AN ANALYSIS ON CONSUMER PERCEPTIONS OF CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE CONSUMPTION

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1. Introduction

The issue of corporate social responsibility (CSR) in the literature generally prioritized the point of view of managers or other stakeholders, such as regulators, corporate responsibility advocates, investors and the media (Pegan *et al.,* 2020; Sheth *et al.,* 2011; Martínez-Ferrero and García-Sánchez, 2015). CSR can be considered a mega trend that is widespread among executives who are increasingly aware of how their response to the challenge of sustainability can affect not only competitiveness but also the very survival of their business. Yet studies measuring CSR from the perspective of the consumer, a key stakeholder in pursuing sustainability objectives, are more limited and lack a homogeneous conceptualization of CSR that takes into account the three dimensions of sustainability: economic, environmental, and social (Jackson, 2009). The definition of the CSR construct, which will also be adopted in this research for the purpose of measuring consumers' perceptions, is as follows: "a firm's commitment to maximize long-term economic, societal and environmental well-being through business practices, policies and resources" (Du *et al*., 2011; Alvarado-Herrera *et al*., 2017). From this perspective, a company's objective of sustainability represents a triple responsibility in which the evaluation of the company's results focuses on the fusion of economic performance and environmental and social impact. This awareness seems widespread among many leading international companies in various sectors (Carroll, 1979; Frederick, 1986; Berens *et al,* 2007). However, the emphasis placed on CSR research from a corporate perspective has overlooked the perception and engagement of the consumer, which by embodying multiple stakeholder identities such as citizen, parent, employee, and community member is crucial for sustainability efforts to succeed (Sheth *et al.* , 2011). On a global and cross-sector level, a consumer figure is becoming increasingly sensitive to the sustainability of consumption, and determined to influence business decisions with purchasing choices that reward brands willing to actively contribute to making the world a better

and fairer place by supporting relevant social causes (Kotler *et al*., 2017; Schoier and De Luca, 2017). Therefore, consumer social responsibility can be interpreted as a pattern of behaviors that is adopted by the consumer to contribute to the achievement of sustainable development (Buerke *et al*., 2017), which also completes companies' CSR initiatives**.**

Given the limited number of studies exploring CSR from a consumer perspective and as an essential link for sustainability, the main objective of this paper is to contribute to the consumer perceptions of CSR and sustainable consumption by investigating the possible relationships between them. This study combines the three-dimensional conception of CSR (Alvarado-Herrera *et al.*, 2017) and the sustainability of consumption (Sharma and Jha, 2017).

This paper is formed by two parts. The first illustrates the theoretical background of the importance of investigating perceptions of CSR as a three-dimensional construct (environmental, social, and economic) from the perspective of the consumer and explores the crucial theme of sustainable consumption. In particular problems regard the society and its need for well-being, which, in this context, identifies social sustainability. The second presents the empirical research carried out on a sample of Italian consumers. The study investigates the relationships between sustainable consumption toward sportswear products and perceptions of the three dimensions of CSR of a well-known sustainable sportswear firm using, after a preliminary step, a two-step cluster analysis has been performed.

2. The Theoretical Framework

Nowadays, more and more often companies are seeking to resolve the consumer_citizens' accusations of being agents of strong social and natural imbalances through more ethical and transparent behavior aimed at the more sustainable development of society (Lee and Carroll, 2011; Martínez-Ferrero and García-Sánchez, 2015). For these reasons an increasing number of companies have started to promote strategies and actions based on CSR.

Today there is still no single definition of CSR; this is demonstrated by the numerous and varied terms and definitions that have been used over time to define it "corporate responsibility," "corporate accountability," and "corporate ethics" (European Commission, 2011; Arru and Ruggeri, 2016). The process of integrating CSR in strategies and actions is difficult and depends on several aspects, such as the size of the company, its business nature, and its corporate culture. In this perspective, the company's objective of sustainability should be translated into a triple responsibility, in which the evaluation of the company's results would depend on the synthesis of economic performance with its environmental and social impact (Pegan

et al., 2020).

The concept of triple responsibility was clearly explained by Elkington (1997), who defined it as a method of business management based on three specific needs: the company and its need to be profitable, which identifies economic sustainability; the environment and its need to be respected, which identifies environmental sustainability; and the society and its need for well-being, which, in this framework, identifies social sustainability.

One of the crucial aspects of CSR is that it must be communicable. Communicating means involving both primary and secondary stakeholders in the responsible actions the company undertakes. Therefore, it is essential for managers to understand what to communicate and to provide effective messages that are perceived by customer as truthful. To communicate CSR, companies can choose to adopt a general or specific message strategy. Whereas managers may prefer a general message, consumers tend to respond more favorably to specific messages. This paper analyses the theme of CSR from the perspective of consumer perception; it embraces the idea that CSR and consumer sustainability (consumption) are two sides of the same coin, and one must necessarily integrate and coordinate the other.

The adoption of sustainable behaviors is strongly determined by people's consumption choices in particular by sustainable consumption.

Consumer social responsibility for sustainable development is, therefore, to be understood as responsible consumer behavior, which must be coordinated with the efforts of CSR to contribute to the attainment of sustainable development (Buerke *et al.,* 2016).

Several authors (e.g. Brown and Dacin, 1997) have shown a positive relationship between CSR activities and the propensity to buy a brand or even reward it with loyalty only if the consumer perceives the corporate commitment as authentic and long term. Consumers are becoming more critical and skeptical about the authenticity of various firm proposals regarding environmental and social causes (Rozensher, 2013). So far the literature has not explored how the CSR of a company can be measured correctly to capture the real perception of the consumer in its many dimensions. It would also be interesting to investigate how CSR relates to sustainable purchasing attitudes and behaviors. The economic component may seem unrelated to the others because it concerns the company itself, whereas the social and environmental component may vary in intensity even on the basis of the sector under consideration.

3. The Methodological Analysis

In the present section we present the questionnaire, the descriptive analysis, the hypothesis development, and the results of the analysis.

3.1. The Questionnaire

From the methodological point of view a quantitative research has been developed using a structured questionnaire based on a seven-point Likert scale[1]; (see e.g. Tullis and Albert, 2013). The questionnaire has been tested on a small group of Italian consumers, and then revised for the final form, made via Internet on a randomly selected group, trying to ensure that the main social and demographic characteristics of the respondents (e.g., gender, age, and occupation) were diverse.

We have collected 207 questionnaires between August and November 2018.The questionnaire has been created using Google Drive modules and have the following structure:

- Part 1: a short description of the meaning of sustainable; generic environmental concern (EC) (three items); skepticism toward sustainable advertising (SSA) (three items) and perceptions of sustainable information usefulness (IU) (three items).
- Part 2: a short description of the meaning of sustainable sportswear products; attitudes toward sustainable sportswear products (ASSP) (four items); sustainable sportswear purchasing behaviors and sportswear purchasing habits. (SBSP) (four items).
- Part 3: knowledge of company X[2]; the multidimensional scale of CSR (CSRsoc (five items), CRSenv (six items), CSReco (six items) to measure consumer perception of CSR activities implemented by sportswear company X; the frequency of purchase of sportswear products in general and of the specific brand X; the frequency of purchase of sustainable sportswear products in general and of the specific brand X; and the degree of knowledge of the most recent CSR initiative communicated by the company X.
- Part 4: personal data, including gender, age, nationality, educational qualifications, profession, marital status, family members, perceptions of economic status compared to peers' average, and annual income (nine items).

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[1] The scale presents the following answers: 1 = strongly disagree; 2 = disagree; 3 =somewhat disagree; 4 = neither agree nor disagree; 5 = somewhat agree; 6 = agree; 7 = strongly agree.
[2] The company name is omitted for privacy reasons.

In the next sections we consider a preliminary descriptive analysis followed by a two-step cluster analysis.

3.2. An Initial Descriptive Analysis

As regards the characteristics of the sample the 51.2% is formed by female and the 48.8% by male. Ages ranged from 17 to 85. The highest educational qualifications of the participants are: junior high school (5%); high school (53%); bachelor's degree and master's degree (36%); and PhD (6%). The jobs carried out by the sample are many and include: teachers, entrepreneurs, students, university professors, nurses, doctors, and managers. The 77% of the sample sample considers its economic situation, compared to its age peers in the average, 17% consider itself above the average and 6% below the average.

A number of descriptive statistical analyses were first done to provide an overview of the sample's responses in relation to the different parts of the questionnaire. The sample in general states a high level of Environmental concern (EC) with a median value of 6. Respondents are neutral about sustainable advertising Skepticism toward sustainable advertising (SSA).

Focusing on the consumer's perception of the three components of company X's CSR, the sample seems not to consider company X as socially responsible. In fact, CSRsoc achieved a median of 4, similar to CSRenv, whereas CSReco achieved a higher median of 5.5.

Regarding purchasing habits, the sample participants seem to be buyers of both sportswear products in general and sportswear products of brand X (median 5). Compared with the frequency of purchase of the category of sustainable products of company X, the respondents are more neutral with a median close to 4.

Some correlation analyses allowed to investigate the relationships between the measured constructs. For this purpose, Spearman's correlation coefficient and Tau-Kendal correlation coefficient have been used, the values are similar so in the next tables the first one has been presented.

The correlation analysis shows that the two groups of questions relating to ASSP and SBSP are strongly and positively correlated with each other, whereas the correlation between SBSP and EC is weaker.

Table 1 – *Correlations EC, ASSP, SBSP, IU, (Spearman index).*

	EC	ASSP	SBSP	SSA	IU
EC	1	0,491**	0,539**	0,105	0,416**
ASSP		1	0,716**	0,051	0,393**
SBSP			1	0,105	0,416**
SSA				1	-0,017
IU					1

It is interesting to highlight the relationship between these measures and the perception of IU and SSA. As illustrated in Table 1, the SSA is not correlated with any of the examined constructs, whereas IU has significant and medium intensity correlations with EC, SASP, and SBSP.

Correlation analyses were then conducted to understand how the three responsibilities underlying the CSR components of the scale relate to one another, with the ASSP and SBSP (Table 2) and then with the perception of IU and SSA (Table 3). Table 2 shows that CSRsoc is strongly correlated with CSRenv, whereas both are weakly correlated with CSReco.

The EC is not related to any of the three responsibilities of company X, whereas there are significant but weak correlations between the first two dimensions of CSR with SASP. However, there is no correlation between CSRsoc, CSRenv, and CSReco.

The correlations that emerge with SBSP are similar; there is a significantly higher intensity correlation, but not with CSReco (Table 2). It is interesting to note that a general interest in protecting the environment among the respondents is not linked to the perception of specific activities that must be implemented by the company to pursue CSR. It is also important to underline the difference in the strength of the correlation between the two dimensions of CSRsoc and CSRenv, and between these and the CSReco dimension, where it is very weak.

Table 2 – *Correlations among EC, ASSP, SBSP, CSRsoc, CSRenv, CSReco, (Spearman index).*

	EC	ASSP	SBSP	CSRsoc	CSRenv	CSReco
EC	1	0,491**	0,539**	0,135	0,114	-0,030
ASSP		1	0,716**	0,242**	0,298**	0,120
SBSP			1	0,283**	0,320**	0,094
CSRsoc				1	0,837**	0,245**
CSRenv					1	0,212**
CSReco						1

The three components of company X's CSR are not correlated with the SSA, whereas there is a significant but weak correlation between these and the perception of UI by the respondents (Table 3).

Table 3 – *Correlations SSA, IU, CSRsoc, CSRenv, CSReco (Spearman index).*

	SSA	IU	CSRsoc	CSRenv	CSReco
SSA	1	-0,017	-0.012	-0.052	-0.143*
IU		1	0.261**	0.253**	0.032
CSRsoc			1	0,837**	0,245**
CSRenv				1	0,212**
CSReco					1

Further correlations were made to deepen the link between the three components of CSR and the purchases of both the brand in general and the sustainable product category of brand X. As can be seen from Table 4, there is a significant correlation of medium strength between CSRsoc and CSRenv of company X and the frequency of purchase of the sample sustainable sportswear product of brand X. Yet the correlations between the components and the frequency of purchase of brand X are significant but very weak. The CSReco is again not related at all to the purchase of the sustainable products of brand X, whereas there is a significant but very weak correlation with the general purchase of brand X.

Table 4 – *Correlations among customers' perception of CSR, frequency of brand X purchase, and purchase of sustainable sportswear products of brand X (Spearman index).*

Constructs	Purchase brand X	Purchase sustainable sportswear products brand X
CSRsoc	0,222**	0,470**
CSRenv	0,177*	0,463**
CSReco	0,191**	0,064

3.3. A Cluster Analysis

Various clustering algorithms have been developed to group data into clusters, however, they work effectively either on numerical or categorical data but most of them perform poorly on mixed categorical and numerical data. Two step cluster analysis allows to avoid this problem (Bacher *et al.*, 2004, Ming *et al.* , 2010).

SPSS two step clustering developed (Chiu *et al.* , 2001, Xu and Wunsch , 2005) for the analysis of large data sets consists of two steps:

• *Step1: Pre-clustering of cases.*

A sequential approach is used to pre-cluster the cases. The aim is to compute a new data matrix with fewer cases for the next step; in order to reach this aim, the

computed pre-clusters and their characteristics (cluster features) are used as new cases. The pre-clusters are defined as dense regions in the analyzed attribute space.

The results may depend on the input order of cases therefore it is recommended to use random order.

• *Step2: Clustering of cases.*

A model based hierarchical technique is applied. Similar to agglomerative hierarchical techniques, the pre-clusters are merged stepwise until all clusters are in one cluster. In contrast to agglomerative hierarchical techniques, an underlying statistical model is used. The model assumes that the continuous variables are within clusters independent normal distributed and the categorical variables are within clusters independent multinomial distributed. Two distance measures are available: euclidean distance and a log-likelihood distance in case of mixed types of attributes.

As regards the cluster analysis some results are presented. The procedure determine the "best" number of clusters in two phases, in the first phase the Bayesian Information Criterion (BIC) or the Akaike's Information Criterion is computed ; the second phase uses the ratio change $R(k)$ in distance for k clusters merged in k-1 clusters (see Bacher *et al.*, 2004). We have considered the Bayesian Information Criterion in so doing three clusters have been found.

Cluster 2 and Cluster 3 are mainly formed by females while Cluster 1 is formed mainly by males. Cluster 2 is composed mainly of young employees with a high school diploma or laurea while Cluster 3 is formed mainly by older people with a high school diploma working in different fields. Cluster1 is mainly formed by males both young and older with a high school diploma or laurea that work in different fields.

Cluster 2 is willing to sacrifice for the environment and is concerned about the environment itself; people belonging to this cluster want to try to improve the life of the local community.

People of Cluster 2 and Cluster 3 are more willing to make sacrifices for the environment, watch TV programs and websites dealing with the environment while not so people of Cluster 1.

Members of Cluster 1 and 3 like sustainable sportswear products more than those of Cluster 2. They are formed by consumers who take a more precise position with respect to the analyzed variables. They are composed mainly of consumers with more confidence in the commercial operations of the companies. They have the highest number of consensus as regards the credit in respect of the operations of marketing and CSR.

The groups composed mainly of adults that form Cluster 2 and Cluster 3 are more skeptical about the enviroment.

The results of the cluster analysis just exposed before show a certain tendency to the division of the opinions between the two generations identifiable as parents and

children. The clusters "parents" are the most skeptical and cynical about the CSR activities of the company, probably due to a greater experience in life. Young people instead are those with a more positive vision of marketing, advertising and social, environmental and economical CSR, probably due to a greater propensity to trust the good conducts of companies. Indeed, young consumers are increasingly asking brands what they stand for, what values they embody, and are more likely to reward brands that take a stand on important issues, acting in the interests of society with concrete CSR actions.

4. Conclusions

In this paper we first illustrate the theoretical background of the importance of investigating perceptions of CSR as a three-dimensional construct (environmental, social, and economic) from the perspective of the consumer and explores the crucial theme of sustainable consumption. In particular problems regards the society and its need for well-being, which, in this context, identifies social sustainability. Then we present the empirical research carried out on a sample of Italian consumers.

The study investigates the relationships between sustainable consumption toward sportswear products and perceptions of the three dimensions of CSR of a well-known sustainable sportswear firm using, after a preliminary step, a two steps cluster analysis has been performed.

From a theoretical point of view, the results support the importance of studying CSR from a consumer perspective and its relationship with sustainable consumption in order to coordinate them together adopting a product-industry specific perspective (Pegan *et al.,* 2020). The results suggest that in order to better understand the multi-faceted phenomenon of sustainable consumption, it is better to study the relationships between consumer attitudes and behavior and adapt them to a specific context, as in the case of sportswear.

First of all, the fairly high value of the EC construct agrees with the trend that there is some sensitivity among consumers to environmental issues and consumption. This sensitivity diminishes when one moves toward measurements of specific sustainable purchasing attitudes and behaviors. A certain neutrality of uncertainty in perceiving the level of usefulness of sustainable UI and in judging the truthfulness and credibility of sustainable information within advertising SSA suggests a certain level of uncertainty. Similarly, the low frequency of purchases of sustainable sportswear products may also be due to the lack of clarity. These results may also express a difficulty for the consumer to translate the concept of sustainability in a concrete and industry-specific context. In addition, the results seem to support what scholars of attitudes have expressed about the importance of

measuring sustainable attitudes and behaviors at the same level of abstraction. In fact, the correlations that emerged emphasize, on one hand, a general consistency between the various constructs of sustainable consumption (EC, ASSP, and SBSP), which reflect the greater attention to ethics in consumption; but, on the other hand, it also indicates that this consistency is much more evident between ASSP and SBSP.

Regarding CSR, the results of the analysis of customer perceptions concerning company X's CSR show that even though the company has been selected because of its award-winning and documented commitment to CSR, it is actually not perceived as such by the sample. Although they are buyers of the brand, respondents do not know how to assess its responsibility, as they attribute a neutral value to all CSRsoc and CSRenv items. This difficulty, as highlighted above, could be an expression of a lack of consumer knowledge and confusion due to too many ambiguous definitions of sustainable fashion-sportswear. The analysis of the correlations has highlighted how there is a significant correlation and quite high strength between CSRsoc and CSRenv and the propensity to buy sustainable products of the specific company X. The CSReco seems not to be related to purchases of the brand. The results also show a slightly different perception of respondents with respect to CSR, CSRsoc and CSRenv merge together, whereas CSReco is alone (Pegan *et al.,* 2020).

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SUMMARY

An analysis on consumer perceptions of corporate social responsibility and sustainable consumption

The aim of this paper is to analyze consumer perception of corporate social responsibility (CSR) and sustainable consumption by investigating the possible relationships between them. A theoretical overview of the importance of investigating the perceptions of CSR as a three-dimensional construct from a consumer perspective and the crucial theme of sustainable consumption are presented. At this point the results of a quantitative empirical research carried out on Italian consumers are presented. The starting point has been a structured questionnaire. Through this a descriptive analysis also using a two step cluster analysis has been performed. The results confirm the relevance of deepening consumer perceptions of CSR by using a multidimensional scale and its relationship with sustainable consumption while focusing on a specific firm and category of sustainable products.

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