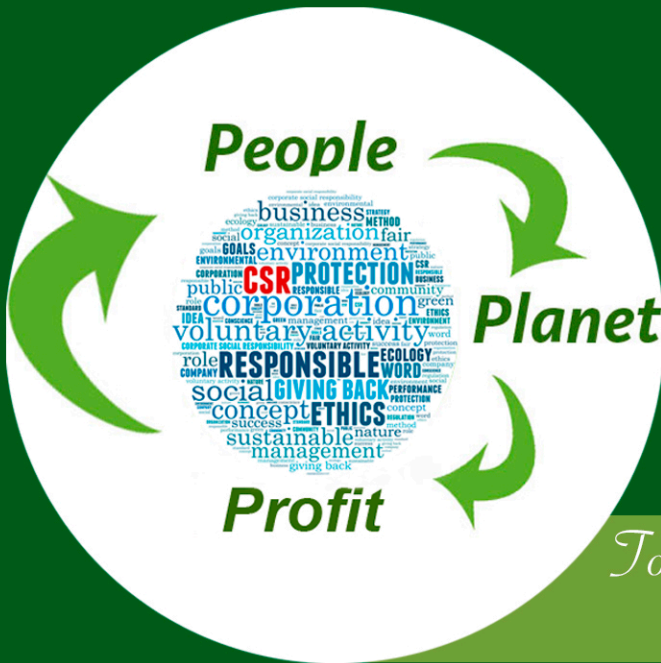


UNIVERSITY OF NAPLES FEDERICO II
Department of Agricultural Sciences
Agricultural Economics and Policy group



MARCO LERRO

*Today we are making a difference
for tomorrow!*

CORPORATE SOCIAL RESPONSIBILITY

DETERMINANTS, CONSUMERS' PREFERENCES
AND STRATEGIC APPROACH

Corporate Social Responsibility

*determinants, consumers' preferences
and strategic approach*

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Corporate Social Responsibility

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Marco Lerro

Doctoral thesis

Submitted in fulfilment of the requirement for the degree of doctor at the University of Naples Federico II, Department of Agricultural Sciences, within the XXVIII doctoral program in “Valorisation and management of agroforestry resources”.

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Abstract

Corporate Social Responsibility (CSR) is a corporate strategy involving social, environmental and human rights concerns into business operations. The aim of CSR is to promote sustainable productive processes with lower impact on the environment and natural resources as well as more respectful of all subjects involved by corporate activities. Accordingly, the core of CSR relies on spreading a corporate culture in which company stakeholders become the centre of business strategies. Undoubtedly, consumers play a central role in influencing these strategies by exercising actively their power on the market. Indeed, through their purchases reward companies that meet their expectation and concerns. The general objective of this study is to extend the literature about CSR providing insights both in terms of firm organization and consumer behaviour. Understanding consumers' preferences toward the different CSR initiatives was the approach implemented in the research to achieve these aims. Indeed, the results allow on one hand to comprehend consumer purchase decision toward specific corporate social initiatives and on the other are a mean for companies that want to reshape their organizational processes in order to meet their customers' expectations. Moreover, the research identified common traits able to characterise the ethical consumers by implementing the analysis of personal values.

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1. Background of the Study

1.1 Corporate social responsibility: concept and historical perspective

In the recent years, there has been an increasing awareness for governments, non-governmental organizations (NGOs) and public opinion towards the impacts that business activities have on the environment, society and economy (Jones et al., 2005; Maloni and Brown, 2006; Hartmann et al., 2013). In response to these pressures, agri-food companies are considering to improve transparency, traceability and sustainability of their business operations and throughout the supply chain through the implementation of corporate social responsibility (CSR) (Poetz et al., 2013). The adoption of CSR activities in company strategies is a voluntary choice and then it has to go beyond the minimum legal requirements (Carroll, 1999). However, due to the growing interest shown by public opinion to the CSR issues, companies are encouraged to implement it (Fassin, 2008).

The deep changings in the society have completely modified the position of company in the community as well as its social role. Consequently, in the last fifty years there has been the proliferation of several studies on the topic resulting in countless corporate social responsibility definitions. The first studies about CSR date back to 1953 with Bowen universally considered the “*father of Corporate Social Responsibility*” (Carroll, 1999, p. 270). In his studies, Bowen (1953), identified the social responsibility of firms’ manager as a combination of actions and policies direct to satisfy society’ needs and with the clear objective of going beyond the common corporate’s obligations. Concepts recalled and more clearly expressed by different scholars in the following definitions of CSR. In the decade of 1960s, there was a step further towards new and more comprehensive definitions of CSR. In particular, in these years, scholars focus their attention on the economic and social effects that corporate activities have on the different actors involved. The main studies of the time tend to discharge more and more responsibilities to enterprises. These responsibilities have to be commensurate to the power that companies have in society as well as their sphere of influences. Indeed, According to Davis (1960), the power is portrayed in terms of potential advantages or disadvantages that firm might cause to the society. Moreover, he first addressed the relationship between ethical conduct and long-run economic benefits (Davis, 1960). Association commonly accepted in the following studies about CSR. Joseph W. McGuire, in his study, gave a further notable contribution to the literature of CSR and its sphere of action. In his definition, McGuire not only restated the well-established concept that companies fulfil their social behaviour when their activities exceed the minimum economic and legal requirements, but he also compared this behaviour to the one of a proper citizen (Carroll, 1999). Therefore, in his view company is seen as an economic agent with the same rights and duties of any other citizen. For

instance, firm absolves its economic responsibility paying taxes and creating jobs whilst the environmental protection and the contribution to the society welfare are an example of social responsibility. In this way, McGuire introduced the notion of corporate citizenship, concept that was widely adopted as a corporate social responsibility synonymous in the following decades (Carroll, 1999).

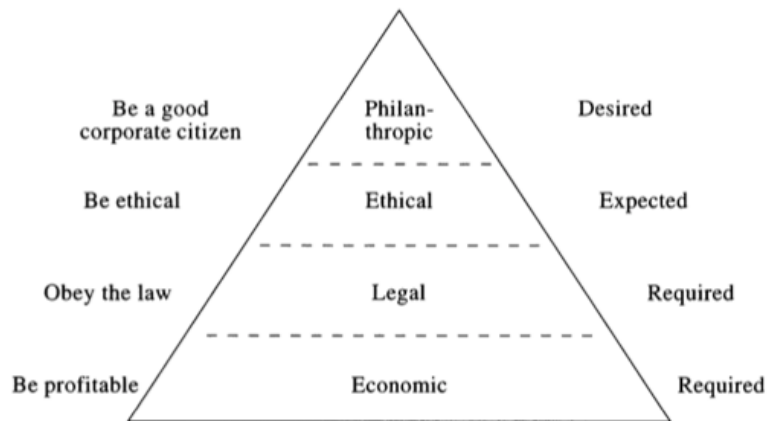
The 1970s represent a further phase toward the current definition of CSR. Harold Johnson (1971), in his book titled “Business in Contemporary Society: Framework and Issues”, defining CSR remarks the importance of going beyond the mere company’s profits and identifies the different actors affected by company activities that are: employees, suppliers and local communities. Corporate social responsibility is considered as a company’s goal just like profit target and then company pursuing its purposes has to undertake a multi-objective approach in which stakeholders’ concerns play a key role (Johnson, 1971). In other words, entrepreneurs are not only interested to reach their own interests and profits but conducting their activity they pursue multiple goals such as enhance the welfare of community members (Johnson, 1971). Extending Johnson’s definition, the Committee for Economic Development (CED) (1971) identifies the role of business in producing and supplying goods and services that satisfy society’s needs, values and future expectations. Moreover, the Committee identified three different levels of business responsibility that are displayed in a circular structure with three concentric circles. The internal one groups the financial purpose of business that is the economic growth; the second one includes corporate activities in support to the environment, employees and customers; finally, the external circle encompasses all responsibilities of business in order to improve the welfare of society as whole (CED, 1971). Obviously, all these activities have to be completely voluntary (Manne and Wallich, 1972) and go beyond the legal requirements and economic goals (Davis, 1973).

In the 1990s there is a significant evolution in the theoretical concept of CSR due to the main contribution of Carroll (1999). Carroll (1999) described CSR as the ability of a company to satisfy the economic, legal, ethical, and discretionary expectations of society (Figure 1).

The four responsibilities are displayed in a pyramidal structure. The base is represented by the economic responsibility since company is first of all an economic institution and then it has the responsibility to make profit selling its goods and services. At the same time, firms have to obey the law as any good citizen and embrace ethical and philanthropic activities (Carroll, 1979). Put differently, business as to be “*economically profitable, law abiding, ethical and socially supportive*” (Carroll, 1983, p. 604).

In contrast with the theory that companies have a social responsibility to their stakeholders, Friedman argued that since the business is an “*artificial person*”, it does not have a properly responsibility which is prerogative of people (business executive) (Friedman, 1970, p. 211).

Figure 1. The Pyramid of Corporate Social Responsibility



Source: Schwartz and Carroll, 2003

He came to define CSR as a “*subversive doctrine*” that is able to “*undermine*” shareholders’ value since the implementation of CSR is at expense of company owner’s money (Friedman, 1970, p. 211). Moreover, he pointed out that the only responsibility of manager is the one of making much money for company’s stockholders who will decide then if spend this money in ethical activities or not (Friedman, 1970). Further researches on CSR and corporate financial performance (CSP) have shown not only the existing link between social actions and financial performance but also that CSR does not destroy shareholders value (Margolis et al., 2007; Orlitzky and Benjamin, 2001; Orlitzky et al., 2003; Waddock and Graves, 1997). The correlation (positive or neutral) as well as the strength of this relationship has been detected in many studies and the results are strongly affected by the area of CSR and the performance indicator applied (accounting-based or market-based) (Hartmann, 2011). More deeply, some studies have shown that companies adopting ethical behaviour over-perform on the market (Margolis et al., 2007; Cochran and Wood, 1984). By contrast, other studies did not find any differences in profitability between companies involved in CSR and those not (Aupperle et al., 1985), but this relationship is still neutral because the higher costs supported by firms for CSR implementation are balanced by higher revenues (McWilliams and Siegel, 2001). Therefore, even if it is not possible uniquely define that market will reward companies involved in CSR initiatives, it is clear that firms will not be penalized by their social conduct (Orlitzky et al., 2003). In addition, a lack of CSR will expose companies to risks (fines or

lawsuits) that can undermine their profitability (McGuire et al., 1988). CSR, therefore, will have the effect of reducing risks rather than increase profitability (McGuire et al., 1988). This effect is mainly determined by the ability of CSR to build “*intangible assets*” such as loyalty and reputation that will mitigate market uncertainty (Barnett, 2007, p. 803; Hartmann, 2011, p. 300). In fact, a strong company’s reputation is, on one hand, able to reduce the social pressure on the company as a result of a market scandal, and on the other can shift this pressure to the other firms (Baron, 2006). This is in accordance with the studies of Klein and Dawar (2004), which suggest that a positive enterprise CSR record leads resistances to negative information. Therefore, CSR is considered as an “*insurance*” (Hartmann, 2011, p. 302).

In the recent years, the studies on the topic have moved from the financial effects of CSR adoption to its management implications. These researches have shown that companies through CSR can exploit their responsible behaviour to increase consumer loyalty, trust and satisfaction, as well as a sense of belonging among employees (Sen et al., 2006; Pivato et al., 2008; Vlachos et al., 2009; Lev et al., 2010). These findings push the companies to implement CSR in their business strategy and support managers to justify the philanthropy programs adopted by companies with reasons beyond the mere profit (Joyner and Payne, 2002; Lev et al., 2010). Furthermore, CSR enables to enhance the image of a company as employer, increasing companies’ attractiveness to the prospective applicants (Strobel et al., 2010). It acts indirectly by raising the familiarity to the company absolving then a main role in the job decision-making process (Luce et al., 2001). The attractiveness to the companies is on one hand influenced by company’s ethical behaviour and on the other by the perception of corporate leaders’ conduct (Strobel et al., 2010). In fact, an unethical behaviour by the business managers may completely nullify the positive effects of CSR (Strobel et al., 2010). CSR has not only a positive effect in the early stages of job search but also in term of employees’ retention (Vlachos et al., 2010). Then, employees will experience higher level of job satisfaction that is determined by the sense of integrity, trust and reliability instilled by the company (Valentine and Fleischman, 2008; Valentine et al., 2011). Finally, CSR increases employee’s retention and gratification. The first leads lower expenditure in employees’ turnover, while the second increases employees’ productivity and brings a positive word of mouth to the firm (Valentine and Fleischman, 2008; Valentine et al., 2011; Vlachos et al., 2010).

To date, given the amount of study and definitions on corporate social responsibility, scholars have not found a clear definition accepted by everyone (Zenisek, 1979). European Commission defines corporate social responsibility as “*the responsibility of enterprises for their impacts on society*” (European Commission, 2011, p. 6). To fulfil with their responsibility, companies are considering to implement society’s expectations into their business strategies. More specifically, social,

environmental, ethical and human rights concerns of stakeholders enter into business strategies and contribute to reshape them (European Commission, 2011). Therefore, CSR become a means for companies to create value for all subjects involved by business activities as well as identify and prevent risks that can impact negatively their business. These aims are succeed adopting a long-term vision, exploring new business and redesigning the business models. In the following studies, we will refer to CSR looking at this definition.

1.2 Corporate social responsibility in the food supply chain

The last twenty years have strongly undermined food sector credibility due to the succession of several food scandals such as the mad cow disease and the Chinese milk scandal. As a consequence of these scandals, consumers lost their trust in the companies and are becoming more and more critic in their daily consumption. Moreover, they are increasing their power in the market and exercising it, they want to influence companies' choices. Consumer's boycott is an example of this power and at the same time a clear expression of disappointment toward corporate conduct. It is a means to force firms to behave properly and deliver value to all subject involved by corporate activities. Indeed, sharing the values and responsibilities seem to be one of the most effective way to manage companies' impacts on the society and preserve common resources for the future generations. As a result, it is raising a new corporate orientation that is leading firms to consider the inclusion into their business strategies of the risks and concerns of their supply chain partners through the adoption of a more social and responsible behaviour (Jones et al., 2005; Maloni and Brown, 2006; Hartmann et al., 2013). Although on one hand the inclusion of CSR practices will accentuate business internal process increasing the level of complexity in terms of control, management and monitoring (Forsman-Hugg et al., 2013), on the other it is able to reduce potential conflicts that might affect corporate reputation and profitability as well as limit their licence to operate (Forsman-Hugg et al., 2013). Clearly, it is possible whether all companies' partners are involved into the process and more important perceive their role as fundamental to promote the changing. Given the potential benefits related to CSR, currently there is an increasing trend to integrate social and ethical behaviour along the supply chain (Maloni and Brown, 2006). Previous studies have tried to detect the common CSR issues affecting the different supply chains in order to identify a CSR model applicable to all industries (Maloni and Brown, 2006). The results of these studies highlighted the need to investigate and analyse the problems faced by the different industries separately rather than adapt one single model to all sectors. It is even clearer for the agri-food sector that is called to face unique human concerns in the last decades. Indeed, the industry is characterised by context-specific issues such as those related to nutrition and human health, as well

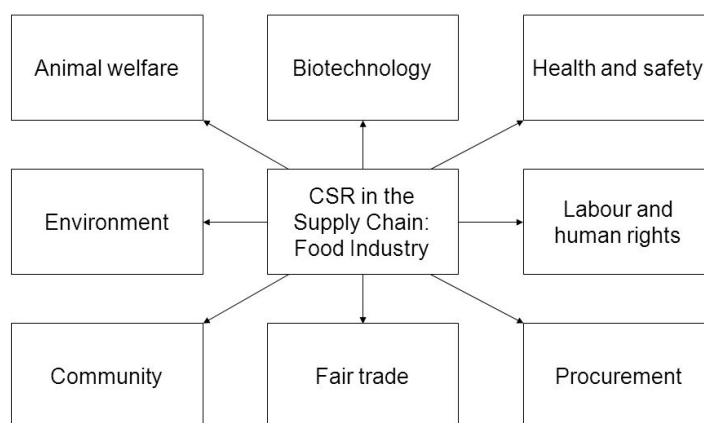
as animal welfare, which require the adoption of a distinct CSR approach (Forsman-Hugg et al., 2013). This approach requires that all individuals responsible for the production process make system by sharing the same ideals (Forsman-Hugg et al., 2013). Moreover, the growing role played by the industry in the worldwide economy is pushing food companies to accelerate this sharing process. Indeed, in 2009, the sector was ranked the business with the fastest growth as well as the largest employer in the world (Poetz et al., 2013). Regarding the European economy, food industry represents the largest manufacturing sector and the biggest employer in more than half of the Member states. Furthermore, it is characterised for the 99% by small and medium enterprises (SMEs) that are mostly dislocated in rural area, with weaker bargaining power and susceptible to create potential conflicts along the supply chain. According to Hartmann (2011), there are three main drivers for CSR implementation in food sector that are: i) the high dependence and impact on natural resources and raw materials; ii) people attention about the food and the awareness that its satisfy basic needs; iii) the multifaceted structure of the sector characterised by few large processors and many small and medium enterprises as suppliers.

Nowadays, companies are called to take charge of environmental protection as well as food safety ensuring the preservation of natural resources, the quality and healthiness of food, and transparency and equity among firms (Lamberti and Lettieri, 2009). Indeed, consumers expect companies behave responsibly and ensure transparency, traceability and sustainability in their business operations (Poetz et al., 2013). Accordingly, CSR identify a company's strategy to meet consumer expectation, gain positive long-term benefits as well as secure a stable growth and a better position on the market (Jones et al., 2005). Then, firms require stakeholders participation and in particular expect consumers reward the responsible behaviour of food companies by choosing socially oriented firms and ethical products in their daily consumption (Mueller Loose and Remaud, 2013; Poetz et al., 2013). This behaviour is displayed by more than 50% of consumers whilst almost 70% is inclined to support responsible companies with a higher willingness to pay (Kong, 2012). Moreover, according to Kong (2012), companies' investors will benefit by this firms' ethical orientation since CSR will protect, at least in the short period, company reputation in case of scandal that can affect the industry and will ensure stable streams of customers.

Since CSR is a corporate strategy, it will change between the companies and over time in order to meet public and private expectations. Currently, companies are forced to adapt their CSR strategies in order to deal with the new societal concerns in terms of animal welfare, food safety issues and labour conditions. More deeply, the increasing relocation of companies in countries with lower labour requirement is waking consumer awareness toward agriculture economic conditions pushing companies to raise farmers' wage and set up a minimum guaranteed price to cover production costs.

Moreover, the growth of a greater sense of equality among consumers is prompting companies to guarantee not only food safety but also the equal access to food for everyone (Maloni and Brown, 2006; Kong, 2012; Poetz et al., 2013). Maloni and Brown (2006) in their study have tried to classify and analyse these social trends identifying eight areas of interest for the food industry that are: animal welfare, biotechnology, environment, fair trade, health and safety, labour and human rights, procurement and community (Figure 2).

Figure 2. Dimensions of CSR in the food supply chain



Source: Maloni and Brown, 2006

In the following paragraphs a brief discussion of the CSR issues addressed in this research will be given.

1.2.1 Animal welfare

This CSR dimension includes all farmer's practices with the purpose of avoid unnecessary suffering to the animals in all stages of animal life such as handling, housing, transport and slaughter.

In the modern farming industry and factory farming the animals live in condition of confinement such as battery cages, gestation crates and veal crates. Moreover, in order to limit the social and sanitary consequences of confinement the animals undergo debeaking, tail docking and the use of massive doses of hormones and antibiotics. These practices are aimed at reducing the production costs, increase the productivity and then maximise the profits (McGlone, 2001). The introduction of farmer's practices more attentive to animal welfare or of other assurances result in an increasing of production costs that companies have to unload on consumers in order to keep business profitability (McGlone, 2001). Previous studies on consumers behaviour towards animal welfare have shown the

positive involvement of consumers to support better animal conditions through a higher willingness to pay (Bennett et al., 2002). The awareness towards animal welfare practices is a requirement for consumers' support and it is accomplished by overcoming many barriers. For instance, one of these, it is the lack of adequate information about animal farming practices and animal welfare standard (Schroder and McEachern, 2004). Moreover, consumers lack of expertise to discriminate among the different production approaches (Harper and Makatouni, 2002) and often do not show a connection between live animals and meat consumption (Schroder and McEachern, 2004).

Another strong driver for companies to improve animal conditions is regulation. The Humane Slaughter Act of 1978 in the United States and the European Convention for the Protection of Animals in 1976 have given a great impulse in both countries but more needs to be done to improve general industry conditions (Maloni and Brown, 2006).

1.2.2 Biotechnology

This issue identifies the use of biological process on plants and animals in order to improve productivity and sensorial products features. It encompasses the use of many different techniques offering several benefits to the food industry such as recombinant DNA, cloning, genetic testing, tissue culturing, growth stimulation, and antibiotics (Blayney et al., 1991). As results of the implementation of these techniques, farmers will experience and increasing in their productivity due to the higher crop yield and the lower production losses. Further advantages occur at both levels: the production processes and product sensory characteristics. In the first case there is a lower use of plant protection products such as herbicides and pesticides that in turn will reduce the production costs (Gosling, 1996). Regarding the sensory characteristics, the use of biotechnology will enhance product features and extend its shelf life (Hossain and Onyango, 2004).

In spite of the several advantages that these technologies are leading, high is the public scepticism about the possible consequences of some techniques (cloning and gene manipulation) on human and animal safety (Gosling, 1996). Consequently, consumer perception about the implementation of biotechnology in food companies is contrasting. Indeed, on one hand they are favourable to its adoption given the potential benefits delivered (Hossain and Onyango, 2004), on the other they are concerned about the potential risks associated with the ingestion of hormones and antibiotics residuals (Blayney et al., 1991; Gosling, 1996; Verbeke and Viaene, 2000). These risks as well as those related to consumers' boycotts might have detrimental consequences on company reputation and consumer trust in the industry. As a consequence, in an attempt to ensure food safety and appease public opinion, food companies are establishing stricter obligations in terms of food labelling and traceability (Sissell, 2003).

1.2.3 Community

This aspect takes in consideration all activities in support of community in which company operate. Scholarship, employee volunteering, childcare, social housing are only some of CSR activities in which multinational as well as domestic companies are involved through their philanthropic donations (Maloni and Brown, 2006). The effects of this involvement are on both side community and company. Indeed, on one hand, company activities will have the desired effect of improve the overall welfare of community and in particular of disadvantaged people. On the other, these activities incentivize the creation of positive association in consumer mind toward company brands and products. This in turn will raise consumer and employees loyalty to the company and at the same time will boost firms' competitiveness in the market, encouraging product differentiation and the creation of competitive advantages (Porter and Kramer, 2002; Smith, 1994).

1.2.4 Environment

Over the last twenty years, food industry faced several problems in terms of environmental protection due to the increasing public awareness about the impact that the sector has on natural resources and raw material. Global warming, deforestation, waste disposal and the massive use of chemicals and pesticides are the causes of these problems and potential threats for the industry (Boehlje, 1993; Fox, 1997). To address these issues, food companies are promoting more sustainable production processes characterised by lower inputs and in turn with less impact on the environment. Environmental-friendly and organic products are examples of this new corporate orientation. Indeed they are both characterised by a more responsible farming approach distinguished by the respect of biodiversity and a limited use of pesticides. However, a more sustainable agriculture is possible only if the different actors of supply chain share the same values in terms of environmental management. Consequently, the selection of suppliers on the basis of environmental criteria plays a key role to address the overall sustainability within the supply chain (Maloni and Brown, 2006). However, even though the fast growth of a social consciousness among public opinion is strongly pushing firms to invest more in environmental-friendly and organic products, there are still important challenges limiting their attractiveness among consumers and companies. More specifically, these products are generally characterised by lower yields, higher prices and shorter shelf life (Legg and Viatte, 2001; Butler et al., 2004).

1.2.5 Fair trade

Fair trade practices include companies' support to their suppliers through long-term relationship and the payment of a fair price. Accordingly, food companies are involved in sustaining the

business longevity of their suppliers that in turn will experience a stable financial growth, an increasing in their profitability as well as poverty reduction (Maloni and Brown, 2006). Consumers' demand for products embedded with ethical features namely fair trade products is constantly increasing. This trend is expression of both public concerns as well as their willingness to take part in the promotion of an alternative production system to the conventional one. However, despite of the strong endorsement shown by consumers there are still several barriers limiting their diffusion on the market such as: restricted product range, limited promotion and lack of consumers' awareness (Jones et al., 2003). Undoubtedly, in this scenario, food retailers' involvement can make the difference for the fair trade practices.

1.2.6 Health and safety

In the last decades, following the recent scandals that have affected food industry, there has been an increasing in public and private pressures on agri-food companies. Indeed, the spread of BSE and foot and mouth diseases had the effect of undermine firms credibility, increasing consumers' expectations about role that companies have in ensuring the human health protection (Maloni and Brown, 2006). To address this concern, food companies are increasing the coordination among their suppliers setting up stricter requirements in terms of food traceability. As a consequence, retailer and transformers will maintain a stricter control on their supply partners as well as an effective and fast preparedness resulting in the identification and isolation of companies responsible for the scandal. Moreover, the traceability system will reduce the concerns of consumers who will have more information available to make their choices.

A further issue affecting the sector in the recent years is the increasing rate of obesity in many developed countries (Dower and Mephram, 1996). As a consequence, there has been a slow but steady change of direction toward healthier lifestyles. Therefore, the promotion of healthy food is another main CSR issue affecting the supply chain and that can be faced only through a close coordination within all partners involved (Maloni and Brown, 2006). In other words, only the combined action between suppliers and retailers can fully support the changings in consumer eating habits. For instance, the dual action of nutritional information and the supply of healthy products can lead significant impact in promoting healthier lifestyle (Maloni and Brown, 2006).

1.2.7 Labour and human rights

The recent scandals affecting Nike and Wal-Mart in the last ten years have raised the attention of consumers and NGOs toward the conditions of workers involved in the production process. More specifically, food companies have been charged of paying low attention in ensuring the human

rights along their supply chain. To address this concern there has been the succession of public and private initiatives. More deeply, on one hand companies have established stricter control on their suppliers setting up codes of conduct shared by all companies' partners. On the other, international standards were established embracing stricter rules about child labour conditions, health and safety on the workplace, as well as gender and race discrimination. However, despite of small improvements, food industry is still heavily exposed to several public critics. For instance, US shows a situation of poverty and irregularity between farmers and their workers. More specifically, more than half of farm workforces live below the poverty threshold whilst around one-third of them are unauthorized workers. Moreover, the situation is even more complicated on the human rights side. Indeed, it is estimated that agriculture is the manufacturing sector with the largest child labour workforce (Kolk and Tulder, 2002; Maloni and Brown, 2006).

Lastly, food supply chain is still hugely affected by work-related accidents (poisoning) and low level of job satisfaction (in particular for seasonal workers). However, companies' actions to address both problems are still scarce.

1.2.8 Procurement

According to Carter (2000a, b) the establishment of unclear relationships between buyers and suppliers are the main responsible of the potential failures occurring in the implementation of CSR. His analysis provides an overview of the several critical issues affecting the procurement process such as favouritism, preferential treatment and bribery and underlines the detrimental effects of these activities on the business relationships (Carter, 2000a, b). As consequence of these activities, companies will lose their reciprocal trust. Moreover, the lack of coordination and common vision will compromise the overall effectiveness of CSR.

1.3 Theoretical framework

Over the past 15 years, scholars have gradually investigated the effects of CSR on consumers' behaviour. The implementation of CSR within corporate strategies leads several companies' benefits in terms of company and product evaluation, brand differentiation, purchase intention and willingness to pay (WTP) (Hartmann, 2011). These benefits are the results of a process of interaction between consumers and companies namely consumer-company (C-C) identification in which consumers tend to recognise themselves in the company and its products whilst firms choices reveal customers behaviour (Kotler and Armstrong, 2012; Saharan and Singh, 2015). As result, company's ethical behaviour and product's ethical features affect directly consumers' attractiveness to the company and its products (Sen and Bhattacharya, 2001). The strength of this attractiveness is moderate by products features, internal and external characteristics of consumer as well as the

interaction between them. More specifically, it is the results of congruence between internal factors of consumers such as age, lifestyle, level of education (Ma and Lee, 2012), personal value (De Pelsmacker et al., 2005) and corporate value. The consequence of this interaction is the willingness of consumers to reward companies performing their business activities in more sustainable way. However, previous studies have even highlighted that not all consumers are willing to promote firm ethical orientation taking charge of companies costs. Therefore, in this case, a segmentation of consumers based on their socio-demographic characteristics might be useful to identify the specific target of consumers for ethical products. Nevertheless, variables like gender, age and level of education, on their own, are quite weak in explaining specific intentions and social behaviour. Hence, there is the need of looking for more specific, traditional and stable aspects of individuals such as the human values. According to Schwartz (1992), values are extremely important in determining and influence consumer behaviour, and they play a central role in the decision process when consumers have to take a position between different goods. Moreover, since they are dynamic concepts directly linked to motivation, they guide people's attitude in the process of evaluation and judgement of the products and services (Rokeach, 1973). Consequently, values are able to affect consumer behaviour at different stages such as intentions (Saharan and Singh, 2015), purchase decision (Thøgersen, 1999) and consumption (Shaw et al., 2007). Accordingly, it is extremely significant for companies to know the characteristics of their consumers target in order to reshape their corporate strategies to deliver products and service that meet customers expectations (Saharan and Singh, 2015). As a consequence, consumers will reward the corporate involvement with greater trust that in turn will encourage the creation of both tangible and intangible assets for the firm. The competitive advantages that result for companies are in term of brand differentiation (Worthington et al., 2008; Fraj et al., 2013; Pai et al., 2015), higher sales and revenues (Fraj et al., 2013; Pai et al., 2015), stronger reputation and corporate image as well as long-term relationship with their customers (Hsueh and Chang, 2008; Leppelt et al., 2013; Pai et al., 2015). The marketing literature tends often to identify this kind of relationship between the firm and its customers with the term brand loyalty. The latter is undoubtedly affected by consumers' awareness toward corporate CSR activities (Lee et al., 2012; Pivato et al., 2008). Awareness that influences also company's evaluation and consumer purchase intention (Mohr et al., 2001; Mohr and Webb, 2005; Vlachos et al., 2009) as well as consumer willingness to reward corporate responsible behaviour with a higher willingness to pay (Auger et al., 2003; Creyer and Ross, 1997). Consequently, according to Pomering and Dolnicar (2009) consumer awareness of corporate CSR activities is undoubtedly considered a required precondition for consumers that want to reward company responsible behaviour. However, previous studies have mainly investigated CSR awareness in laboratory

setting leaving clear doubts about the true level of consumers' knowledge of company CSR activities in a real scenario (Pomeroy and Dolnicar, 2009). It is in accordance with the results of Hartmann et al. (2013) that have shown a low level of consumers' knowledge about the term corporate social responsibility. These findings can partially explain the observed inconsistency between consumers' attitude and actual behaviour (Mohr et al., 2001); therefore, filling this research gap might provide insight about the real intention of consumers toward corporate CSR behaviour.

The lack of consumer awareness toward CSR and companies' CSR efforts is on one hand determined by a lack of interest to seek for CSR information and on the other by the poor efforts undertaken by firms in terms of communication (Hartmann et al., 2013). The limited media coverage and the non-effective communication represent a barrier for the companies that in this way see their efforts nullified. Indeed, as previous studies have highlighted, companies use the information provided during the customer acquisition process as a mean to drive the C-C identification system (Du et al., 2010). Once consumers receive companies information, they process them activating a cognitive process in order to infer the intention behind corporate behaviour. Then, their reaction will be different depending on whether the aim perceived is intrinsic or extrinsic (Pai et al., 2015). More, specifically, intrinsic motives lead solid relationship and brand advocacy (Pai et al., 2015) whilst, the perception of economic ends behind the CSR activities is punished by consumer through boycotts (Mohr et al., 2001). Therefore, companies have to set up their communication in order to address consumers to be active in their information picking and face customer suspiciousness about companies benefits arising from CSR initiatives (Du et al., 2010). However, the lack of interest of consumers to look for CSR information, it should not be interpreted as a form of consumers indifference but as an incentive for companies that have to reshape their communication based on consumers preference in term of CSR. Moreover, given the restricted time to make the purchase decision and the information overload provided at the point of purchase, consumers risk to ignore important information or even worse avoid their elaboration (Dubbink et al., 2008). Therefore, taking into consideration these risks, companies have to evaluate carefully the type of information (message content) and the way of how to communicate (communication channel). Marketing literature on the topic has only partially addressed these questions; furthermore, since the characteristics of CSR (multidimensionality) as well as the research methods adopted, the results are often conflicting or non-comprehensive. Finally, in order to make financially sustainable the companies' CSR efforts, the involvement of all stakeholders is needed. Therefore, consumers' participation is fundamental for the promotion of an ethical culture among firms. Indeed, the higher WTP potentially offered by consumers might be a strong incentive

for companies. Therefore, once identified a hierarchy between CSR dimensions based on consumers preferences is essential measure the WTP for these preferences. In fact, they can affect differently consumers' willingness to pay for the products (De Pelsmacker et al., 2005).

In spite of these consideration, previous studies on consumers intentions to support socially responsible companies have mainly detected WTP in a non-hypothetical way raising doubts about the willingness to pay of consumers in a real scenario. Accordingly, it is needed to do a step further in the literature analysing consumers' WTP by using analysis tools that simulate a real market and allow to highlight the real intentions of consumers.

1.4 Objectives and empirical approach

Planning our study, we considered as final objective of the research to determine the hierarchy of consumers preferences towards corporate social responsibility dimensions. However, since previous results were partially inconsistent due to the dimensions of CSR included in the analysis and the method used, we implemented a conceptual framework that is able to explore CSR in all its dimensions and is designed for the food sector. Moreover, in order to gather robust results to support the preferences toward CSR dimensions, we introduced in the study a monetary measure by detecting consumers' willingness to pay for the CSR dimensions identified in the framework. Pursuing the main objective, we detected the determinants enable to influence consumers' choices. More deeply, since socio-demographics characteristics of consumers are on their own weak to underline their intention to CSR, the individual values were introduced in the analysis. Indeed, they drive a wide range of attitude and behaviour and are stable over time. Finally, we included consumers awareness about CSR to explain consumers' willingness to pay toward company social and ethical conduct.

Specifically the study intends to fill the research gaps previously analysed addressing the following objectives:

- Review CSR in historical perspective by analysing the evolution of its definitions and concepts and examining its role in the food sector (Chapter 1);
- Examine what is the true level of consumers' knowledge about CSR in terms of general awareness and with regard to the main CSR issues. This is the first step to move in exploring consumer support toward responsible companies (Chapter 2);
- Draw a profile of consumers for products with ethical features detecting both socio-demographics and psychometric measurements (Schwartz values). We aim of understanding the individual traits that characterise socially responsible consumers (Chapter 2);
- Examine deeply the role of consumers in CSR and in particular analyse their willingness to support socially responsible firms (Chapter 2);

- Conduct an empirical analysis of consumers preferences toward CSR dimensions and relate them to individual characteristics; we also identified a hierarchy of CSR dimensions (Chapter 3);
- Investigate consumers' willingness to pay for the CSR dimensions within a real scenario (Chapter 3).

The remainder of the thesis is organized as follow. Chapter 1 outlines the historical evolution of corporate social responsibility and provide an analysis of CSR in the food supply chain. In chapter 2 we addressed the first three objectives outlined above since they were considered the starting points to build up our analysis. More deeply, the chapter outlines the level of consumers' knowledge about CSR and with regard to the corporate CSR activities, the profile of socially responsible consumers and their role in supporting ethical companies. In particular, we first detect consumer awareness of the term corporate social responsibility since it is considered determinant for exploring consumers' intention toward CSR. The aim has been achieved implementing the scale of awareness developed by Hartmann et al. (2103). This scale takes in consideration elements like the source of information used by consumers to acquire corporate CSR initiatives and the level of credibility assigned to the different sources. Lastly, it identifies the willingness of consumers to seek actively for CSR information. We used both consumers' awareness as well as respondents' characteristics to explain the stated intention of support ethical firms. Hence, we characterised consumers of responsible companies on the basis of their socio-demographics characteristics and individual values (Schwartz values). Once we confirmed the presence of an ethical consumer, we detected consumers' preferences toward the different CSR dimensions (chapter 3). We addressed this study administering a structured questionnaire to a sample of 204 university students. More specifically, since we intended to find a direct measure of consumers' willingness to pay for ethical products, we performed a non-hypothetical valuation by using experimental auction on the CSR dimensions identified in the Maloni and Brown's (2006) framework. The framework is designed particularly for the food sector.

Finally, chapter 4 provides the general discussion of results and concluding remarks.

2. Determinants of Corporate Social Responsibility support: a Consumers' perspective

Abstract: In the last twenty years there has been an increasing awareness into public opinion concerning the potential negative impact that business has, or can have, on the environment, economy and society at large. Companies operating in the agri-food sector are not excluded due to the strong dependence the industry has on natural resources. This is pushing firms to implement corporate social responsibility initiatives into business operations in order to reduce public pressure and meet consumer expectations. Consequently, companies' social efforts will result in positive benefits for both business and stakeholders. However, what is still unknown is whether consumers are willing to support corporate social responsibility activities implemented by socially responsible firms. In addressing these issues, we carried out our analysis administering a questionnaire to a convenient sample of 204 Italian consumers. Hence, we identified the variables able to influence consumers support towards companies' corporate social responsibility activities by using both qualitative and quantitative methods. The variables analysed in this study were consumers' awareness toward corporate social responsibility and individual values. To address consumers values we used the Schwartz Portrait Value Questionnaire. The results have shown a positive association between self-transcendence values (benevolence and universalism) and consumers propensity to support responsible companies, whilst consumers' awareness towards corporate social responsibility was found not conclusive to explain this relationship. The study aims to be a contribution to the growing literature on the relationships between consumers and corporate social responsibility activities, providing explicit insights for corporate social responsibility communicators.

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2.1 Introduction

Corporate social responsibility (CSR) has been the subject of several academics studies and debates for many decades (Srinaruewan et al., 2015). However, despite the debates, the results were inconclusive since they have led neither a univocal definition nor a consensus on its sphere of action (Dahlsrud, 2008). Nowadays, the increasing concerns related to food safety and environmental issues are waking consumers' consciousness and are moving them to take part in the debate (Migliore et al., 2014). As a consequence, companies are forced more and more to deliver safety food and communicate their impact on society and environment (Hartmann et al., 2013). The implementation of CSR strategies into business operation and throughout the supply chain allows companies to satisfy the increasing consumers expectation and respond to these public concerns (Poetz et al., 2013). Corporate social responsibility is defined by European Commission as “*the responsibility of enterprises for their impacts on society*” (European Commission, 2011, p. 6). To achieve their responsibility, company sets up an interaction process with their stakeholders that leads to internalize their concerns into business processes (European Commission, 2011). The implementation of CSR initiatives by firms lead positive benefits for all actors involved by corporate activities which share common values. More deeply, on one hand, consumers experience higher level of satisfaction since they recognise companies' ethical conduct and identify themselves with the brand (Hartmann, 2011). On the other, companies increase their reputation as well as their performance, profitability, and competitiveness on the market (Bocquet et al., 2015; European Commission, 2011; Hartmann, 2011). Moreover, CSR is a source of products and brands differentiation since it improves companies' processes and enables to deliver different products and services on the market (McWilliams and Siegel, 2001). Accordingly, it is possible to identify CSR as a means of business innovation (European Commission, 2011) that can occurs at different levels such as product and process stages. In the first case (product innovation), company enriches its products and services with CSR attributes, whilst we have process innovation when companies reshape their productive systems taking into account ethical and social implications of their activities (Husted and Allen, 2007). Both kind of innovation are source of value creation for all stakeholders affected by companies' activities (Husted and Allen, 2007). However, consumers are not always willing to reward it. Indeed, process innovation leads mainly the creation of products characterized by ethical attribute namely “credence attribute” (De Pelsmacker et al., 2005) that are not easily detectable by consumers neither before nor after the purchase (De Magistris et al., 2014). Consequently, consumers are not willing to pay a premium price for features not easily identifiable. Therefore, companies are encouraged to communicate more effectively their efforts in terms of CSR. An effective communication cannot ignore the characteristics of consumers target and it has

to be in line with their individual values (Du et al., 2010). Despite the increasing attention of scholars about the effects of corporate social responsibility on consumers in many European countries (Basu and Hicks, 2008; Hartmann et al., 2013), only few studies have analysed the determinants underlying consumers behaviour toward socially responsible company in the Italian context (Pedrini and Ferri, 2014; Lombardi et al., 2015a). Therefore, this research wants to be a contribution to the scarce literature on the topic. More specifically, the study aims to identify the factors that can influence consumers propensity to support socially responsible companies. This aim has been achieved investigating determinants of consumers such as personal values and their level of knowledge about CSR. Personal values were detected using the Portrait Value Questionnaire (PVQ) proposed by Schwartz et al. (2001), whilst a battery of six questions measured consumers' CSR awareness. Since we assume these aspects were able to influence consumers CSR support, we carried out this analysis administering a standardized questionnaire to a convenient sample of Italian consumers so as to identify consumers' characteristics affecting purchase intention. The reminder of this paper is as follows: theoretical framework (section 2.2) outlines an overview about the researches on consumers' values and their awareness towards companies CSR activities. In section 2.3 the sample characteristics are described, whilst the methodologies used for data collection and the research findings are summarised in section 2.4. Lastly, conclusions are drawn in section 2.5.

2.2 Theoretical Framework and Hypothesis

2.2.1 Consumers' awareness about CSR

Several studies have attempted to detect the true level of consumer's awareness towards CSR activities (Auger et al., 2003; Hartmann et al., 2013). The results of these studies are mostly consistent in drawing a scenario in which consumers display a lack of knowledge about the term corporate social responsibility as well as a lack of interest to look for CSR information (Hartmann et al., 2013). Indeed, despite of the significant media coverage regarding the ethical and social conduct of companies, the awareness of consumers towards the product ethical features and corporate behaviour is still deeply low as highlighted in both Americans and Europeans studies (Penn Schoen Berland, 2010; Hartmann et al., 2013). More deeply, according to Penn Schoen Berland (2010), only the 11% of interviewed in US has a clear definition about CSR and mostly acquired this information through passive processes. Hartmann et al. (2013), drawn similar conclusion in Europe analysing consumer' awareness in the German meat industry and finding that only few respondents were able to state the name of a company considered ethics, and only one third assigned a rating to CSR conduct of companies in the meat industry.

In the face of these findings, scholars expressed the need of moving the CSR discussion from the political, academic and business arena to consumers (Hartmann et al., 2013). Indeed, since consumers are looking for more responsible products, it is increasing more and more their interest in learning more about corporate CSR initiatives (Wigley, 2008; Pomeroy and Dolnicar, 2009) that is considered by scholars a required precondition for consumers that want to reward corporate responsible behaviour (Sen et al., 2006; Du et al., 2007; Pomeroy and Dolnicar, 2009; Du et al., 2010). In fact, promoting consumers' awareness towards CSR activities, companies will increase corporate image and stakeholders' evaluation and will enhance consumers' trust in the brand as well as their positive associations (Dutta and Singh, 2013; Srinaruewan et al., 2015; Wu and Chen, 2015). As a result, consumers' awareness of firms' ethics conduct will be a source of differentiation for companies' products that will help to establish non-financial benefits (Srinaruewan et al., 2015) and will contribute to facilitate the consumer-company identification process between consumers and companies' values (Bhattacharya and Sen, 2003; Wu and Chen, 2015). Consequently, consumers will experience an increasing in their satisfaction since they identify themselves with companies' choices and behaviour (Bhattacharya and Sen, 2003; Wu and Chen, 2015). Moreover, CSR awareness acts positively on consumers' attitude (Wigley, 2008; Pomeroy and Dolnicar, 2009) and purchase behaviour (Wigley, 2008; Lee and Shin, 2010; Du et al., 2010; Dutta and Singh, 2013) that in turn leads financial benefits (sales and profits) for social and ethical firms (Wigley, 2008). Summing up, by raising consumers' awareness towards CSR, companies will experience an increasing in term of consumers' trust, satisfaction and evaluation to their brand/product (non-financial benefits) that result in boosting companies' sales and profit (financial benefits).

Poor firms communication on CSR activities can partly explain the low level of consumers' awareness and represents a new challenge for the marketing communicators or specialists that are called to create persuasive CSR disclosure in order to catch consumer attention (Wigley, 2008; Pomeroy and Dolnicar, 2009; Dutta and Singh, 2013). Indeed, an effective CSR communication has to take into consideration mainly three aspects that are what to communicate (message content), where to communicate (message channel), and specific characteristics of companies and stakeholders (Du et al., 2010; Panico et al., 2011). In addition, CSR communicator has to consider the sensitive nature of CSR disclosures in order to limit the high scepticism of consumer about the message (Pomeroy and Dolnicar, 2009; Pascucci et al., 2013). In fact, once consumers received information about firms CSR initiatives, they activate cognitive processes to infer the intention behind company behaviour. Consequently, they will react differentially depending on whether the aim is perceived as intrinsic or extrinsic (Pai et al., 2015). Intrinsic motives (e.g. activities in support of community or society) will lead to solid relationship and brand advocacy (Pai et al.,

2015) whilst the perception of economic end behind the CSR activities (extrinsic motives), will be punished by consumer through boycotts (Mohr et al., 2001; Srinaruewan et al., 2015). Therefore, on one hand, consumers require for CSR information of the companies that they interact with, on the other they are reluctance and suspicious about the reason behind companies' CSR communication (Du et al., 2010).

Another aspect able to influence consumers behaviour and their purchase decisions is the way how CSR information are conveyed. Indeed, consumers perceive media differentially in term of credibility and trust (Pomering and Dolnicar, 2009), and some of them such as newspapers/magazines and TV suffered of bias (spreading of negative information rather than positive one) that can accentuate the suspicion of consumers towards company activities (Hartmann et al., 2013). Previous studies have shed light the positive link between the exposure to information and CSR awareness as well as the type of information to convey, however few researches have analysed consumers perception to the different media sources and the most appropriate one (Wigley, 2008; Pomering and Dolnicar, 2009). Moreover, consumers' awareness of CSR has been mainly investigated in laboratory setting leaving clear doubts about the true level of consumers' knowledge of company CSR activities in a real scenario (Pomering and Dolnicar, 2009). Filling this gap in the literature might allow understanding the observed inconsistency between consumers' attitude and actual behaviour and in particular whether consumers are willing to reward firms involved in CSR activities or punish their misconduct (Mohr et al., 2001).

This research will address the attitude behaviour gap measuring the general consumer awareness of company CSR initiatives and the relationship with CSR support.

Hypothesis 1. Consumer CSR awareness will positively influence their supportive behaviour towards company's CSR activities.

2.2.2 Consumer value and CSR support

The implementation of CSR within corporate strategies affects positively company and product evaluation as well as consumers' purchase intention and willingness to pay (WTP) (Hartmann, 2011). The strength of these effects is the result of consumer-company interaction in which their internal and external characteristics are the drivers. More deeply, trust in the company (Pivato et al., 2008), consumers socio-demographic characteristic such as age, lifestyle and level of education (Ma and Lee, 2012) as well as personal value (De Pelsmacker et al., 2005; Caracciolo et al., 2016) act as moderator of this interaction. As a result, consumers attractiveness to the company and its brands is strongly influenced by company's ethical conduct and product's ethical features (Sen and Bhattacharya, 2001). Previous studies have shown that socio-demographics characteristics are

relatively weak in explaining CSR support whilst since individual values drive a wide range of attitudes and behaviours, they are able to influence the consumer's ethical judgment and belief (Rokeach, 1973; Schwartz, 1992). Furthermore, human values represent principles for people acquired through experience and guide them to behave correctly in the society they live (Saharan and Singh, 2015). According to Schwartz (1992), values come from three innate individual needs and therefore are durable and stable over time. As a result of three innate needs he identified 10 values and two approaches to study them. The 10 values are grouped into four categories that are: openness to change (stimulation, self-direction), conservation (security, conformity and tradition), self-transcendence (benevolence and universalism), self-enhancement (hedonism, achievement and power); whilst the two approaches are the Schwartz Value Survey (SVS) and the PVQ (Schwartz et al., 2001). Although the choice of using one rather than the other method depends on the research objective and on the sample, the PVQ is certainly easier to implement and returns more reliable results (Schwartz et al., 2001). Since values arise from innate needs they are extremely important in determining and influence consumer behaviour. Furthermore, they play a central role in the decision process guiding consumers' choices between different products (Schwartz, 1992) as well as their evaluation process (Rokeach, 1973).

According to a well-established concept, products and brands are means to satisfy consumers' desired self-image as well as to show it to the others, therefore they have to reflect the personality of those buy them that in turn will lead consumers to support responsible conduct of companies (Moon et al., 2015). It is consistent with the results of previous studies on both altruistic and egoistic consumers (Basil and Weber, 2006). What is different among their behaviour is the underlying motivation. In particular, on one hand (altruistic consumers), the willingness to support good companies through their purchase behaviour is a direct expression of their value and therefore, support good initiatives or punish bad behaviour is considered a moral duty (Saharan and Singh, 2015). For instance, by buying environmental-friendly products, consumers satisfy their need to respect the nature and, at the same time, encourage companies involved in activities in support of environment (Saharan and Singh, 2015; Cicia et al., 2016). On the other, egotism consumers buy products with ethical features as the result of external pressure and in particular of what others people think (Ramasamy et al., 2010). Consistently, this support occurs only when companies know their consumers value and consequently reshape corporate strategies relying on them (Saharan and Singh, 2015). In this way, companies fulfil consumers' expectations and get closer with them (Saharan and Singh, 2015); furthermore, they experience an increasing in their image and loyalty as well as in consumers attention towards companies CSR initiatives (Saharan and Singh, 2015).

Previous studies have underlined the ability of values to affect consumer behaviour at different stages such as intentions (Saharan and Singh, 2015; Lombardi et al., 2015b), purchase decision (Cembalo et al., 2015) and consumption (Shaw et al., 2007). However, researches exploring the relationship between personal value and consumer CSR support are still scarce (Ramasamy et al., 2013). This paper is moving one step forward and tries to fill the existent gap detecting the set of values able to influence consumers' support towards CSR initiatives. To address the aim, the Portrait Value Questionnaire (PVQ) proposed by Schwartz et al. (2001) was implemented.

Hypothesis 2. Specific value orientations of Italian consumers will influence their supportive attitude towards a firm's CSR efforts.

2.3 Data description

The data used in this analysis came from face to face interviews based on a standardized questionnaire in the southern Italian region of Campania in November 2015. Interviewed were students of the University of Naples Federico II and were recruited as a convenient sample on different places in the Department of Agriculture. A total of 204 respondents took part in the study and 202 questionnaires were deemed complete and used for the statistical and descriptive analysis. Both socio-demographic characteristics (age, gender, education, income and household) and psychometric measurements (personal values and intentions) of the respondents were detected. Socio-demographic characteristics shows that respondents (76 female and 128 male) were in the age range 18–32 years (21 ± 3 years), living in medium-size households (4.16 ± 0.77 members); 85% of respondents were undergraduate students whilst only a small part of the sample was composed by postgraduate (11%). As regards the monthly income, the interviews were almost equally distributed in the first (< 2000 ; 39%) and second level (2000 – 4000; 36%) (Table 1).

Table 1. *Socio-demographic characteristics of the respondents*

Variable name	Description	Mean	Std.dev	Min	Max
Age	Age	21.451	2.604	18	32
Gender	Respondent's gender	0.373	0.485	0	1
	Male	62.7%			
	Female	37.3%			
Household	Household size	4.167	0.772	2	7
Education level	Education level classes	1.191	0.484	1	3
	Undergraduate	84.8%			
	Postgraduate	11.3%			
	Others	3.9%			
Monthly income	Monthly income classes	1.868	0.792	1	3
	$< 2,000 \text{ €}$	38.7%			
	$2,000 \text{ €} - 4,000 \text{ €}$	35.8%			
	$> 4,000 \text{ €}$	25.5%			

The questionnaire consists of four sections. The first part of the survey assesses consumers' values through the Schwartz Portrait Value Questionnaire (PVQ) while section two addressed consumers' awareness and knowledge with respect to the terms corporate social responsibility. Moreover, in this section we also detected consumers' trust towards the different information sources adapting the scale developed by Hartmann et al. (2013). In the third part of the survey, we use the Maignan's (2001) 5-item scale to measure consumers support for socially responsible firms. Lastly, we detected socio-demographic characteristic of the respondents that allow to define along with the value, a specific consumers profile for ethical products. The Data were analysed using the STATA program applying qualitative as well as quantitative methods (e.g. linear regression and principal component analysis (PCA)).

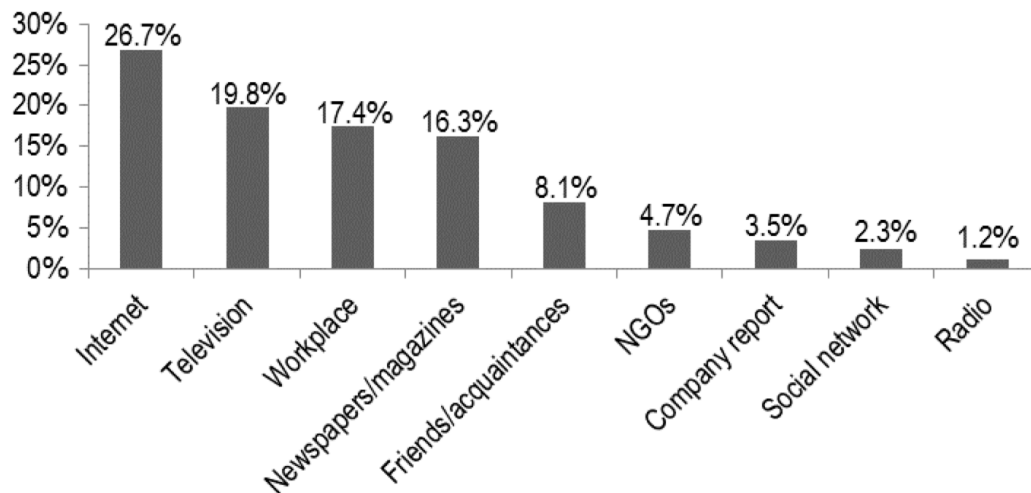
2.4 Methodology and results

2.4.1 Consumers' awareness of CSR

Stating our hypothesis, we identified consumers' awareness towards companies CSR activities a precondition for consumer support to social and ethical companies. Indeed, only if consumers are aware about the social issues related to food production, they might engage supportive behaviour. Consumers' awareness towards CSR was assessed through a battery of six questions in which we detected: i) the general level of knowledge about the term corporate social responsibility; ii) the information sources where consumers mainly acquire these information as well as their level of credibility; iii) consumers' willingness to search actively for CSR information. In the analysis we used only the Italian version of the term since it is the most used in Italy. More than half of the respondents (77.5%) stated they were unfamiliar with this term. Hence, a formal and comprehensive definition of corporate social responsibility was displayed. The definition embraced all dimensions of CSR as identified in the framework of Maloni and Brown (2006). Consequently, we asked whether they have heard some of the aspects showed and we found again that interviewees (77.5%) had never heard of it. Those 46 students (22.5% of the sample) familiar with CSR were asked to name the source they acquired information about the term. Figure 1 shows the three most used information sources that are Internet (26.7%), television (19.8%) and workplace (17.4%).

Once identified the information sources, consumers were asked to rate the credibility of these sources on a five-point Likert scale ranging from 1 (not credible at all) to 5 (very credible). Respondents assigned a quite similar average score to the top four information sources that are respectively: "corporate communication" (3.7), "non-governmental organizations" (3.6), "workplace" (3.5) and "Internet" (3.4) (Figure 2).

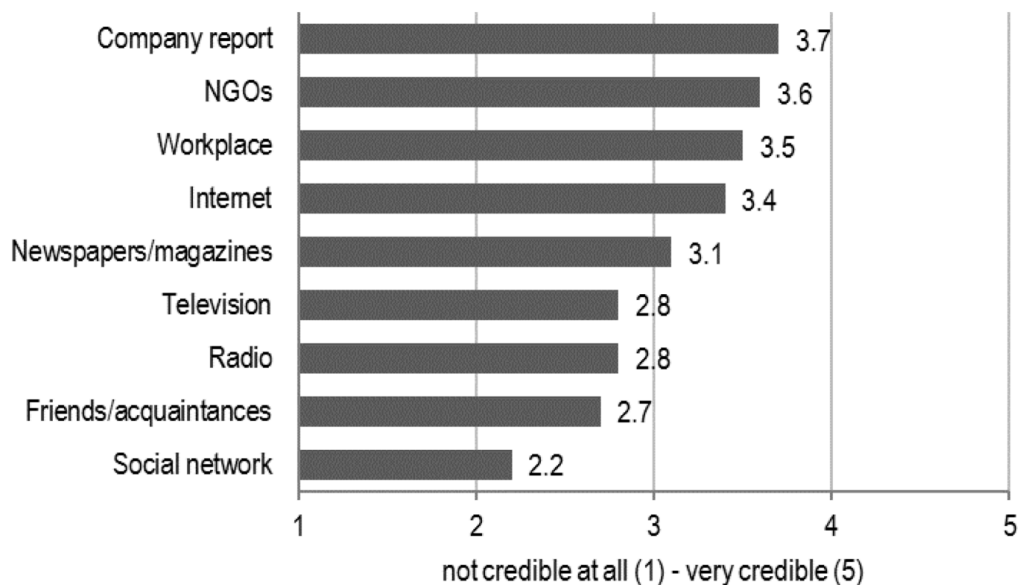
Figure 1. *Sources where consumers acquired information about CSR (in %)*



Source: Own illustration based on survey results

By contrast, consumers rated “friends/acquaintances” (2.7) and “social network” (2.2) the least credible source for obtaining CSR information. Lastly, consumers were prompted to state their willingness to seek actively for CSR information. According to our findings, the number of consumers who not actively search information about CSR initiatives is preponderant in the sample interviewed (92.6%).

Figure 2. *Credibility of different information sources (mean)*



Source: Own illustration based on survey results

2.4.2 Consumers values

Since previous studies have identified personal values as accountable of individual attitudes and behaviour toward responsible companies, we detected consumers' personal values by using the 21 items from the Schwartz Portrait Values Questionnaire (PVQ). The 21 items representing the 10 Schwartz values are discriminated by gender and describe different kinds of individuals. Respondents were prompted to rate his/her degree of similarity with each of the items on a six-point Likert scale ranging from very similar to me (1) to very different from me (6). Hence, we generated the 10 Schwartz values by averaging the pairs of items that constitute each value except for one (Universalism) that is the result of three items. The values obtained are visually displayed in a circular shape (Schwartz Portrait) and distinguished into two pairs of opposing categories that are openness to change (stimulation, self-direction) against conservation (security, conformity and tradition); self-transcendence (benevolence and universalism) versus self-enhancement (hedonism, achievement and power). Since the position of values within the circle is inversely proportional to their affinity, it provides information about the level of similarity and contrast among them. Put differently, values that occupy a close position within the structure have a good level of analogy or similarity between them, by contrast those positioned distant or in the opposite position represent a conflicting situation. The 10 Schwartz values were subjected to principal components analysis (PCA) with Varimax rotation in order to identify the opposite set of dimensions within the circular structure of Schwartz (1992). Indeed, PCA reduced the number of given variables (10) in a smaller set of unrelated variables (3) able to explain most of the original variability. As table 2 shows, the 10 Schwartz values fall into three factors in which the first includes benevolence, universalism and self-direction values and describes independent and creative consumers who care about nature and environment as well as the other people welfare.

Table 2. *PCA on value*

Variables	Self-transcendence	Self-enhancement	Conservation
Benevolence	0.390	-0.039	0.088
Universalism	0.448	-0.005	-0.039
Self-direction	0.253	0.208	-0.139
Stimulation	0.185	0.331	-0.238
Hedonism	0.096	0.303	-0.110
Achievement	-0.088	0.420	0.112
Power	-0.257	0.329	0.184
Security	0.096	0.146	0.367
Conformity	-0.066	-0.005	0.503
Tradition	0.124	-0.038	0.313

The second factor embraces stimulation, hedonism, achievement and power and refers to successful and ambitious people who strive for power and want to exercise it over the others. Lastly, the third

includes security, conformity and tradition and indicates consumers who seek security and stability giving more importance to traditions and standards. The three factors were then placed in the econometric model as independent variables.

2.4.3 Consumers' support toward responsible companies

In the third section of the questionnaire, we measure consumer support toward socially responsible companies using the five-item scale developed by Maignan (2001). Respondents were asked to rate on a Likert scale from 1 to 7 (where 1 means “strongly agree” and 7 “strongly disagree”) their willingness to support responsible companies and products as well as avoid companies engaged in unethical activities. Hence, we computed the average scores of the 5-item CSR support, and since the aim of this paper was to identify consumers' characteristics able to influence their support toward socially responsible companies, a linear regression analysis was run. The econometric model is defined by CSR support as dependent variable and consumers' values, awareness and socio-demographic characteristics as explanatory variables. Three of the seven variables had a significant effect as predictor variables in the regression model (Table 3). More deeply, one out of three of the Schwartz values included in the model and two of the demographic variables were found statistically significant at 5% of significance. These are the factor representing the values of self-transcendence and self-direction ($b = -0.257$; $p < 0.000$), the variable monthly income ($b = 0.186$; $p < 0.012$) and age of respondents ($b = 0.050$; $p < 0.053$). However, CSR awareness was not found a significant predictor of consumer support. Therefore, evidence collected to test our hypothesis, support H2 but fail to support H1.

Table 3. *Linear regression estimates (statistically significant estimates in bold)*

Number of obs. = 202; R-squared = 0.128		
Independent variables	Coef.	P> t
Self-transcendence	-0.257	0.000
Self-enhancement	0.032	0.649
Conservation	-0.033	0.616
Income	0.187	0.012
Gender	-0.135	0.339
Age	0.050	0.053
CSR awareness	-0.152	0.297
Constant	3.796	0.000

2.5 Discussion and conclusions

Over the last decades, corporate social responsibility and consumers socially responsible behaviour has been widely studied by many scholars (De Pelsmacker et al., 2005; Mohr and Webb, 2005). Previous studies have dedicated increasing attention on the determinants of consumer behaviour and have found that both socio-demographic variables and personal values may explain

the motivations underlie this behaviour (Ma and Lee, 2012; Lombardi et al., 2015a). The present study extends the literature on the topic by examining the effects that consumers' characteristics (personal values and socio-demographic variables) and their level of awareness toward CSR have on the willingness to support socially responsible companies. Our findings show that the socio-demographic variables on their own are not able to explain the differences in CSR support stated by the respondents. Indeed, our results show that only the income and age among the socio-demographic variables analysed (age, gender and income) have effect on consumers' support toward socially responsible companies and this effect is directly proportional. In other words, increasing the monthly income available to respondents and their age increase their propensity to support socially involved companies. This is partly in accordance with the study of Lombardi et al. (2015a) who found that none of the socio-demographic variables analysed was able to explain consumers' willingness to pay toward products with ethical and social features. However, as regards the income and age, our findings are consistent with Ma and Lee (2012) that found a positive correlation between these variables and purchasing behaviour of fair-trade products. If on one hand this research supports the conclusion that socio-economic variables are weak in explaining behaviour in support of business ethics, on the other shows that this behaviour might be closely expressed with individual values. Therefore, in this study, we set out to identify personal values affecting consumer behaviour and their willingness to support company's ethical conduct by using the Schwartz's PVQ. The results of the econometric model show that consumers with predominant level of Self-transcendence values such as Benevolence and Universalism have a higher inclination to support socially responsible companies. This finding supports our hypothesis and is in line with our expectations. Indeed, these values are related to the kinds of individuals with more pronounced concerns toward environmental and social issues as well as greater attention to the well-being of others (Ma and Lee, 2012). Moreover, our findings are consistent with previous studies and are in line with the current consumers' expectations about the companies' role in the society (Ma and Lee, 2012).

Another aim of this study was to investigate the level of consumers' knowledge toward companies' CSR activities, and eventually, its ability to push consumers to support businesses with greater social conduct and ethics. The result that comes to light from our analysis is a low level of awareness about CSR concept and companies' initiatives. These results show how the debate on CSR that is affecting most academics and governments, has not yet reached the majority of people (Hartmann et al., 2013). Indeed, as previously analysed, the majority of interviewed stated that do not know the term "corporate social responsibility" and shown a reluctance to seek information about it exhibiting a propensity to receive information mainly in a passive way. There are many underlying

reasons of our results. More specifically, on one hand, they might express a lack of consumers interest toward CSR whilst on the other highlight a business inefficiency in terms of communication. Indeed, nowadays there are still many companies reluctant to communicate their CSR activities (Wigley, 2008). To exacerbate the situation there is the lack of a clear definition of CSR (Dahlsrud, 2008). However, despite of previous studies have shown that the awareness towards CSR lead to positive attitudes and purchasing intentions (Wigley, 2008; Pomering and Dolnicar, 2009), the results of the regression analysis did not show any significant influence on CSR support. Furthermore, even if our study is not conclusive in identifying a link between consumers' awareness and CSR support, the low level of consumer knowledge on CSR prompts us to suggest companies to invest more in CSR communication and meet the demand of consumers for more information as argued by Pomering and Dolnicar (2009) in their study. Moreover, taking into account our findings, corporate communication should focus more on consumers' values such as universalism and benevolence stressing aspects closer to ethical consumers such as equality and social justice (Steenhaut and Van Kenhove, 2006).

One specific limitation of the study is represented by the size and nature of the sample. More specifically, the research was conducted surveying mainly students from the same University and in a quite small range of age; consequently it is not representative of the whole population. Therefore, future studies should consider a more representative sample. Moreover, although many studies on consumer attitude and intentions toward CSR used hypothetical survey methods, there is a need, in future research, to replicate the study in a real scenario.

3. Consumer preferences toward corporate social responsibility dimensions

Abstract: The last decades has seen the decreasing of consumer trust in the food sector due to several scandals that have affected the industry. As a consequence, public and private opinion are pushing companies to implement more sustainable productive processes with lower impact on natural resources and more respectful of all actors involved. Corporate social responsibility (CSR) is playing a central role in this change. Indeed, it is helping companies to meet consumer concerns re-establishing business reputation and consumer trust in the industry. Moreover, since it is able to embed the products with credence attributes it is more and more sought by companies as a source of product differentiation. The latter, to be effective has to meet consumers' expectations and based on their preferences. Current study aims to detect these preferences measuring consumer's willingness to pay (WTP) toward the eight CSR dimensions identified by Maloni and Brown (2006). The willingness to pay is measured in a non-hypothetical setting by using experimental BDM auction. The results have shown a positive effect of CSR on consumer's WTP. This effect is moderated by both personal values (self-transcendence and conservation) and socio-demographic variables (gender and income). Findings provide implications for food sector managers regarding consumers' preferences toward CSR. As a consequence, socially responsible firms can reshape their business and communication strategies based on the preferences detected.

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3.1 Introduction

Corporate social responsibility (hereafter CSR) has become a more and more debated issue involving both public and private sector (Srinaruewan et al., 2015). This debate encompasses the role of companies to deliver goods and services that satisfy consumer expectations as well as social concerns (Poetz et al., 2013). Currently, public attention is moving to the food sector due to the increasing interest of consumers and governments toward food production and the impacts that corporate activities have on environment and society (Hartmann, 2011). Moreover, public opinion expects companies accomplish their role delivering food safety, protecting the environment and ensuring the access to natural resources for the future generations (Lamberti and Lettieri, 2009).

In line with the increasing society expectations, companies are reorienting their production systems promoting sustainability throughout the supply chain. Put differently, they are encouraging a greener and sustainable way in which transparency, equality, environmental protection, and social issues are the focus of business activities, whilst products more respectful for the environment and embedded with ethical information are the result (Jones et al., 2005; Maloni and Brown, 2006; Hartmann et al., 2013). Pursuing these aims, companies are turning potential weakness into drivers by setting up a strategic approach in which corporate social responsibility plays a central role. CSR implementation involves the inclusion of social, environmental, ethical and human rights concerns in business operations (European Commission, 2011). More specifically, public expectations turn into business strategies whilst context-specific issues, such as those related to nutrition and human health, as well as animal welfare, become new companies aims (Forsman-Hugg et al., 2013). Thus, in order to support these objectives, companies are allocating part of their resources in CSR activities. However, if on one hand there is a clear recognition about the role of business to meet stakeholders' expectations (Peloza and Papania, 2008), on the other, it is still rooted the belief that the primarily responsibility of managers is to create value for companies shareholders by profit maximization (Friedman, 1970). Therefore, there is a clear need to find an equilibrium between stakeholders concerns about CSR issues and shareholders demand for profits. McWilliams and Siegel (2001) identify this equilibrium detecting the right level of CSR investments able to meet public expectations and private interests. Their study highlighted the amount of resources to devote in CSR initiatives through a cost-benefit analysis where CSR investments enter into the analysis as any other kind of investment evaluated by the company. Moreover, they pointed out that both companies involved and not in CSR, experience the same percentage of profit since the higher costs supported to finance social activities are balanced by the higher revenues generated by the demand for products addressing social concerns. Indeed, CSR establishes intangible assets such as reputation and reliability (McWilliams and Siegel, 2001; Minor and Morgan, 2011) enable to

influence the way in which consumers evaluate the product and consequently their attitude and intentions (Pouta et al., 2010; Viegas et al., 2014). Moreover, consumers perceive CSR products more valuable and accordingly are willing to pay more for them (Laroche et al., 2001; De Pelsmacker et al., 2005). Therefore, it is clear that the attention is currently moving to consumers who have the power to guide corporate choices and promote greener and fairer methods by supporting socially responsible companies in their daily consumption (Anselmsson and Johansson, 2007; Sogn - Grundvåg et al., 2014). As a result, firms will experience positive product associations (Sen and Bhattacharya, 2001), trust in the company (Pivato et al., 2008), brand loyalty, and long-term relationship with their customers (Lee et al., 2012). Undoubtedly, consumers' awareness about companies' social conduct is essential to the achievement of these benefits.

However, if on one hand it is possible to conclude that companies can derive several benefits implementing CSR in their business operations, on the other what is still unknown is the best way to perform CSR. Put differently, the main business focus today is no longer whether engage in social initiatives but how to be effective pursuing CSR. To address this issue there is the need to detect the right allocation of the CSR investments among the different activities as well as the real willingness of consumers to support these initiatives (McWilliams and Siegel, 2001). By doing so, company will meet the expectations of their internal and external stakeholders.

This study goes in this direction by detecting consumers' preferences and willingness to pay (hereafter WTP) for different CSR initiatives. The focus of our analysis is consumer since its commitment is meaningful to ensure the overall sustainability of both business and social performance in the long run. Moreover, understanding consumers' preferences is needed to plan strategies in consumer-oriented companies. Notable examples of company strategies driven by consumers' preferences are organic as well as fair trade products. In addition, given the increasing popularity among consumers, these products are a clear expression of what individuals expect and seek by the food industry. More deeply, organic foods satisfy consumer demand for safety products obtained by production processes with lower use of chemicals and pesticides (Loureiro et al., 2002, Briggeman and Lusk, 2011). While, fair trade goods fulfil consumer fears about company impacts on the environment and people involved in the production process (Basu and Hicks, 2008). Several studies suggest that consumers are willing to pay a premium price for environmental friendly products (e.g. Loureiro et al., 2002) and those respecting animal welfare (Uzea et al., 2011). However, results vary significantly due to the attributes included in the analysis and the methodology implemented. Indeed, since CSR is a broad concept involving different dimensions, consumers' WTP has been mainly measured for joint attributes with the result of potential bias in its valuation (Yadav et al., 2013). Moreover, previous studies tend to analyse consumers'

willingness to pay in a hypothetical scenario (Dutta et al., 2008). This method may lead respondents to overestimate their WTP, since consumers, in an attempt to promote their image in a socially accepted way (also known as social desirability), may provide too optimistic measure (Yadav et al., 2013).

Our study addresses these problems implementing a comprehensive framework for corporate social responsibility in a non-hypothetical scenario. The framework was proposed by Maloni and Brown in 2006 and provides an overall overview of the potential conflicts and concerns affecting the food supply chain. Furthermore, due to the limitations associated with the stated WTP, we detect consumers' preferences toward CSR activities by using incentive compatible experimental auctions. Hence, the hierarchy of preferences, classified on the basis of the willingness to pay measure, has been related to consumers' characteristics such as socio-demographic and human values variables in order to identify traits of respondents able to explain the preferences detected.

The remainder of the paper is organised as follow. In the next section we review the literature about CSR, and following we outline the methodology implemented in the study focusing on the experimental design (section 3.3), the auction method (3.3.1) applied for WTP valuation and the questionnaire administered (3.3.3). In section 3.4, the findings are presented whilst the study discussion and conclusions are summarised in section 3.5.

3.2 Background on CSR dimensions

CSR identifies “*the responsibility of enterprises for their impact on society*” (European Commission, 2011, p.6). Nowadays, consumers are taking more and more into consideration these responsibilities in their purchase decision. As a consequence, they will make their purchase on the basis of an overall evaluation of corporate activities and efforts to improve society welfare. This evaluation is affected by consumer ethical concerns that in turn influence their preferences toward the CSR initiatives undertaken by the firms. Previous studies have mainly detected these preferences through two different approaches: unidimensional and multidimensional (Pino et al., 2016). The first one (unidimensional) considers CSR as a whole where consumers assess social responsibility as the ability of enterprises to protect the environment and improve the overall wellbeing of society (Brown and Dacin, 1997; Bigné et al., 2012). By contrast, the second approach recognises the multidimensional nature of CSR and thus its dimensions can affect differently consumer perceptions of companies (Maignan, 2001; Ramasamy and Yeung, 2009). In other words, consumers' assessment of socially responsible firms is based on the different initiatives undertaken. The current literature on consumer preferences and CSR tends to widely implement the multidimensional approach in its analysis (Maignan, 2001; Ramasamy and Yeung, 2009). The

reasons lie on the strengths of this method to pursue a deeper and accurate evaluation of multiple purposes such as those related to consumer perceptions, their preferences and willingness to pay for CSR.

Carroll's (1979) four-dimensional model is one of the most applied models among the multidimensional approaches and then it is a milestone in many studies on CSR (Aupperle et al., 1985; Maignan, 2001; Pino et al., 2016). The model identifies four responsibilities of business that are displayed in a pyramidal structure. The base is represented by the economic responsibility, since company is first of all an economic institution and then it has the responsibility to make profit selling its goods and services. At the same time, firms have to obey the law as any good citizen and embrace ethical (spread justice and fairness) and philanthropic (undertake voluntary actions) activities (Carroll, 1979). Put differently, business has to be "*economically profitable, law abiding, ethical and socially supportive*" (Carroll, 1983, p. 604). However, the strength of the model, namely its applicability to several contexts, can turn in a weakness whether considered the unique CSR concerns affecting the different supply chains (Maloni and Brown, 2006). Therefore, since one model does not fit all CSR supply chain, there is the need to investigate and analyse the problems faced by the different industries separately. This is even more important for the food sector, which is facing specific issues and human concerns. Based on these considerations, a multidimensional and comprehensive framework for CSR was implemented in the present study. Maloni and Brown's (2006) framework address CSR in the food supply chain. Indeed, an exhaustive treatment of CSR cannot avoid to cover the issues involving company's stakeholders. The study aims to assess consumers' preferences and willingness to pay toward the eight dimensions of CSR identified in the Maloni and Brown's framework namely: animal welfare, biotechnology, environment, fair trade, health and safety, labour and human rights, procurement and community.

3.3 Experimental design

3.3.1 Auction mechanism

WTP for the different CSR dimensions identified in the Maloni and Brown's framework were measured using the incentive-compatible Becker-DeGroot-Marschak auction procedure (BDM) (Becker et al., 1964). In the BDM procedure, participants simultaneously submit sealed bids for all the products auctioned, subsequently a product is randomly drawn as binding and a price is randomly selected among a uniform distribution¹, if the bid offered is higher than the random

¹ The distribution of prices is an interval from zero to a price greater than the anticipated maximum possible willingness-to-pay among bidders. Specifically, in our experiment at the end of the auction a randomly selected participant picked from a bowl the binding product (among the five auctioned) and from another bowl the random selling price (among 11 price tickets, ranging from 0 to €1 in increments of €0.10). To avoid anchoring the limits of the

number, the bidder purchases the good at a price equal to the random number drawn as long as it is equal to or lower than their own offer (Shogren, 2005). The validity of the WTP data obtained with this method is particularly visible as subjects are put in a real purchase situation: they are asked to submit a binding purchase offer for the product in question, without being able to influence the resulting price with their offer. Therefore, it is optimal for rational subjects to reveal their exact WTP (Shogren et al., 2001; Wertenbroch and Skiera, 2002). In other words, data from experimental auctions are non-hypothetical and thus avoid problems with hypothetical bias (Grebitus et al., 2013). The BDM² mechanism was selected among other auction procedures (i.e. Vickrey, *n*-th price) as it tends to provide relatively strong incentives for truthful bidding for all individuals regardless of the magnitude of their true WTP (Lusk et al., 2007). In addition, BDM is also useful for experimental sessions involving small groups of participants (Monchuk et al., 2007). Two core procedures can be used in sealed-bid experimental auctions to elicit WTP: the endowment approach and the full-bidding approach. The endowment method involves giving subjects one good (i.e., regular good) and offering bids to exchange this good for another good (generally an upgraded good). The full-bidding approach involves subjects bidding simultaneously on two or more products to obtain one of the auctioned goods (Gracia et al., 2011). In this study full-bidding was selected as most of previous literature suggests that it is best not to endow participants (e.g. Rousu, 2015), mainly relating the endowment effect to loss aversion (Kahneman et al., 1991). Furthermore, in our experimental auctions subjects' bid just once, not in multiple rounds, to avoid possible bid affiliation effects (Corrigan et al., 2012).

3.3.2 Auction setting and procedure

A balanced randomized experimental design was used: a total of 34 sessions were organized in classrooms, with 6 participants in each session, bidding simultaneously for five 200 ml-single pack apricot fruit juices exposed on the class board (one conventional and four with different CSR aspects as identified in the Maloni and Brown's framework, Table 1). The five products were auctioned concurrently, through the application of the experimental design that systematically varied the nine total options. Apricot juices were selected, as previous scholars have proved that bids in an experimental auction converge more rapidly when products are familiar to participants (List and Shogren, 1999). Subjects were recruited and screened for eligibility from University students who passed by the experimental lab³. To be eligible for the study, each participant had to

distribution were not revealed to participants. However, subjects were informed that the distribution reflected actual market prices of conventional 200 ml-single pack apricot juice.

²For more on the BDM auction mechanism, see among others (Corrigan and Rousu, 2008; Thrasher et al., 2011).

³Past studies have supported the use of students as subjects in lab experiments proving that no significant difference exist between the WTP bids of students and non-students (Depositario et al., 2009).

be aged 18 or above and be a regular consumer of apricot juices (i.e. at least once every two weeks). Participants received €5 as a compensation fee for their time and as an incentive to participate. The auctions were conducted on 8 weekdays and throughout the morning and early afternoon of each day. The experimental protocol consisted of a written survey, a full explanation of the auction protocol⁴ and a WTP experiment; lasting, on average, 25 minutes. No deceptive experimental practices were applied (Colson et al., 2015). To minimize any bias the presentation order was randomized and a 3-digit code was randomly assigned to the products to avoid expectation errors. Due to the relatively large number of products involved, the experimenter orally read an information sheet that was also available on a datasheet provided to each participant. Furthermore, respondents were told that differences between the fruit juices presented had no impact on their sensory properties. After the experiment, the subjects also completed a short questionnaire.

Table 1. *Full set of labels used in the experiment*

CSR dimensions	Description
Conventional	It represents a multinational company selling its products in the main Italian grocery store.
Community	It represents a multinational company selling its products in the main Italian grocery store that provides scholarships and promotes employee volunteer activities to the local community.
Environment	It represents a multinational company selling its products in the main Italian grocery store that is committed to safeguarding the environment and using renewable energy sources.
Labour and Human rights	It represents a multinational company selling its products in the main Italian grocery store that promotes the health and safety working place as well as the diversity of gender and race.
Procurement	It represents a multinational company selling its products in the main Italian grocery store that is careful and transparent in its business relationships with the companies it is involved in.
Health and Safety	It represents a multinational company selling its products in the main Italian grocery store that promotes a balanced lifestyle and traceability of raw materials.
Fair trade	It represents a multinational company selling its products in the main Italian grocery store that recognizes a fair price to its suppliers.
Animal Welfare	It represents a multinational company selling its products in the main Italian grocery store that it promotes practices that improve the welfare of animals at all stages of their lives.
Biotechnology	It represents a multinational company selling its products in the main Italian grocery store that uses biotechnology to improve the shelf life and sensory characteristics of its products.

3.3.3 The Questionnaire

The short questionnaire aimed to collect socio-demographic characteristics of respondents such as age, gender, education, income and household; and psychometric measurements such as individual values using the Schwartz Portrait Value Questionnaire (PVQ). PVQ is used to characterise the ethical consumers on the basis of stronger and more stable characteristics namely the personal

⁴During the bidding process, the researchers clearly explained the BDM auction mechanism and ensured that all participants fully understood. In addition, two training auctions were performed using candies.

values since they guide individual attitudes and behaviour toward responsible companies (Schwartz, 1992; Cembalo et al., 2015; Caracciolo et al., 2016). The PVQ is composed by 21 items discriminated by gender (Schwartz, 1992). Each of the items describes different kind of individuals and respondents have to rate their degree of similarity with each item on a six-point Likert scale ranging from 1 (very similar to me) to 6 (very different from me) (Schwartz, 1992; Schwartz et al., 2001). Hence, in accordance with the procedure suggested by Schwartz, the 10 Schwartz values were generated by averaging, in pairs, of the 21 items except for the Universalism value that is caught by three elements (Schwartz, 1992; Schwartz et al., 2001). The 10 values are visually displayed in a circular structure namely the Schwartz Portrait (Schwartz, 1992). Moreover, they are organised in two pairs of opposite dimensions or "*meta-values*" that are openness to change (stimulation, self-direction) against conservation (security, conformity and tradition); and self-transcendence (benevolence and universalism) versus self-enhancement (hedonism, achievement and power) (Lombardi et al., 2015b). This organisation within the structure provides information about the level of similarity and contrast among them (Schwartz, 1992; Lombardi et al., 2015b). More specifically, since their place is inversely proportional to their affinity, a closed position among the values in the circular shape suggests a good level of similarity; by contrast, opposite or distant position reveals conflicting values (Schwartz et al., 2001).

3.4 Results

3.4.1 Sample characteristics

Experiments were conducted in December 2015 including data from two hundred-four respondents. The analysis of socio-demographics characteristics show that the sample is almost equally distributed by male (128) and female (76), with an average age of 21 years (± 3). The majority of respondents were undergraduate students (85%), whilst the postgraduate account for the 11% of the sample. Finally, the preponderance of interviewed have medium-sized households (4.16 ± 0.77 members), with an average monthly household income uniformly represented in the bundles of $< \text{€ } 2000$ (39%) and $\text{€ } 2000 - \text{€ } 4000$ (36%) (Table 2).

The results on the willingness to pay for the eight CSR attributes collected during the experimental auctions are shown in Table 3. The average market price for a conventional 200 ml-single pack apricot fruit juices is $\text{€ } 0.55$. The WTP resulted positive and higher than the conventional apricot fruit juices for all the products characterized by the CSR dimensions analysed. On average, the bids were highest for the healthy and safety (0.83 eurocents) dimensions of CSR, followed with roughly similar results by animal welfare (0.76), biotechnology (0.75), community (0.73) and environment (0.73).

Table 2. *Sample descriptive statistics*

Variable name	Description	Mean	Std.dev	Min	Max
Age	Age	21.451	2.604	18	32
Gender	Respondent's gender	0.373	0.485	0	1
	<i>Male</i>	62.7%			
	<i>Female</i>	37.3%			
Household	Householdsize	4.167	0.772	2	7
Education level	Education level classes	1.191	0.484	1	3
	<i>Undergraduate</i>	84.8%			
	<i>Postgraduate</i>	11.3%			
	<i>Others</i>	3.9%			
Monthly income	Monthly income classes	1.868	0.792	1	3
	< 2,000 €	38.7%			
	2,000 € - 4,000 €	35.8%			
	> 4,000 €	25.5%			

Furthermore, respondents evaluated with almost similar values fair trade (0.69) and procurement (0.67), whilst the lower values were found for labour and human rights (0.64) dimension of the Maloni and Brown's framework.

Table 3. *Consumer's WTP toward CSR aspects*

CSR aspects	Mean	Std.dev	Min	Max
Conventional	0.496	0.288	0	3.50
Community	0.736	0.416	0.20	3.00
Environment	0.735	0.366	0.20	2.50
Labour and Human rights	0.645	0.521	0.05	5.00
Procurement	0.677	0.333	0.25	3.00
Health and Safety	0.831	0.589	0.15	4.50
Fair Trade	0.693	0.395	0.07	3.00
Animal welfare	0.763	0.599	0.05	4.50
Biotechnology	0.750	0.541	0.10	4.00

Next step investigates whether the observed differences in consumer's WTP toward CSR dimensions are related to the specific characteristics of the respondents including individual values. In order to identify the main personal values dimensions (meta-values) a principal component factor analysis with Varimax rotation on the 10 Schwartz values was conducted. The result is a set of three unrelated factors capable to explain most of the original variability (Table 4). The first factor (self-transcendence) embraces benevolence, universalism and self-direction values and defines creative people taking care of nature and environment as well as others' well-being. Self-enhancement factor includes stimulation, hedonism, achievement and power values and describes successful people who enjoying life and strive for power, social status and recognition. Lastly, conservation factor encompasses security, conformity and tradition values and portrays consumers respectful of

other people' tradition and ideas and who seek security and stability in their life and in the relationship with other people.

Table 4. *Factor loadings results*

Variable	Self-transcendence	Self-enhancement	Conservation
Benevolence	0.734	-0.090	0.245
Universalism	0.806	-0.028	0.052
Self-direction	0.414	0.367	-0.164
Stimulation	0.260	0.593	-0.344
Hedonism	0.132	0.546	-0.158
Achievment	-0.151	0.762	0.153
Power	-0.435	0.604	0.228
Security	0.263	0.255	0.619
Conformity	0.010	-0.012	0.800
Tradition	0.309	-0.078	0.542

Both socio-demographics variables of respondents as well as the results of the factor analysis were then included in an econometric model in order to explain the observed differences of WTP. The empirical model hypothesized that the WTP may depend by the specific CSR attribute characterizing the product but also by the different socio-economic and psychometric characteristics of the respondent.

Formally, the estimated model is the following:

$$WTP_{ck} = \alpha + \sum_{p=1}^8 \beta_p CSR_{cp} + \mathbf{Z}_c' \boldsymbol{\delta} + \sum_{v=1}^3 \gamma_v V_{cv} + e_{ck} \quad (1)$$

Where WTP_{cp} is the collected willingness to pay through the experimental auction expressed by the c -th respondent for the k -th product characterized by the presence of one of the $p = 1, \dots, 8$ CSR attribute, \mathbf{Z}_c is a vector of socio-demographic characteristics of the respondents. Respondents are also characterized by their $v = 1, \dots, 3$ meta values as computed by the factor analysis. β_p , $\boldsymbol{\delta}$ and γ_v are the parameter vectors, measuring the effects of the independent variables on the WTP, while α and e_{ck} are respectively the intercept of the model and the error component.

The model measures, through the estimation of the parameter β_p , whether the p -th CSR attribute has effectively an effect on the declared WTP. In other terms, β_p provides a direct estimate of the WTP associated to each p -th CSR attribute.

The results of the estimates (Table 5) show that all CSR attributes are statistically significant and affect positively WTP. Regarding the variables allowing to perform a segmentation of consumers based on their characteristics, our analysis displays that just two of the socio-demographics variables are able to affect WTP; namely income ($b = 0.041$; $p < 0.028$) and gender ($b = 0.051$; $p < 0.090$).

Table 5. Result of linear regression model with WTP as the dependent variable

WTP	Coef.	Std.dev	p-value
CSR Attributes (β)			
Community	0.252	0.053	0
Environment	0.250	0.053	0
Labour and human rights	0.164	0.053	0.002
Procurement	0.169	0.053	0.001
Health and safety	0.314	0.053	0.000
Fair Trade	0.189	0.053	0.000
Animal welfare	0.270	0.053	0.000
Biotechnology	0.249	0.053	0.000
Socio-demographic characteristics (δ)			
Age	-0.004	0.007	0.564
Gender	0.051	0.030	0.090
Household size	-0.018	0.019	0.353
Education level	0.005	0.013	0.683
Parents' degree	-0.028	0.020	0.166
Household Income	0.041	0.019	0.028
Freq_consumption	-0.067	0.014	0
Hunger	-0.024	0.015	0.111
Schwartz Meta-values (γ)			
Self-transcendence	0.047	0.014	0.001
Self-Enhancement	-0.011	0.015	0.445
Conservation	0.029	0.014	0.041
Constant (α)	0.883	0.193	0

Number of observations= 1.020; F (19, 1000) = 6.58; adj- R^2 = 0.094

Lastly, the estimate of the three factors representing the Schwartz values reveals that just two of them were statistically significant (at 5% of significance): self-transcendence ($b = 0.047$; $p < 0.001$) and conservation ($b = 0.029$; $p < 0.041$).

3.5 Discussion and Conclusions

Corporate social responsibility is a business strategy more and more sought by firms to deal with the increasing scandals that are affecting the agri-food sector. In the last decades, it turned out to be a mean to deliver on the market food safety as well as goods and services more respectful for the environment and for other people involved in the productive process (Maloni and Brown, 2006). Moreover, it proved to be an effective source of product differentiation and a tool to meet the needs and the concerns of targeted consumer groups (Costanigro et al., 2015). These consumers tend to identify with companies' products and brands through an identification process (also known C-C identification) that leads them to choose products that are closer with their values (Bhattacharya and

Sen, 2003; Wu and Chen, 2015). Consequently, companies will experience several benefits in terms of brand loyalty, long-term relationship (Lee et al., 2012) and higher premium price (De Pelsmacker et al., 2005) for these products. Therefore, understanding consumers' preferences toward CSR allows companies to reshape their business strategies in order to meet consumer concerns and address the C-C identification process. In this study, we measured consumers' preferences by using their WTP for the CSR aspects. The CSR attributes evaluated in the present study are those identified by Maloni and Brown (2006). The choice of the framework is due to its specificity and inclusiveness. More specifically, it is designed for the food sector and encompasses issues affecting the whole supply chain. Instead, previous studies have been mainly focused on specific issues such as fair trade (Loureiro and Lotade, 2005; Yang et al., 2012), environmental-friendly products (Rousseau and Vranken, 2013) as well as animal welfare (Liljenstolpe, 2008; Hartmann et al., 2013), and consequently also the attributes taken into account were strictly related to these products. Current study has shown that CSR is able to affect positively consumer's WTP. This result is in accordance with prior researches that have highlighted a positive effect of CSR and its features on consumer purchasing behaviour (Marquina and Morales, 2012; Mueller Loose and Remaud, 2013). More deeply, these studies show a higher willingness to pay for specific attributes related to CSR as the environmental protection and specific products such as wine (Mueller Loose and Remaud, 2013) and coffee (Marquina and Morales, 2012). By contrast, the hierarchy of consumers' preferences detected in this research is generalised to the food sector. This WTP was found higher for health and safety and animal welfare dimensions of CSR showing a preference of consumers toward more traceability in the productive processes, as well as concerns about the welfare of animals at different stages of their lives. These findings are consistent with the literature on CSR. Indeed, food safety represents one of the main driver for CSR implementation (Maloni and Brown, 2006), whilst animal welfare is a strong concern for consumers (Costanigro et al., 2015; Lusk and Norwood 2011). The high WTPs displayed by these dimensions are both a priority and an opportunity for companies to involve in these activities. Indeed, it represents on one hand a clear expression of what consumers expect and on the other it shows their willingness to monetary reward ethical firms. Once identified consumer's WTP for CSR, we detected the determinants affecting this willingness to pay. To achieve this aim we implemented both socio-demographics and psychometric measurements since socio-demographics on their own are not conclusive to perform discrimination among ethical and not ethical consumers (Ma and Lee, 2012; Lombardi et al., 2015a; Lerro et al., 2016). As shown by our results only two of the demographics variables detected were found to affect positively consumer's WTP; namely gender (female) and income (higher). These

results are consistent with the research of Ma and Lee (2012) who found a higher individual's income level in purchaser of fair trade products.

In order to characterise consumers based on their principles and beliefs, we estimated the effects of personal values on WTP. Both self-transcendence and conservation values were found statistically significant and with positive effects on WTP. These values are related to people concerned about the environment and other people welfare (self-transcendence), as well as to individuals that look for stability and security in their life (conservation). The literature widely acknowledges that self-transcendence values are predominant in consumers who display a stronger attitude toward socially responsible companies (Ma and Lee, 2012; Lee et al., 2014; Lombardi et al., 2015a; Lerro et al., 2016). Indeed, benevolence and universalism values embrace consumer attitudinal aspects related to the environmental protection and people welfare that are common principles and values of social and ethical firms. According to our results we found the same positive effects on consumer's WTP for security and tradition values. These values are associated with the need of consumers for food safety (Lee et al., 2014), as well as products and productive processes respectful of tradition (Cembalo et al., 2015; Caracciolo et al., 2016) and the environment (Aertsens et al., 2009). Companies through CSR address all these aspects.

Therefore, understanding consumers' values turns out to be a powerful tool to achieve an effective CSR communication able to address the C-C identification process and establish long-term relationship. Undoubtedly, an effective message has to rely on specific individual values, such as self-transcendence and conservation values, and has to take into account consumers' preferences in the message content. The present study aims to extend the literature on consumer's preferences toward CSR measuring the WTP for the eight CSR activities identified by Maloni and Brown (2006). Consumer's WTP is assessed in a non-hypothetical scenario, through experimental auctions. However, the size and characteristics of the sample are important limitations of this study. Indeed, respondents were only university students and in a limited range of age. Therefore future research should test the same attributes on a more representative sample.

4. Summary of main findings

This study empirically investigates the effects of Corporate Social Responsibility (CSR) on consumer behaviour in the food sector. The research aims to detect the intrinsic characteristics of consumers able to affect their preferences toward corporate CSR activities as well as their supportive attitude for the same initiatives. Therefore, the results presented in this study are an incentive for consumer-oriented companies that accordingly should reshape their organizational and productive processes as well as their communication on the basis of the preferences and characteristics detected. In order to achieve our aims, the research implemented both unidimensional and multidimensional approaches to the CSR. Therefore, we first investigated consumer's attitude toward CSR as a whole and then we assessed consumer's willingness to support the different CSR dimensions. To address these purposes, we implemented different statistical and econometric analysis.

In chapter 1 we moved the first step of our analysis conceptualising the evolution of CSR in the last fifty years. More deeply, the chapter sheds light on its adaptation to the society needs highlighting the lack of a clear and univocally recognised definition of CSR. Furthermore, it underlines a consensus toward specific aspects of CSR that lead toward a modern definition in which the company social responsibility is described as a voluntary choice that go beyond the law. Moreover, the study provides an extensive literature review of the main CSR issues affecting the food sector. Indeed, following the recent food scandals, CSR become a means to address public pressures and restore companies' reputation and trust in the industry. However, given the peculiarity of the sector, there is the need to assess CSR through a specific approach that takes into consideration the concerns of all actors involved by corporate activities such as consumers, employees, suppliers and the community in which the firm operate. The Maloni and Brown's framework turned out to meet these needs. In fact, it is specifically designed for the food sector and is comprehensive of the main issues affecting the agri-food companies and their stakeholders.

Chapter 2 addresses consumer's attitude toward socially responsible companies. The firm social involvement is analysed as a whole and explained by both the general level of CSR awareness and consumer intrinsic characteristics such as the human values. Moreover, since consumer's awareness about CSR is considered a prerequisite to reward companies' social conduct, we started our analysis detecting their level of CSR knowledge. More specifically, the study was grounded on the hypothesis that a good level of awareness about firms' responsible initiatives has a positive effect on consumer attitude. Despite of the deep lack of knowledge about CSR among respondents, the econometric analysis did not find any significant effect between consumer supportive attitude and

their level of awareness. By contrast, the qualitative analysis provides a broad view on the level of consumer knowledge about CSR showing that the majority of respondents have never heard about the term corporate social responsibility. The reason behind this result relies on the reluctance of companies to communicate their social efforts. This resistance is influenced by the potential consumer response to the companies' initiatives. Indeed, the perception of extrinsic motives (economic ends) behind firms' CSR activities is strongly punished by consumers. To face this obstacle, companies have to deliver an effective communication able to raise consumer knowledge and improve the engagement with new customers. The research goes in this direction providing powerful insights for CSR communicators. More deeply, it identifies the need to act at both communication levels: content and channel. Regarding the message channel, the results of our study show a remarkable preference of consumers to acquire CSR information mainly through Internet. Moreover, respondents rated company and NGOs' report as the most trusted source of information. Accordingly, delivering their communication, companies should prioritize the use of both their own and third parts' CSR report on their website. If on one hand the communication channel has the role to reach the current and potential customers of companies, the message content plays a central role in addressing the consumer-company identification process. Consequently, a persuasive message has to speak out clearly to consumer's values in order to establish positive associations in their mind and build stable relationship in the long-run. The chapter addressed this issue underlining the importance for companies to refer in their communication to initiatives that support environmental protection as well as people welfare.

Chapter 3 moved a step further in detecting consumer support toward CSR initiatives. More deeply, the chapter investigated the multidimensional nature of CSR by assessing consumers' preferences toward the eight dimensions identified in the Maloni and Brown's framework. This aim has been achieved by using the BDM experimental auctions. As a consequence, a hierarchy of preferences was built on the basis of the auction results. Understanding the position of the different aspects in consumer mind is essential for consumer-oriented companies. Indeed, the latter can reshape their CSR strategies based on the priorities detected and in turn create value for the companies involved both in terms of product differentiation and financial performance. In fact, on one hand, products embedded with ethical features help to differentiate the company and its brands whilst on the other consumers perceive these products as more valuable and then express a higher willingness to pay for them. The analysis assessed empirically the premium price for the ethical products characterised by the eight CSR dimensions of Maloni and Brown. Moreover, the study linked this premium price with consumer values obtaining results in accordance with those identified in the chapter 2.

5. References

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Appendix - The Questionnaire



SURVEY ON FRUIT JUICE CONSUMPTION

Thank you for accepting to participate to take part in this questionnaire. This survey does not have commercial or promotional purposes and it aims to detect consumer purchase behaviour. The survey is anonymous, all information will be analysed in aggregated way and the results utilised exclusively to scientific or educational purposes of the University of Naples Federico II. The survey will take approximately 10 minutes and we remind you that there are not accurate or wrong answers but what matters for us is only your opinion.

SECTION I

1. Age: _____

2. Gender:

Female ☐

Male ☐

3. How many members are there in your family?

4. Please indicate the year of course to which you are enrolled:

1st year ☐

2nd year ☐

3rd year ☐

4th year ☐

5th year ☐

Other year ☐

5. Please indicate the educational degree of your parents:

	Father	Mother
Primary school	<input type="checkbox"/>	<input type="checkbox"/>
Secondary school	<input type="checkbox"/>	<input type="checkbox"/>
High school	<input type="checkbox"/>	<input type="checkbox"/>
University degree or PhD	<input type="checkbox"/>	<input type="checkbox"/>

6. What is the average monthly income of your family considering all sources of revenues?

Lower than 2.000 € ☐

Between 2.000 and 4.000 € ☐

Higher than 4.000 € ☐

7. What is your frequency of consumption of fruit juices?

Always, nearly every day ☐

Very often, once a week ☐

Often, several times a month ☐

Rarely, few times a year ☐

8. Please indicate your level of hunger on a scale ranging from 1 to 5, where 1 is “not at all hungry” and 5 “very hungry”.

Not at all hungry 1	2	3	4	Very Hungry 5
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SECTION II

To your participation you will receive 5 €. The money is yours and you can use them as you wish.

9. What do you think to buy with the money received?

In front of you there are 5 apricot juices made by 5 different multinational companies. The firms are completely similar in size and products offered but they differ only for one aspect.

(Following are described the full set of labels used in the experiment. In the analysis we selected only 5 of the aspects based on a balanced randomized experimental design.)

The firm identified by the code **XWR** is a multinational company selling its products in the main Italian grocery store.

The firm identified by the code **ACS** is a multinational company selling its products in the main Italian grocery store that promotes a balanced lifestyle and traceability of raw materials.

The firm identified by the code **LVR** is a multinational company selling its products in the main Italian grocery store that is careful and transparent in its business relationships with the companies it is involved in.

The firm identified by the code **TNL** is a multinational company selling its products in the main Italian grocery store that it promotes practices that improve the welfare of animals at all stages of their lives.

The firm identified by the code **YJO** is a multinational company selling its products in the main Italian grocery store that uses biotechnology to improve the shelf life and sensory characteristics of its products.

The firm identified by the code **MLE** is a multinational company selling its products in the main Italian grocery store that provides scholarships and promotes employee volunteer activities to the local community.

The firm identified by the code **RYH** is a multinational company selling its products in the main Italian grocery store that is committed to safeguarding the environment and using renewable energy sources.

The firm identified by the code **FSP** is a multinational company selling its products in the main Italian grocery store that promotes the health and safety working place as well as the diversity of gender and race.

The firm identified by the code **EPK** is a multinational company selling its products in the main Italian grocery store that recognizes a fair price to its suppliers.

10. Please express your offer for each of the following apricot fruit juices.

XWR	EPK	ACS	RYH	MLE
€	€	€	€	€

11. Thinking about an average consumer who finds the same 5 fruit juices on the shelf of a supermarket, what would his/her willing to pay for each of the 5 fruit juices?

XWR	EPK	ACS	RYH	MLE
€	€	€	€	€

12. What was the result of the extraction?

I won ☐
I did not win ☐

13. Are you satisfied about your offer as a result of the extraction?

Yes ☐
No ☐

SECTION III

14. Here you can find a brief description of different kind of individuals. Please, read each of the descriptions and indicate your level of similarity or difference. Express your opinion by ticking the numerical scale corresponding to each statement. The scale has the following meaning: 1. "Very much like me"; 2. "Like me"; 3. "Somewhat like me"; 4. "A little like me"; 5. "Not like me"; 6. "Not like me at all".

	Very much like me	Like me	Somewhat like me	A little like me	Not like me	Not like me at all
14.1 To be rich is important for him. He wants to possess a lot of money and expensive things.	1	2	3	4	5	6
14.2 He believes that people should do as others say and abide by the rules even if no one is watching aside.	1	2	3	4	5	6
14.3 Listening to opinions different from his is important for him. He would try to understand others opinion even if he does not agree with what they say.	1	2	3	4	5	6
14.4 Modest is important for him. He would do his best not to arouse others attention.	1	2	3	4	5	6
14.5 Living in a secure environment is important for him. He would do his best to avoid anything that will endanger his safety.	1	2	3	4	5	6
14.6 Making decisions on one's own is important for	1	2	3	4	5	6

him. He likes freedom and independent.						
14.7 To have new ideas and be innovative is important for him. He likes to do thinks in his own way.	1	2	3	4	5	6
14.8 He likes surprises and is always looking for new things. He thinks it is important to do many different things in life.	1	2	3	4	5	6
14.9 To show oneself is important for him. He wants people to admire what he does.	1	2	3	4	5	6
14.10 To enjoy happiness is important for him. He favours himself.	1	2	3	4	5	6
14.11 He thinks it is important that all the people in the world gets the same treatment. He believes everyone should enjoy equal opportunity in life.	1	2	3	4	5	6
14.12 It's very important to him to help the people around him. He wants to care for their well-being.	1	2	3	4	5	6
14.13 He likes and also often looks for adventurous activity. He hopes to have an exciting life.	1	2	3	4	5	6
14.14 For him, to gain respect from others is important. He likes others to do as he says.	1	2	3	4	5	6
14.15 Loyalty to friends is very important for him. He wants to devote himself to people close to him.	1	2	3	4	5	6
14.16 For him, to be successful in career is important. He likes to give others a good impression.	1	2	3	4	5	6
14.17 Dignified manner is important for him. He would do his best not to do things others think wrong.	1	2	3	4	5	6
14.18 He believes that everyone should care about nature. The protection of ecological environment is	1	2	3	4	5	6

rather important for him.						
14.19 Tradition is important to him. He tries to follow the customs handed down by his religion or his family.	1	2	3	4	5	6
14.20 He seeks every chance he can to have fun. It is important to him to do things that give him pleasure.	1	2	3	4	5	6
14.21 It is important to him that the government ensures his safety against all threats. He wants the state to be strong so it can defend its citizens.	1	2	3	4	5	6

SECTION IV

15. Are you aware about the term corporate social responsibility?

Yes ☐
No ☐

Here you can find a formal definition of corporate social responsibility

Corporate Social Responsibility (CSR) is the set of actions that companies take in order to limit their impact on society. More specifically, by doing CSR companies: deliver scholarships to support community; reduce the impact of their activities on the environment; ensure a safe work place; promote transparency in the business; recognize a fair price to suppliers; promote animal welfare and utilize biotechnology to enhance the sensory characteristics of the products.

16. Were you aware about the aspects of corporate social responsibility?

Yes ☐ (go to question number 17)
No ☐ (go to question number 21)

17. From which of the following sources of information did you learn about corporate social responsibility?

(Express your opinion by checking one or more boxes.)

Newspapers/magazines	<input type="checkbox"/>
Television	<input type="checkbox"/>
Workplace	<input type="checkbox"/>
Friends/acquaintances	<input type="checkbox"/>
Social network	<input type="checkbox"/>
Internet	<input type="checkbox"/>
Company report	<input type="checkbox"/>
Radio	<input type="checkbox"/>
Non governmental organization (NGO)	<input type="checkbox"/>

18. Please indicate the credibility of the following information sources on the CSR activities of the agri-food companies ranging on a scale from 1 to 5, where 1 is “not credible at all” and 5 “very credible”.

	Not credible at all 1	2	3	4	Very credible 5
Newspapers/magazines					
Television					
Workplace					
Friends/acquaintances					
Social network					
Internet					
Company report					
Radio					
Non governmental organization (NGO)					

19. Do you actively look for CSR information on the socially responsible activities undertaken by agri-food companies?

Yes ☐
No ☐

20. Please indicate the name of a company that you consider socially responsible.

21. Thinking to your purchasing habits, express your level of agreement with the following statements ranging on a scale from 1 to 7, where 1 is “Strongly disagree” and 7 “Strongly agree”.

21.1 I would pay more to buy products from a socially responsible company.

Strongly disagree 1	2	3	4	5	6	Strongly agree 7
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21.2 I consider the ethical reputation of businesses when I shop.

Strongly disagree 1	2	3	4	5	6	Strongly agree 7
------------------------	---	---	---	---	---	---------------------

21.3 I avoid buying products from companies that have engaged in immoral actions.

Strongly disagree 1	2	3	4	5	6	Strongly agree 7
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21.4 I would pay more to buy the products of a company that shows caring for the well-being of our society.

Strongly disagree 1	2	3	4	5	6	Strongly agree 7
------------------------	---	---	---	---	---	---------------------

21.5 If the price and quality of two products are the same, I would buy from the firm that has a socially responsible reputation.

Strongly disagree 1	2	3	4	5	6	Strongly agree 7
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CURRICULUM VITAE

Marco Lerro was born in Naples (Italy) on August 2, 1985. He joined the University of Naples Federico II in Italy where he graduated in 2012 in Agricultural Sciences and Technologies. After finishing his degree, Marco took a Master of Science in Food Economics and Marketing at the School of Agriculture, Policy and Development of the University of Reading (UK). In 2013 he got the opportunity to do his PhD at the Department of Agricultural Sciences, AgEcon and Policy Group of the University of Naples Federico II, Italy. During his PhD, he was invited as visiting scholar by University of Reading (UK) and by the Management Study Group at the Wageningen University (NL). Marco has also been active in national and international congresses where he was involved in presenting several scientific works related to the subject of his PhD. In the process, he managed to publish some of his researches in internationally peer-reviewed journals like *New medit*, *Quality - access to success*.

Doctoral thesis:

XXVIII PhD program in management and valorization of agroforestry resources

University of Naples Federico II