Corporate Communication a critical factor in fostering CSR centricity: A study of young adult Malaysian consumers' attitude and purchase intentions of CSR supported grocery brands

Research Area: Communication Management

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Abstract

Environment and people considerations have become a major focus of business organizations in Malaysia and around the world. Both considerations fall under the new corporate social responsibility (CSR) catchphrase - People, Planet and Profits. CSR is concerned with business responsibilities beyond profit-maximisation (Dodd & Supa 2011). The primary purpose of this study was to recognize the relationship between young Malaysian consumers' purchase intention and organization's involvement in socially responsible programs. The study predicts that a positive association exists between an organization's involvement in corporate social responsibility programs and consumer purchase intention (Dodd & Supa, 2011) and that consumers are more likely to purchase an organization's product if that organization is involved in socially responsible practices (Sen & Bhattacharya, 2001). Mohr, Webb & Hariss's (2001) research indicated a significant relationship between CSR and consumer response. According to Pomering & Dolnicar (2008) consumers expect corporations to provide information on their CSR initiatives so as to enable them to support organizations that are termed good corporate citizens. A study by Tay Kay Luan (2006) also stressed that as society becomes more affluent and has a higher level of awareness; consumers tend to become sensitive to socially responsible activities as undertaken by organizations, which in turn tend to affect their purchase behaviour. Ultimately, consumer awareness of the specific organizational involvement in socially responsible activities is crucial, thereby stressing the relevance of corporate communication in fostering CSR centricity among young adult Malaysian consumers. Findings revealed that young adult Malaysian consumers are CSR centric and have a positive attitude towards organizations practising CSR. All three independent variables of attitude, subjective norm and behavioural control were positively correlated to consumer intentions to purchase CSR supported grocery brand. The findings also revealed that knowledge of CSR activities undertaken by organizations was poor among young adult Malaysian consumers and this moderated their socially responsible purchase behaviour.

Key words - CSR Centricity, Attitude, Purchase Intention, Corporate Communication

1.0 Introduction

Environment and people considerations have become a major focus of business organizations in Malaysia and around the world. Both considerations fall under the new corporate social responsibility (CSR) catchphrase – People, Planet and Profits. According to Dodd & Supa (2011) CSR is concerned with business responsibilities beyond profit-maximisation and businesses who ignore these two considerations in the context of their operations will probably find themselves at a disadvantage not just because their competitors are doing it but also because their stakeholders demand it. CSR is not a bandwagon phenomenon as proven by several local researchers namely Abdul Rashid and Ibrahim (2002) and Ramasamy and Hung (2004). Since the 1970s' Corporate Malaysia has moved from the simplistic after-profit philanthropic considerations toward sustainability strategies which have long-term positive impact on the bottom-line, environment and community (Chamhuri and Siti Halima, 2009). The purpose of this study was to evaluate the relationship between consumers' purchase intention and organization's involvement in socially responsible programmes using the Theory of Planned Behaviour.

According to Bhattacharya and Sen. (2004) a positive link between consumer behaviour outcomes and CSR has also contributed in justifying a business case for CSR programmes. Several researches on consumer response leading to customer acquisition and purchase intention have shown significant consumer support for organizations and products committed to CSR programmes focusing on respondents attitude toward business in general and toward socially responsible companies (Klien and Dawar 2004; Maignan 2001; Mohr and Webb 2005; Mohr and Lois 2001; Mohr, Webb and Harris (2001). This highlights the need for companies to be socially responsible in helping others and at the same time serving their own self-interest as well. On the other hand a number of other researches have shown that consumers react strongly to negative CSR reporting thus implying the need for businesses to be socially responsible despite the fact that the response to positive CSR was only moderate (Smith and Langford 2009). In a Malaysian study on the response to negative CSR, some 90.4% of Malaysian consumers were less confident of buying food and beverage brands from China which were reported as dangerous and unfit for consumption (Thinavan and Chong 2009). Alternatively, organizations that engage in CSR programmes can reduce the negative impact of a crisis situation whereby expensive litigation or aggressive product boycotts could be averted (Shrivastava 1995). This cushioning effect or risk-reduction benefit of CSR although recognised as beneficial to a business is rather difficult to quantify say Thompson and Driver (2005).

1.1 Research Objective

- 1. To determine if young adult Malaysian consumers are CSR centric.
- To determine young adult Malaysian consumers attitude towards organizations
 Practising CSR
- 3. To determine the strongest predictor of intention to purchase a CSR supported grocery brand
- 4. To determine if young adult Malaysians are aware of CSR activities undertaken by Malaysian organizations.

5.

Research Questions

- 1. Are young adult Malaysian consumers CSR centric?
- 2. What are young Malaysian consumer's attitudes towards organizations practising CSR?
- 3. What is the strongest predictor of intention to purchase a CSR supported grocery brand?

4. Are young adult Malaysian consumers aware of CSR activities undertaken by Malaysian organizations?

1.2 Significance of Study

This paper would contribute to the formation of theoretical development and research into CSR centricity and its relationship to attitude and purchase intention of CSR supported grocery brands and to establish that corporate communication is a critical factor in fostering CSR centricity. Implications for the development and execution of better strategies for companies when engaging in CSR activities coupled with corporate communication initiatives can be ascertained. Dodd & Supa (2011) have clearly expressed the importance to recognize the relationship between consumers' purchase intention and an organization's involvement in socially responsible activities as a strategic function of corporate communication. Thus far no Malaysian study has been undertaken to study consumer centricity and purchase intentions in response to corporate CSR engagements using the Theory of Planned Behaviour. This study would nevertheless add to Rahizah, Farah and Kasmah (2011) who have researched Malaysian consumer's preference for CSR activities focusing on economic responsibilities, philanthropic, ethical and legal responsibilities.

2.0 Literature Review

2.1 Business Imperatives

According to Kitchen (2002) the Davis Iron Law of responsibility states that 'those who do not take responsibility for their power ultimately shall lose it'. This implies that business success will only be sustained if there is a supportive operating environment. Companies who understand and are understood by the surrounding communities gain what is precisely termed as 'license to operate'. The CEO of BP Malaysia Datuk Peter Wenworth described 'license to operate' as cooperation with others (ACCA 2006). This license to operate according to him is not a threat but an opportunity to build mutually beneficial relationships through programmes that fit with the communities values (shared value creation). Consumers have also become more discerning and conscious of the things they purchase, in particular ecofriendly products says Tay Kay Luan (2006). Also supporting the business imperative for CSR engagement Smith and Langford (2009) propose that the bulk of the research on CSR tends to imply that commercial benefits such as enhanced corporate reputation, improved productivity, strengthened shareholder confidence and competitive advantage through differentiation are attainable. Cogan (2006) further adds that shareholders and financial analysts are currently assigning greater value to companies that prepare for, and capitalise on, CSR opportunities.

More and more organizations are devoting substantial resources toward CSR efforts to reap multifaceted returns from such endeavours (Du, Bhattacharya & Sen, 2010) and studies show a likelihood of brand switching (price and quality being equal) in support of a good cause undertaken by such organizations. Du et al. (2007) are of the view that good corporate citizenship can foster consumer loyalty and even provide resilience to negative company news. As such, engaging in CSR activities provide both protection and business rewards. Sen et al. (2006) also found in their study that CSR programmes lead customers to buy products, seek employment and even invest in such CSR centric organizations.

2.2 CSR centricity

Consumers are not only economic beings but also are members of a community which implies that consumers do evaluate whether corporate activities are in congruence with the welfare of the community (Swaein 2005) leading to a willingness to offer their support for socially responsible companies say Bhattacharya, Rao and Glyn (1995). Webster (1975) described such consumers as socially conscious consumers who will take note of the consequences of his or her consumption pattern which would then invariably impact upon one's purchase intentions. Consumers who are aware of the negative consequences of their private consumption and who will attempt to use their purchasing power to trigger social change are described by Mohr, Webb and Harris (2001) as exhibiting socially responsible consumer behaviour (SRCB). As such a CSR centric consumer is expected to exhibit SRCB behaviour when making purchasing decisions. A review by Mohr, Webb and Harris (2001) shows that a substantial, viable and identifiable market segment does exist that considers a company's level of social responsibility involvement as important. In a subsequent study by Mohr and Web (2005), CSR centric consumers and their responses to philanthropic and environmental corporate activities revealed that consumers who scored high on consumer centricity or SRCB scale responded more strongly and positively to information about the level of a company's social responsibility involvement.

2.3 CSR and Attitude

According to Dodd and Supa (2011) numerous studies have shown a positive association between CSR and financial performance; yet there is limited research on CSR and purchase intentions. It is therefore important to study the relationship between CSR and consumer purchase intention as it has both business and financial implications. In order to study this relationship and predict the importance of CSR in consumer's purchase intentions, it will be relevant to review the theory of reasoned action by Ajzen (1985) which later developed into the Theory of Planned Behaviour (TPB).

The theory of reasoned action (TRA) mentions that salient beliefs provide the anchor for a person's attitude and therefore it is possible to predict a person's attitude from his or her belief about performing the behaviour say Dodd & Supa (2011). This has led the researcher to establish the relationship between CSR centricity and purchase intention among young adult Malaysian consumers.

The TRA posits that human behaviour can be determined by the interplay of personal attitudes, social pressure and a sense of control. 'Attitudes can be described as a learned pre-disposition to respond in a consistently favourable or unfavourable manner in reference to a person, object or issue' (Fishbein & Ajzen 1975). According to Eagly and Chaiken (1993), attitude consists of three components namely cognition, affect and behaviour. Cognition refers to beliefs about a person, object or issue while affect refers to the positive or negative feelings concerning the person, object or issue. Behaviour refers to the actions or responses to

the attitude object. Both Eagly and Chaiken say that attitude formation and behavioural expression are entirely an internal process.

Woolley (2006) found that attitude towards corporate philanthropy led consumers to support organizations with superior CSR programmes if the current preferred organization was practising inferior CSR programmes instead. Positive consumer attitudes towards a CSR practising organization is a vital factor as it will feature in subsequent behavioural action by consumers. A stronger relationship with a firm on the basis of its CSR engagement would lead to loyalty, positive evaluation of and a stronger identification with the firm involved in CSR activities (Marin, Ruiz, Rubio 2008; Sen and Bhattacharya 2001). In a comparative attitude study between institutional CSR and promotional CSR activities practiced by organizations, institutional CSR programmes generated more positive attitudes towards the organization (Williams and Aguilera 2006).

Review of literature on local research regarding consumer attitude and purchase intentions from socially responsible companies is limited (Rahizah, Farah and Kasmah 2011). A recent study on the impact of CSR on consumer behaviour required respondents to state their CSR priorities based on Carroll's definition which has four CSR responsibilities namely economic, legal, and ethical and philanthropy. Based on the 193 returned questionnaires, the Pearson correlation statistics showed significant positive relationships between the four responsibilities (independent variables) and consumer's buying behaviour (dependent variable). Malaysian consumers preferred corporations to engage in community work followed by donation, environment and wildlife protection, education sponsorship and produce safe products. A total of 31% had little and no knowledge of the CSR concept while 40.4% had moderate knowledge. Only 28.6% had good knowledge of CSR (Rahizah, Farah and Kasmah 2011. The strongest correlation with consumer behaviour was economic responsibility (beta: .253) followed by philanthropy (beta: .211), ethical (beta: .170) and legal (beta: .148) according to Rahizah, Farah and Kasmah. A similar study in Africa revealed that economic responsibility was the strongest predictor of buying behaviour (Visser 2005).

2.4 Attitude, Subjective Norm, Behavioural Control and Purchase Intention

Individuals function in a social system and the relationships they engender brings about certain social pressure which can moderate their attitudes. Important relationships or important others (parents, friends, relatives etc) impose norms that require compliance, this is known as subjective norm. The extent to which the subjective norm approves or disapproves supporting a person, object or issue will affect intentions and behaviour (Ajzen 1985, Ajzen and Fishbein 2005). The TPB is an improvement of the TRA primarily because of the inclusion of an additional factor namely Perceived Behavioural Control (PBC). The PBC is the extent to which an individual is able to enact the target behaviour and as per the earlier example the target behaviour of deciding to purchase socially responsible brands. Two important controls play a major role in PBC. It is a question of how much a person has control over the behaviour (buying socially responsible brands; good knowledge or skills to

recognise those brands that can motivate an individual to act) and how confident a person feels about buying or not buying socially responsible brands (example: lack of time to select a specific brand etc). All three independent variables of attitude, subjective norm and behavioural control and dependent variables of behavioural intentions and behaviour are illustrated in Fig 1. According to the theory, intentions can be used as a proximal measure of behaviour, especially when actual behaviour is not readily measurable.

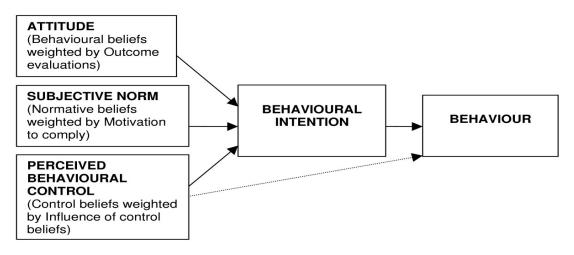


Fig 1: Theory of Planned Behaviour model (source: http://implementationscience.com/)

In a study on Swedish consumers by Mitchell and Ring (2010) purchase intention of functional foods (foods that promote health) attitude was found to be the strongest predictor of purchase intention. Subjective norms comprised of doctors and family and control beliefs comprised of knowledge and price. Despite the fact that PBC had a high score, it did not strongly correlate with purchase intentions because knowledge and price were found to be inhibitors of intentions. With higher knowledge one would not conceive the higher price of functional foods as an obstacle (Mitchell and Ring, 2010). Dodd and Supa (2011) on the other hand found that there was a positive association between the attitude and purchase intention and organizational involvement in socially responsible programmes. The subjective norm was also positively correlated with intentions. The TPB has been frequently researched in various pro-social behaviour research such as physical activity (Armitage 2005), healthy eating (Conner, Norman and Bell 2002), and condom use (Molla and Astrom 2007)

2.5 Communication and CSR

One of the earliest CSR studies in Malaysia was conducted by Teoh and Thong (1984) and they found that CSR involvement by Malaysian companies was far more extensive than what was disclosed or reported in the media. They attributed this poor communication of CSR activities to a lack of understanding of the positive business value of CSR and there was no legal requirement to disclose their CSR activities in their Annual Reports either. A later study by Shireenjit and Zuani (1998) concluded that CSR reporting was still low while Thompson and Zakaria (2004) found that an average of only 85 sentences described CSR activities undertaken by companies in Malaysia and this indicates a low level of CSR communication. A study by ACCA Malaysia in 2004 showed that 43% of Malaysian companies had reported on their social performance while 26% were pending to do so in future and most of CSR

commitment was expressed in terms of charity (Mallenbaker.net 2006). Consumer's first need to become aware of a firm's level of social responsibility before it can impact upon one's purchase decision say Mohr et al. (2001) and creating such awareness through cause-related marketing seems viable. As such an increase in knowledge about CSR activities would then impact consumers' attitude and purchase decision say Mohr, Webb and Harris (2001) while more information will allow them to make better judgements, and as such firms have a need to communicate more effectively in line with Carrigan & Attalla's (2001) findings.

Podnar (2008) says that CSR communication is fast becoming both relevant and critical, yet research on this issue is still lacking quoting Reisch (2006). According to Podnar CSR communication is a process of anticipating stakeholder expectations, articulation of CSR policy and managing of different communication tools designed to provide true and transparent information about a company's or a brand's integration of its business operations, social and environmental concerns, and interactions with stakeholders. Podnar also reiterates that studies investigating consumer expectations and responses to the communication of CSR are indeed scarce. Beckmann, Morsing and Reisch (2006) stress the importance of communicating CSR engagement to stakeholders as consumers seem to expect organizations to be socially responsible. Consumers for example, increasingly expect organizations to conduct their business in a responsible manner and they want to know whether a company promotes ethnic minorities, avoids employment of children and supports local schools to name a few. On the other hand, any negative reporting by the media could certainly project irresponsible corporate responsibility says Podnar, while positive reporting would enhance corporate reputation, evoke trust and thereby help promote a company's products. Persuasive communication by way of cause promotion helps marketing and sales (Kotler & Lee, 2005). Morsing and Schultz (2006) go on to warn that subtle ways are preferred as opposed to aggressive promotions when reporting CSR engagement and Beckham, Morsing and Reisch (2006) endorse that such communication efforts should be directed towards the customers by providing adequate CSR information and not over-communicating. Special CSR reports are preferable while current practice of using communication tools such as web sites and annual reports are in reality inadequate. Podnar suggests that CSR communications should carefully focus on specific aspects such as stakeholder expectations and issues that are seen as pertinent by an organization's customers.

CSR activities tend to have a twin impact i.e. extrinsic (seen as improving profits) and intrinsic viewed as genuine concern for local issues say Du et al. (2010) and that CSR communication is a very delicate matter too as it can have a backlash effect if stakeholders become suspicious and perceive CSR motives as predominantly extrinsic and hence lead to stakeholder scepticism. Menon & Kahn (2003) go on to suggest avoiding self-interest issues which are not logically related to the organization while Porter and Kramer (2006) suggest being honest and revealing a win-win outcome as preferable. CSR fit i.e. congruence between social issue and business outcome should be considered too say Cone (2007) and Haley, (1996) citing examples of Avon's Breast Cancer campaign. Other considerations include

communication channels, corporate websites and TV and radio advertising, newspapers and magazines which are both extrinsic while not overlooking the need for neutral sources i.e. independent sources as they seem more credible especially through editorial coverage. Another preferred channel should be employee advocacy which can tune-up employees to provide word-of-mouth support to customers. Social media and Facebook also seem to be a logical channel especially for the younger generation. The key challenge is therefore to provide stakeholders with information by communicating both intrinsic and extrinsic motives of CSR initiatives (Ellen et al. 2006; Sen et al. 2006; Forehand & Grier, 2003).

2.6 Research conceptual framework

The research framework in Fig 2 illustrates the overall direction of the research which is centred on the increasing trend in corporate communication (Roger Howe 2010) and the target (young adult Malaysian consumers) beliefs. Evaluation of the target's beliefs will indicate whether they are CSR centric or not, and this is vital in the attitude formation towards CSR practising companies and their brands. The interaction between attitude and supportive or non-supportive behaviour of friends and colleagues as well as their own control over this issue will determine the ultimate behavioural intentions of buying CSR supported grocery brands.

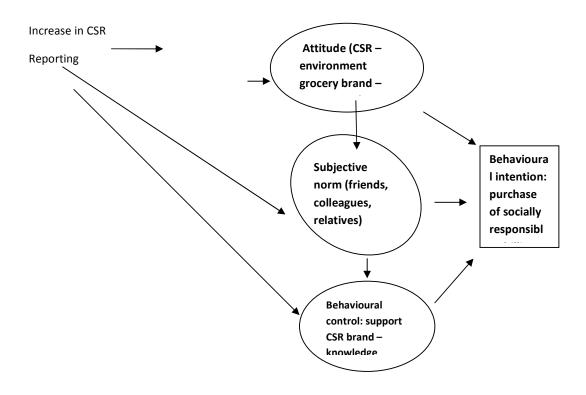


Fig 2: Research conceptual framework

3.0 Methodology

A total of 423 young adult Malaysians comprising males and females aged 19 – 35 were selected from the Klang Valley area using convenience sampling procedure. This being an exploratory study, convenient sampling was deemed appropriate. According to Uma Sekaran and Bougie (2009), convenience sampling was often used during the exploratory phase of a research project to obtain the required information quickly and efficiently. Young adult Malaysians were selected as respondents from the Klang Valley area as most of the companies involved in CSR are located in the Klang Valley which is the nation's main business hub while corporate communication of CSR activities is assumed to be highly visible to residents in the Klang Valley area too. The selection of respondents from the Klang Valley also fulfilled other important general requirements of the research such as availability of a range of brands, frequent exposure to CSR information, literate audience and purchasing power.

3.1 Research Design

Selected young adult Malaysian consumers were given a questionnaire each which had 41 questions in all. The questionnaire had three demographic questions in Section A while Section B contained 25 questions focusing on consumer CSR centricity. Consumer centricity questions were adapted from Lois A.Mohr and Deborah J. Webb's (2005) study on the effects of CSR and price on consumer response. The questionnaire was pilot-tested and adapted based on the findings. The Cronbach alpha score for consumer CSR centricity questions was .926 and this indicates that the questions were highly reliable. In Section C five questions centred on attitude towards purchasing a chilly sauce brand from a company which practises environmental CSR; two questions on behavioural control; two questions on subjective norm and two questions on behavioural intentions. The Scale of measurement used in section B and C was based on a 5-point Likert scale. The last five questions in Section C were general questions on their chilli sauce brand preference. The TPB questions in Section C were adapted from Mitchell and Ring's (2010) study on Swedish Consumers' Attitudes and Purchase Intentions of Functional Food. The statistical analysis used include Correlation analysis to find the strength of the relationship between the independent constructs of attitude, subjective norm and behavioural control against intentions and Multiple Regression analysis to determine which of the TPB variable was the best predictor of purchase intention.

4.0 Research Findings

This section provides the analysis obtained using the multiple functions of the SPSS V.17 statistical software.

4.1 Demographic Results

Out of a total of 423 young adult Malaysian respondents 64% were female and 36% were male. The female respondents were the larger group and the majority of the respondents were between 20-35 years of age and they comprised mostly of undergraduates. Though

demographic data on age and education did not reflect a wide distribution it did not adversely affect the analysis because the focus of this study was on the overall centricity, attitudes and intentions of young adult Malaysians.

4.2 Findings

This section provides both the descriptive and non-descriptive data regarding the main research constructs:

Q1. Are Young Adult Malaysian Consumers' CSR centric?

A mean score of 3.4 was obtained from 25 questions on centricity indicating that young adult Malaysians supported and believed in a range of environment, workplace and people centric CSR activities. The cumulative frequency data showed that 80% of the 423 respondents had a positive perception of CSR Centricity. The t-Test on gender and centricity showed that the gender mean difference was not significant (0.232; p > 0.05). It can be concluded that as young adult Malaysian consumers are supportive of environment, workplace and people centric CSR activities they are CSR centric.

Q2. What are young adult Malaysian consumer's attitudes towards organizations practising CSR?

A total of 5 questions measured the respondent's attitude towards an organization practising environment CSR such as environmentally friendly agricultural practices. The mean score obtained on attitude was 3.8 and this implies that the respondents had a positive attitude towards organizations practising environment based CSR activities. Pearson correlation test revealed that there was a positive correlation between consumer CSR centricity and attitude towards organizations practising CSR. The Pearson correlation between consumer CSR centricity and attitude was significant (0.258; Sig. (1-tailed) .000).

Q3. What is the strongest predictor of intention to purchase a CSR supported grocery brand?

The multiple regression analysis in tables 1, 2 and 3 indicates that all three independent variables were positive and predictive of intentions to purchase a CSR supported grocery brand. Based on Table 1 on model summary all three independent variables predicted up to 49% (R. Square .491) of the variations on the dependent variable (purchase intention). Table 2 shows that all three independent variables were significant and based on the Coefficient Table 3, behavioural control had the highest beta weight of .337 implying that behavioural control had the strongest influence on intention to purchase a CSR supported grocery brand.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.701ª	.491	.487	.57061	

a. Predictors: (Constant), b.control, attitude, norm

b. Dependent Variable: Intent

Table 2: ANOVAb

Мос	lel	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	131.593	3	43.864	134.721	.000 ^a
	Residual	136.423	419	.326		
	Total	268.015	422			

a. Predictors: (Constant), b.control, attitude, norm

b. Dependent Variable: Intent

Table 3: Coefficients

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
	(Constant)	.591	.160		3.691	.000
1	attitude	.225	.043	.220	5.180	.000
	norm	.279	.042	.290	6.679	.000
	b.control	.344	.045	.337	7.651	.000

a. Dependent Variable: Intent

Section C of the questionnaire

Section C consisted of five questions on preferences and intentions. Based on data in Table 4, nine brands were identified as frequently consumed. Life was the most popular brand followed by Maggie.

Table 4: Preferred Chilly sauce brand

Brand name	Frequency	%
Maggie	101	25
Life	195	49
Thai	29	7
Kimball	51	13
Libby	2	0.5
Peladang	2	0.5
Aminah Hassan	2	0.5
Kampong Kok	1	0.25
Heinze	9	2.25
No preference	8	2
Total	400	100

To a question as to whether the respondents were willing to switch to a CSR supported brand, 65.5% of the respondents or a majority were willing to do so and this is in line with the positive CSR centricity of the respondents. However 61.5% of the respondents who were willing to switch to a CSR supported brand were not willing to pay a higher price. The five reasons that were given by the 34.5% of the respondents who did not want to switch to a CSR supported brand include price, taste, habit, convenience and popularity.

To a question requiring respondents to self-report on their current knowledge of CSR initiatives and activities a majority or 62% of the respondents fell under the poor and somewhat poor knowledge level of CSR activities. Knowledge of CSR activities was generally poor as shown in Table 5.

Table 5: CSR Knowledge

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	poor knowledge	29	6.9	6.9	6.9
	somewhat poor	233	55.1	55.1	61.9
	neutral	58	13.7	13.7	75.7
	somewhat good	92	21.7	21.7	97.4
	good knowledge	11	2.6	2.6	100.0
	Total	423	100.0	100.0	

Based on the responses to questions in section C of the questionnaire, it can be inferred that a majority of the respondents were not aware that the Maggie brand was truly a CSR supported brand and this was due to their poor CSR knowledge level. It could be assumed that if the respondents had good knowledge of CSR activities coupled with their high level of willingness to switch to a CSR supported brand then most probably Maggie Chilly sauce would have been the preferred and most popular brand. Good knowledge of CSR activities as undertaken by organizations is therefore critical.

5.0 Discussion

Research findings shows that the respondents were CSR centric and there was no significant preference for environment, workplace or people centric CSR activities. This implies that corporations involved in various types of CSR activities are in fact aligned to the consumer's beliefs and expectations. As such an alignment of consumer expectations with CSR engagements is vital for the evolution of CSR practise. Besides, this positive consumer centricity directly impinges on the attitude construct. The study shows a positive correlation between consumer attitudes and purchase intention implying that consumers will be more inclined to purchase products from CSR practising organizations. This outcome is supported by several past studies such as by Lien and Dawar (2004); Mohr and Webb (2004) and Maignan (2001). The two other TPB constructs of subjective norm and behavioural control showed fairly positive correlations with purchase intention. Behavioural control was the strongest predictor of purchase intention based on the correlation and beta statistics. This was anticipated because purchase decisions in the context of a consumable grocery brand (chilli sauce) is more a personal matter than a social matter and as such perceived behavioural control can be expected to be a strong influencing factor on behavioural intentions to

purchase a CSR supported chilli sauce brand. In comparison the research done by Mitchell and Ring (2010) on Swedish consumers purchase intentions of functional foods concluded that the correlations between behavioural control and intentions were negligible. Attitude was the strongest predictor of behavioural intention while behavioural control was negligible in this research because the higher priced functional food had strongly moderated behavioural control.

5.1 Recommendation

Despite the fact that all three variables of attitude, subjective norm and behavioural control was predictive of purchase intentions only 25% of the respondents bought the CSR Maggie brand which was in real terms supported by CSR initiatives, although this study did not specify any brand name. The inability to select a CSR supported brand among young adult Malaysians is indicative of the lack of knowledge of CSR engagements by local companies. In fact 62% of the respondents reported that they had somewhat poor and poor knowledge of CSR engagements by local Malaysian companies. This finding support an earlier research where only 28.6% of the respondents said that they had good knowledge of CSR (Rahizah, Farah and Kasmah 2011). It is therefore apparent that knowledge seems to be the moderating factor in the attitude- behaviour gap. CSR communication can be the factor that can bridge this gap to some significant degree. Corporate communication can be an intervening factor for the responsible behaviour as it can present CSR initiatives, identify stakeholders and meet their expectations while fostering stakeholder interaction say Maignan and Ferrel (2004). The respondents increased knowledge of CSR activities can help bridge the gap between intention and actual behaviour and this proposition is also supported by Beckmann, Morsing and Reisch (2006) who emphasize the need for engagement and CSR communication to fulfil stakeholder expectations.

The interplay between attitude, subjective norm and perceived behavioural control creates the purchase intention represented in the space where the three circles intersect as shown in Fig 3 below. Although the intentions are positive but not all of it translates into actual purchase. To illustrate this diagrammatically the area titled an in figure 3 represents the area that translates to actual purchase of a CSR supported brand. Strategic CSR communication can not only bridge the attitude – actual purchase behaviour gap but also in due course enlarge the space that represents purchase intentions, that is when the circles intersect each other to a point where the area that does not intersect remains small.

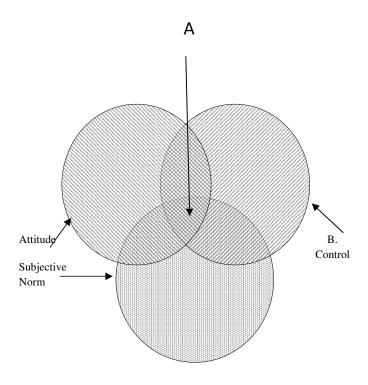


Fig 3: A - actual purchase intention

Although there is evidence of stronger media coverage of CSR engagements by local companies however the frequency and follow-up on the progress of such projects is lacking and is mostly positioned in the business sections of newspapers and magazines which may read by a limited number of readers. CSR communication can be made more interactive and engaging by experimenting with the new media such as social networking cites as well as in the form of advertorials (corporate advertising) which can be planned to appear regularly to provide updates to readers. CSR communication should also be pervasive, and all possible means of communication should be considered as the current focus on media, annual reports and websites seems inadequate. CSR engagements must include staff, consumers and other stakeholders too. Media relation initiatives to obtain mainstream and online media support for CSR cannot be ignored as appearance of CSR news in the mainstream and online media on a regular basis adds credibility to the CSR engagements of an organization. In a study on CSR and the Malaysian property industry it was found that although the majority reported their CSR engagements but only the leading developers certified their CSR projects by sustainability rating agencies (Sharon Yam 2012). CSR communication will gain greater

credibility if it is endorsed by CSR sustainability rating agencies and business organizations should take this approach seriously.

As strategic CSR communication is both engaging and pervasive it will improve the CSR knowledge levels amongst consumers and this in turn can motivate them to enact the targeted behaviour in supporting CSR brands. In a qualitative study on stages of behaviour change and CSR by Mohr, Webb and Harris (2001) it was found that the majority of the respondents were in the pre-contemplation and contemplation stage. Only eight of them were in the *action stage* where they actually exhibited socially responsible consumer behaviour in their purchasing decision. This implies that strategic CSR communication is needed to move consumers to the *action stage* and by doing so the gap between attitude and actual purchase behaviour can be bridged. According to Beckmann, Morsing and Reisch (2006) there is a need for more emphasis on CSR communication directed towards consumers as one of the primary stakeholder groups. Podnar (2008) has clearly outlined the twofold challenges to corporate communication practitioners: how to think strategically about CSR communication and how to integrate different communication tools to meet stakeholder's expectations of CSR.

It is recommended that further research be done in the area of CSR communications and stages of behavioural change investigating consumer expectations and responses to the CSR initiatives. Interestingly, it is necessary too to consider Morsing and Schultz (2006) who in their study found that respondents preferred subtle ways of communicating CSR engagements in order to enact the desired purchase behaviour.

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