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**HOW CONSUMERS REACT TO SOCIAL IMPACT COMMUNICATION:
THE EFFECTS OF LEVEL OF ABSTRACTNESS**

Examiners: Associate Professor Jonna Koponen
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ABSTRACT

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How consumers react to social impact communication: The effects of level of abstractness

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The goal of this research is to study consumers' reactions to social impact communication presented on different levels of abstractness. The research aims to fill a research gap identified in social impact communication where consumers' reactions have been studied in lesser extent. The theoretical framework is based on Construal Level Theory, according to which individuals interpret information differently based on the psychological distance. Individuals tend to construe objects which are psychologically near with low-level construal, detailed and concrete information. Consumers adopt a low-level construal mindset when processing corporate social responsibility (CSR) information to either disprove or confirm the claims, thus this research aims to find out how concrete communication can help companies communicate social impact initiatives more efficiently and mitigate situational skepticism.

The research was conducted as a between-subjects experiment where the primary data was collected with an online questionnaire. The participants received a randomized text, either a concrete or an abstract version of a social impact message, to study how participants' reactions differ based on the level of abstractness. It was assumed that the concrete condition will positively influence consumers' purchase intentions and loyalty and help to mitigate situational skepticism. The mitigated situational skepticism was assumed to increase consumers' purchase intentions and loyalty. In addition, it was proposed that the relationship between level of abstractness and behavioral intentions is pronounced when consumers perceive a high level of dispositional skepticism or extrinsic CSR attributions.

The findings show that consumers reacted differently to the two conditions: the concrete message resulted into higher purchase intentions and loyalty, and situational skepticism was marginally lower. However, mitigated situational skepticism did not increase the purchase intentions or loyalty. Dispositional skepticism was found not to have interaction effect with the message abstractness nor behavioral intentions. Nevertheless, consumers with high extrinsic CSR attributions indicated decreased loyalty, compared to participants with low extrinsic CSR attributions which had no effect. In conclusion, this research supports the previous studies by demonstrating that concrete level of abstractness results into positive behavioral intentions and helps to mitigate situational skepticism. Thus, companies should utilize concrete communication style in their social impact communication to gain benefits from consumers regarding their social impact initiatives.

TIIVISTELMÄ

Lappeenrannan-Lahden teknillinen yliopisto LUT
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Miten kuluttajat reagoivat sosiaalisen vastuun viestintään: abstraktiuden tason merkitys viestinnässä

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Tämän tutkielman tavoitteena on selvittää miten kuluttajat reagoivat sosiaalisen vastuun viestintään esitettynä eri abstraktiuden tasolla. Tutkimuksen päämääränä on täyttää sosiaalisen vastuun viestinnässä havaittu tutkimusvaje, jossa kuluttajien reaktioita on tutkittu vähemmässä määrin. Teoreettinen viitekehys perustuu Construal Level teoriaan, jonka mukaan yksilöt tulkitsevat tietoa eri tavalla riippuen psykologista etäisyydestä. Yksilöt pyrkivät tulkitsemaan psykologisesti lähellä olevia aiheita matalalla tasolla hyödyntäen yksityiskohtaista ja konkreettista tietoa. Kuluttajat omaksuvat matalan tason ajattelutavan käsitellessään tietoa yritysten yhteiskuntavastuusta, joten tämän tutkimuksen tavoitteena on selvittää, kuinka konkreettinen viestintä voi auttaa yrityksiä viestimään sosiaalisen vastuun hankkeista tehokkaammin ja vähentämään kuluttajien skeptisyyttä.

Tutkimuksen kvantitatiivinen primaaridata kerättiin verkkokyselyllä, jossa osallistujat saivat satunnaistetun tekstin, joko konkreettisen tai abstraktin version sosiaalisen vastuun viestistä, jonka avulla tutkittiin miten osallistujien reaktiot eroavat esitetyn viestin abstraktiuden tason perusteella. Oletettiin, että konkreettinen viesti vaikuttaa myönteisesti kuluttajien ostoaikomuksiin ja lojaliteettiin sekä auttavan vähentämään tilannekohtaista skeptisyyttä. Vähentyneen tilannekohtaisen skeptisyyden oletettiin lisäävän kuluttajien ostoaikomuksia ja lojaliteettia. Lisäksi oletettiin kuluttajien korkean dispositionaalisen skeptisyyden (henkilön luontaisen taipumuksen), ja yrityksen ulkoisten motiivien vaikuttavan abstraktiuden tason ja käyttäytymisaikomusten suhteeseen. Yrityksen ulkoisilla motiiveilla tarkoitetaan kuluttajien näkemystä siitä, kuinka vahvasti yrityksen yhteiskuntavastuutoimet perustuvat ulkoisiin motiiveihin.

Tulosten mukaan kuluttajat reagoivat eri tavalla abstraktiuden tasoon: konkreettinen viesti johti korkeampiin ostoaikomuksiin ja lojaliteettiin, sekä tilannekohtainen skeptisyys oli marginaalisesti pienempi. Vähentynyt tilannekohtainen skeptisyys ei kuitenkaan vaikuttanut ostoaikomuksiin tai lojaliteettiin positiivisesti. Dispositionaalisella skeptisyydellä ei havaittu olevan vuorovaikutusta viestin abstraktiuteen eikä käyttäytymisaikomuksiin. Kuitenkin kuluttajat, joiden käsitys yrityksen ulkoisista motiiveista oli korkea, osoittivat heikentyneen lojaliteetin verrattuna osallistujiin, joilla oli alhainen käsitys ulkoisista motiiveista. Tämä tutkimus tukee aiempia tutkimuksia osoittamalla, että konkreettinen abstraktiuden taso johtaa positiivisiin käyttäytymisaikomuksiin ja auttaa vähentämään tilannekohtaista skeptisyyttä. Yritysten tulisivin hyödyntää konkreettista viestintätyyliä saadakseen hyötyä kuluttajien reaktioista sosiaalisen vastuun hankkeisiin.

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During the first semester of my master's studies at LUT I thought that it would be interesting to write about greenwashing, the topic would nicely combine my major and minor, and in addition it is a very current topic. I had already started to notice the trend in sustainability and green marketing before and now I started to gather pictures of all of advertisements that I saw to compare the different communication styles used. We are exposed to corporate social responsibility (CSR) communication in our everyday lives more than ever before - on the out-of-home advertising, on packaging, in social media, on company websites, and basically all over the Internet. Being exposed to this type of communication in this extend, made me want to learn more about how it affects us and how companies could do it more effectively in order to generate favorable reactions from consumers. The topic evolved from greenwashing to CSR and even further to social impact communication.

First, I would like to thank my supervising professor Jenni Sipilä for all the guidance in this process. Your endless positivity and curious mindset inspired and motivated me along the way. Secondly, I would like to thank my better half Eetu who has been encouraging and supporting me during this journey (and patiently listened to all my frustrations regarding the thesis). Thirdly, my gratitude goes to my employer Leadfeeder, and especially to my team lead Pinja, who has shown empathy and flexibility which helped me finish the thesis while working full-time.

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In Lappeenranta, 28 April 2021

Maisa Aaltonen

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Abbreviations

CECSR: Consumer's evaluations of CSR responsibilities

CLT: Construal level theory

CSP: Corporate social performance

CSR: Corporate social responsibility

DV: Dependent variable

IV: Independent variable

M: Mean

NA: Not applicable

NGO: Non-governmental organization

NS: Not significant

SD: Standard deviation

SDGs: Sustainable development goals

TBL: Triple bottom line

TRA: Theory of reasoned action

WOM: Word of mouth

1 INTRODUCTION

For a near quarter of a century, there has been an ongoing debate on what is the social responsibility of a business. In the 1960s Milton Friedman argued that the only aim of any business is to generate maximum profits to its shareholders, and ever since many scholars have been debating against him and aiming to prove him wrong. (Husted & Salazar 2006; Jahn & Brühl 2018) Nowadays many studies show that focusing also on the corporate social and environmental performance of the business has in fact a positive effect on the financial performance of the company (Husted & Salazar 2006). In today's socially conscious business climate, companies cannot ignore their responsibilities beyond profit maximization (Du, Bhattacharya & Sen 2010; Öberseder, Schlegelmilch, Murphy & Gruber 2014).

Companies are increasingly engaging in corporate social responsibility (CSR) activities in line with stakeholder expectations, including consumer expectations, to contribute to the society or to support their strategic goals (Maignan & Ralston, 2002; Skarmeas & Leonidou 2013; Öberseder et al. 2014). In addition, due to globalization and global sourcing, supply chains are longer and more complex, incorporating CSR practices to company strategies is becoming more vital than before (Wagner, Lutz & Weitz 2009). In 2015, 92 percent of the 250 largest companies in the world produced a CSR report which is a 64 percent increase compared to 2005. In 2018, approximately 20 billion US dollars was spent annually by the Fortune Global 500 companies on CSR activities. (Meier & Cassar 2018) Among those are such companies as General Electric, Nestle, Nike and Starbucks which have already recognized the financial potential in CSR (Du et al. 2010; Lyons Hardcastle 2013; McDonagh & Prothero 2014; Morsing & Schultz 2006). Continuously more and more companies are engaging in CSR activities, not only to gain profits, but also for other benefits such as gaining loyal customers who act as company ambassadors and advocates (Du et al. 2010).

CSR is a rising trend among the consumers as well and they are demanding more CSR information from companies (Öberseder, Schlegelmilch & Gruber 2011). Consumers believe that companies should be involved in social activities which will eventually result into benefits for the companies. Consumers' interest toward CSR goes even beyond this and it has been

proven that consumers use CSR information when evaluating companies and/or as a purchasing criterion. (Janssen & Vanhamme 2014; Webb, Mohr & Harris 2008; Öberseder et al. 2014) Although according to statistics, consumers say that CSR information matters to them when purchasing products, the statistics hide the true reasons of how and why consumers respond to CSR initiatives (Bhattacharya & Sen 2004). According to Morsing & Schultz (2006) CSR communication has been studied to evoke strong reactions, which are mostly positive, but also to attract critical attention, especially the more information the company reveals about its operations. They argue that if the company is focusing too intently on CSR communication, consumers may take this the wrong way and think that the company has a hidden agenda. Du et al. (2010) support this view by concluding that if a company promotes their CSR efforts too aggressively, stakeholders quickly become skeptical toward the company's CSR motives.

Companies cannot any longer only measure whether their stakeholders care about CSR in general, but they need to find out who cares, when they care and especially why, to better understand the reasons behind their reactions (Bhattacharya, Korschun & Sen 2011, 12). The CSR communication of today must be strategic, sophisticated, and constantly evolving to meet the needs of the stakeholders to avoid criticism toward companies (Morsing & Schultz 2006). Understanding the needs of consumers allows companies to formulate, implement, and evaluate CSR strategies to effectively communicate their CSR initiatives to consumers (Bhattacharya & Sen 2004).

This introductory chapter will first describe the background for the research and discuss the discovered research gap. Second, the aim of the research and the research questions are presented. These are followed by the preliminary literature which will demonstrate the key literature from the relevant fields related to the research. Next, the theoretical framework and the definitions of key concepts of the research are presented. Lastly, delimitations are discussed, and a brief description of the research methodology and the structure of the research are presented.

1.1 **Background**

Even though CSR communication has an important role in the companies' CSR processes, it has not been studied in the same scale. Number of CSR communication research has been focusing on the broader level, studying the company perspective and the generic relationship

of business and society, and companies' relationship to CSR. (Kim 2017) Examples of these are: how companies should communicate about CSR to stakeholders (Morsing & Schultz 2006), how CSR projects should be measured (Salazar, Husted & Biehl 2012), how CSR communication affects the company's reputation and brand (Kim 2017) as well as the financials (Du et al. 2010). Stakeholder responses to CSR activities include complexity, uncertainty, and variety. Understanding why stakeholders react (i.e., perceive, think, feel, and behave) differently toward CSR communication will allow companies to create more effective ways to communicate their CSR activities to stakeholders. (Bhattacharya et al. 2011, 12) Despite consumers being a one of the most important stakeholder groups, how consumers perceive CSR and react to the information about CSR communication has been only researched to a lesser extent (Kim 2017; Öberseder et al. 2014).

One part of CSR communication is social impact communication which can be used to influence consumers' perceptions toward the company. Companies' social outcomes from social and/or CSR activities are defined as social impacts (Salazar et al. 2012). Like CSR in general, social impact is trending among companies and many are taking initiative to go beyond the legal requirements. A great example of this is the German sportswear company Adidas, which has set separate goals for social impact to cover employees, communities, and charity work. Adidas openly reports about their community affairs that include donations in money and products, as well as charity work. The company has supported causes related to the well-being of children, refugees, disabled, women empowerment and given humanitarian aid in crisis situations. (Adidas AG 2020) Another example is the retail company Marks and Spencer. Marks and Spencer has specific Plan A program to address sustainability, CSR and social impact issues and they for example openly communicate about the gender pay gap within the company (Marks and Spencer 2020a, 2020b).

Although social impact activities are more and more popular among companies, only a little research has been done about theorizing and/or measuring the social impacts (Rawhouser, Cummings & Newber 2017; Salazar et al. 2012). Despite social impact measurement research has been increasing in recent years (e.g., Kroeger & Weber 2014; Maas & Liket 2011; Rawhouser et al. 2017; Salazar et al. 2012) this does not yet reflect to social impact communication research (Kim 2017). This research aims to fill in the research gap in CSR communication, focusing on the social impact communication, by answering how consumers react to social impact communication. Understanding how consumers react to social impact

communication will help companies adjust their messaging toward consumers to gain better results of their communication. Öberseder et al. (2014) argue that consumers perceptions many times differ greatly from the company's CSR engagement and if these perceptions are not properly studied, it may lead to difficulties in targeting the correct marketing strategies and mix toward the consumers.

Du et al. (2010) identifies two key challenges in CSR communication: how to make stakeholders aware of the company's CSR activities and how to minimize stakeholder skepticism. Du et al. (2010) studies these questions by focusing on the message content and channel, and how different company- and stakeholder-specific factors influence the effectiveness of CSR communication. Deriving from the Du et al. (2010) research, this research focuses on a third perspective which is lacking from their research: how the CSR message is communicated. This is achieved by manipulating CSR communication messages to represent different type of communication based on the level of abstractness, i.e., concrete versus abstract messaging. The focus of the study is on CSR communication related to social impact activities since those are many times poorly understood and measured compared to the economic and environmental elements of CSR (Salazar et al. 2012).

1.2 **The aim of the study and research questions**

Whereas prior research has been focusing on measuring the effects social impact (e.g., Kroeger & Weber 2014; Maas & Liket 2011; Rawhouser et al. 2017; Salazar et al. 2012) and into some extent CSR communication (e.g., Kim 2017; Maignan & Ralston 2002; Öberseder et al. 2014), this research aims to combine these two prior topics to find out how consumers react to social impact communication. Based on the findings, suggestions are given on how companies can compose and adjust their communication toward consumers to enhance their social impact and CSR communication to gain better results.

The goal of this research is to find out how consumers react to social impact communication presented with a different level of abstractness and whether concrete communication will help mitigate skepticism toward social impact communication and influence consumers' behavioral intentions toward the company. Individuals construe messages differently depending on the topic and how they are structured (Connors, Anderson-MacDonald & Thomson 2015). This research will use manipulated messages on different level of abstractness in social impact

communication to gain understanding how the social impact messages should be communicated so that consumers react to those in a positive manner. The main research question is:

Main RQ: How do consumers react to social impact communication presented at different levels of abstractness?

The main research question is followed by two sub-research questions to further study the topic. The first sub-research question further studies how the different level of abstractness of the perceived message affects the consumers' situational skepticism. Since skepticism toward businesses has been on the rise (Skarmeas & Leonidou 2013) and is one of the key challenges in CSR communication (Du et al. 2010), the first sub-research question aims to find out how situational skepticism can be influenced with concrete CSR communication and could it even be decreased with concrete communication. There have been positive results from similar studies (e.g., Connors et al. 2015) where concrete CSR messaging has worked effectively to mitigate dispositional skepticism on consumers' attitudes toward CSR. This research will expand the field of study to also consider situational skepticism that arises momentarily from the perceived message (Forehand & Grier 2003). Skepticism should always be prevented when possible since often it has negative impacts on the company and can lead to boycott, outrage, suspicion, cynicism, distrust or other negative perceptions toward the company such as hypocrisy (Skarmeas & Leonidou 2013).

Sub-RQ1: How does the level of abstractness of social impact communication influence consumers' situational skepticism?

The second sub-research question aims to find out how consumers' dispositional characteristics, such as dispositional skepticism, influence the relationship of the level of abstractness and behavioral intentions. In short, a behavioral intention is a person's readiness to perform a certain behavior. People often tend to approach different kinds of behavior in similar ways, behavioral intention being the best single predictor of behavior. (Fishbein & Ajzen 2010, 2, 21) Understanding how consumers intent to behave toward a certain action and how consumers' dispositional characteristics influence the behavior, allows us to evaluate the effectiveness of the manipulated communication to gain knowledge on what type of behavior would follow from different scenarios. This will give insights on how the social impact

messages should be constructed to gain favorable outcomes and avoid behavior, such as skepticism, that can have a negative impact on the company.

Sub-RQ2: How do consumers' dispositional characteristics influence the relationship between the level of abstractness of social impact communication and behavioral intentions toward the company?

Together with the main research question, these two sub-research questions aim to find out practical implications for companies concerning their CSR communication. The managerial aim of the thesis is to give suggestions to companies how they can improve their CSR and social impact communication to make it more effective toward consumers.

1.3 Preliminary literature review

The preliminary literature discusses the prior research done in the fields of CSR communication and consumer behavior, social impact communication, and consumers' CSR skepticism. Table 1 below presents the core research related to these topics respectively which is then followed by more detailed analysis of each topic. Based on the preliminary literature review, the research gap in CSR communication, focusing on the social impact communication has been identified. This preliminary literature review will result into the theoretical framework which is presented in the next section.

Table 1 The core literature used to define the research gap.

Author(s)	Focus
CSR communication	
Du et al., 2010	How companies can communicate CSR more effectively to stakeholders to maximize business returns, emphasis on stakeholder awareness and skepticism.
Kim, 2017	A conceptual framework of CSR communication and an analysis of different aspects that influence the effectiveness of CSR communication are presented.
Maignan & Ralston, 2002	The study investigates the differences in CSR principles, processes, and stakeholder issues on web pages among four different countries.

Morsing & Schultz, 2006	Companies should involve stakeholders in CSR communication to make it more effective.
CSR communication and consumers	
Bhattacharya & Sen, 2004	A theoretical framework for companies to formulate and implement their CSR initiatives and how to measure the effectiveness of these initiatives.
Janssen & Vanhamme, 2014	How to understand the impact of CSR to consumers' purchase intentions
Öberseder et al., 2011	How consumers evaluate CSR initiatives and the role of CSR in consumption decisions
Öberseder et al., 2014	Measurement model for consumers' perceptions of CSR
Social impact communication	
Kroeger & Weber, 2014	A conceptual framework that compares the effectiveness of social interventions in different contexts.
Maas & Liket, 2011	Measuring the level of companies' philanthropic activities when considering society, business, and reputation and stakeholder satisfaction.
Rawhouser et al., 2017	A typology to improve the measurement of social impact based on examination of the outcomes from prosocial behavior.
Salazar et al., 2012	Companies' CSR activities should be measured as projects using social outcomes as a measurement while evaluating the effects with individual experiments.
Consumers' CSR skepticism	
Connors et al., 2015	Concrete CSR messaging can effectively mitigate the negative effects of characteristic CSR skepticism on consumers' attitudes, purchase intentions, and word of mouth.
Du et al., 2010	How companies can communicate CSR more effectively to stakeholders to maximize business returns, emphasis on stakeholder awareness and skepticism.
Forehand & Grier, 2003	How stated company intent can help to prevent consumer skepticism. The concepts of situational & dispositional skepticism are presented.
Skarmeas & Leonidou, 2013	How consumer skepticism toward CSR develops and its influence on important consumer-related outcomes.

CSR communication

During the past 20 years CSR research has been moving away from studying only the financial benefits of CSR and expanding to other benefits, such as reputational, and putting more focus on stakeholder relationships and communication (Adi, Crowther & Grigore 2015, 9). This has resulted into multiple different theories on how to measure the strategic implications of CSR such as the agency theory, stakeholder theory, resource-based view of the firm and theory of the firm (McWilliams, Siegel & Wright 2006). Although CSR communication has an important role in the companies' CSR processes, it has not been studied in the same scale as CSR and CSR implications in general (Kim 2017). The research toward CSR communication has been increasing during the recent years but since the research is spread across various sub-disciplines, there is inconsistency regarding its core presumptions, perceptions and goals (Crane & Glozer 2016; Verk, Golob & Podnar 2017).

When looking into the prior research done of CSR communication, it is mostly focused on the broader level concept of CSR communication, studying the company perspective and the generic relationship of business and society, and companies' relationship to CSR (Crane & Glozer 2016; Kim 2017). Crane & Glozer (2016) argue that even the very basic questions of CSR communication such as “what is the purpose of CSR communication” has not been yet answered but acknowledge that the field still developing and has rich potential for future research. The most important studies in the field are considering how companies can more effectively communicate their CSR activities (e.g., Du et al. 2010; Kim 2017) and how different ways of communications affect the stakeholders' engagement toward companies (e.g., Maignan & Ralston 2002; Morsing & Schultz 2006).

CSR communication and consumers

In addition to the common research considering the company point of view in CSR and CSR communication, consumer behavior also plays an important role in the research (Öberseder et al. 2014). CSR is a rising trend among consumers (Öberseder et al. 2011) and since it has been studied to provoke both negative and positive reactions in consumers, companies need to understand their communication processes to be able to create more advanced CSR communication strategies to impact more effectively to consumers (Bhattacharya & Sen 2004; Morsing & Schultz 2006). Despite having an important role in CSR communication,

consumers' perceptions toward CSR and their reactions to the CSR communication has been studied to a lesser extent (Kim 2017; Öberseder et al. 2014). The prior research focuses on how to evaluate the CSR initiatives, and the role and impact of CSR in consumption decisions (Janssen & Vanhamme 2014; Öberseder et al. 2011) and how to measure consumers' CSR perceptions (Bhattacharya & Sen, 2004; Öberseder et al. 2014). This research will be giving a deeper understanding on how consumers react to the CSR communication that can be utilized by companies when planning on their CSR communication strategies for more effective results.

Social impact communication

As a part of companies' CSR communication, social impact communication research has been focusing on measuring the effects social impacts from the company perspective (e.g., Kroeger & Weber 2014; Maas & Liket 2011; Rawhouser et al. 2017; Salazar et al. 2012), while very little research has been done particularly on the social impact communication and how it affects stakeholders such as consumers. Generally, CSR communication is studied as a one unit and no separation is made to study the economic, social or environmental impact communication separately. A lot of emphasis is put on how improving CSR communication as whole can be beneficial for the company (e.g., Du et al. 2010, Kim 2017), but no distinction is made between how the different elements of CSR affect the overall benefits. However, some research has been done regarding the distinction between company internal social impacts, such as how employees are treated, and external, such as philanthropic initiatives, and whether the implications can be applied to single or multiple sectors (Rawhouser et al. 2017).

Furthermore, the social element is many times poorly understood and measured compared to the economic and environmental elements of CSR, not only relating to social impact communication but on a general level when studying CSR (Salazar et al. 2012). The lack of social impact, and social impact communication, research indicates that there is a gap in the research field which this study aims to fill by providing more perspective how consumers react to especially social impact communication.

Consumers' CSR skepticism

The first research on consumer attitudes and beliefs toward companies, and their advertising and marketing claims, dates to the 1970s. Later in 1980s and 1990s the research got more focus

specifically on consumer skepticism which has been then researched a great deal. (Ford, Smith & Swasy 1990; Obermiller & Spangenberg 1998) In the early 2000s Forehand & Grier (2003) presented a new theory on what type of consumer skepticism exists, in addition to the traditional dispositional skepticism, there is also situational skepticism that arises from the situation itself, not being a part of the dispositional characteristics of the person. Since then, consumer skepticism research has expanded to also study consumer skepticism toward CSR and companies' CSR activities and claims (Skarmeas & Leonidou 2013).

One of the key challenges in CSR communication is overcoming and minimizing the stakeholder skepticism, especially from the consumers' perspective, to gain positive reactions toward the company and its CSR initiatives (Connors et al. 2015; Du et al 2010). When not mitigated, CSR skepticism can lead to lower levels of consumer-based retailer equity, consumers being more tolerant toward negative information about the company, and unfavorable word of mouth (WOM) (Skarmeas, Leonidou & Saridakis 2014). When successfully achieving to mitigate consumer skepticism toward CSR, it can lead to positive attitudes toward the company, increase purchase intentions and positive WOM (Connors et al. 2015). This research will examine how to mitigate consumer skepticism toward social impact communication with a concrete communication style.

1.4 **Theoretical framework**

The theoretical framework of the research illustrates the process of a social impact communication message to the consumers, including the mediating and moderating variables, which will result into consumers' behavioral intentions. The framework is presented in figure 1 below. The figure also demonstrates the relationships of the key concepts and how they are linked to each other in the context of social impact communication.

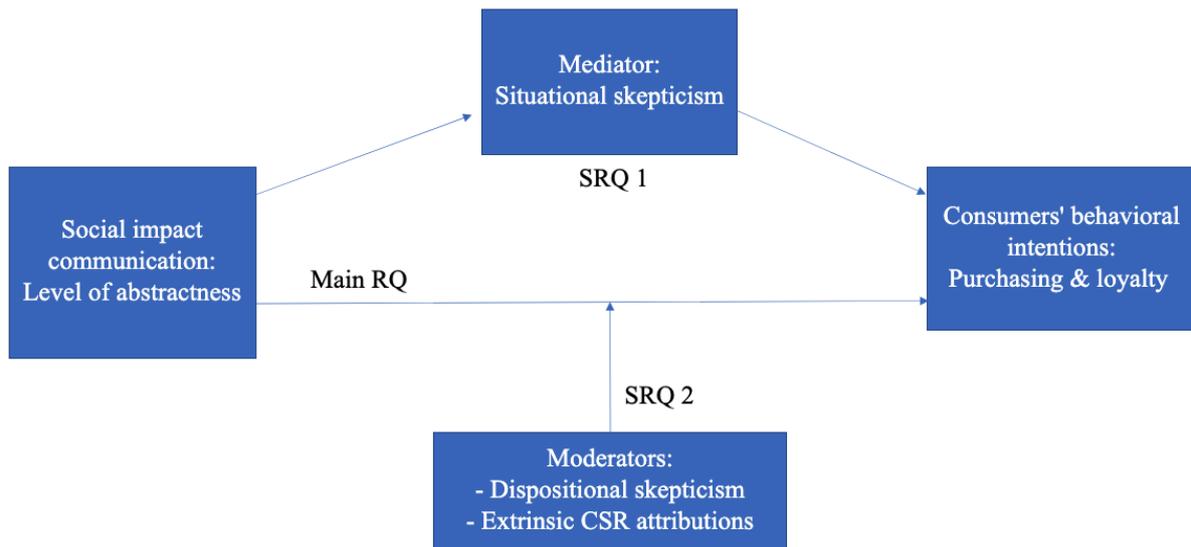


Figure 1 Theoretical framework of the research

Social impact communication in this research refers to companies' communication about their social impact activities to consumers. This research will study how consumers react to social impact messages and how the level of abstractness affects the behavioral intentions (main RQ). Social impact communication is manipulated to represent a social impact message that is presented on two different levels of abstractness: abstract and concrete. It is assumed that the level of abstractness will affect consumers' situational skepticism and that situational skepticism will further affect the consumers' behavioral intentions (sub-research question 1). Consumers' dispositional characteristics, dispositional skepticism and extrinsic CSR attributions, are assumed to influence the relationship of the level of abstractness and the behavioral intentions, purchasing and loyalty (sub-research question 2). All these factors will affect how consumers react to the presented social impact communication which will result into different types of behavioral intentions. Understanding consumers' behavioral intentions will help companies compose right type of messages for consumers to gain better results from their social impact communication.

1.5 Definitions of the key concepts

This section defines the key concepts considering the research to help the reader to understand them in more depth. The key concepts are corporate social responsibility, social impact

communication, level of abstractness, consumer skepticism, extrinsic CSR attributions and behavioral intentions.

Corporate social responsibility

Although CSR has been discussed for over 60 years, no clear single definition exists and at least 35 different definitions can be found in literature (Maignan & Ralston 2002; Öberseder et al. 2014). Based on various definitions, The European Commission defines CSR as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”. CSR means going beyond the legal obligations that companies have and investing more on human capital, environment, and the relations with stakeholders (European Commission 2001, 6).

This research follows the definition made by the European Commission, however, much wider approaches to the concept have also been suggested. For example, as a high-level term Crowther & Rayman-Bacchus (2016, 2-3) define CSR as the relationship between global companies, governments, and citizens. Narrowing it down to the local level, it can be considered as the relationship between a company and the local society in which the company resides or operates. Lastly, it can also simply refer to the relationship between a company and its stakeholders.

CSR goes hand in hand with sustainability. CSR is equally trending and vague topic as sustainability, meaning different things to different people (Crowther & Rayman-Bacchus 2016, 2). Sustainability has been a growing trend for the past 40 years. By the time of the Brundtland Commission in 1987, world leaders acknowledged that we as a humanity needed to act and deal with the increasing anthropogenic environmental issues, as well as improve our coexistence as humans (Godemann & Michelsen 2011, 3-4). Sustainability and sustainable development as terms often include ambiguity, multiple different interpretations and vary by the interest group that uses these terms (Godemann & Michelsen 2011, 5). Savits & Weber (2006, 10) define sustainability as “a sustainable corporation is one that creates profit for its shareholders while protecting the environment and improving the lives of those with whom it interacts.” The generally accepted description of sustainable development is found from the Brundtland Report (WCED 1987, 41): “Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

At times, sustainability and CSR are used interchangeably in business life and research but Savits & Weber (2006, 11-12) argue that CSR is putting more emphasis on the benefits to stakeholders outside the business where sustainability also considers the benefits for the company itself as equally important. However, this can be questioned since CSR also considers internal stakeholders, such as company employees and shareholders, thus considering both internal and external aspects of the business (Öberseder et al. 2014). To differentiate CSR from sustainability and sustainable development, the latter can be considered as goals of CSR that companies aim to achieve with their CSR activities. For example, the United Nations Sustainable Development Goals (SDGs) are a great example on how companies can address the current global sustainability issues such as poverty, climate change and inequity through their CSR activities (United Nations 2020). Thus, sustainability and sustainable development cannot be considered as synonyms of CSR.

Social impact communication

The term social refers to all non-investor stakeholders of a company such as individuals, employees, communities, and society (Lingane & Olsen 2004). Rawhouser et al. (2017) define social impact as “beneficial outcomes resulting from prosocial behavior that are enjoyed by the intended targets of that behavior and/or by the broader community of individuals, organizations, and/or environments.” Social impacts can be related to labor practices, community impacts, human rights, and product responsibility for example (Savits & Weber 2006, 13). When considering the different dimensions of CSR, the concept of triple bottom line (TBL) describes that companies should not only measure their operations based on the financial performance but also measure its impact on broader economy, environment, and society. These impacts together should be used to determine the company’s true impact and benefits on the world. (Savits & Weber 2006, 12-13) This research focuses on the social impacts of the company and does not include environmental or economic impacts. In addition, in this research the social impacts related to companies’ actions or initiatives, not governmental programs, non-governmental organizations (NGOs) or other non-profit organizations.

This research focuses on social impact communication which can be seen as one part of CSR communication. Social impact communication refers to how companies communicate about the social impact initiatives and their outcomes which they participate in. Social impact

communication has not been studied a great deal in the literature and the focus has been on how social impacts should be reported and measured (Rawhouser et al. 2017), thus this research will focus on how the social impact initiatives should be communicated.

Level of abstractness

The Oxford English Dictionary defines abstractness as “The quality of being abstract, especially the quality of existing or being presented in abstract form, rather than with reference to concrete details or particular instances (frequently opposed to concreteness)” (Oxford University Press 2021a). When considering the level of abstractness, it can be concluded that there are different levels of abstractness varying from abstract level to concrete level.

This research uses construal level theory (CLT) by Trope, Liberman & Wakslak (2007) as a basis when examining the level of abstractness of the received message where low-level message is concrete, detailed, and descriptive and on the contrary the high-level message is abstract, ambiguous, and vague. CLT examines how individuals’ thoughts and behavior are influenced by psychological distance. According to Connors et al. (2015) general skepticism towards CSR results consumers to have a low-level, concrete mindset when they are processing CSR information. When this concrete mindset is matched with a low-level detailed message, it helps to mitigate consumers’ CSR skepticism and influence positively on consumers’ attitudes, purchase intentions, and WOM. This makes the level of abstractness a key part of how the social impact initiatives are communicated by companies.

Consumer skepticism

This research follows the definition of consumer skepticism by Forehand & Grier (2003) which can be broadly defined as “consumer distrust or disbelief of marketer actions”. This is based on the definition by Obermiller & Spangenberg (1998) which was simply referring to advertising claims. Forehand & Grier (2003) expand the definition to cover marketing actions in general which can also include the motives of marketers and public relations efforts in addition to advertising claims.

According to Forehand & Grier (2003) there are two types of consumer skepticism: dispositional and situational. Prior research (e.g., Obermiller & Spangenberg 1998) has

considered skepticism as a characteristic that an individual possesses i.e., dispositional skepticism, but in addition to this Forehand & Grier (2003) introduce the concept of situational skepticism. Situational skepticism is not bound to the individual's characteristics but is depended on the situational variables. The variables drive the consumer to a state of skepticism which is present momentarily in a particular situation. Especially when considering situational skepticism, it does not necessarily mean that the consumers' thoughts are prejudiced, pessimistic or negative toward the marketer but it can mean that they are simply more aware of the companies' actions and consider the validity of the message perceived (Brow & Krishna 2004).

Extrinsic CSR attributions

Individuals aim to make causal explanations of events and their surrounding environment based on the information available. The same principle can be applied to CSR claims done by companies. Based on the information available individuals make different attributions to explain the motives behind CSR claims which leads to different individuals and stakeholders having different views regarding the motives. (Story & Neves 2015) According to Connors et al. (2015) consumers naturally aim to disprove or confirm the CSR claims by companies since consumers many times assume that companies' motives are not sincere, and they are extrinsically motivated. Extrinsic CSR attributions thus refer to companies participating in CSR initiatives to gain something, such as profits, or avoid punishment from the community due to not participating (Du et al. 2010; Story & Neves 2015). Extrinsic attributions are also found to cause consumer skepticism toward companies (Forehand & Grier 2003). Opposite to extrinsic CSR attributions are intrinsic attributions in which the companies' CSR initiatives are seen as being sincere and that companies participate in the CSR initiatives because they care about the cause (Du et al. 2010; Story & Neves 2015).

Behavioral intentions

Fishbein & Ajzen (2010, 20-21) present the concept of a behavioral intention in the reasoned action approach model (TRA) which describes it as the person's readiness to perform certain behavior. This research focuses on consumers' purchase and loyalty intentions and studies how those intentions can be influenced with a different type of communication style. According to Webb et al. (2008) purchase intentions refer to consumers' intentions on purchasing the

product/service offered by the company. Companies CSR initiatives has been studied to be a purchasing criterion for consumers which makes it possible for companies to financially gain from participating in CSR. Thus, it is also vital for companies to know whether CSR initiatives are important to its target consumers to gain benefits. Loyalty intentions refer to consumer loyalty, which indicates a behavioral or emotional bond with a particular company or store (Lu, Chang & Chang 2015). It should be taken into consideration that behavioral intentions are the readiness to perform a certain behavior, but the actual behavior might differ from the intention which known as the intention–behavior gap (Hassan, Shiu & Shaw 2016; Testa, Sarti & Frey 2019). It should be noted that this research only focuses on the behavioral intentions, not on the actual purchasing or loyalty data.

1.6 **Delimitations**

This research examines the social impact communication with manipulated messages created by the author, thus no real example from a company’s CSR communication is used in the research. Thus, contextual background is not part of the research since the research is not based on a real company. This excludes company related factors such as communication and CSR strategies, brand, reputation and marketing efforts. These factors should be taken into consideration when companies plan their CSR and social impact communication but since this research aims to find out how consumers react to the social impact communication itself, these contextual factors are not included. However, not using a real company ensures that the results of the research are not interfered by the participants perceptions of the company and thus the results are more comparable among each other and reliable. Since the experiment is conducted under a controlled setting, the results are well controlled, and the implications can be better utilized by a wider range of companies.

The audience of the messages represent random individuals that act as consumers of an imaginary company. Thus, the research is limited to the point of view of the consumers and does not consider other stakeholders of a company such as employees and shareholders. This allows the research to put the focus on this one important stakeholder group that companies wish to understand better.

The research focuses only on the social impact activities of the CSR communication thus excluding communication of environmental and economical CSR activities. This is delimited

to provide valuable information regarding the social impact since the social dimension has been the most poorly understood and measured dimension of the TBL, compared to the economic and environmental dimensions (Salazar et al. 2012).

1.7 Research methodology

The research was conducted as a quantitative experiment where the primary data was collected with an online questionnaire. The research was a between-subjects experiment where the level of abstractness of a social impact communication message was manipulated as an independent variable (IV). The participants received a randomized text, either a concrete or an abstract version of a social impact communication message, and they answered the questionnaire based on the text they received. The manipulation allows the researcher to explore causal relationships between IVs and dependent variables (DVs), especially how the manipulation of the IV will affect the DVs (Allen 2017). For example, how the level of abstractness of the text (IV) will influence the purchase intentions (DV) of the participant.

The questionnaire was conducted in English with Qualtrics online survey platform. Appendix 1 presents the conducted questionnaire. The questionnaire was anonymous and was distributed in social media channels and in the researcher's own network in November and December 2020. Out of the 112 participants who started the questionnaire, in total 99 participants partially finished the questionnaire answering questions that can be utilized in the findings, thus N=99. The data was analyzed with IBM SPSS Statistics version 26 statistical program. Chapter 3 *Research design and methods* describes the research methodology in more details.

1.8 Structure of the research

This research follows the typical guidelines of a master's thesis research structure. The structure of the research is described in the figure 2 below.



Figure 2 Structure of the research

The research starts with an introduction and literature review that describes the prior research related to the consumers' reactions to CSR communication, social impact, and social impact communication. This is followed by the theoretical background based on construal level theory and the research hypotheses. Next, the methodology chapter presents the experiment, data collection and analysis methods, and the research's reliability and validity. Followed by this, the findings of the research are presented. After the findings, the discussion chapter links the key findings to the prior research, theoretical contributions and practical implications are discussed and limitations and suggestions for future research are presented. The research is concluded with a brief conclusion of the main findings and implications.

2 LITERATURE REVIEW

This section discusses the prior research done in the relevant fields for the research. First, the positive and negative consumer reactions to CSR communication are discussed, including consumer skepticism. Second, social impact, social impact communication and consumer reactions to social impact are discussed.

CSR communication has been studied from the perspective of content, channels and factors influencing the effectiveness of the communication (e.g., Du et al 2010; Kim 2017; Morsing & Schultz 2006). CSR communication differs from regular marketing communication such as product or service marketing because of its sensitive nature. Even consumers who are not that knowledgeable of companies' CSR activities might react strongly to CSR communication if it is communicated similarly to regular marketing communication style, with a promotional tone. (Kim 2017; Pomeroy & Dolnicar 2009) Choosing the right tone in CSR communication is important since a promotional tone might increase stakeholder distrust which can lead to negative reactions from consumers (Kim 2017).

2.1 Consumer reactions to CSR communication

Consumers are the focus stakeholder group studied in this research. Consumers are a particularly important stakeholder group to companies since they have a direct effect on the companies' cashflow and overall financial performance through their purchases, thus making them dominant stakeholders (Schuler & Cording 2006). When considering important stakeholder groups and their relation to companies, R. Edward Freeman's stakeholder theory is often referred. The theory aims to answer two questions: "what is the purpose of the firm and what responsibility does management have to stakeholders?". These questions help companies to determine their value creation, what they can offer to their stakeholders and how they wish to do business and build relationships. (Freeman, Wicks & Parmar 2004) Stakeholder theory and CSR are closely connected since stakeholder theory addresses how business ethics could be incorporated into the core operations of companies and how companies can consider other outcomes besides economic gain from their operations. Stakeholder research has had an important role in helping CSR scholars to recognize and define the social responsibilities of business, conceptually and empirically. (Marens & Wicks 1999; Parmar, Freeman, Harrison,

Purnell & De Colle 2010) When measuring the impacts of stakeholder management initiatives, stakeholder theory is often referred and at times positive relationship between CSR and company performance is credited toward stakeholder theory. However, stakeholder theory has always been emphasized as being a management theory, rather than being a theory for responsible business practices. (Harrison, Bosse, & Phillips, 2010)

One key theme related to CSR and stakeholder theory is the tradeoff between financial benefits and doing good, for example to trade-off CSR for product quality and/or price (Bhattacharya & Sen 2004). This causes a dilemma for companies whether they should participate in CSR when at the same time they should aim to maximize profits for shareholders (Parmar et al. 2010). The only way to achieve profit maximization while participating in CSR initiatives would be that the initiatives contribute to profit maximization (Husted & Salazar 2006). This is something that companies should pay attention to since finding a way to effectively manage the stakeholders' expectations while delivering superior returns to shareholders gives companies a great competitive advantage (Harrison et al. 2010).

On the contrary to the financial benefits, CSR communication can also have a negative financial effect if it is not done properly (Du et al. 2010). Financial losses are in most cases results of the negative effects of CSR communication such as negative WOM, skepticism and boycotts. Financial losses can also be a result of charging premium pricing simply due to a responsible brand: if the price is higher than normal, consumers are unlikely to choose it over a “normal” brand (Bhattacharya & Sen 2004). If the company’s CSR initiatives are perceived in the wrong way, it can lower the consumers’ purchase intentions especially if the consumer has a high CSR support (Sen & Bhattacharya 2001). In addition, if consumers feel that the company’s investments in CSR are taken away from the product/service quality and thus they are not helping to make the product better but are harmful for the quality, consumers may not support these companies. Investigating and understanding the consumers' needs and expectations on a regular basis is essential for successful implementation of CSR communication. (Bhattacharya & Sen 2004; Morsing & Schultz 2006)

2.1.1 Positive consumer reactions to CSR communication

For companies to be able to gain positive effects from consumers of their CSR communication, consumers need to be aware of the companies’ CSR activities in the first place (Du et al. 2010).

While some consumers are highly aware of the CSR activities of companies, studies show that most of the consumers are not (Du, Bhattacharya & Sen 2007; Sen, Bhattacharya & Korschun 2006) which causes a challenge for companies to gain positive effects of CSR communication (Bhattacharya & Sen 2004). Kim (2017) argues that all type of CSR communication will help consumers becoming more aware of the CSR activities of the companies which can result into a positive effect on company reputation.

A positive relationship with the consumers allows companies to receive more information about consumers since they are willing to share that, and thus companies can understand and match their needs better. With the information available, companies can allocate resources where needed the most which increases their demand and, in the end, leads to higher profits. (Harrison et al. 2010) When a company has a good reputation, a high fit between the company and the CSR issues they are promoting, and the consumer has a personal connection to the issue, the positive relationship with the company is even higher (Baskentli, Sen, Du & Bhattacharya 2019; Bhattacharya & Sen 2004) which can result into a competitive advantage for the company (Du, Bhattacharya & Sen 2011). When CSR communication is done effectively; the positive effects go beyond the company level and both consumers and the social causes can benefit as well (Bhattacharya & Sen 2004).

Consumer purchase intentions

Several studies have shown that there is a positive correlation between CSR and consumer purchase behavior. However, in most cases people say they would buy more responsible products but when it comes to the actual purchase, they do not buy. This is phenomenon is referred as CSR–consumer paradox. (Bhattacharya & Sen 2004; Janssen & Vanhamme 2015; Öberseder et al. 2011) Although consumers state that they wish to buy socially responsible products, they are not committed enough to trade-off CSR for product quality and/or price (Bhattacharya & Sen 2004; Janssen & Vanhamme 2015). However, when several conditions are fulfilled, it is more likely that the behavior will result into a purchase: when consumer supports the CSR issue the company is focusing on, when the issue has a high fit with the company CSR, the product is high quality and when there is no premium pricing based on CSR (Bhattacharya & Sen 2004; Ellen, Webb & Mohr 2006; Sen & Bhattacharya 2001). In addition, intrinsic CSR attributions, perceptions that the company has a genuine desire to help, are found to increase the purchase intentions (Ellen et al. 2006). This puts emphasis on the consistency of

the consumers' characteristics, the perceptions of the company and the company's relation to CSR initiatives (Sen & Bhattacharya 2001).

Consumer loyalty

One of the main positive effects of CSR communication is consumer loyalty. Consumer loyalty can derive from good quality product, an impression of socially responsible company and product, as well as companies' honesty and ethical behavior which yields confidence and safety toward consumers (del Mar García de los Salmones, Herrero Crespo & Rodríguez del Bosque 2005). Product/service quality has been studied to positively affect consumer trust which further positively affects consumer loyalty. Whereas extrinsic CSR attributions can decrease loyalty, intrinsic CSR attributions and philanthropic initiatives are likely to increase loyalty. (Vlachos, Tsamakos, Vrechopoulos & Avramidis 2009)

Consumer loyalty can result into customers being company/brand ambassadors (Du et al. 2010) and encourage into positive effects such as advocacy behavior which includes for example: positive WOM, willingness to pay a higher price and enhanced resilience to tolerate negative news of the company (Du et al. 2007). Especially consumer's personal support of the CSR issue that the company promotes, and the company's well-established reputation in CSR initiatives, helps to create consumer loyalty. Consumer loyalty strengthens the customer relationships which is increasingly important since product differentiation is becoming more difficult, and competition increases all the time. (Bhattacharya & Sen 2004) In addition, consumer loyalty can further lead to other positive behaviors such as consumer looking for investment opportunities or employment in the company (Du et al. 2010).

Other positive consequences

In addition to purchase intentions and loyalty, positive WOM from consumers is one of the main positive effects of CSR activities of companies (Bhattacharya & Sen 2004; Du et al. 2007). Positive WOM occurs when consumers are willing to talk positively about their thoughts, ideas, or comments toward the company informally for example to their friends, family or colleagues (Bhattacharya & Sen 2004; Skarmeas & Leonidou 2013). The positive effects of WOM goes even beyond the purchase intentions, consumers often talk positively or recommend socially responsible companies even though they would not buy from that company. This can be

explained on the consumers' identification with the company, also known as consumer-company identification, which is the connection that consumers feel with the company that engages in CSR initiatives the consumer cares about. (Bhattacharya & Sen 2004)

Related to the consumer-company identification mentioned above, consumers who are strongly connected to the companies are willing to tolerate more negative information or news of the company than consumers that do not identify themselves with the company. This resilience can result into consumers overlooking, or even forgiving, a company an occasional, most likely unintentional, mistake related to CSR activities. (Bhattacharya & Sen 2004; Du et al. 2007)

Company reputation influences how consumers perceive and behave toward the company which can lead to positive effects such as consumer loyalty, support or satisfaction. This makes company reputation one of the most important intangible assets a company can have. (Kim 2017) Companies with better reputation amplifies the positive effects of the CSR initiatives since consumers are more aware of those and thus, they are more likely to have more positive attitudes toward the companies (Bhattacharya & Sen 2004). Kim (2017) argues that although a promotional tone in CSR communication is less effective than a factual tone, companies should promote their CSR initiatives in some way since all type of CSR communication increases the consumers' awareness of the companies' CSR initiatives and thus consumers' CSR knowledge. This will create more trust from consumers in the companies' commitment to CSR causes which again generates a more positive perception of the company reputation.

While most of the consumers are not willing to trade-off CSR for premium price of socially responsible products, there are certain consumers that are ready. These consumers have a strong connection to the CSR issue that the company is supporting and particularly in cases where part of the sales of the products are donated to a certain issue of a nonprofit/charity, the willingness to pay more is higher. (Bhattacharya & Sen 2004) Excellent reputation can also allow companies to charge premium price of their products (Schlegelmilch & Pollach 2005).

In addition to the more apparent positive reactions to CSR communication, there are other positive reactions that are not often discussed. Since CSR communication can help companies to create awareness and boost their reputation, consumers' intentions toward companies are not only limited to purchasing or loyalty intentions. Consumers can also seek employment or investment opportunities in the companies and this way engage with them. (Schlegelmilch &

Pollach 2005; Sen et al. 2006) When consumers are surrounded by responsible companies and see that they are doing good with their CSR activities, this can influence the consumers' general sense of well-being. They might not buy products from the companies; thus, companies do not benefit from this behavior, but the positive effect will affect consumers' well-being. (Bhattacharya & Sen 2004) Related to the consumers' behavior and well-being, studies have also shown that certain type of CSR involvement can lead to consumers modifying their behavior based on the CSR communication. This behavior is likely to occur when the companies CSR initiatives are aligned with the cause they support. For example, companies that have been promoting organic food products, influenced consumers to increase their overall consumption of organic products. (Bhattacharya & Sen 2004)

2.1.2 Negative consumer reactions to CSR communication

When not done effectively, or in the right way, CSR communication can have negative effects on consumers' behavioral intentions which will influence the company negatively. The same applies to the negative effects as well as the positive; if consumers are not properly aware of the companies' CSR initiatives, companies cannot benefit from those (Bhattacharya & Sen 2004; Pomeroy & Dolnicar 2009). Negative CSR information has been studied to have a stronger effect than positive, thus "doing bad" has a bigger effect than "doing good" when it comes to CSR initiatives, even so that a few negative instances may overcome many positive effects (Bhattacharya & Sen 2004; Sen & Bhattacharya 2001; Skarmeas & Leonidou 2013). Because of this, management should aim to mitigate the "bad" rather than increase the "good" to success in their CSR initiatives (Skarmeas & Leonidou 2013).

Company reputation and the length of their involvement in CSR initiatives influences how consumers perceive the CSR communication. Companies that have been involved in CSR initiatives for a long time, are entitled to mention their good deeds without making consumers suspicious. On the contrary, companies that have just started to get involved in CSR initiatives are not yet entitled to do that. If companies with a short CSR history start to publicly communicate about their new initiatives, they will face several negative consequences on their company and product perceptions such as skepticism, disbelief and doubts about the company's integrity. (Vanhamme & Grobben 2009) The same can be applied to the duration of the CSR initiative projects; longer projects are seen more positively than short-term projects. Short-term

project are perceived as being reactive measures to fulfill the needs of stakeholders and not driven by the values of the company. (Ellen et al. 2006)

Although Kim (2017) argues that any type of CSR communication would increase the consumers' CSR awareness, the way the communication is done influences the effectiveness of the communication and whether it engages consumers to positive or negative behaviors. Promotional tone in the CSR communication is likely to increase stakeholder distrust which can lead to negative perception of the company reputation (Kim 2017), whereas a more subtle tone in communication is likely to be effective and result into positive effects (Morsing & Schultz 2006; Schlegelmilch & Pollach 2005). In addition, overcommunication CSR initiatives can also cause negative effects since these companies are more likely to get attention from media or advocacy groups and can be accused of using CSR communication only for extrinsic purposes (Schlegelmilch & Pollach 2005).

Baskentli et al. (2019) recent study found that consumers react more positively to CSR domains which they have a similar moral foundation with and thus, are more likely to engage in pro-company behaviors, such as purchase, loyalty and advocacy. However, the same does not reflect to CSR lapses, i.e., when a company fails to act morally, and those are treated equally negatively regardless of the domain. Thus, although companies should consider the different CSR domains they engage with to enhance positive reactions, they should however put more emphasis on mitigating any negative concerns throughout all CSR domains.

Consumer skepticism

Consumers are nowadays globally more and more skeptical toward companies' CSR activities (Connors et al. 2015; Forehand & Grier 2003) and find information from third-party sources, such as friends, media or Internet, to be more credible and are more likely to react positively to that, than the communication controlled by the company itself (Du et al. 2010; Vanhamme & Grobbsen 2009). Du et al. (2010) argue that company awareness and skepticism are two main challenges of CSR communication. However, to create awareness the increased efforts in communicating companies CSR practices make consumers feel more distrustful and skeptical toward the companies and thus the effectiveness of the CSR communication is uncertain (Kim 2017; Pomeroy & Dolnicar 2009). Skepticism can be divided into two different types of skepticism based on how it occurs. Dispositional skepticism can be defined as a characteristic

of an individual which they possess whereas situational skepticism occurs momentarily when exposed to communication, for example CSR communication (Forehand & Grier 2003).

Skepticism can be a result of many factors, but it is more likely to occur with companies that have negative reputation, and especially when they participate in CSR initiatives closely related to their business, for example a tobacco company promoting anti-smoking (Bhattacharya & Sen 2004). The company industry itself can also cause great challenges for the effectiveness of CSR communication. For example, companies operating in tobacco or oil industries are often faced with suspicion and skepticism simply due to their industries. (Du et al. 2010) Greenwashing often occurs within these industries which also causes consumer skepticism (Chen & Chang 2013). When it comes to the CSR communication itself, consumers are likely to react with skepticism to communication where they feel that company's CSR motives do not match the company's publicly stated motives (Du et al. 2010; Forehand & Grier 2003). It is not only related to consumers believing that the company will benefit from the CSR initiatives but rather the fact that the company is not honest about the benefits they gain (Forehand & Grier 2003). In addition, companies that have a short history in CSR involvement are more likely to be faced with skepticism since consumers are not yet aware of the companies' motives (Vanhamme & Grobbsen 2009).

Skepticism itself is a negative effect but it can lead to other negative effects such as negative WOM, boycotts, financial losses due to consumers choosing other companies' products/services, consumers not being tolerant toward negative information and harm the company reputation (Skarmeas & Leonidou 2013). Skepticism causes consumers to perceive companies' CSR initiatives as "window dressing", meaning companies' efforts to draw the consumers' attention away from underlying problems or larger truths that companies wish to conceal. This results into consumers paying less attention to CSR communication, not perceiving the differences between CSR initiatives and misremember information related to them. (Bhattacharya & Sen 2004; Du et al. 2007; Sen et al. 2006)

How to mitigate consumers' CSR skepticism and how CSR initiatives are communicated are in the core of CSR communication (Du et al. 2010; Forehand & Grier 2003). Forehand & Grier (2003) discovered that the development of skepticism can be prevented by companies communicating directly about the benefits of their CSR initiatives. In addition, concrete messaging in CSR communication can be used to mitigate the effects of skepticism (Connors

et al. 2015). According to Du et al. (2010) companies should focus that they communicate about their commitment to the CSR cause, their impact on it, their motives why they have chosen to support that cause and their similarities with the cause. Positive media coverage, or publications in other unbiased sources, rather than companies communicating about their CSR initiatives themselves, can help to create a positive image for companies. Thus, companies should try hard to spread knowledge about their CSR initiatives and gain this type of third-party publicity that can also help them to reach consumers and gain benefits such as positive WOM and mitigate skepticism.

Consumers' extrinsic & intrinsic CSR attributions

From stakeholders' point of view, companies participate in CSR based on extrinsic or intrinsic attributions. Extrinsic attributions are seen purely as an attempt to increase profits through CSR and on the contrary, intrinsic attributions are seen as a genuine willingness to participate in CSR from a concern toward a CSR related issue. Stakeholders are more prone to react positively toward the company when they sense that the company is motivated by intrinsic attributions and less favorable if they sense that the underlying motives are extrinsic. (Du et al. 2010) Extrinsic attributions can be a cause consumer skepticism toward the company as well as lower consumer loyalty (Forehand & Grier 2003; Vlachos et al. 2009). Consumer skepticism can be mitigated by the right type of communication: the motives that the company expresses should be aligned with the strategic benefits which should be also communicated (Forehand & Grier 2003).

Communication plays a crucial role especially when communicating the benefits of CSR in relation to pricing. Studies show that although consumers get a nice feeling when buying a product from a responsible company, they are still expecting to pay a fair price and not financing the company's CSR initiatives with premium pricing. Hence, companies should pay attention on how they communicate about their motives to optimize the effect of CSR on perceived price fairness and to avoid consumers' associating the companies' motives to extrinsic attributions. (Habel, Schons, Alavi & Wieseke 2016)

Other negative consequences

Company hypocrisy can occur in multiple different scenarios, for example: when companies state something that they are not actually implementing in their operations, companies say that they care about CSR, but they are not actually doing enough to make a difference or companies say that they are deeply committed to a cause but do not fill the expectations that the stakeholders have (Hafenbrädl & Waeger 2019; Wagner et al. 2009). Company hypocrisy can cause mistrust, doubt and skepticism from the stakeholders toward the company. This influences how consumers perceive the company and its products and can cause severe negative effects on company image, sales and profits. (Vanhamme & Grobben 2009; Wagner et al. 2009) Company hypocrisy can be mitigated by communicating the CSR efforts as business cases, meaning that the company demonstrates a “win-win” situation from being socially responsible and gaining profits. This helps to communicate that the profit maximization and morality of the business are aligned. (Hafenbrädl & Waeger 2019) If the hypocrisy is caused by a CSR crisis, CSR communication has a major effect on how companies can protect and restore their reputation. Studies show that companies with a longer history in participation in CSR have better changes in recovering from the crisis than companies with a short history. Consumers have more trust on the companies with long history and therefore it does not raise suspicion that easily. (Vanhamme & Grobben 2009)

Deriving from company hypocrisy, greenwashing as a concept was first introduced in 1986 in an essay by an environmentalist Jay Westerveld who criticized the hotel industry of promoting reusing towels to ‘save the environment’ while no proper environmental strategy was in place for other aspects of the business. The concept is ambiguous can be determined in many ways. (Seele & Gatti 2017) Greenpeace defines it as “an industry provides false or misleading information about their products and practices to paint them as environmentally sound” (Desmond 2020), whereas the Oxford English Dictionary as “disinformation disseminated by an organization so as to present an environmentally responsible public image” (Oxford University Press 2021b). The common factor of these definitions is that the company must be involved in the act deliberately, whether it is to enhance the image of the product/service or the company itself (Seele & Gatti 2017). It is debatable whether greenwashing only considers the environmental element of TBL or if it also includes the social and economic elements as well. The concept of bluewashing was introduced by the World Summit in 2002 to concern the side of humanitarian issues such as poverty eradication, disaster relief and human rights (Seele

2007). Some scholars include all elements of TBL to greenwashing whereas some prefer to only consider it when related to environmental aspects (Seele & Gatti 2017). According to Chen & Chang (2013) consumers are becoming more aware of environmental issues and thus interested in green products that are good for the environment. This rising interest of green products puts pressure on companies to “be green” which can lead to more companies participating in greenwashing since it can give them a competitive advantage. However, consumers are also more aware of greenwashing as a phenomenon which can cause consumer skepticism that can be harmful for companies.

Boycotts can be an individual's choice to avoid purchasing from a certain company or it can be an attempt, for example from a nongovernmental organization (NGO), to urge large masses of consumers to protest certain companies by not buying their products/services. Boycotts are a way for consumers to show companies that negative CSR practices have consequences. Boycotts are normally a result of company's failed attempts to sustain consumer focus, for example when Nike allegedly had their suppliers working in sweatshop conditions in Asia. (Klein, Smith & John 2004) In 2007, 85 percent of consumers were willing to switch to other products/services due to companies' negative CSR practices and 66 percent would participate in boycotts (Du et al. 2010).

Whereas positive WOM is consumers talking positively about companies to their peers, negative WOM is the opposite, consumers informally spreading negative information about companies. Since WOM is often used when exchanging essential information and to improve decision making, it can have a major impact on the recipient's perception of the company. In addition, consumers are more strongly connected to negative feelings and this way negative perceptions can have a greater impact on consumers. Negative WOM can cause skepticism, but also skeptical people are more likely to spread negative WOM. (Skarmeas & Leonidou 2013)

2.2 Social impact

This chapter of the literature review discusses the social impacts, social impact communication and consumer reactions to social impact. Social impact can be determined in many ways and Centre for social impact defines it as “net effect of an activity on a community and the well-being of individuals and families” (Centre of Social Impact 2021). Based on this definition, it could be considered as negative or positive impact. However, in this research social impacts

are considered as beneficial impacts to the intended targets or communities as defined by Rawhouser et al. (2017). Since there are multiple definitions and not a single unified consensus on how social impact is defined, it harms the research and makes studying the phenomenon more difficult (Maas & Liket 2010).

One of the most known social impact initiatives are part of the Sustainable Development Goals (SDGs) by the United Nations. The 17 goals are spread across different areas, one focus point being on people. Examples of the SDGs related to people and social issues include ending poverty and hunger, gender equality, good health and well-being, and quality education. (United Nations 2020) According to PwC's SDG Challenge 2019, out of the 1141 company reports that were studied, only 25 percent had incorporated SDGs into their business strategies and only 14 percent mentioned a specific SDG target. Only 1 percent of the total amount of companies had implemented quantitative measures to demonstrate their progress toward the targets. (PwC 2019) This clearly indicates that companies have not yet properly implemented the SDGs into their practices, which are one of the most known social impact initiatives, thus there is a lot to improve for the future when it comes to companies participating and reporting social impact initiatives.

Social impacts should be strategically incorporated into the companies' business strategies rather than doing them simply from altruistic reasons, or out of pressure. The strategic approach enables companies to gain better benefits out of the investments to social responsibility. (Husted & Salazar 2006) These benefits are often referred to as corporate social performance (CSP), or social performance, which can be defined as "the impact of business behavior on society" (Husted & Salazar 2006) or as "voluntary business action that produces social (third-party) effects" (Schuler & Cording 2006). CSP is used especially when the performance needs to be financially measured (Husted & Salazar 2006; Schuler & Cording 2006).

The outcomes of social impacts have been understudied in the literature and many times only seen as a part of CSR, but not studied separately (Salazar et al. 2012) or the studies focus especially on impacts and outcomes of social entrepreneurs and social enterprises (e.g., Nicholls 2009). However, social impact measurement has been a trending topic in the academic literature for recent years, thus several different frameworks and measurement scales have been proposed (e.g., Kroeger & Weber 2014; Maas & Liket 2011; Rawhouser et al. 2017; Salazar et al. 2012). Despite of this, Crane, Henriques, Husted & Matten (2017) argue that the academic field still

lacks proper measurement and research design for the impacts of CSR engagement and initiatives on the social well-being. Although for example SDGs offer targets for social impact measurement for companies, the field is still lacking a consensus on how social impact should be measured and reported by companies which can explain why they are not implemented in CSR reporting.

2.3 Social impact communication

Social impact communication literature has not been studied a great deal in the current literature and the focus of the literature is generally on CSR communication (Rawhouser et al. 2017). Hence, research focusing on solely social impact communication are an important addition to the current literature to understand especially the area of social impact communication, not only CSR communication. In addition, the focus of the current literature has been on the company perspective, i.e., how companies can benefit from CSR communication, and thus lacking the stakeholders' perspective, such as how consumers perceive or react to social impact communication (Salazar et al. 2012). Moreover, sustainability communication also touches the same areas and overlaps with social impact communication (Godemann & Michelsen 2011, 6) which shows that both CSR and sustainability communication include aspects of social impact communication but do not study the phenomenon separately as its own domain. The social element of TBL has been poorly studied compared to the environmental and economic elements which further increases the need of more research in the field (Salazar et al. 2012).

When considering solely social impact communication research, it many times considers only one aspect of social impact initiatives, such as philanthropic activities. Philanthropy is one of the most cost-effective ways for companies to gain competitive advantage, but companies are often lacking the right ways to communicate about their efforts. Companies often focus their communication on the benefits of their contributions instead of the impact they have achieved, which can harm the effectiveness of the philanthropic activities and decrease the chances of creating actual social value. (Porter & Kramer 2002) If philanthropic activities are not managed properly, they might backfire and even damage the company reputation. In addition, since often the activities are not communicated, nor their impacts are measured properly, this results into companies simply losing money and not gaining any benefits from their stakeholders such as consumers. (Maas & Liket 2011)

2.4 Consumer reactions to social impact

Consumers reactions to social impact per se has not been studied in extensively, the focus of the research has been on studying the general reactions to CSR communication which has been discussed in more detail in the chapter 2.1 Consumer reactions to CSR communication. Thus, the literature on this specific field regarding social impact is scarce and more research is needed especially from the stakeholder point of view (Salazar et al. 2012). However, there has been studies on how consumers respond to strategic philanthropy which is one part of the social impact communication. In strategic philanthropy the company's strategic aim is to give back to the social welfare but also financially profit from the giving (Maas & Liket 2011; Saiia, Carroll & Buchholtz 2003). According to Porter & Kramer (2002) strategic philanthropy has many challenges and for most companies it is simply a way of boosting their image and brand through cause-related marketing and the social impact of the philanthropy is secondary which causes consumers to doubt the sincerity of the communication. When strategic philanthropy is implemented properly it addresses important social and economic goals with companies' unique assets and knowledge which creates genuine benefits for both, the society and the company. Those companies that participate in real social issues compared to companies that simply give money to charity because it is expected, will gain more credibility in the eyes of the consumers. One example of strategic philanthropy study is the research by Maas & Liket (2011) where they conclude that strategic philanthropic activities have direct effects such as financial benefits for the company, as well indirect effects which are a result of consumer reactions, such as increased trust, loyalty and goodwill. However, this study, like many others, is studied from the perspective of the company, not consumers.

As companies are often more interested in the inputs of social impact initiatives, such as volunteer hours served or money spent, switching the focus on real outcomes, such as lives saved or improvements in health, could help consumers perceive companies in a better light. This way companies are not only doing what they must to be considered as responsible companies in the eyes of consumers but showing the positive social impact on the targeted recipients. Focusing on the outcomes will help companies to learn from their CSR activities so that they can improve and alter their efforts when necessary and gain more positive reactions from consumers. (Salazar et al. 2012)

Öberseder et al. (2014) argue that clearly distinguishing different CSR domains makes companies' CSR activities easier to assess and more tangible to consumers, thus they propose the following categories: employees, customers, environment, suppliers, the local community, shareholders, and society at large, which includes social impact initiatives. Schuler and Cording (2006) support this view by concluding that when studying the consumer reactions to CSP, focusing on one stakeholder group will help to understand them better. In their study Öberseder et al. (2014) found that consumers perceive the society at large domain of medium relevance whereas the most important domains were customers, the environment, and employees. In addition, consumers and managers perceived the assessment of CSR very differently which emphasizes the need for studying consumer reactions. Öberseder et al. (2014) also suggest deeper analysis of each domain to gain better understanding of consumer reactions toward that specific domain. This also reflects to CSR reporting where companies tend to pay more attention to the environmental aspects of CSR than the social performance which might be a result of the difficult assessment of social performance (Kroeger & Weber 2014).

3 THEORETICAL BACKGROUND AND HYPOTHESES

This section of the research presents the theoretical background and hypotheses of the research. Construal level theory is presented as the main theoretical background, followed by how it is related to consumer behavior. Lastly, four hypotheses are proposed to discover the main findings of the research.

3.1 Construal level theory

This research basis its main theoretical background and hypotheses on the construal level theory (CLT) which helps to understand how people evaluate objects and events. It is one of the leading modern theories of mental construal in consumer science and social psychology with great implications and applications (Fiedler 2007). The theory is based on two terms, level of construal and psychological distance. Level of construal can be described how individuals construe (i.e., interpret, understand) objects differently based on their psychological distance: near objects have low-level construal, they are detailed and easy to contextualize, whereas high psychological distance objects on the other hand have high-level construal, they are abstract and stable. Since individuals use this interpretation as a basis of their evaluation of objects, CLT is an important theory for consumer science as it can help to predict decision making and behavioral intentions. (Trope et al. 2007)

The basic principle of CLT is that further the object is based on psychological distance, the higher the level of abstraction will be. Psychological distance is affected by temporal, spatial, hypothetical, and social distances. For example, an event further in the future has high temporal distance, an event that occurs long physical distance away has high spatial distance, if an event is less likely to occur it has high hypothetical distance and if the event is likely to happen to someone else than yourself it has high social distance. In result, current events are generally construed with low level since people tend have a lot of information available and they are happening now. On the contrary events happening in the future are construed more abstract and schematic since there is less reliable information available. (Trope et al. 2007) All the different dimensions of psychological distance have their own independent influence on consumer choices which can be examined separately for deeper analysis (Lieberman, Trope & Wakslak

2007). All these dimensions guide people's actions, such as prediction, evaluation, and behavior, hence CLT is highly valued in consumer science (Trope et al. 2007).

3.1.1 CLT and consumer behavior

When CLT is applied to consumers and their decision-making, all the different dimensions of psychological distance have their separate effects. It is good to acknowledge that temporal distance is unidimensional and uncontrolled whereas spatial is controllable, and hypothetical and social distances are somewhat controllable. (Lieberman, Trope & Wakslak 2007) An example of temporal distance would be deciding to buy something now but use that later. Spatial distance has become very prominent nowadays since people are shopping more online and thus purchasing products from sellers located far away from them. On the other hand, social distance plays an important role when shopping in physical stores since customers might feel more comfortable dealing with a salesperson or customer service representative who is like them, thus social distance becomes lower. Hypothetical distance comes relevant for example in situations where people need to make choice that have uncertain outcomes and are perceived risky, such as purchasing stocks. (Trope et al. 2007)

Dhar & Kim (2007) argue that motivational and emotional dimensions should be also considered when applying CLT to consumer decision-making and the decision-making progress should be analyzed in stages. A motivational bias, such as optimism, is likely to influence a person's decision-making and goal pursuing, especially those in distant future, since a person with optimism does not consider resource constraints affecting them that greatly. In addition, the level of construal has a greater meaning when making more difficult choices. Consumers with low level construal (i.e., concrete, short psychological distance) tend to more likely postpone a purchase decision or not purchase at all, although presented with appealing options, when compared to high level construal mindset. In other words, consumers with high level construal mindset (i.e., abstract, long psychological distance) tend to have less difficulties in decision-making. For example, when asked to decide to purchase an item for themselves versus for an acquaintance from work, people had more difficulties in choosing the option to purchase for themselves since they had more concrete mindset whereas purchasing for an acquaintance they had more abstract mindset.

CLT can be also applied to measuring the level of abstractness in information processing. As proposed by the CLT, Ding & Keh (2017) found out that consumers with high construal level rely more on intangible attributes (i.e., central and abstract features) and under a low construal level more on tangible attributes (i.e., incidental and concrete features) when it comes to service evaluation and choice. In marketing context, low level construal could be matched with using pictures instead of only words, referring to consumers near future and using more actions and verbs in the language.

3.2 Research hypotheses

This chapter presents the hypotheses of the research. First, the effect of abstractness of social impact communication on purchase intentions and loyalty is proposed. Second, the hypothesis regarding situational skepticism is presented. Lastly, the hypotheses for the moderating role of dispositional skepticism and extrinsic CSR attributions are demonstrated.

3.2.1 The effects of level of abstractness on behavioral intentions

The first hypothesis proposes that more concrete level of abstractness in communication compared to abstract, will positively affect the consumers' behavioral intentions, purchase intentions and loyalty, since the concrete level matches the consumers low-level construal mindset that is connected to CSR initiatives. Connors et al. (2015) study applied CLT to CSR communication and found out that consumers tend to adopt a low-level construal mindset when they are processing CSR information. Consumers aim to disprove or confirm the CSR claims by companies and need detailed and concrete information to achieve that. Concrete communication was found to mitigate negative effects of CSR communication, such as skepticism, thus it can be assumed that concrete communication could also generate positive effects after negative effect are mitigated. For example, since skepticism can decrease consumer loyalty (Vlachos et al. 2009), concrete communication should be able to increase consumer loyalty if skepticism is successfully mitigated.

Consumers are more likely to react positively to companies' CSR initiatives when the initiatives have a high fit with the company (Bhattacharya & Sen 2004), thus it can be assumed that providing more concrete information in the communication about the companies' CSR initiatives would help to increase the CSR fit, resulting into positive effects. In addition,

according to Kim (2017) using a factual tone in CSR communication, versus promotional tone, will help to produce positive consequences from CSR communication. Positive consequences are achieved when consumers can gain more information about the companies' CSR initiatives which helps to build trust between the consumers and the companies. Consumer trust further helps to create a positive company reputation which can increase the likelihood of positive reactions from consumers toward the company.

Based on the forementioned findings it can be assumed that concrete communication would generate more positive effects toward consumers purchase intentions and loyalty compared to abstract communication in social impact communication. The following hypothesis is proposed:

H₁: More concrete social impact communication will positively affect the consumers' purchase intentions and loyalty compared to abstract communication.

The first hypothesis will help to provide answers the main research question: *How do consumers react to social impact communication presented at different levels of abstractness?*

3.2.2 The effects of level of abstractness on situational skepticism

Consumers often inherently develop negative attitudes, such as skepticism, toward companies when processing CSR information (Forehand & Grier 2003). To find out how consumer skepticism can be mitigated, Connors et al. (2015) applied CLT and the level of abstractness in their research to study how concrete messages can help to mitigate skepticism. They found out that concrete information helps consumers to better evaluate the CSR claims which helps to mitigate skepticism. In addition, factual tone (Kim 2017), directly communicating about the benefits gained from CSR causes (Forehand & Grier 2003) and clearly stating the motives why a company have chosen a certain cause (Du et al. 2010), has been proven to influence CSR communication positively. All of these require concrete communication strategies from companies to achieve the positive outcomes. Based on these previous studies, it is assumed that the concrete communication style also in social impact communication would help to mitigate situational skepticism.

Situational skepticism related to CSR communication is found to negatively affect consumers' behavioral intentions in number of different studies (e.g., Connors et al. 2015; Du et al. 2010; Forehand & Grier 2003) such as decreasing consumers' purchase intentions and loyalty (Skarmeas & Leonidou 2013). However, when situational skepticism is mitigated by concrete communication, it is assumed that consumers' purchase intentions and loyalty will increase since the negative effects are mitigated. Based on the findings from the previous studies the following hypothesis is posited:

H₂: Concrete social impact communication will help to mitigate situational skepticism compared to abstract communication and subsequently increase consumers' purchase intentions and loyalty.

H₂ will help to answer the first sub-research question: *How does the level of abstractness of social impact communication influence consumers' situational skepticism?* and provide additional findings to the main research question.

3.2.3 The moderating role of dispositional skepticism and extrinsic CSR attributions

Consumers all over the world are becoming increasingly skeptical toward companies' CSR activities (Connors et al. 2015; Forehand & Grier 2003), thus companies aim to understand what kind of consequences skepticism has on business. Skepticism is found to cause negative effects, such as decreasing consumers' purchase intentions and loyalty, and financial losses (Skarmeas & Leonidou 2013). As Connors et al. (2015) study demonstrated, consumers reacted differently to CSR information presented on different levels of abstractness. This research derives from that and aims to find out how the dispositional characteristics of an individual can influence the relationship between the level of abstractness of social impact communication and behavioral intentions.

Individuals with high skepticism are more likely to doubt the genuineness of the CSR communication and the company motives behind the CSR claims. In addition, they pay less attention to the communication which causes them not to perceive the differences between CSR initiatives and misremember information. (Bhattacharya & Sen 2004; Du et al. 2007; Sen et al. 2006) As Connors et al. (2015) study showed, the level of abstractness plays a big role in how CSR communication is perceived by individuals; thus, it can be assumed that the individual's

dispositional characteristics would influence the perceptions of the communication and behavioral intentions. Thereby it is assumed that consumers with high dispositional skepticism will be affected differently by the abstractness level of the communication compared to consumers with low dispositional skepticism. Thus, the following hypothesis is posited:

H₃: The relationship between level of abstractness and behavioral intentions is pronounced when consumers perceive a high level of dispositional skepticism.

Company extrinsic CSR attributions and company hypocrisy are found to cause consumer skepticism which can cause severe negative effects on company image, sales and profits, as well as lower consumer loyalty (Forehand & Grier 2003; Vlachos et al. 2009; Wagner et al. 2009). Since skepticism can be prevented with concrete communication style (Connors et al. 2015) it can be assumed that extrinsic CSR attributions, which can cause skepticism, would be also influenced by the concrete communication. Consumers' perceptions of extrinsic CSR attributions derive from thinking that companies' CSR initiatives only serve the company and does not produce benefits to the society (Forehand & Grier 2003). Thus, concrete communication style could help to better inform the consumers about the companies' motives and that way influence the behavioral intentions of the consumers.

Consumers are found to react more positively to companies that participate in CSR initiatives based on intrinsic motives rather than extrinsic (Du et al. 2010), thus concrete communication could also result in more positive effects. It can be assumed that consumers who are suspicious of companies' CSR initiatives and think that companies involve in CSR from extrinsic motives, will react differently to the presented communication compared to consumers who do not possess perceptions of high extrinsic CSR attributions. Thus, is it hypothesized that:

H₄: The relationship between level of abstractness and behavioral intentions is pronounced when consumers perceive a high level of extrinsic CSR attributions.

H₃ and **H₄** will help to provide answers to the second sub-research question: *How do consumers' dispositional characteristics influence the relationship between the level of abstractness of social impact communication and behavioral intentions toward the company?*

4 RESEARCH DESIGN AND METHODS

This section of the research presents the research design and methods used to gather the quantitative primary data of the research. First, the data collection methods are presented including the questionnaire structure and sample. Next, the data analysis methods are discussed. Lastly, the results of the reliability and validity analyses are presented.

4.1 Data collection methods

The research was conducted as a between-subjects randomized experiment. Randomized experiments are generally perceived as the best suitable option for experiments that aim to establish causal relationships. In a between-subject experiment one participant is exposed to one experimental condition and a randomization procedure is used to determine which condition the participant receives. (Alferes 2012, 1, 17) This research had two different conditions that were randomized. The random assignment of the experiment was set to aim for equal-sized groups of the number of participants. The two conditions represent two different versions of a social impact communication message, the other condition represents an abstract version and the other condition a concrete version of the same message. Textile industry was used in the conditions since prior research shows that consumers are aware of the ethical aspects which are linked to CSR when purchasing clothing (Webb et al. 2008). The treatment texts used in each condition are presented in the table 2 below. Out of the 105 participants who received the condition, 57 received the concrete version and 48 received the abstract version. Before implementing the conditions to the questionnaire, they were pilot tested among four individuals to validate that the conditions were perceived differently: the concrete text more concrete than the abstract text. All pilot testers found the concrete text more concrete than the abstract, thus the conditions were proven to present the different levels of abstractness and were implemented to the questionnaire.

Table 2 Treatment texts for abstract and concrete conditions

Abstract condition	<p>City Fashion produces fashionable clothing in various countries, including Nigeria. Here is how the company communicates about its Corporate Social Responsibility engagement:</p> <p>Our company helps local Nigerian communities by creating jobs in the area.</p> <p>In 2019 we created new jobs via our “Project A” program. With these actions, we are improving lives in the area and having an important impact on the local society and future generations to come. Therefore, we have a long-term effect on the well-being of society.</p>
Concrete condition	<p>City Fashion produces fashionable clothing in various countries, including Nigeria. Here is how the company communicates about its Corporate Social Responsibility engagement:</p> <p>Our company helps local Nigerian communities by creating jobs in the area.</p> <p>In 2019 we created 50 new jobs in the area via our “Project A” program. With these actions, we were able to increase the standard of living of the local families by 40% and as a result, these families were able to send 30 children to school. Therefore, the level of literacy increases by 35% which has a long-term effect on the well-being of society.</p>

The presentation of the condition in the questionnaire was carefully designed to avoid influencing the responders’ behavior and to preserve the validity and generalizability of the experiment. Demand cues are used in conditioning experiments in consumer research to demand the responder to act in a certain way. Strong demand cues can cause errors in the inference regarding the observed condition and lead to demand artifacts, also called demand bias. When strong demand cues are used the participant might be bias in their responses since, they are thinking that they should behave in a certain way to support the hypothesis, a certain type of behavior is expected from them. When strong demand cues are not present, it is left for the participant to make their own causal judgement, for example to ponder what they should be doing, why these questions are asked and what is the aim of the research. (Shimp, Hyatt & Snyder 1991) An example of a strong demand cue could be “Please read the following text carefully since it is important for the research.” Due to this, strong demand cues were not used in the questionnaire when presenting the conditions to avoid demand bias.

The data was collected with an anonymous online questionnaire conducted in Qualtrics online questionnaire software platform by the researcher. Online questionnaire was chosen as a format

since it allowed the researcher to easily distribute the questionnaire, gather data in electronic form and it is a time and cost-efficient way of conducting a research. The questionnaire was distributed with an anonymous link in social media platforms, Facebook, Instagram and LinkedIn, and in addition personally by the researcher throughout her network in WhatsApp and Slack. The data collection period was from 26 November 2020 until 17 December 2020. It was estimated that it takes approximately 10 minutes to complete the questionnaire. The average time to complete the questionnaire was approximately 13 minutes with the median of 11 minutes. Appendix 1 demonstrates the online questionnaire.

4.1.1 Questionnaire structure

The questionnaire was structured to follow a typical order of a manipulation experiment where after the initial introduction and demographics a randomizer was used to present one condition to the responder. All questions were the same for all participants, the only changing variable was the shown condition which would be either abstract or concrete depending on the randomizer.

The questionnaire was structured as follows:

1. Introduction
2. Demographics
3. Randomizer
4. Dependent variables
5. Mediators
6. Moderators
7. Manipulation checks
8. Other checks
9. Feedback & thank you

The questionnaire scales and items were gathered from previous research related to the research questions to gain reliable and comparable results since question design is often the major source of error in eventual questionnaire data (Bickman & Rog 2009, 375). A seven-point Likert scale was used to measure the items where 1 = completely disagree, 7 = completely agree, except one scale which used seven-point Likert scale where 1 = not at all, 7 = very much. Appendix 2 demonstrates the used scales and items with their sources.

It should be noted that the questionnaire includes more items that were necessary to test the research hypotheses to gain a wider understanding of the topic and find possible research topics for the future. However, being outside of the focus area of this research, these items are not reported in the findings to maintain the intended scope of the research.

4.1.2 Questionnaire sample

Before the questionnaire was distributed, it was pilot tested by the researcher and five other pilot testers to ensure that the randomizer worked as intended and to gather feedback before the distribution. Minor changes were made to the layout of the questionnaire based on the feedback; thus, the pilot testers' responses were excluded from the study.

Non-probability sampling was used in the research due to its convenience, cost and time efficiency. Non-probability sampling occurs in this research since everyone was given the opportunity to choose if they participate in the questionnaire or not. (Fricker 2008, 199) For example, in this research the researcher shared the anonymous link in her social media channels and the individuals could choose if they would like to respond or not. The questionnaire was conducted in English and besides the questionnaire language and its online presence in social media, there were no other limitations on who was eligible to answer the questionnaire. Out of the 112 participants who started the questionnaire, 58 participants finished the questionnaire answering all the compulsory questions which equals to a finishing rate of 52 percent. Out of the 112 participants who started the questionnaire, 99 participants partially finished the questionnaire. The research includes responses from all participants who answered any questions related to the presented conditions, thus N=99.

To avoid biases in the sample, the questionnaire was distributed in various channels to avoid that only people who were interested in the topic would reply. However, sources of bias were also identified. Selection bias depends on how the individuals are chosen to participate in the questionnaire (Fricker 2008, 200). For example, in this research selection bias occurred since only individuals who understood English and had access to Internet were able to participate. In addition, the researcher selected in which social media platforms and networks the questionnaire was shared which was also a limiting factor.

The participants represented 16 different nationalities with the average age of 29 years. The average responder was a 29-year-old Finnish female. Table 3 below describes the participants' age, gender and nationality.

Table 3 Demographics of the participants

Age	Minimum 19	Maximum 50	Mean 29,22	Std. Deviation 5,61
Gender	Female 62,6%	Male 36,4%	Prefer not to say 1%	
Nationality	Finnish 72,1%	German 4,8%	Vietnamese 3,8%	Others 19,2%

Appendix 3 demonstrates the participants' employment status, education level and monthly net income, respectively. It can be concluded that the average participant was employed full-time (57.6%), had a master's or a comparable degree (54.5%) and earned 2001-3000 euros monthly (39.4%). However, the sample also represents a large portion of students (25.3%) and people in the lowest income category < 500 euros (17.2%). The sample was designed to represent people from various backgrounds which was achieved according to the demographic data.

4.2 Data analysis methods

The questionnaire data was analyzed with a statistical program IBM SPSS Statistics version 26. Before the actual analyses, the concrete and abstract conditions were recoded. Abstract group was given the value of 1 and concrete group the value of 0. A single grouping variable based on the recoding was used in the further analyses. Since multi-item scales were used the reliability and factor analysis were conducted which are further explained in the next chapter *Reliability and validity*.

Independent samples t-test

T-tests were used to determine the statistical differences in the means of the conditions when compared to the tested variables. To conduct t-tests, all individual measurement items were first combined as index variables based on the results of the reliability and factor analysis. These index variables were used in the analysis instead of testing each item separately. T-tests were

conducted as independent samples t-tests. The following significance levels were used to determine the significance of the results: $p < .05$ = significant difference, $p = > .05$ but less than $.10$ = marginally significant, $p > .10$ = no statistically significant difference.

Correlations

To determine the correlations between two variables, a bivariate correlation analysis was conducted using the Pearson's product-moment correlation coefficient. Pearson's correlation was chosen since the data is interval, meaning it has equal intervals on the scale that represent equal differences in the measured item. (Field 2009, 9, 177) Appendix 4 presents the correlations, means and standard deviations.

Moderator analysis

Moderation studies the relationship between IVs (predicators) on DVs (criterion) where a third moderating variable (moderator) determines the impact, direction, and strength of the predictor on the criterion (Grewatsch & Kleindienst 2015). The moderator analysis was conducted in two parts; first the data was explored with a general factorial ANOVA that is designed for between-group design. A univariate general linear model was used to determine which variables have significant interactions. (Field 2009, 431) After discovering the significant interactions between the variables, the actual analysis was done with a regression process macro for all interactions that had $p < .05$, other interactions were discarded from further analysis due to being only marginally significant. Levene's test was used to determine the equality of the variances (homogeneity of variance) to ensure the tenability of the assumption, assumption being that the spread of scores is roughly equal in different groups of cases (Field 2009, 152, 436). The moderator analysis was conducted with PROCESS Procedure for SPSS Version 3.4.1 by Andrew F. Hayes 2018 with model number 1, confidence interval of 95 percent, number of bootstrap samples 5000 and moderators mean centered. This allowed to analyze the interactions found with ANOVA in more detail to determine the direction and emphasis of the interaction on different levels.

Mediator analysis

Mediating factors examine the causal effect of the IV on the DV, in other words how the IV influences the DV (Grewatsch & Kleindienst 2015). A mediator analysis was conducted using PROCESS Procedure for SPSS Version 3.4.1 by Andrew F. Hayes 2018 (Model 4, 95 percent confidence interval, 5000 bootstrap samples) where the causal effect of situational skepticism was examined.

4.3 Reliability and validity

To determine the quality of research, the reliability and validity of each used multi-item scale were measured with reliability and factor analyses. Reliability measures consistency and coherence of the asked questions and the responses in a way that if the questions are consistent, the answers are reliable (Bickman & Rog 2009, 376). To determine the internal consistency and reliability Cronbach's alpha was used. Cronbach's alpha is one of the most used reliability measurements of multi-item scales in the social and organizational sciences. Reliability analysis was conducted where the limit of $\alpha > .7$ was used for acceptable minimal value which is generally recognized limit for Cronbach's alpha. However, it can be argued that there should be no generally used acceptable minimal reliability value since it always depends on the type of application. (Bonett & Wright 2015) Referring to the generally accepted minimal value, this research will consider all the items which are $\alpha < .7$ as limitations for the analysis thus the results from those items should be excluded or the limitation should be considered in the analysis.

Validity analysis is necessary to conduct for multi-item scales to validate that all items are measuring what is intended and if they can be represented parsimoniously as a single item (Bickman & Rog 2009, 23; Fabrigar & Wegener 2012, 1). Validity analysis was conducted as a factor analysis where principal axis factoring and varimax rotation method was used. Based on the factor matrix, the validity of the measured items was determined by the factor loadings. If all items are loaded on the same factor, the scale would be valid to use since this would indicate that all items measure the same topic. The limit of $>.55$ for acceptable factor loadings was used. Items with $< .55$ factor loading were excluded from the analysis.

Based on the reliability and validity analysis the acceptable items for the analysis were determined. All items were loaded on one factor. All factor loadings were above .62. However, there were some items that were not accepted due to low factor loadings and excluded from the analysis due to low values. In some cases, part of the items was combined into an index variable. Appendix 2 presents the measures and scale evaluation in more detail with the Cronbach's alphas for each variable, factor loadings for each item and the scale sources. Items which were excluded are not included in the appendix 2.

While conducting the factor analysis, some deviations were discovered. The four items measuring situational skepticism did not pass the factor analysis due to low factor loadings on item 1 (.365) and item 4 (.508). Because of this, items 2 and 3 were then combined into one index variable. These two items were loaded on one factor. All factor loadings were above .86. Items 1 and 4 were not used as separate items in the analysis since they did not pass the factor analysis due to low values and were thus excluded.

The four items measuring the consumers' evaluations of CSR responsibilities (CECSR), did not pass the factor analysis due to item 1 which measured the item in reverse and because that it was excluded from the analysis. Items 1 and 2 measured profit maximization and economic performance which are not in the center of this research thus they were both left out from the analysis. Items 3 and 4 were combined into one variable which was used to in the analysis. These items were loaded on one factor. All factor loadings were above .66. However, the low result in Cronbach's alpha, .612, must be considered as a limitation in the further analysis for this item. Since CECSR was not part of the proposed hypotheses, the deviation does not have an impact on the main results of the study and do not affect the validity of the research results. However, if studied further in the future, the items on this scale should be reconsidered for more valid results.

5 FINDINGS

This section demonstrates the main findings of the conducted experiment. First, the findings related to the tested manipulation are demonstrated. Second, the findings related to the level of abstractness are presented i.e., how the concrete and abstract conditions affected the participants' behavioral intentions and skepticism. The results were gathered by conducting independent samples t-test comparing variables against the concrete and abstract conditions. Thirdly, the findings related to the moderators are presented based on the regression analysis. Lastly, other relevant findings outside the research's main hypotheses are presented.

5.1 Manipulation checks

It was tested whether the manipulation had worked as intended, meaning that participants who received the concrete condition would find it concrete and the recipients of the abstract condition would find the condition abstract. In addition, to ensure the success of the manipulation potential confounding variables were checked. Out of the 105 participants who received the condition, 57 received the concrete version and 48 received the abstract version.

Manipulation concreteness

To check whether the manipulation had worked as intended a t-test was executed which showed that indeed people in the concrete condition perceived the manipulated message more concrete. The participants who received the concrete text ($M = 4.58$, $SD = 1.05$) compared to the participants who received the abstract text ($M = 3.77$, $SD = 1.33$) perceived the text significantly more concrete $t(58) = 2.63$, $p = .01$.

Manipulation credibility

A t-test reveals that the groups did not perceive a difference in the credibility of the manipulations which can be considered as a positive outcome and thus the overall results of the manipulation are comparable. The participants who received the concrete text ($M = 4.43$, $SD = 1.10$) compared to the participants who received the abstract text ($M = 3.98$, $SD = 1.18$) did not demonstrate significant difference in the credibility of the manipulations $t(58) = 1.51$, $p = .14$.

Manipulation understandability

A t-test reveals that the groups did not perceive a difference in the understandability of the manipulations which further confirms that the results are comparable between the two groups. The participants who received the concrete text ($M = 5.06$, $SD = 1.45$) compared to the participants who received the abstract text ($M = 5.09$, $SD = 1.18$) did not demonstrate significant difference in the understandability of the conditions $t(58) = -.08$, $p = .94$.

Perceived realism of the manipulation

The perceived realism of between the conditions was tested with a t-test. Participants who had received the concrete condition, found it more realistic. Although there was no significant difference in the credibility of the conditions, the difference in the realism could be related that people are more likely to find concrete information more realistic since it matches the low-level construal mindset (Connors et al. 2015). The participants who received the concrete text ($M = 4.78$, $SD = 1.07$) compared to the participants who received the abstract text ($M = 4.11$, $SD = 1.34$) perceived the manipulation significantly more realistic $t(58) = 2.16$, $p = .04$. This should be considered as a limitation since the manipulation was not perceived equally realistic by both groups. The limitation is discussed further in the limitation chapter in conclusion.

Perception of the company's social impact engagement

The participants who received the concrete text ($M = 4.79$, $SD = 1.04$) compared to the participants who received the abstract text ($M = 3.99$, $SD = 1.39$) demonstrated significantly higher positive perception of the company's social engagement $t(62) = 2.62$, $p = .01$. This could be related to the message concreteness and that consumers are generally looking for more concrete information when they are processing CSR information (Connors et al. 2015). Thus, consumers with more concrete information can make more accurate perceptions of the company's social impact engagement. The difference is further analyzed in the discussion chapter.

5.2 The effects of the level of abstractness on behavioral intentions

The experiment studied how the level of abstractness influences the behavioral intentions resulting from the social impact communication. The participants who received the concrete text ($M = 4.23$, $SD = 1.12$) compared to the participants who received the abstract text ($M = 3.76$, $SD = 1.24$) demonstrated marginally significantly higher purchase intentions $t(72) = 1.72$, $p = .09$.

The participants who received the concrete text ($M = 4.17$, $SD = 1.16$) compared to the participants who received the abstract text ($M = 3.6$, $SD = 1.31$) demonstrated significantly higher loyalty toward the company $t(72) = 1.99$, $p = .05$.

5.3 The effects of the level of abstractness on situational skepticism

The experiment studied how the level of abstractness influences situational skepticism toward the social impact communication. The participants who received the concrete text ($M = 4.30$, $SD = 1.16$) compared to the participants who received the abstract text ($M = 3.79$, $SD = 1.24$) demonstrated marginally significantly lower situational skepticism toward the company $t(62) = 1.71$, $p = .09$.

A mediator analysis was conducted using PROCESS Procedure for SPSS Version 3.4.1 by Andrew F. Hayes 2018 (Model 4, 95 percent confidence interval, 5000 bootstrap samples). In the analysis the IV was the message abstractness, DV was purchase and loyalty intentions, respectively, and the mediator was situational skepticism. There was no significant indirect effect on either of the DVs. For purchase intentions the results were $b = -.35$, 95% CI $[-.76, .05]$ and for loyalty intentions $b = -.36$, 95% CI $[-.81, .05]$.

5.4 The effects of the moderating variables

The interactions of the moderating variables were tested on dependent variables: purchase intentions and loyalty. No significant interactions were found when testing moderating variables toward purchase intentions, only one marginally significant result was found which was excluded from the further analysis due to its low significance. The effects on consumer loyalty are presented in more detail next.

5.4.1 Moderating effects on consumer loyalty

For consumer loyalty, significant interactions from moderating variables were discovered with ANOVA which then were analyzed with regression analysis. Message abstractness was used as IV and loyalty as DV. Only significant interactions are presented in the findings.

It was examined whether the abstractness of social impact communication and extrinsic CSR attributions have an interaction effect on loyalty intentions using PROCESS Procedure for SPSS Version 3.4.1 by Andrew F. Hayes 2018 (Model 1, 95 percent confidence interval, 5000 bootstrap samples, moderator mean centered). In the analysis, message abstractness was the IV, extrinsic attributions the moderator, and loyalty intentions the DV. The main analysis of the two-way interaction resulted into a marginally significant effect ($b = -.39$, 95% CI [-.82, .03], $t = -1.84$ $p < .10$). Furthermore, in the simple slopes analysis it was discovered that the effect of abstractness on loyalty was different depending on the level of the moderator. At low levels of extrinsic attributions (i.e., one standard deviation below the mean), the treatment variable did not have a significant effect on loyalty ($b = .05$, 95% CI [-.77, .86], $t = .12$ $p > .10$). At mean levels of extrinsic attributions, the treatment variable had a marginally significant negative effect on loyalty ($b = -.48$, 95% CI [-1.06, .09], $t = -1.68$ $p < .10$). At high levels of extrinsic attributions (i.e., one standard deviation above the mean), the treatment variable had a significant negative effect on loyalty ($b = -1.02$, 95% CI [-1.83, -.20], $t = -2.49$ $p < .05$)

5.4.2 Moderating effects of dispositional skepticism

It was examined how the level of dispositional skepticism influenced to the relationship of the level of abstractness and the dependent variables, purchase and loyalty intentions. It was assumed that people with higher dispositional skepticism would show lower purchase and loyalty intentions but there was no significant effect on either of the variables, $p > .10$. Thus, the assumed hypothesis, dispositional skepticism has a negative effect on purchase and loyalty intentions, was not confirmed.

5.5 Other interesting findings

Based on the discoveries with ANOVA, regression analysis was done on the interaction effect of the manipulation and CECSR, and it was examined whether that lead to positive or negative effects on loyalty intentions (Model 1, 95 percent confidence interval, 5000 bootstrap samples, moderator mean centered). In the analysis, message abstractness was the IV, the CECSR the moderator, and loyalty intentions the DV. Similar results to extrinsic CSR attributions were discovered regarding the different levels of the moderator. The main analysis of the two-way interaction resulted into a non-significant effect ($b = -.30$, 95% CI $[-.76, .17]$, $t = -1.27$ $p > .10$). Nevertheless, the simple slopes analysis showed an interesting pattern regarding CECSR as well. At low levels of CECSR (i.e., one standard deviation below the mean), the treatment variable did not have a significant effect on loyalty ($b = -.31$, 95% CI $[-1.23, .62]$, $t = -.67$ $p > .5$). However, at mean levels of CECSR attributions, the treatment variable had a significant negative effect on loyalty ($b = -.74$, 95% CI $[-1.40, -.08]$, $t = -2.23$ $p < .05$). Furthermore, at high levels of CECSR (i.e., one standard deviation above the mean), the treatment variable had a significant negative effect on loyalty ($b = -1.16$, 95% CI $[-2.13, -.20]$, $t = -2.42$ $p < .05$)

Another interesting finding beyond the hypotheses is that the participants who received the concrete text compared to the participants who received the abstract text considered the company marginally significantly less hypocrite. The participants who received the concrete text ($M = 3.33$, $SD = 1.22$) compared to the participants who received the abstract text ($M = 3.94$, $SD = 1.44$) considered the company marginally significantly less hypocrite $t(66) = -1.87$, $p = .07$.

6 DISCUSSION

This section of the research answers the research questions, demonstrates whether the proposed hypotheses were supported by the findings and how the research findings are aligned with the previous research done in the field. First, consumers' reactions on the different levels of abstractness are discussed and answers to the research questions are presented with the discussion of key findings related to the proposed hypotheses. Second, other relevant findings outside of the proposed research hypotheses are discussed. This is followed by the theoretical contributions and managerial implications. Lastly, limitations and suggestions for future research are discussed.

To review the research questions presented in the beginning of this research, the aim of the research was to find out how consumers react to social impact communication presented at different levels of abstractness with the following research questions:

Main RQ: How do consumers react to social impact communication presented at different levels of abstractness?

Sub-RQ1: How does the level of abstractness of social impact communication influence consumers' situational skepticism?

Sub-RQ2: How do consumers' dispositional characteristics influence the relationship between the level of abstractness of social impact communication and behavioral intentions toward the company?

6.1 Answers to the research questions

Main RQ: How do consumers react to social impact communication presented at different levels of abstractness?

The manipulation was set to present a concrete and abstract version of a similar social impact communication message to examine the effects of level of abstractness of the communication. The concrete version was indeed considered more concrete which confirms the effectiveness of

the manipulation. The concrete message also increased the participants' perception of the social impact engagement of the imaginary company thus, providing valuable insights that more concrete communication style should be used by companies to be perceived more socially responsible. Message credibility and understandability did not show any differences between the two conditions which means that the message was perceived in the same way and thus the results from the conditions are comparable. However, the perceived realism of the concrete condition was higher than the abstract condition. This could be explained with the fact that people are more likely to find concrete information more realistic since it matches the low-level construal mindset and thus is easier to interpret (Connors et al. 2015). Further discussion about the perceived realism is discussed in the limitations chapter.

It can be concluded that the two manipulated conditions worked as intended (i.e., they manipulated the level of abstractness) and the results can be utilized for further discussion and implications. These results support the previous research where the effects of CLT and level of abstractness has been studied as a part of communication, such as Connors et al. (2015) and Ding & Keh (2017), in a way that more concrete communication has been proven to match low level construal mindset, thus matching this mindset making the communication more effective.

Supporting the previous research (Kim 2017; Morsing & Schultz 2006; Schlegelmilch & Pollach 2005), this research also proves that informative and subtle communication is an effective way of CSR communication. However, this research cannot be compared entirely to the forementioned research since this does not compare subtle versus promotional tone. Nevertheless, it does give support to using informative and concrete communication method in social impact communication to increase the positive effects. For example, participants who received the concrete condition considered the company marginally significantly less hypocrite, thus concrete communication can help to reduce company hypocrisy.

The first hypothesis proposed that more concrete social impact communication will positively affect the consumers' purchase intentions and loyalty compared to abstract communication. The **H₁** was supported by the findings, the concrete condition resulted into higher purchase intentions and loyalty; a marginally significant difference when considering purchase intentions and significantly higher when considering loyalty. These results are aligned with the previous research (Connors et al. 2015) where concrete communication helped to increase consumers' purchase intentions and create other positive benefits such as positive WOM. Purchase

intentions are a signal of positive consumer behavior and something that companies aim to achieve through their communication which make these findings valuable for companies.

One of the main findings is the significantly higher consumer loyalty of those participants who received the concrete condition. Achieving consumer loyalty is especially important for companies since it is likely to evoke other positive reactions from consumers, such as positive WOM, willingness to pay premium price and increased resilience to tolerate negative information of the company (Du et al. 2007). The result of increased loyalty from concrete communication not only supports the application of CLT to CSR, but also adds value especially to the field of social impact communication and brings valuable managerial insights for companies planning their social impact communication. This result adds a new perspective to the Connors et al. (2015) study since it was limited to purchase intentions and WOM.

These findings show that the level of abstractness in communication makes a difference in the consumers reactions; concrete communication results into more positive outcomes compared to abstract communication. Concrete communication was able to increase consumers' purchase intentions and loyalty. These are important positive signals of consumers reactions for companies when they are planning the communication strategies since increased purchase intentions and loyalty can result into a competitive advantage for companies (Bhattacharya & Sen 2004; Du et al. 2011). When companies are planning how they should communicate about their social impact initiatives, they should utilize concrete communication for more positive effects so that they can more efficiently benefit from the social impact communication.

Sub-RQ1: How does the level of abstractness of social impact communication influence consumers' situational skepticism?

It was proposed that concrete social impact communication will help to mitigate situational skepticism compared to abstract communication and that will subsequently increase consumers' purchase intentions and loyalty (**H₂**). The first part of the **H₂** was supported by the findings, however only marginally. The participants who had received the more concrete condition showed marginally lower situational skepticism. According to Connors et al. (2015) more concrete communication helps to mitigate consumer skepticism, thus this research also supports the findings of the previous literature. When considering the previous research of Forehand & Grier (2003) concerning situational skepticism, they found out that directly

communicating the benefits of the societal impacts in the communication would decrease the consumers' perception of extrinsic motives and this way mitigate situational skepticism. In this research, the company was imaginary and thus the participants did not have the possibility to have prior perceptions of any obvious firm-serving motives. This could explain why the results was only marginally significant; if the company had been real the participants could have had more perceptions of the company and thus the effect of the concrete communication could have been more significant. However, it should be noted that this research's aim was to examine the effects of the level of abstractness of the message itself and the reactions from consumers, not how the consumers' perceptions about the company affect the situational skepticism.

Regarding the second part of **H₂**, it was assumed that mitigated situational skepticism will increase consumers' purchase intentions and loyalty. However, in the mediator analysis there was no significant indirect effect on either purchase intentions or loyalty, thus the hypothesis was not confirmed. Several studies have indicated that skepticism has a negative effect on consumers' behavioral intentions (e.g., Connors et al. 2015; Du et al. 2010; Forehand & Grier 2003; Skarmas & Leonidou 2013) thus, it was assumed that when situational skepticism was mitigated with concrete communication, it would result into positive effects. The non-significant result could be related similarly as the first part of **H₂** to the fact that since the research was not done for a real company the participants were not as skeptical as they would have been with a real company which would have made their reactions stronger. As the significance of the first part of the **H₂** was only marginal, it can be an indication that the reactions were not strong enough to reflect to the behavioral intentions.

To conclude, it was discovered that concrete communication compared to abstract communication, was able to marginally decrease the consumers' situational skepticism. This result supports the previous findings related to CSR communication but also indicates that the same applies to social impact communication. Since skepticism is one of the main challenges in CSR communication that companies aim to solve (Du et al. 2010), this result helps companies understand that concrete communication can be used to mitigate skepticism toward social impact communication as well, not only CSR communication, which will result into benefits for companies.

Sub-RQ2: How do consumers' dispositional characteristics influence the relationship between the level of abstractness of social impact communication and behavioral intentions toward the company?

H₃ proposed that dispositional skepticism moderates the influence of level of abstractness on purchase intentions and loyalty, however this hypothesis was not confirmed. There were no significant interactions when examining dispositional skepticism as a moderator thus there was no effect on purchase and loyalty intentions which was hypothesized. It should be noted that as dispositional skepticism is a characteristic of a person, the level of abstractness was expected not have had any influence on the dispositional skepticism itself. However, dispositional skepticism has been studied to negatively affect the consumers' perceptions of the company (Skarmeas & Leonidou 2013) and thus dispositional skepticism was expected to moderate the influence of level of abstractness on purchase intentions and loyalty. Influence such as a negative effect on purchase intentions and loyalty was expected. Consumers tend to be skeptical toward CSR communications (Connors et al. 2015; Forehand & Grier 2003), thus it was assumed that the social impact communication message is also received with skepticism if a person possesses dispositional skepticism. Since the company and manipulation texts were imaginary, and the findings were gathered with an online questionnaire, it could be so that people who normally tend to be skeptical did not express the skepticism under this controlled environment.

As the fourth hypothesis it was proposed that the relationship between level of abstractness and behavioral intentions is pronounced when consumers perceive a high level of extrinsic CSR attributions. **H₄** was confirmed by the findings concerning loyalty but not purchase intentions. The findings show that participants who perceived the company's motives to participate in social impact initiatives from extrinsic attributions were influenced more by the level of abstractness of the message and had negative effects on consumer loyalty. The findings are dependent on the level of the participant's perception of the extrinsic attributions; the higher the extrinsic attributions were perceived the higher the negative effect. At low level of extrinsic attributions, the level of abstractness had no effect, since the participant did not find extrinsic attributions meaningful, thus the message concreteness had no influence on them. However, when the extrinsic CSR attributions were high, the message abstractness had more influence on the participants' reactions, and furthermore it had a significant negative effect on loyalty. Extrinsic CSR attributions are found to cause skepticism and lower loyalty (Forehand & Grier

2003; Vlachos et al. 2009), thus this result is in line with the previous studies. It can be conducted those consumers with high extrinsic CSR attributions are affect more strongly by the communication than those with low level. The reason for this could be that these consumers did not have any background information about the company. According to Forehand & Grier (2003), consumers tend to react more positively if the company motives are strategically aligned with the benefits which are also communicated. In the condition displayed to the participants, there was no further information about the company's motives nor did the participant have any prior knowledge of the company. This could cause some participants to question the benefits communicated in the message since the participants could not link the benefits to the company strategy.

In conclusion, dispositional skepticism was found not to influence the relationship between the level of abstractness of social impact communication and behavioral intentions toward the company. This result conflicted with the previous research (e.g., Skarmeas & Leonidou 2013) where dispositional skepticism has been found to negatively affect consumers' perceptions of the company. However, it should be noted that the dispositional skepticism was analyzed as a moderator, thus the implications are not comparable to the studies where dispositional skepticism has been studied as a mediator. Regarding the extrinsic CSR attributions, they only influenced the relationship between the level of abstractness of social impact communication and behavioral intentions toward the company when they were on a high level. Consumers with high level of extrinsic CSR attributions were affected by the level of abstractness more strongly than consumers with low level of extrinsic CSR attributions. Concrete communication combined with high level extrinsic CSR attributions resulted in lower consumer loyalty. This could be related to that these consumers did not have any background information about the company to compare the communicated benefits to the company motives which can cause negative effects (Forehand & Grier 2003).

6.2 Other relevant findings

In addition to the tested hypotheses, there were other relevant findings which are discussed in this chapter. An interesting indication was found from the moderating attributes of Consumers' evaluations of CSR responsibilities (CECSR). The CECSR is related to the consumers CSR beliefs which refer to how they perceive responsibility and CSR initiatives from companies in general (Sen & Bhattacharya 2001). CECSR were studied with the following questions: “1) To

what extent do you believe businesses must refrain from bending the law even if this helps improve performance 2) To what extent do you believe businesses must be ethical even if it negatively affects economic performance?" (Pomeroy & Dolnicar 2009). CSR awareness is often studied and referred in literature, but it is good to make a clear distinction between these two terms. CSR awareness means how aware consumers are of the CSR initiatives of a particular company (Pomeroy & Dolnicar 2009). However, in this research CECSR are the dispositional characteristics of the consumer and thus not relating to the consumers' awareness of the CSR initiatives of a specific company.

Although the interaction effect as a whole was not significant, the simple slopes analysis indicates that participants with medium or high level of CECSR may react more strongly to the level of abstractness of the message and showed significant negative effect on loyalty. The participants with low level of CECSR the level of abstractness did not demonstrate a significant effect on the loyalty. Due to some responders having higher CECSR, it is assumed that these participants are expecting more concrete knowledge and actions from companies, compared to participants that have low CECSR, meaning, the consumers with low level do not find CSR initiatives in general interesting and thus do not care what type of communication is presented. When considering the CLT, it could be so that participants with high CECSR have a low-level construal mindset due to the topic being important to them and thus psychologically more proximate, they expect more concrete knowledge. On the contrary, the participants with low CECSR have longer psychological distance to the topic and thus they settle for more abstract information about the topic.

The level of abstractness also affected the consumers perception of the company hypocrisy. The participants who received the concrete text compared to the participants who received the abstract text considered the company marginally significantly less hypocrite. This result supports the study by Connors et al. (2015) where concrete communication was found to decrease perceptions of company hypocrisy. As hypocrisy has been linked to negative effects such as skepticism, which can cause company to lose profits or impair their brand (Vanhamme & Grobhen 2009; Wagner et al. 2009), this result helps to understand how companies can improve consumers' perceptions of the company hypocrisy with concrete messages. Through concrete communication style companies gain more positive outcomes from their social impact initiatives.

Another relevant finding was that the participants who received the concrete text compared to the participants who received the abstract text demonstrated significantly higher positive perception of the company's social engagement. Consumers are generally looking for more concrete information when they are processing CSR information (Connors et al. 2015), thus, more concrete information can help consumers make more accurate perceptions of the company's social impact engagement. Connors et al. (2015) also found that concrete communication increases the credibility of CSR claims which helps to perceive the company's social impact engagement higher since the message is more credible. This proves a valuable point that more concrete communication style can help companies to be perceived more socially responsible by consumers. If consumers perceive a company more socially responsible than others, this helps the company to gain positive effects such as loyalty, higher purchase intentions or positive WOM from their communication as well as give them a competitive edge (Du et al. 2010; Du et al. 2011).

6.3 Theoretical contributions

The theoretical contributions of this research are related to the application of CLT in social impact communication and mitigating situational skepticism with concrete information. This research supports the study by Connors et al. (2015) where CSR information was found to be construed with a low-level mindset, and concrete information helped to mitigate skepticism and increase purchase intentions and WOM. This research proves that in addition to purchase intentions and WOM, consumer loyalty can be increased with concrete communication which was not included in the Connors et al. (2015) study. Whereas Connors et al. (2015) study the implications of CLT and concrete communication toward CSR communication, this research shows that those can also be applied specifically to social impact communication.

This research also applies and further explores the findings by Forehand & Grier (2003) where situational skepticism and dispositional skepticism were studied separately. This research proves that these two types of skepticism have different types of effects on consumers' behavioral intentions and that the level of abstractness in communication affects the differently based on the type of skepticism. In addition, concrete communication can help companies to clearly demonstrate the benefits which they gain from the social impact initiatives which helps to lower situational skepticism as proved also by Forehand & Grier (2003).

Furthermore, it should be considered that social impact communication in general has been studied in lesser extent which makes this research valuable providing more information to the field. The research expands the application of CLT and gives more insight on the social impact communication perspective, not only CSR communication. In addition, the research studies the different effects of situational and dispositional skepticism on social impact communication, not only skepticism in general on CSR communication which has been previously studied.

6.4 **Managerial implications**

The managerial aim of the thesis is to give suggestions to companies how they can improve their CSR and social impact communication to make it more effective toward consumers. This research achieves that by bringing a novel point of view of applying CLT to social impact communication which offers multiple insights for companies to improve their social impact communication strategies. With concrete communication companies can increase consumers purchase intentions and loyalty, as well as mitigate situational skepticism. It was also proven to lower the perceptions of company hypocrisy. In addition, the concrete communication increased the positive perception of the social impact engagement which helps to improve companies' reputation and brand, which again affects the behavioral intentions and is likely to bring positive outcomes. In the end, this will allow companies to enjoy the benefits of social impact communication.

When analyzing the differences between abstract and concrete communication, this research utilized few different ways to increase the level of abstractness in the communication from abstract to concrete. For reference, the used treatment texts for abstract and concrete condition are found in table 2 in the chapter Data collection methods. The concrete message used more concrete way of communicating compared to the abstract message; numbers and percentages were added, concrete benefits were presented as well as outcomes. With these changes, the message was able to increase its concreteness and have a positive effect on consumers behavioral intentions. Several studies (e.g., Kim 2017; Morsing & Schultz 2006; Pomeroy & Dolnicar 2009; Schlegelmilch & Pollach 2005) have proven that concrete, factual and subtle communication works in CSR communication to evoke positive reactions. This research confirms that it can be applied to social impact communication as well. In addition to the concrete communication, companies should clearly communicate the benefits they gain from the CSR initiatives and how they are aligned with the strategy for more transparency and

through those positive reactions (Forehand & Grier 2003). The managerial implications concern all marketing and communications professionals who work with stakeholders, especially consumers, in the fields of social impact, CSR and sustainability. Managers can easily implement concrete ways of communication to their social impact messages with direct and specified information that utilizes numerical data.

To demonstrate an example of concrete communication, Partioaitta, a Finnish outdoor clothing and equipment company is used. Partioaitta has been recognized as the most responsible clothing store brand in Finland according to the Sustainable Brand Index consecutively from 2018 to 2021, and in addition in 2021 it was ranked as the 18th most responsible brand across all categories (Partioaitta Oy 2021a; Sustainable Brand Index 2021). Partioaitta has been also chosen as the most respected brand among sports and leisure clothing category consecutively from 2014 to 2020 (Partioaitta Oy 2021a). Partioaitta's customer loyalty program is structured to give back to the nature and society, whereas traditional loyalty programs give money or other benefits back the customer. From every purchase made, Partioaitta gives one percent to charity which is divided among three causes that the customers have chosen. (Partioaitta Oy 2021b) In 2020 the total sum given to charity was 123 150 euros, and it was split between two environmental causes and one social cause, for children to be able to enjoy time in nature. The percentages and amounts for each cause are clearly indicated on the company website as well as the individual projects where the money has been targeted with the cause (Partioaitta Oy 2021c). In addition, Partioaitta makes sure that their customers are committed to the causes, since the customers are the ones that have chosen causes, which increases the company's CSR fit. This can strengthen the positive relationship between the customers and the company which results into other positive outcomes such as increased purchase intentions (Bhattacharya & Sen 2004).

Partioaitta also utilizes concrete communication and social impact perspective in their marketing efforts. In 2019 on Black Friday, which is one of the busiest shopping days of the year, instead of giving discounts Partioaitta decided to increase the loyalty bonus amount from the normal one percent to five percent for every purchase done during that day. They wanted to bring the attention away from excessive consumption and offer a possibility to do good with the purchase. (Partioaitta Oy 2019) From social impact communication point of view, this was Partioaitta's way to align their marketing efforts with the core of their business, responsible consumption, and strengthen the consumers perceptions of the company's responsibility. If on

the contrary, Partioaitta would have chosen a promotional tone and offered discounts, this could have caused their customers to doubt the sincerity of the company's CSR strategy and motives behind it.

6.5 **Limitations and suggestions for future research**

There are a few limitations in the research that also spark ideas for future development and research of the topic. Since the data was collected with an online questionnaire, versus in a real communication channel of a company, some aspects of company related results were limited, such as effect on company hypocrisy, perceptions of company reputation and brand. A real communication channel, such as a company website or social media account, may give different type of results compared to presenting the messages in a questionnaire. However, the questionnaire allowed the focus of the study to stay on the effects of the level of abstractness since an online questionnaire allows the participants to focus on the message and are not affected by other information visible when compared for example seeing the message in social media. Nevertheless, for the future the research could be implemented with a real company to gather more information related to how consumers react to social impact communication and how level of abstractness can be utilized to enhance company reputation for example. The focus of the research was on one stakeholder group, consumers, which is one of the most important stakeholder groups for companies but a similar research examining the effects of level of abstractness could be applied to other stakeholder groups such as employees, NGOs or shareholders to gain a wider perspective of the company stakeholders.

The questionnaire itself was gathered based on previous research done in the field to ensure that the questions are easy to measure, and results are comparable. However, only half of the participants finished the questionnaire. The questionnaire was approximately 10 minutes long and had 22 questions. For future research, the length and interactivity of the questionnaire could be considered. Possibly a shorter questionnaire could have resulted into participants keeping their interest better. The participants were replying to the questionnaire voluntarily, versus using a crowdsourcing website such as Mturk to gather responses, thus it was easier for the participants to leave the questionnaire unfinished since there was no compensation given to them based on the finished questionnaire. A real company with examples of their social impact communication, such as pictures, could have made the questionnaire more interactive and appealing to some participants thus increasing the chances of finishing the questionnaire.

Regarding the manipulation and presented conditions, the manipulation was not totally pure since the concrete condition was considered more realistic, thus the manipulation should be developed further to make the conditions equally realistic. A real company could be used as an example and the conditions could be presented as part of an advertisement or from an annual report for example. The perceived realism should be pretested to ensure that the manipulated conditions are perceived equally realistic to guarantee the comparison of the results between the conditions. However, it should be noted that people tend to find more concrete information naturally more realistic (Connors et al. 2015) thus, making it more difficult to manipulate. For future development, the manipulations could be expanded to also include a neutral condition to see how big of an impact the manipulations have compared to the neutral condition. In addition, the neutral condition could represent a real-life example and the abstract and concrete conditions would be manipulated versions based on that. This could be an interesting expansion of the level of abstractness and would help to find out whether the concrete condition would bring more positive reactions compared to the neutral version.

The research studied the behavioral intentions of consumers, thus not utilizing actual purchasing data to validate the purchase intentions. Purchase intentions are only behavioral intentions and thus those do not necessarily reflect the final decision made by the consumer. For the scope of the research, accessing and utilizing actual purchasing data would have been difficult and since the focus of the research was to find out how the level of abstractness affect the consumers reactions, the behavioral intentions are a sufficient signal for the research. However, when considering the CSR–consumer paradox, price and trade-off for the responsible product play a crucial role making the final decision of purchasing the product (Bhattacharya & Sen 2004; Janssen & Vanhamme 2015; Öberseder et al. 2011). This research did not consider the product price as a purchasing criterion; thus, the CSR–consumer paradox cannot be applied to this research. To understand the CSR-consumer paradox more deeply, future research could be expanding to apply a similar study to also consider actual purchasing data, similarly to Testa et al. (2019) who studied behavioral gap of purchasing organic products utilizing behavioral intentions and comparing those to the purchasing data. Nevertheless, it is safe to say that purchase intentions are a signal of positive consumer behavior and something that companies aim to achieve through their communication which makes the findings of this research valuable for companies.

Since the research was conducted with an online questionnaire it was limited to a controlled environment, that has its benefits for controlled results, but from consumer perspective the study could be implemented also in a social media platform, such as Instagram or Facebook. For example, posting a concrete social impact communication message on week 1, an abstract message on week 2 and then compare the engagement received for these posts to see which worked more efficiently to evoke positive reactions from consumers. This type of A/B testing would allow companies to receive actionable feedback based on the consumers' engagement and make necessary changes to the communication styles.

7 CONCLUSION

This research started with a quote from Paul Watzlawick stating that “One cannot not communicate”. In other words, whether the communication is proactive, reactive or there is no communication at all, these are all forms of communication that will influence how the communicator is perceived and how the recipients will react. This is particularly crucial for companies when they are communicating about their CSR and social impact initiatives which are many times met with skepticism and doubt. Companies cannot ignore the consequences of communication, or not communicating, regarding one of their most important stakeholder group, consumers.

The aim of this research was to study the social impact communication and how the level of abstractness influences consumers’ reactions. It was discovered that the level of abstractness has a great impact on how consumers perceive the message and how it affects their behavioral intentions toward the company. This research adds an important consumer perspective to the current social impact communication research which is unfortunately quite scarce. This research also supports and adds value to the application of CLT to CSR and social impact communication research. Increased consumer loyalty from concrete communication not only supports the application of CLT to CSR, but also brings valuable insights to companies planning on their social impact communication and adds value especially to the social dimension. As CSR is becoming more popular among consumers and they are becoming more conscious and well-informed about CSR related issues, it is crucial for companies to acknowledge this growing group of consumers as the social impact communication will have a greater impact on these conscious consumers than regular consumers as this study demonstrates.

Since social impact communication has only been studied in lesser extent, all future research would be beneficial to widen the knowledge and offer more insights especially from the stakeholders’ point of view. The current research has established the right ways to measure and report about social impact, now the next step for companies is to acknowledge the positive effects and develop right ways to communicate about the initiatives to reap the benefits. Hopefully, this research will not only spark more studies in the field, but also provides valuable information for companies so that they can focus their communication resources to the right areas for more effective communication and desired outcomes.

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APPENDIXES

APPENDIX 1: Online questionnaire

Block headings, such as *Intro text*, *Demographics*, etc., were not visible for the participants.

<p>Intro text</p> <p>Hi there,</p> <p>My name is Maisa, I'm a student at LUT university, and this survey is part of my master's thesis. I'm going to graduate soon from the LUT School of Business and Management majoring in International Marketing Management.</p> <p>The goal of the survey is to find out how consumers react to Corporate Social Responsibility communication. Don't worry, you won't need any special skills or knowledge to answer this survey and it will only take approximately 10 minutes to complete.</p> <p>This survey is completely anonymous and does not process any personal data. All your given information will be treated completely anonymously and will not be shared with third parties. By participating you agree to these terms. You may discontinue participation in the survey at any point.</p> <p>Please feel free to leave any feedback at the end of the survey (optional).</p> <p>Thank you for helping me out by filling the survey!</p> <hr/>
<p>Demographics</p> <p>Let's get started with some basics.</p> <hr/>
<p>How old are you?</p> <hr/> <input type="text"/>
<p>What is your gender?</p> <hr/> <p><input type="radio"/> Male</p> <p><input type="radio"/> Female</p> <p><input type="radio"/> Other</p> <p><input type="radio"/> Prefer not to say</p>
<p>What is your nationality?</p> <hr/> <input type="text"/>
<p>What is your employment situation?</p> <hr/> <p><input type="radio"/> Employed full-time</p> <p><input type="radio"/> Employed part-time</p> <p><input type="radio"/> Student</p> <p><input type="radio"/> Self-employed</p> <p><input type="radio"/> Laid off</p> <p><input type="radio"/> Unemployed</p> <p><input type="radio"/> Retired</p>

What is your highest education level?

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Qualtrics Survey Software

- Elementary school
- High school
- Vocational degree
- Bachelor's degree or comparable degree
- Master's degree or comparable degree
- Ph.D.

What is your monthly net income? (i.e. after taxes have been deducted from your income)

- <500€
- 501€-1000€
- 1001€-1500€
- 1501€-2000€
- 2001€- 2500€
- 2501€ - 3000€
- 3001€ - 3500€
- > 3500€

Intro to manipulation text

Next, you will be shown a message from an imaginary company called City Fashion.

Abstract text

City Fashion produces fashionable clothing in various countries, including Nigeria. Here is how the company communicates about its Corporate Social Responsibility engagement:

Our company helps local Nigerian communities by creating jobs in the area.

In 2019 we created new jobs via our "Project A" program. With these actions, we're improving lives in the area and having an important impact on the local society and future generations to come. Therefore, we have a long-term effect on the well-being of society.

Concrete text

City Fashion produces fashionable clothing in various countries, including Nigeria. Here is how the company communicates about its Corporate Social Responsibility engagement:

Our company helps local Nigerian communities by creating jobs in the area.

In 2019 we created 50 new jobs in the area via our "Project A" program. With these actions, we were able to increase the standard of living of the local families by 40% and as a result, these families were able to send 30 children to school. Therefore, the level of literacy increases by 35% which has a long-term effect on the well-being of society.

Dependent variables

To what extent do you agree with the following statements?

	Completely disagree	Completely agree
--	---------------------	------------------

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Qualtrics Survey Software

	Completely disagree	Completely agree
I would like to buy a product from this company.	<input type="radio"/>	<input type="radio"/>
I would be likely to purchase a product from this company.	<input type="radio"/>	<input type="radio"/>
I would be willing to buy a product from this company.	<input type="radio"/>	<input type="radio"/>
I would likely make this company's product one of my first choices in this product category.	<input type="radio"/>	<input type="radio"/>
I would exert a great deal of effort to purchase a product from this company.	<input type="radio"/>	<input type="radio"/>

To what extent do you agree with the following statements?

	Completely disagree	Completely agree
--	---------------------	------------------

I would say positive things about the company to other people.	<input type="radio"/>	<input type="radio"/>
I would recommend the company to someone who seeks my advice.	<input type="radio"/>	<input type="radio"/>
I would encourage friends and relatives to purchase from the company.	<input type="radio"/>	<input type="radio"/>
I would consider the company my first choice to buy clothing.	<input type="radio"/>	<input type="radio"/>
I would purchase more from the company in the next few years.	<input type="radio"/>	<input type="radio"/>

In my opinion:

	Completely disagree	Completely agree
--	---------------------	------------------

The company engages in social projects for egoistic reasons.	<input type="radio"/>	<input type="radio"/>
The company engages in social projects for their own sake, but not for the greater good.	<input type="radio"/>	<input type="radio"/>
The company engages in social projects for their own benefits.	<input type="radio"/>	<input type="radio"/>

In my opinion:

	Completely disagree						Completely agree
The company acts hypocritically.	<input type="radio"/>						
What the company says and does are two different things.	<input type="radio"/>						
The company pretends to be something that it is not.	<input type="radio"/>						

Mediators

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Please rate the following items.

	Not at all						Very much
How skeptical are you of the company's social responsibility activities?	<input type="radio"/>						
How credible are the company's social responsibility activities?	<input type="radio"/>						
How believable are the company's social responsibility activities?	<input type="radio"/>						

In my opinion:

	Completely disagree						Completely agree
It is doubtless that this is a socially responsible company.	<input type="radio"/>						
It is certain that this company is concerned to improve the well-being of society.	<input type="radio"/>						
It is sure that this company follows high ethical standards.	<input type="radio"/>						
It is unquestionable that this company acts in a socially responsible way.	<input type="radio"/>						

Which option matches best to the company based on the message?

	Completely disagree						Completely agree
The company's social engagement really makes others' lives better.	<input type="radio"/>						
The company's social engagement has a positive impact on others on a regular basis.	<input type="radio"/>						
The company's social engagement has a positive impact on many people.	<input type="radio"/>						

Moderators

Please indicate the extent to which you agree or disagree with each of the following statements about companies in general:

	Completely disagree							Completely agree
I do not trust companies to deliver on their social responsibility promises.	<input type="radio"/>							
Companies are usually dishonest about their real involvement in social responsibility initiatives.	<input type="radio"/>							
In general, I am not convinced that companies will fulfill their social responsibility objectives.	<input type="radio"/>							

In my opinion:

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	Completely disagree							Completely agree
The fashion industry is generally a socially responsible industry	<input type="radio"/>							

Please rate the following statements:

	Completely disagree							Completely agree
To what extent do you believe businesses must maximize profits?	<input type="radio"/>							
To what extent do you believe businesses must play a role in our society that goes beyond the mere generation of profits?	<input type="radio"/>							
To what extent do you believe businesses must refrain from bending the law even if this helps improve performance?	<input type="radio"/>							
To what extent do you believe businesses must be ethical even if it negatively affects economic performance?	<input type="radio"/>							

Please rate the following statements:

	Completely disagree							Completely agree
I would pay more to buy products from a socially responsible company.	<input type="radio"/>							
I consider the ethical reputation of businesses when I shop.	<input type="radio"/>							
I avoid buying products from companies that have engaged in immoral action.	<input type="radio"/>							
I would pay more to buy the products of a company that shows caring for the wellbeing of our society.	<input type="radio"/>							
If the price and quality of two products are the same, I would buy from the firm that has a socially responsible reputation.	<input type="radio"/>							

Manipulation checks

Please recall the message that you saw of the company City Fashion and based on that answer the following questions.

How would you describe the information, wording, and overall message on the following dimensions:

Not descriptive	<input type="radio"/>	Descriptive						
Abstract	<input type="radio"/>	Concrete						
Ambiguous	<input type="radio"/>	Clear						
Not vivid	<input type="radio"/>	Vivid						
Not easy to imagine	<input type="radio"/>	Easy to imagine						

https://lutsb.eu.qualtrics.com/Q/EditSection/Blocks/Ajax/GetSurveyPrintPreview?ContextSurveyID=SV_54rywEUvUCtrjF3&ContextLibraryID=UR... 5/7

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Do you feel the information or claims made in the message about City Fashion's activities are:

	Completely disagree							Completely agree
Believable	<input type="radio"/>							
Convincing	<input type="radio"/>							
Truthful	<input type="radio"/>							
Realistic	<input type="radio"/>							
Credible	<input type="radio"/>							
Reliable	<input type="radio"/>							

To what extent do you agree with the following statements regarding the information that we provided about the company?

	Completely disagree						Completely agree
I read the text very attentively.	<input type="radio"/>						
The text was very easy to understand.	<input type="radio"/>						
The text was easy to comprehend.	<input type="radio"/>						

To what extent do you agree with the following statement?

	Completely disagree						Completely agree
The information presented about the company was realistic.	<input type="radio"/>						

Other checks

You're doing great! Almost finished, only a couple of questions left to wrap things up.

Please indicate how much attention you paid to answer the survey.

None at all							A great deal
<input type="radio"/>							

Everybody has hobbies. Nevertheless, we would like to ask you not to click any of the fields to show us that you read the question text carefully. Sometimes it happens that participants are less careful at the end of a survey. We can check this by using such an attention check to get to know if the results are biased by less attentive participants. Thank you!

Choice of hobbies:

Riding a bicycle	Fitness/gym	Walking/running	Tennis/squash/badminton	Swimming	Football/other ball sports
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Feedback & thank you

You have reached the end of the survey! Thank you very much for answering. Now I would love to hear your feedback (optional).

If you do not have any feedback, please click to the next page to save your answers and finish the survey.

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Leave any comments or open feedback here. If you wish to remain anonymous, please do not leave any personal information here.

If you have questions or concerns that you wish get answered, please reach out to me personally via email: maisaaaltonen@student.lut.fi

Lastly, how many stars would you give to this survey?

Overall rating

APPENDIX 2: Measures and scale evaluation

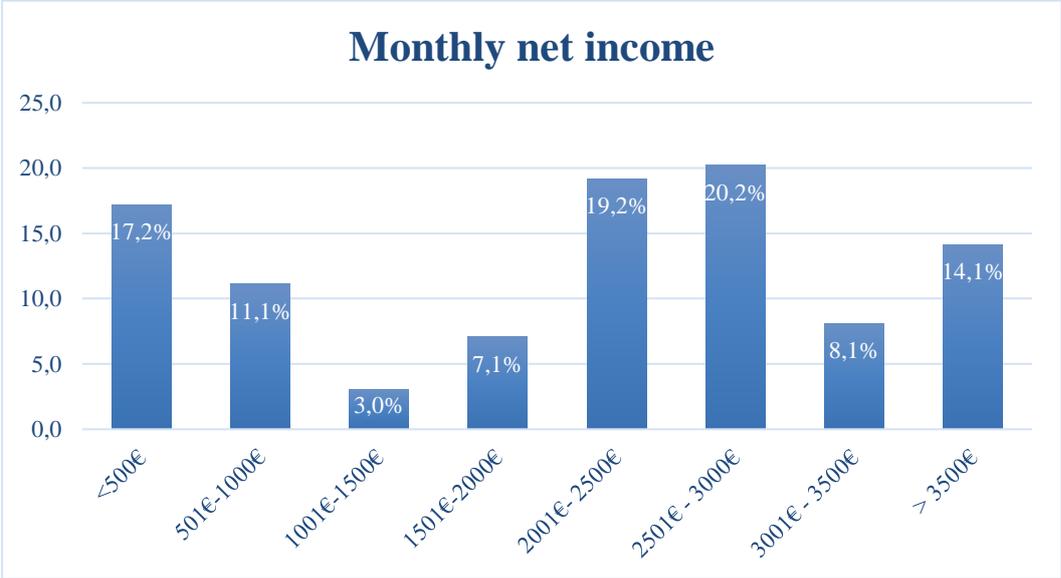
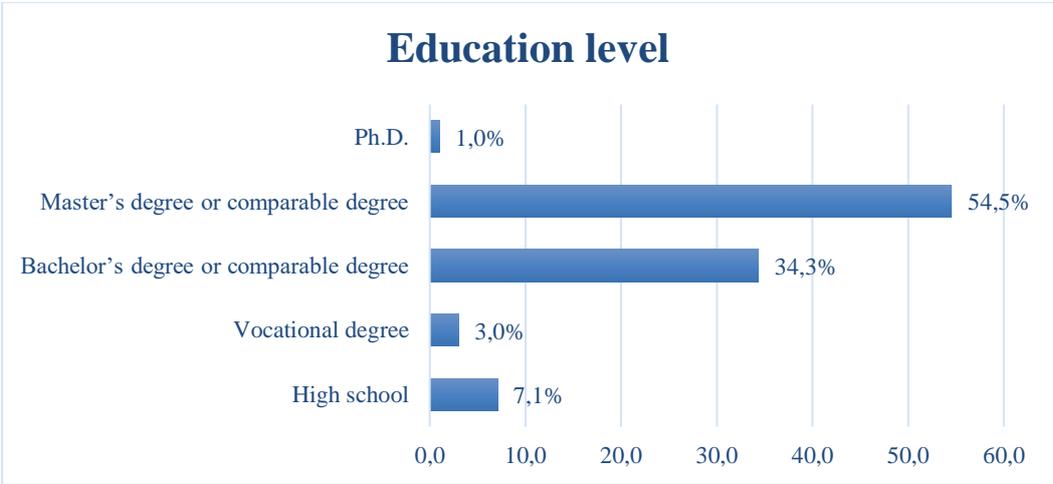
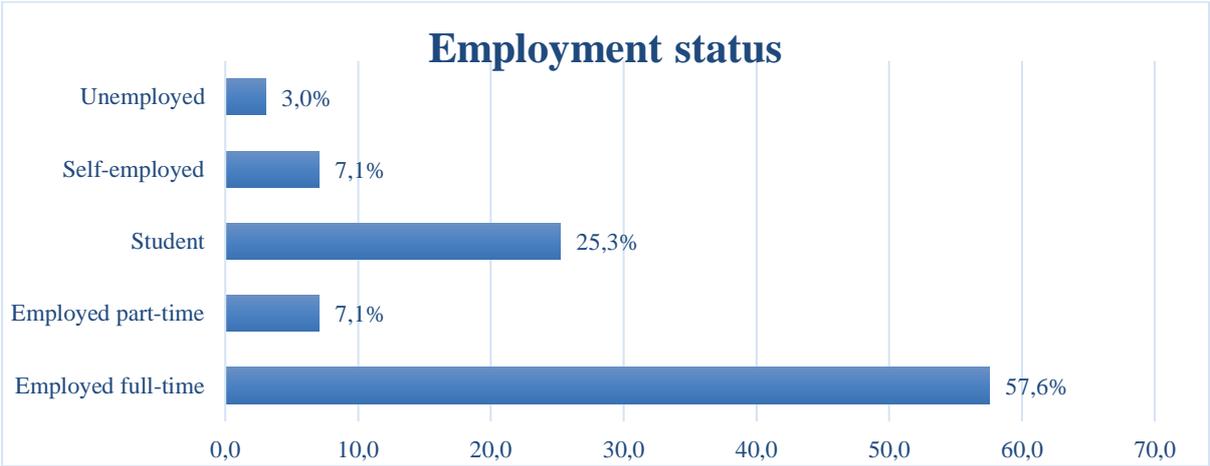
All items were measured on a seven-point Likert scale, 1 = completely disagree, 7 = completely agree, apart from CSR credibility which was measured on a seven-point Likert scale where 1 = not at all, 7 = very much. The items are presented in the order how they appeared on the questionnaire. Items which were not accepted due to low factor loadings and were excluded from the analysis, are not included in this table.

Constructs and measurement items	Factor loadings	Cronbach's alpha	Source
Consumer purchase intentions		.88	White, MacDonnell & Ellard (2012)
I would like to buy a product from this company.	.777		
I would be likely to purchase a product from this company.	.943		
I would be willing to buy a product from this company.	.841		
I would likely make this company's product one of my first choices in this product category.	.663		
I would exert a great deal of effort to purchase a product from this company.	.668		
Consumer loyalty intentions		.93	Zeithaml, Berry & Parasuraman (1996)
I would say positive things about the company to other people.	.894		
I would recommend the company to someone who seeks my advice.	.864		
I would encourage friends and relatives to purchase from the company.	.878		
I would consider the company my first choice to buy clothing.	.767		
I would purchase more from the company in the next few years.	.864		
Company's extrinsic attributions		.88	Habel et al. (2016)
The company engages in social projects for egoistic reasons.	.758		
The company engages in social projects for their own sake, but not for the greater good.	.928		
The company engages in social projects for their own benefits.	.849		
Perceived company hypocrisy		.87	Wagner et al. (2009)
The company acts hypocritically.	.825		
What the company says and does are two different things.	.733		
The company pretends to be something that it is not.	.976		

Perceived company credibility		.90	White & Willness (2009)
How credible are the company's social responsibility activities?		.907	
How believable are the company's social responsibility activities?		.907	
Situational skepticism		.86	Skarmeas & Leonidou (2013)
It is certain that this company is concerned to improve the well-being of society.		.866	
It is sure that this company follows high ethical standards.		.866	
Perceived social impact of CSR		.92	Skarmeas & Leonidou (2013)
The company's social engagement really makes others' lives better.		.843	
The company's social engagement has a positive impact on others on a regular basis.		.944	
The company's social engagement has a positive impact on many people.		.885	
Dispositional skepticism		.86	Obermiller and Spangenberg (1998)
I do not trust companies to deliver on their social responsibility promises.		.764	
Companies are usually dishonest about their real involvement in social responsibility initiatives.		.807	
In general, I am not convinced that companies will fulfill their social responsibility objectives.		.905	
Consumers' evaluations of CSR responsibilities		.61	Pomering & Dolnicar (2009)
To what extent do you believe businesses must refrain from bending the law even if this helps improve performance?		.669	
To what extent do you believe businesses must be ethical even if it negatively affects economic performance?		.669	
Consumers' stated support of CSR		.88	Pomering & Dolnicar (2009)
I would pay more to buy products from a socially responsible company.		.854	
I consider the ethical reputation of businesses when I shop.		.893	
I avoid buying products from companies that have engaged in immoral action.		.628	
I would pay more to buy the products of a company that shows caring for the wellbeing of our society.		.846	
If the price and quality of two products are the same, I would buy from the firm that has a socially responsible reputation.		.705	

Manipulation message concreteness		.88	Connors et al. (2015)
<i>How would you describe the information, wording, and overall message on the following dimensions?</i>			
Not descriptive - Descriptive		.725	
Abstract - Concrete		.777	
Ambiguous - Clear		.892	
Not vivid - Vivid		.647	
Not easy to imagine - Easy to imagine		.789	
Manipulation message credibility		.95	Connors et al. (2015)
<i>Do you feel the information or claims made in the message about City Fashion's activities are...</i>			
Believable		.883	
Convincing		.836	
Truthful		.851	
Realistic		.858	
Credible		.875	
Reliable		.934	
Manipulation message understandability		.94	-
The text was very easy to understand.		.866	
The text was easy to comprehend.		.866	

APPENDIX 3: Participants’ employment status, education level and monthly net income



APPENDIX 4: Correlations, means and standard deviations

Variables	1	2	3	4	5	6	7	8	9	10	11
1. Grouping variable	-										
2. Purchase intentions	-.20*	-									
3. Loyalty intentions	-.23**	.90***	-								
4. Extrinsic attributions	.17 ^{n.s.}	-.4***	-.37***	-							
5. Company hypocrisy	.22*	-.50***	-.55***	.63***	-						
6. Company credibility	-.13 ^{n.s.}	.66***	.64***	-.37***	-.57***	-					
7. Situational skepticism	-.21*	.71***	.68***	-.43***	-.55***	.80***	-				
8. Perceived social impact	-.32**	.69***	.67***	-.47***	-.71***	.71***	.70***	-			
9. Dispositional skepticism	.15 ^{n.s.}	-.17 ^{n.s.}	-.09 ^{n.s.}	.34***	.42***	-.23*	-.31**	-.33***	-		
10. Consumers' evaluation on CSR	-.18 ^{n.s.}	-.11 ^{n.s.}	-.03 ^{n.s.}	-.04 ^{n.s.}	-.02 ^{n.s.}	-.13 ^{n.s.}	-.10 ^{n.s.}	.08 ^{n.s.}	.15 ^{n.s.}	-	
11. Consumers' support of CSR	-.11 ^{n.s.}	.12 ^{n.s.}	.11 ^{n.s.}	.01 ^{n.s.}	-.04 ^{n.s.}	.15 ^{n.s.}	-.19 ^{n.s.}	.19 ^{n.s.}	-.16 ^{n.s.}	.27**	-
M (SD)	N.A.	4.00(1.19)	3.89(1.26)	4.01(1.35)	3.62(1.35)	4.09(1.17)	4.05(1.22)	4.40(1.28)	4.04(1.24)	5.33(1.44)	5.72(1.11)

Note: ^{n.s.} $p > .10$, * $p < .10$, ** $p < .05$, *** $p < .01$. M = Mean, SD = Standard Deviation