-party company. Using a premade template and the colouring of the different logos, the two website pages were designed. It was decided to add a navigation bar at the top of the page to give the website a more realistic look. The written scenarios were added to the corresponding website. These websites were downloaded as png files and added to the questionnaire on Qualtrics.

Measures

All of the following statements/variables, unless specified otherwise, were measured using a 7-point Likert scale ranging from 1 ‘*strongly disagree*’ to 7 ‘*strongly agree*’. A factor analysis and a reliability test were conducted for the three scale variables, perceived sincerity of CSR, warmth, and customer loyalty. Factor analysis showed one factor underlying for each perceived sincerity (60.68% variance of data), warmth (66.88% variance of data), and customer loyalty (74.16% variance of data). Furthermore, the reliability test showed a Cronbach’s Alpha that was sufficient for research purposes (Nunnally, & Bernstein, 1994) for perceived sincerity ($\alpha = .87$), warmth ($\alpha = .90$), and customer loyalty ($\alpha = .93$). Further inspection showed for only one instance, item-6 of perceived sincerity, that there would be an increase in the Cronbach’s Alpha when an item would be deleted. However, this was only an increase of .002. Because of this, the item was not deleted.

CSR-brand fit

People assigned a scenario with a high CSR-brand fit were given the value 0 ‘*High fit*’, and people assigned a scenario with a low CSR-brand fit were given the value 1 ‘*Low fit*’. There were also two control questions for this variable to measure whether people

experienced the situation as intended. The questions/statements were; In implementing their CSR program Ginger Garment focuses on... 1. CSR activities that are part of the company strategy and affect the daily activities of employees (high fit), 2. charitable initiatives and donations to good causes (low fit).

Motives

Respondents assigned a scenario with self-serving motives were given the value 0 '*Self-serving motives*', and respondents assigned a scenario with self-serving motives were given the value 1 '*Public-serving motives*'. There were three control questions to measure whether people did experience the manipulation as intended. The questions/statements were: In the message, Ginger Garment states that they engage in corporate social responsibility, because... 1. they want to contribute to a better and more sustainable future (public-serving), 2. they believe it is the only way to be healthy and successful in the long run (self-serving), and 3. it is expected from them by customers, governmental institutions and/or other clients (self-serving). Factor analysis and correlation test were conducted to see whether the two questions for self-serving motives go together. Factor analysis showed one factor underlying the two control questions for self-serving, accounting for 60.95% of the variance in the data. Correlation showed that the two questions did significantly positively correlate with each other ($r = .219, p = .004$). A new variable controlling for self-serving motives was made using the mean of the two control question and computing it into one variable.

Source

People assigned a scenario with an internal message source were given the value 0 '*Internal source*'. People assigned a scenario with an external message source were given the value 1 '*External source*'.

Control questions

To control for a priori difference between respondents' general impression about CSR programs, fashion, and for-profit organizations, respondents were asked to indicate to what extent they agreed with three statements. The statements were: 1. I consider it very important

that a company has a CSR program in place (general impression about CSR programs) 2. I like buying clothes and I am interested in companies in the fashion industry (general impression about fashion) 3. I am generally sceptical about the motives of for-profit organizations (general impression about for-profit organizations).

Perceived sincerity

To measure the perceived sincerity of the CSR initiative, six different statements were given, inspired by research of de Vries, Terwel, Ellemers, and Daamen (2015), Chopova's suspicion of image laundering scale (Chopova, 2020), Orazi and Chan (2020), and Van Prooijen (2019). The statements were the following; 1. I think Ginger Garments has a hidden agenda (reverse coded), 2. I think Ginger Garments pretends to be more engaged in CSR activities than it actually is (reverse coded), 3. I think Ginger Garments is not fully transparent about its communication about CSR activities (reverse coded), 4. I think Ginger Garments is doing less of CSR activities than is portrayed (reverse coded), 5. The communication about Ginger Garment's CSR program is misleading (reverse coded), 6. I believe Ginger Garment is sincerely committed to establishing equal opportunities for everyone. The scale for perceived sincerity was made by taking the mean of every item and computing it into a new variable.

Warmth

To measure the perceived warmth, the respondents were asked to indicate to what extent the company possesses certain brand traits. The brand traits used either showed warmth (sincere, trustworthy, honest, friendly, warm, social) or competence (intelligent, competent, skilled). This question was inspired by research of Van Prooijen and Bartels (2019). For the analyses, a scale was made using only the answers to the traits that showed warmth. The scale for warmth was made by taking the mean of every item and computing it into a new variable.

Customer loyalty

To measure customer loyalty, the respondents were asked about their purchase intentions by using six different statements. The statements were the following: 1. I would purchase Ginger Garment the next time I need a product, 2. It is very likely that I would buy

from Ginger Garment, 3. I like Ginger Garment more than other fashion brands, 4. I am more interested in Ginger Garment than other brands, 5. I would recommend Ginger Garment to my friends and relatives, 6. I would be likely to say positive things about Ginger Garment. The scale for customer loyalty was made by taking the mean of every item and computing it into a new variable.

Analytical approach

The data was analysed using the statistical software program IBM SPSS statistics. A factorial ANOVA was used to test whether the three factors, CSR-brand fit, motives and message source, and the interaction between the three factors influenced the perceived sincerity of CSR (H1, H2, H3, and explorative research). Furthermore, linear multiple regression analysis using models 4 and 6 of analysis software PROCESS was used (Hayes, 2017) to test whether warmth had a mediating function on perceived sincerity of CSR and customer loyalty (H4 and explorative research).

Results

A T-test was conducted before testing the hypotheses to look for differences between manipulation groups based on the control questions and demographic variables. This analysis showed no differences. Because of this, these variables were not included in the further analyses.

Descriptive results

Table 1.

Descriptive statistics: Means (M) and Standard Deviations (SD) for control of manipulations.

		High fit	Low fit	Self-serving	Public-serving
Control high fit	<i>M</i>	5.9	5.5		
	<i>SD</i>	0.9	1.1		
Control low fit	<i>M</i>	4.1	6.0		
	<i>SD</i>	1.7	1.0		
Control self-serving	<i>M</i>			4.7	4.8
	<i>SD</i>			1.2	1.1
Control public-serving	<i>M</i>			6.0	6.2
	<i>SD</i>			1.2	0.8

Analysis for the manipulation checks showed that both respondents in the high and low CSR-brand fit manipulation ($N=87$, $N=88$) reported a negative skewness for the control for high fit (skewness=-0.99, skewness=-0.94) and low fit (skewness=-0.01, skewness=-1.39). This means that respondents in both manipulation groups gave a higher/more positive answer for both control questions, as shown in Table 1. Initially, a negative skewness on the high fit control question was expected for respondents in the high fit manipulation but not for the low fit manipulation. For the low fit control question, it was the other way around. These findings show that respondents in both manipulations did not perceive the manipulation entirely as intended.

Furthermore, both respondents in the public-serving and the self-serving motives manipulation ($N=89$, $N=86$) showed a negative skewness on the control questions for self-serving motives (skewness = -0.21, skewness=-0.37) and public-serving motives (skewness= -1.66, skewness=-1.47). A negative skewness was expected for the public-serving motives control question for respondents in the public-serving motives manipulation. However, a positive skewness was expected for the self-serving motives control questions. For people in the self-serving motives manipulation, this was the other way around. From the findings, it can be concluded that people did not perceive this manipulation as intended.

Table 2.

Descriptive statistics: Means (M) and Standard Deviations (SD) for the scales

		High fit	Low fit	Self-serving	Public-serving	External	Internal
Perceived sincerity	<i>M</i>	4.6	4.7	4.8	4.5	4.7	4.6
	<i>SD</i>	1.1	1.1	1.0	1.2	1.1	1.1
Warmth	<i>M</i>	5.4	5.3	5.5	5.2	5.3	5.4
	<i>SD</i>	0.8	0.9	0.8	0.9	0.8	0.9
Customer loyalty	<i>M</i>	4.6	4.8	4.7	4.7	4.7	4.7
	<i>SD</i>	1.1	1.2	1.2	1.2	1.0	1.3

Overall, the respondents were mainly evenly divided in the different manipulations. All of the manipulation variables had a skewness that did not exceed 0.04, with CSR-brand fit (skewness=0.01) and message source (skewness=0.04) having a positive skewness and motives (skewness=-0.04) having a negative skewness.

Table 2 shows how the different manipulation groups generally scored on the three different scales. Each manipulation group scored on the high side for each of the scales, with no mean being below 4.5. This means that all of the scales are assessed more positively, regardless of manipulation.

Assumptions check

The assumptions were checked before running the ANOVA and regressions. First off, stem and leaf plot showed normality for purchase intention, sincerity, and warmth. A boxplot showed outliers for purchase intention, warmth, and sincerity. These outliers were analysed, and one significant outlier was filtered out because it did not seem like a valid response. Next, the normality probability plot of standardised residuals as well as the scatterplot of standardised residuals against standardised predicted values showed that the assumptions of homoscedasticity of residuals and linearity were met. Tolerance van VIF both showed that there was no multicollinearity. Lastly, Mahalanobis distance showed no multivariate outliers.

Hypothesis testing 1

Table 3.

Factorial ANOVA between the perceived sincerity of CSR, CSR-brand fit, motives, source, and the interaction between the IV variables.

Source	SS	df	Mean Square	F
CSR-brand fit	0.06	1	0.06	0.05
Motives	2.12	1	2.12	1.82
Source	0.39	1	0.39	0.33
CSR-brand fit * Motives	0.40	1	0.40	0.34
CSR-brand fit * source	5.98	1	5.98	5.16*
Motives * source	0.14	1	0.14	0.12
CSR-brand fit * Motives * Source	0.05	1	0.05	0.05
Error	193.81	167	1.16	
Total	3993.97	175		

*** $p < .001$, ** $p < .01$, * $p < .05$

In order to test H1, ‘Organizations with a higher CSR-brand fit will have a higher perceived sincerity of CSR than organizations with a lower CSR-brand fit’, H2, ‘Organizations that communicate public-serving motives will have a higher perceived sincerity than organizations that communicate self-serving motives’, and H3, ‘Hearing about CSR through a third party will have more of a positive effect on the perceived sincerity of CSR than hearing about CSR through the company’, a factorial ANOVA was conducted. In addition to testing the hypotheses, some explorative research analysing the interaction effects was conducted. The results are shown in Table 3.

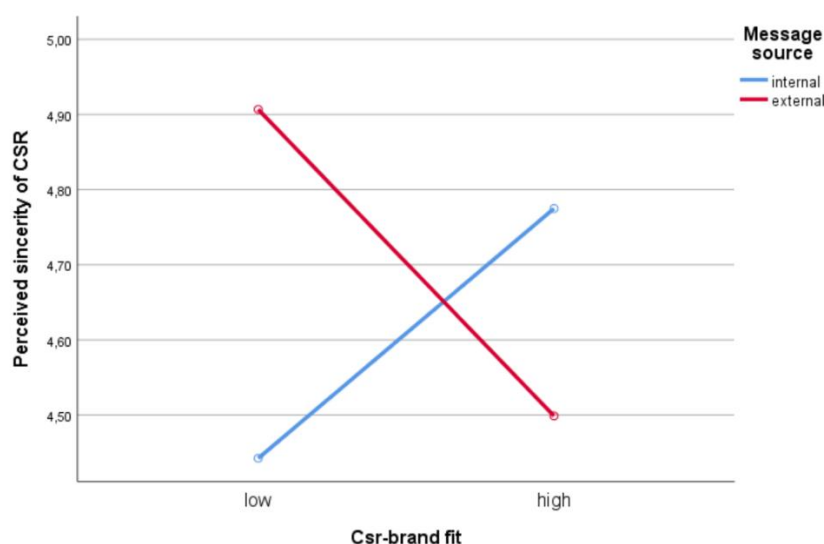
The ANOVA revealed a non-significant main effect for CSR-brand fit ($F(1,167) = 0.05$, $p = .817$, $\omega^2_p = -.01$), motives ($F(1,167) = 1.82$, $p = .179$, $\omega^2_p < .01$), and message source ($F(1,167) = 0.33$, $p = .565$, $\omega^2_p < .01$) on the perceived sincerity of CSR. This means that H1, H2, and H3 are all not supported.

Explorative research 1

As stated before, this ANOVA analysis contained explorative research. First off, there was a non-significant interaction effect between motives and message source ($F(1,167) = 0.14, p = .731, \omega^2_p = -.01$), between CSR-brand fit and motive ($F(1,167) = 0.34, p = .558, \omega^2_p < -.01$), and between all three factors ($F(1,167) = 0.05, p = .831, \omega^2_p = -.01$) on the perceived sincerity of CSR. Secondly, a significant interaction effect between CSR-brand fit and message source on the perceived sincerity of CSR was found ($F(1,167) = 5.16, p = .024, \omega^2_p = .02$), shown in Figure 2.

Figure 2.

Interaction between CSR-brand fit and message source on perceived sincerity of CSR.



Simple analyses were used to further examine the interaction between CSR-brand fit and message source. This analysis showed a significant positive effect of source on the perceived sincerity of CSR when there was a low CSR-brand fit before Bonferroni correction ($F(1,167) = 4.07, p = .045$). People who were in the low fit, external source manipulation scored higher on the perceived sincerity of CSR ($M = 4.9, SD = 0.2$) than people who were in the low fit, internal source manipulation ($M = 4.4, SD = 0.2$). However, after the Bonferroni correction, the difference between the groups was no longer significant ($\alpha = .025$).

Furthermore, message source does not influence the perceived sincerity of CSR when there is a high CSR-brand fit ($F(1,167) = 1.43, p = .234$). Additionally, CSR-brand fit had a non-significant effect on the perceived sincerity of CSR when the message source was internal ($F(1,167) = 2.12, p = .148$), and when it was external ($F(1,167) = 3.08, p = .081$).

Hypothesis testing 2

Table 4.

Regression analysis results between sincerity (IV), warmth (IV), and customer loyalty (DV).

	Model 1		Model 2	
	β	s.e.	β	s.e.
Constant	2.37***	.35	.79	.48
Sincerity	.50***	.07	.15	.10
Warmth			.60***	.13
F	47.30***		37.09***	
R^2	.22		.30	

*** $p < .001$, ** $p < .01$, * $p < .05$

In order to test H4, ‘Warmth will operate as a mediator between the relationship of perceived sincerity and customer loyalty’, one linear multiple regression analysis using PROCESS model 4 was conducted. The regression results between customer loyalty as the dependent variable and warmth and sincerity as independent variables are shown in Table 4. The regression results between warmth as the dependent variable and sincerity as the independent variable are shown in Table 5.

In combination, perceived sincerity and warmth account for a significant 30% of customer loyalty ($R^2 = .30, F(2,172) = 37.09, p < .001$).

As expected, when warmth is added to the analysis, perceived sincerity both decreases in effect on customer loyalty and loses its significance ($\beta = 0.15, t = 1.48, p = .141$). On the other hand, warmth has a significant positive effect on customer loyalty ($\beta = 0.60, t = 4.62, p$

< .001). Meaning the warmer someone perceives the company to be, the more loyal they are to this company.

Because sincerity had a significant effect on customer loyalty which decreased and became non-significant once warmth was added to the regression, it could be that there is indeed a mediation at play like expected. To be sure of this, the relationship between warmth and perceived sincerity was analysed.

Table 5.

Regression analysis results between warmth (IV) and perceived sincerity (DV).

	β	s.e.
Constant	2.65***	.19
Perceived sincerity	.58***	.04
F	208.73	
R^2	.55	

*** $p < .001$, ** $p < .01$, * $p < .05$

It was found that perceived sincerity accounts for 55% of warmth ($R^2 = .55$, $F(1,173) = 208.73$, $p < .001$) (Table 5).

As shown in Table 5, perceived sincerity has a significant positive effect on warmth ($\beta = 0.58$, $t = 14.45$, $p < .001$). When people experience a higher perceived sincerity of a CSR initiative, they will see the company as being warmer.

The findings indicate that warmth does indeed function as a mediator in the relationship between the perceived sincerity of CSR and customer loyalty. When people experience a higher perceived sincerity, they will see the company as being warmer, which results in a higher customer loyalty. Concluding, H4 is supported.

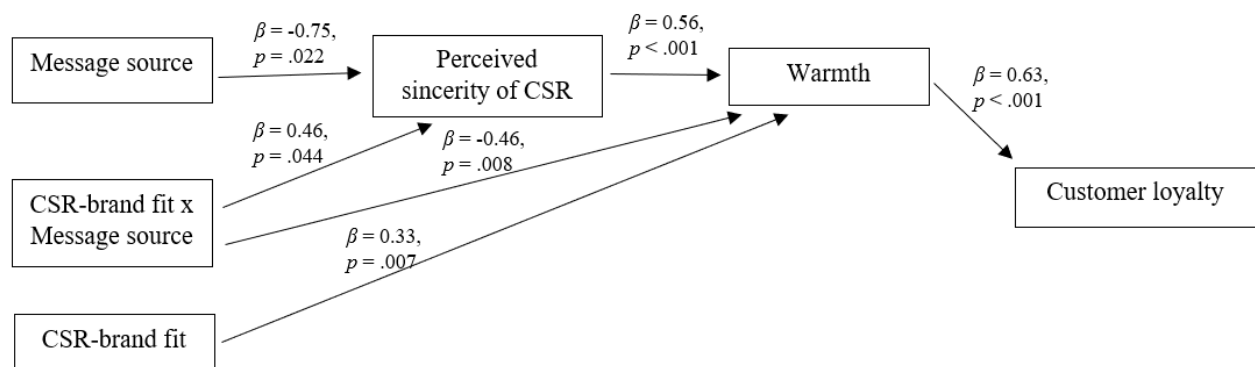
Explorative research 2

Another linear regression was conducted using model 6 of PROCESS to incorporate the interaction between CSR-brand fit and message source.

Three different regressions were assessed and reported in Figure 3. The first regression was between CSR-brand fit, message source, the interaction between the two, and the perceived sincerity of CSR ($R^2 = .18$, $F(3,172) = 1.89$, $p = .132$). The second regression was between the variables used in the first regression and warmth ($R^2 = .75$, $F(4,170) = 56.27$, $p < .001$). The last regression was between the variables used in the second regression and customer loyalty ($R^2 = .55$, $F(5,169) = 15.04$, $p < .001$).

Figure 3.

Overview of the model containing the significant relationships.



For clarity, only the relationships found to have a significant influence are displayed in Figure 3. First off, both message source ($\beta = 0.46$, $t = 2.02$, $p = .044$) and the interaction ($\beta = -0.75$, $t = -2.31$, $p = .022$) had a significant effect on the perceived sincerity of CSR. For message source, this is a positive effect, meaning that people in the external message source manipulation scored higher on the perceived sincerity of CSR, while for the interaction, this is a negative effect. CSR-brand fit had a non-significant positive effect on the perceived sincerity of CSR ($\beta = 0.34$, $t = 1.51$, $p = .133$).

Furthermore, CSR-brand fit ($\beta = 0.33$, $t = 2.73$, $p = .007$), the interaction ($\beta = -0.46$, $t = -2.68$, $p = .008$), and the perceived sincerity of CSR ($\beta = 0.56$, $t = 14.03$, $p < .001$) were found to have a significant effect on warmth. This effect was positive for CSR-brand fit, respondents in the high fit manipulation scored higher on warmth than respondents in the low fit manipulation, and perceived sincerity of CSR, a higher level of perceived sincerity of CSR

caused a higher level of warmth. For the interaction, this effect was negative. There was a non-significant positive effect of message source on warmth ($\beta = 0.17, t = 1.44, p = .153$)

Lastly, only warmth was found to have a positive significant effect on customer loyalty ($\beta = 0.63, t = 4.68, p < .001$). People who experienced more warmth reported a higher level of customer loyalty. A negative non-significant effect on customer loyalty was found for CSR-brand fit ($\beta = -0.23, t = -1.08, p = .281$) and message source ($\beta = -0.00, t = -0.01, p = .991$) and a positive non-significant effect for the interaction ($\beta = 0.12, t = 0.39, p = .695$) and the perceived sincerity of CSR ($\beta = 0.14, t = 1.34, p = .181$).

Discussion

This paper aimed to create a better understanding of what causes a CSR initiative to be perceived as sincere by looking at the factors CSR-brand fit, motives, and message source. In addition, this research also investigated whether warmth works as a mediator between perceived sincerity and customer loyalty. This study had three main findings. Firstly, the three factors CSR-brand fit, motives, and message source, did not influence the perceived sincerity of CSR. Second, the only interaction that had an influence on the perceived sincerity of CSR is the interaction between CSR-brand fit and message source. Lastly, warmth was found to function as a mediator in the relationship between the perceived sincerity of CSR and customer loyalty. Each of these findings will be elaborated on below.

Contrary to what was expected, factorial ANOVA showed no main effect for CSR-brand fit, motives, and message source on the perceived sincerity of CSR. Instead, respondents seemed to experience a high perceived sincerity regardless of manipulation. This indicates that, on their own, these different manipulations do not influence whether people perceive a particular CSR initiative as being more or less sincere. As a result, H1, '*Organizations with a higher CSR-brand fit will have a higher perceived sincerity of CSR than organizations with a lower CSR-brand fit*', H2, '*Organizations that communicate public-serving motives will have a higher perceived sincerity than organizations that communicate self-serving motives*', and H3, '*Hearing about CSR through a third party will have more of a positive effect on the perceived sincerity of CSR than hearing about CSR through the company*', were not supported. These findings are not in line with previous findings in the literature, which did find an influence of the factors (Becker-Olsen et al., 2006; Ellen et al., 2006).

There are some reasons as to why the expected findings were not found. Firstly, some studies indicate that the CSR-brand fit might not even matter to customers when assessing the perceived sincerity of CSR (Sen et al., 2006; Smith, & Bartunek, 2013). This would explain why CSR-brand fit was not found to have an influence on the perceived sincerity of CSR. Secondly, research by Jansen et al. (2021) has found that the sector the company belongs to (public vs. private) determines whether there is a difference of effect between public-serving and self-serving motives. Companies that are part of the public sector are assessed more positively when communicating public-serving motives instead of self-serving motives. For companies that are part of the private sector, there is no difference in effect between the two motives. This is because companies that are part of the public sector are expected to benefit or serve the interest of society. In contrast, this is not expected for companies in the private sector. Since retail stores are part of the private sector, this would explain the finding in this paper. Lastly, it is likely that reading about the CSR initiative through a third party does not provide a strong enough association with the company itself. Some research has suggested that for a person to be able to associate the report about CSR to a level of sincerity, they must have read about the CSR from both the company and a third party (Kim, 2011). By learning about the CSR initiative both through an external and an internal message source, the customer will be able to determine how sincere they think the company is when displaying their CSR.

The only interaction that was found to have a significant influence on the perceived sincerity of CSR was the interaction between CSR-brand fit and source. At first glance, there seemed to be a significant difference for people in the low CSR-brand fit manipulation between external and internal message source. Meaning that respondents who were in the low fit, external message source manipulation scored significantly higher on the perceived sincerity of CSR than respondents who were in the low fit, internal message source manipulation. However, after conducting the Bonferroni correction, this difference was no longer significant. The other interactions, CSR-brand fit and motives, motives and source, and CSR-brand fit, motives and source, did not have an influence on the perceived sincerity of CSR, which means that the respondents in these different manipulation groups did not score significantly higher or lower than the other groups.

Lastly, findings revealed that warmth does indeed work as a mediator between the perceived sincerity of CSR and customer loyalty. When people experience an increase in perceived sincerity of CSR, they will also see the company as being warmer. This increase in

warmth increases customer loyalty. As a result, H4, '*Warmth will operate as a mediator between the relationship of perceived sincerity and customer loyalty*', is supported.

Implications

Practical implications

Regardless of the findings not supporting many of the hypotheses, this study does have some practical implications. Findings suggest that companies who chose to engage in a CSR initiative that is not integrated into their company (low CSR-brand fit), like donating, will be seen as more sincere when they let a third party report on this CSR initiative instead of reporting in it themselves. With this information, companies might choose not to spend too much time and money on reporting on the CSR initiative themselves and instead use this time and money for something more beneficial. Furthermore, from the findings, it can be concluded that CSR can be used to better the reputation of a company and increase customer loyalty. That CSR can benefit the company's reputation is in line with the findings of Huang et al. (2014), who found just that. With this information, companies might choose to use CSR to better their reputation or customer loyalty. However, since it did not become entirely clear from the findings in this study what influences perceived sincerity, it cannot be said how companies should implement their CSR to gain these benefits, apart from the use of message source when there is a low CSR-brand fit mentioned before.

Theoretical implications

This study contributes to the existing literature on the benefits of CSR since it showed two things to consider when conducting research using the perceived sincerity of CSR. Firstly, CSR-brand fit and message source interact in influencing the perceived sincerity of CSR. Since there is not much literature on the interacting effect of the factors yet, this study provides evidence that this new direction of research should be looked at more. Furthermore, this study shows the importance of considering the mediating effect of warmth when looking at the benefits of CSR. These findings provide the literature with a more complete image of what causes people to perceive CSR as sincere or not and how this can benefit the company.

Limitations and future research

The most significant limitation of this study is that respondents did not seem to experience the manipulation as intended. The control questions showed that respondents scored high on both the control questions for the two manipulations, CSR-brand fit and motives. If respondents had perceived the manipulations as intended, they would have scored high on the control question corresponding to the manipulation they were in but low on the other control question. Because of this, the measures that were used for CSR-brand fit and motives might not have measured the intended concept, thus lowering the validity of the outcome.

One other limitation is that the sample size needed according to the power analysis was not reached. As a result, it could be that in actuality, the manipulations do have a significant influence on the perceived sincerity of CSR. However, because of the lacking sample size, these effects were not found. Therefore, if this research is replicated with a larger sample size, there is a chance that different effects are found than in this study.

At last, because a fictional company was used in this paper, actual behaviour could not be measured when it came to customer loyalty. Customer intentions were measured instead. This is a problem because intentions do not always translate into actual behaviour (Sheeran, & Webb, 2016). As a result, the outcome found in this paper, that warmth increases customer loyalty, might not be found when companies apply the theory into practice. Future research could try to conduct this study again, using a real company. This would show whether the found effects on customer loyalty were merely about the intentions of customer loyalty or also about the behaviour of customer loyalty.

Another direction future research could go has to do with the finding that respondents, regardless of manipulation, evaluated perceived sincerity of CSR rather positively. While this could have been because of the failed manipulations, it could also be explained by the Elaboration Likelihood Model of persuasion (ELM; Petty, & Cacioppo, 1986). This model states that when people perceive a persuasive message, they can process this information using either the central or peripheral route. When using the central, which only happens when people are willing and able, the content and strength of the arguments are evaluated. When using the peripheral route, other things like the attractiveness and the length of the arguments are evaluated. While this model is mainly focused on changing behaviour, it can still be used in this case because it also contains the changing of attitudes. During this study, people might

not have been willing/able to use the central route of processing, e.g., they did not care about the subject or were distracted. As a result, respondents used the peripheral route of processing and using cues like the length of the text, which was long, and the look of the website, which was designed to have a pleasant and professional look, to determine whether they believed the company was being sincere or not. In future studies, the difference between the two processing routes could be considered when looking at the effects of the factors on the perceived sincerity of CSR. This could be done by asking respondents what made them hold that certain attitude and deducing from these answers whether the respondents used the central or peripheral route of processing.

Concluding

The aim of this study was to understand whether CSR-brand fit, motives, and message source caused a CSR initiative to be seen as sincere. In addition, the aim was to discover whether warmth had a mediating function on the relationship between perceived sincerity of CSR and customer loyalty. Results showed that only the interaction between CSR-brand fit and message source had a significant influence on perceived sincerity. Further analysis showed that the message source only caused a significant difference for respondents in the low CSR-brand fit manipulation. Furthermore, warmth was indeed found to work as a mediator between the perceived sincerity of CSR and customer loyalty. More research is needed to better understand what influences the perceived sincerity of CSR before companies can use CSR to increase their customer loyalty.

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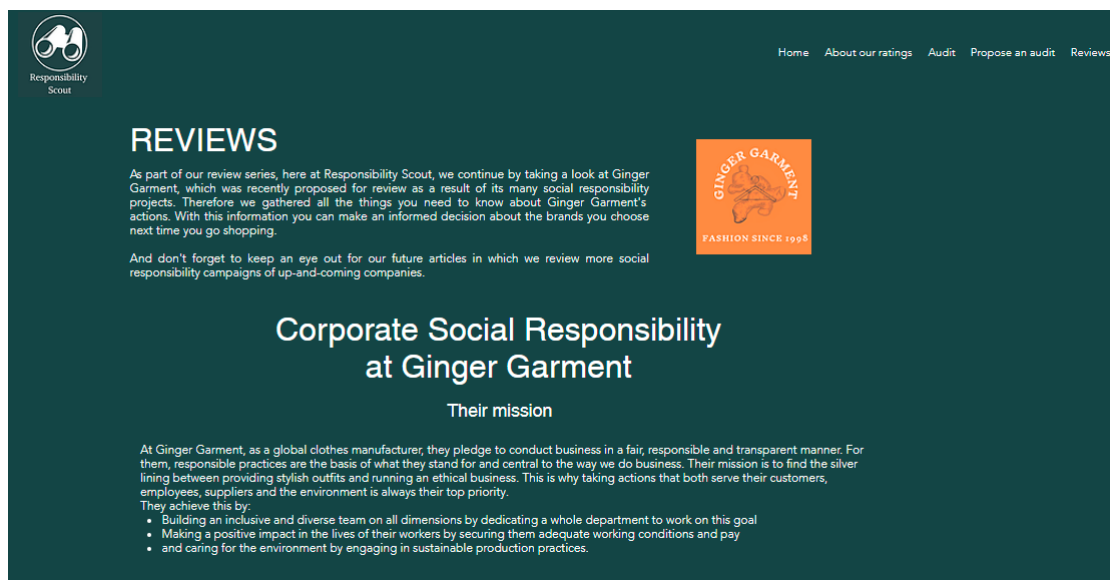
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Appendix 1.

Example internal vs. external message source

Figure 4.

External message source.



The screenshot shows a webpage from Responsibility Scout. The top left features the Responsibility Scout logo. The top right has a navigation menu with links: Home, About our ratings, Audit, Propose an audit, and Reviews. The main content area is titled "REVIEWS" and contains a paragraph of text about a review of Ginger Garment. To the right of the text is a small orange square logo for Ginger Garment with the text "GINGER GARMENT" and "FASHION SINCE 1994". Below the text is a large heading "Corporate Social Responsibility at Ginger Garment" and a sub-heading "Their mission". The main body of text describes the company's mission and lists three bullet points: "Building an inclusive and diverse team on all dimensions by dedicating a whole department to work on this goal", "Making a positive impact in the lives of their workers by securing them adequate working conditions and pay", and "and caring for the environment by engaging in sustainable production practices."

Figure 5.

Internal message source.



The screenshot shows the internal CSR page of Ginger Garment. At the top center is the Ginger Garment logo, which is an orange square with the text "GINGER GARMENT" and "FASHION SINCE 1994". Below the logo is a navigation menu with links: Home, About Us, Products, and Our Policies. The main content area features a large heading "Corporate Social Responsibility at Ginger Garment" and a sub-heading "Our mission". The main body of text describes the company's mission and lists three bullet points: "Building an inclusive and diverse team on all dimensions by dedicating a whole department to work on this goal", "Making a positive impact in the lives of our workers by securing them adequate working conditions and pay", and "and caring for the environment by engaging in sustainable production practices."