Corporate social responsibility and consumers' attributions and brand evaluations in a product–harm crisis

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Abstract

A growing body of research on Corporate Social Responsibility (CSR) in marketing has shown that (1) CSR plays a role in consumers’ brand and product evaluations, over and above economic or ‘rational’ considerations such as product attributes; and (2) CSR has a spillover or ‘halo effect’ on otherwise unrelated consumer judgments, such as the evaluation of new products. Yet CSR’s halo on consumer behavior may extend beyond product evaluations, into nonroutine types of judgments such as attributions. We examine the possibility that the CSR halo affects consumers’ attributions in a product–harm crisis situation. In two studies that employ experimental manipulations of prior CSR on a sample of consumers, we examine whether attributions that are influenced by CSR mediate the impact of product–harm crises on consumers’ brand evaluations. The results of Study 1 support the hypothesis. Study 2 introduces a boundary condition on the results of Study 1, showing that mediation effects are only found for consumers that are CSR-sensitive. The findings point to a role of CSR in consumer behavior that is more complex than previously conceptualized.

Keywords: Corporate social responsibility; Product–harm crises; Attributions; Brand evaluations

Corporate Social Responsibility (CSR) has emerged in recent years as both an important academic construct and a pressing corporate agenda item (Colvin, 2001; Harrison & Freeman, 1999; Sen & Bhattacharya, 2001; Waddock & Smith, 2000). Firms have been found to engage in socially responsible behaviors not only to fulfill external obligations such as regulatory compliance and stakeholder demands, but also due to enlightened-self-interest considerations such as increased competitiveness and improved stock market performance (Bansal & Roth, 2000; Drumwright, 1994, 1996; Klassen &
Mclaughlin, 1996; Russo & Fouts, 1997; Waddock & Smith, 2000). From a marketing perspective, the firm’s economic benefits from CSR have been documented in its link to consumers’ positive product and brand evaluations, brand choice, and brand recommendations (Brown & Dacin, 1997; Drumwright, 1994; Handelman & Arnold, 1999; Osterhus, 1997; Sen & Bhattacharya, 2001). Through a variety of theoretical lenses, the important contributions of these studies have been to demonstrate that (1) CSR plays a role in routine consumer behavior, over and above economic or ‘rational’ considerations such as product attributes; and (2) CSR has a spillover or ‘halo effect’ on otherwise unrelated routine consumer judgments, such as the evaluation of new products.

Yet the CSR halo may also play a very different role in consumer behavior. The CSR halo may influence consumer judgments in nonroutine settings that are rarely studied. In these settings, CSR may operate for the firm as an insurance policy against the negative impact of untoward events such as product–harm crises. In these nonroutine settings, the most common consumer cognitive process is attribution (Folkes, 1984). Yet the impact of CSR on attributions remains unresearched. Attributions are important because they form the basis of revision and updating of enduring and central consumer judgments such as brand evaluations (Folkes, 1988). The objective of the present research is to uncover this potentially broader scope of CSR in consumer behavior, and to map its impact on consumer attributions of blame in a product–harm crisis setting, and through them on to brand evaluations and purchase intentions. The general hypothesis tested is that CSR affects the attribution process itself, and that attributions in turn influence brand evaluations. Thus, CSR associations are cast as a moderator of attribution. These attributions are conceptualized as a mediator of the impact of product–harm crisis on brand evaluations. The product–harm crisis setting is a particularly opportune one for the study of brand evaluations, because not only does it activate corporate associations such as CSR, but the sudden and often large changes in brand evaluation that accompany product–harm crises also make such a setting an invaluable opportunity for researchers to understand influences on brand evaluations.

1. Conceptual background

1.1. The corporate social responsibility halo

A halo effect is the ‘bias’ due to a measure that spills over to another measure (Thorndike, 1920). For example, a strong consumer belief about the performance characteristics of a Porsche may spill over onto beliefs about its reliability; or a consumers’ overall attitude toward a brand might spillover onto their assessment of specific attributes of that brand (Beckwith & Lehmann, 1975). In this study, we are specifically interested in the halo effect of consumers’ prior beliefs about the company’s position on CSR, onto attributions about a product–harm crisis involving that company. The halo effect is most conspicuous when the affected measures are unrelated to the source of the halo, because when the affected measures are related, it is not possible to separate the halo effect from a nomological effect. Previous studies in marketing have shown how CSR affects unrelated product evaluations. In this study, we examine how CSR beliefs spillover onto attributions made about a product–harm crisis.

Brown and Dacin’s (1997) definition of CSR as the organization’s status and activities with respect to its perceived societal obligations, provides a useful starting point that has also been adopted in subsequent research on CSR in marketing (e.g., Sen & Bhattacharya, 2001). As in these previous studies, we adhere to this definition but focus on consumers’ perceptions of CSR as drivers of consumer behavior. This general definition of CSR allows for many different operationalizations, but the corporate record on the environment is one of the most frequently used manifestations of the construct (Bansal & Roth, 2000; Klassen & Mclaughlin, 1996; Osterhus, 1997), and is one of the six key dimensions on which SOCRATES, the influential CSR index published by KLD Research, rates companies. Accordingly, our lens on CSR is that of consumers’ perceptions of corporate environmental responsibility.

CSR associations are an element of overall ‘corporate associations,’ distinct from attribute-level information about products (Aaker, 1996). Product associations, or stored information about product attributes, are generally used as input for consumers to make everyday product-related judgments such as...
evaluations of quality, comparisons with other products, and assessments of value for money. In the interest of cognitive economy, consumers are likely to use information beyond product associations only sparingly, and mainly when existing information is insufficiently diagnostic to make the judgment at hand (Feldman & Lynch, 1988). Even so, CSR associations have been shown to have a spillover effect on product and brand evaluations. In a nonroutine setting such as a product–harm crisis, corporate associations including CSR are all the more likely to be activated, and therefore, we expect the CSR halo to exert an influence on judgments such as attributions (Brown & Dacin, 1997).

1.2. Product–harm crises and attributions

Product–harm crises have been defined as well-publicized instances of defective or dangerous products (Dawar & Pillutla, 2000). The increasing complexity of products, more demanding customers, and more vigilant media are making product–harm crises an ever more visible occurrence. Recent crises involving brands such as Coca Cola in Europe, Firestone in the United States, and Snow milk in Japan, have created consumer and media awareness and sensitivity to such crises. Product–harm crises can imperil long-standing favorable customer impressions about the brand. Firms often institute expensive voluntary product recalls to minimize damage to their brands from product–harm crises. Even so, much of the loss of market capitalization that is associated with product recalls is due to the damage to intangibles such as consumers’ perceptions of the brand, rather than by the costs of the recall itself (Davidson & Worrell, 1992; Pruitt & Peterson, 1986). The seriousness and frequency of product–harm crises contrasts with the relative paucity of research in this area.

We know that consumers spontaneously construct attributions of blame for faulty or harmful products (Folkes, 1984; Folkes & Kotsos, 1986). These attributions are important from a marketing perspective because they form the basis of consumers’ brand judgments and behavior. In constructing these attributions consumers rely on information, including corporate associations, that goes beyond the product attributes that are normally the basis of evaluation or purchase decisions (Aaker, 1996; Folkes, Koletsky, & Graham, 1987). The impact of these associations on attributions may depend on their relevance to consumers (Crocker, 1980; Metalsky & Abramson, 1981); high importance placed on CSR issues may lead consumers to utilize such information in forming their attributions.

Weiner’s (1980) widely used attribution model conceptualizes three causal dimensions of attribution that lead to an overall judgment of responsibility or blame: (1) the locus of the behavior (the event that triggers the crisis), which can be internal or external to the actor (in our case, the firm); (2) the stability of the behavior, which can be unchanging or temporary; and (3) the controllability of the behavior, which can be within or outside the control of the actor. If the locus is internal, and the behavior is stable and controllable, observers (in our case, consumers) tend to attribute responsibility to the actor, and subsequent consumer behavior such as blame or anger, is directed toward the actor. If on the other hand, the locus is external, and the behavior is temporary and uncontrollable, attributions will tend to be made to external factors (Folkes, 1984). The recent product–harm crisis involving Firestone tire blowouts that allegedly caused consumer deaths, and the subsequent recall of millions of tires, helps illustrate this model of the attribution process. If consumers believe that the tires were poorly made, that Firestone has had a history of product defects, and that they could have averted the problems with better quality control, they will be likely to attribute responsibility to Firestone. In contrast, if they believe the problems were caused by harsh driving or vehicle conditions, that this is the first time Firestone’s tires have been implicated as the cause of accidents, and that driving and vehicle conditions are in fact outside the control of the tire manufacturer, they will be more likely to attribute responsibility to external factors, such as to the vehicle manufacturer or to driving conditions. Our intention in studying attributions in a product–harm crisis setting is to establish whether CSR influences locus, stability, and controllability attributions.

1.3. Attributions and consumer behavior

Kelley and Michela (1980) in their broad review of attribution theory characterized the field as consisting of studies of the antecedents or determinants of
attributions, such as information, beliefs and motivation, and the consequences, such as affect, behavior, and expectancy. Marketing studies of attribution have tended to focus on consequences rather than informational antecedents. Folkes (1984), in a pioneering study, demonstrated that consumer reactions to product failure are a function of the values on the three causal dimensions of locus, stability, and controllability. Variance in consumers’ desire for a refund or exchange, their expectation of an apology, and even their desire for revenge were predicted on the basis of the values on the three causal dimensions.

In a series of subsequent studies, Folkes et al. (1987) and Folkes and Kotsos (1986) showed how attributions in the context of service delays led to the subsequent desire to complain, and affected repurchase behavior. Jorgensen (1994) applied Weiner’s model to consumers’ attributions in the context of serious company disasters (a fatal airliner crash), and found that consumers’ attributions of the cause of the incident changed their affect and attitudes toward the company. Taken together, these studies provide compelling evidence for the effects of attributions on consumers’ attitudes and behavior. But less is known about the determinants of attributions.

Studies of informational antecedents have found mixed results (e.g., Sparkman & Locander, 1980; Yalch & Yoshida, 1983). Sparkman and Locander (1980) reported that the context changed consumers’ attributions about celebrity product endorsement. However, despite manipulating a number of contextual cues, they found that only the extent to which other celebrities also endorsed the advertised product was a significant predictor of attributions. Yalch and Yoshida (1983) also found little evidence of contextual antecedents on attributions. One explanation suggested for the mixed results is that these studies employed realistic stimuli to increase external validity, but that these stimuli introduced strong prior beliefs that swamped the effects of experimental manipulations (Folkes, 1988). Additionally, the antecedents examined in these studies are in fact contextual cues that are closely related to the behavior or actor, and the studies did not examine locus, stability, or controllability as contributing factors in the attribution. In contrast, our interest lies in understanding the effects of information such as CSR associations on attributions of stability, locus, and controllability.

Furthermore, unlike these previous studies, we seek to systematically vary prior CSR beliefs to determine their impact on attributions on all three causal dimensions. Finally, to ensure that we accounted for any dampening effects of realistic stimuli, we ran two studies, one using a fictitious firm as the actor, and a second a real firm.

In Weiner’s (1980) model, the three causal dimensions of attribution are not objective facts based on unbiased data, but rather judgments formulated on the basis of information about the event or behavior available to the observer. In the context of product–harm crises, such information may be gleaned from the media, from the company, and from other sources. Attributions are potentially prone to influence because they are constructed through an interaction of event-related information with the observer’s prior beliefs (Folkes, 1988). Indeed, biases due to prior beliefs have been shown to influence consumer judgments in product harm crises. Dawar and Pillutla’s (2000) data showed that consumers’ interpretation of a firm’s response to a product–harm crisis was subject to their prior expectations about the firm. Expectations were defined in terms of consumers’ accumulated experience with the company and information about its past behavior toward customers. Their research focuses on the interaction of firm response with consumers’ prior expectations. While it provides a basis for positing directional effects, it does not touch on the effects of specific corporate associations such as CSR, nor does it address the potentially important mediating role of attributions.

Our hypotheses are drawn from an integration of these strands of research on the impact of CSR on consumer behavior, on consumers’ attributions, and the impact of product–harm crises on brand evaluations. We propose that CSR beliefs will be activated in response to a product–harm crisis, as part of the activation of corporate associations that occurs because consumers engage in making attributions about the crisis. This activation enhances the likelihood of the CSR halo having a spillover effect on attributional judgments. Specifically, we hypothesize that CSR beliefs moderate consumers’ perception of the locus of the crisis event as internal or external, whether they see it as stable or temporary, and whether they believe it to have been controllable or not. CSR beliefs are a key element of the knowledge
of the company that an individual holds and draws upon to make these kinds of judgments (Brown & Dacin, 1997). As with other types of halo effects, we expect that information related to the crisis will be interpreted in a confirmatory fashion (e.g., Darley & Gross, 1983; Snyder & Swann, 1978). In particular, we propose that for firms that enjoy positive prior CSR, the trigger event for the product–harm crisis will be judged as more external, less stable and less controllable, relative to firms that do not enjoy positive CSR. Specifically, we hypothesize that:

H1a. The locus of the crisis will be perceived as external rather than internal when prior CSR is positive vs. when prior CSR is negative;

H1b. The crisis event will be perceived as unstable rather than stable when prior CSR is positive vs. when prior CSR is negative; and

H1c. The crisis event will be perceived as uncontrollable rather than controllable when prior CSR is positive vs. when prior CSR is negative.

In addition, as in previous studies of attribution, we anticipate that blame for the event will be influenced by attributions (Folkes & Kotsos, 1986), but because we view CSR as a moderator of attributions, we suggest that attributions will mediate the relationship between CSR and blame for the firm.

H2. Attributions will mediate the relationship between CSR and company blame.

Blame, in turn, will affect consumers’ brand evaluations, over and above the direct effects of CSR on brand evaluation. That is, positive or negative CSR information is likely to directly affect brand evaluations, but blame is expected to also affect brand evaluations, even controlling for the direct effect of CSR.

Following the logical consequences, we know brand evaluations affect consumers’ purchase intentions. In other words, we expect blame to be inversely correlated with brand evaluations, and brand evaluations to be positively related to purchase intentions. This hypothesis is intended as a validation of the knock-on effects of the attributions. The existence of these effects will indicate that the effects on attribution do indeed lead to potentially enduring changes in brand evaluations, and that these in turn have an effect on behavioral intentions. Specifically:

H3a. Blame will be inversely related to brand evaluations.

H3b. Brand evaluations will predict buying intentions.

2. Study 1

2.1. Design and measures

The design involved three between-subjects conditions (positive CSR, negative CSR, and a control condition in which no information about CSR was provided), and accordingly, three versions of the questionnaire. In the present study, a fictitious firm name was used. At the outset respondents were provided with background information about the firm that included the following description:

The following information is about a real, well-known oil company that has been in business for many decades. For the purposes of this study we will call the company OilCo.

In the positive CSR condition, subjects read that OilCo had been ranked 1st among 14 major oil companies on treatment of the environment, that the company was viewed as very environmentally responsible, had placed at the top of similar environmental rankings in the past, and had consistently shown that it cared about the environment. Furthermore, OilCo’s recent work on the preservation of the Peruvian rain forest was cited. In the negative condition, respondents read that OilCo had been ranked last of 14 major oil companies on treatment of the environment, that the company was viewed as very environmentally irresponsible, had been placed at the bottom of similar environmental rankings in the past, and had consistently shown that it did not care about the environment. Furthermore, OilCo’s ‘recent harm caused to the Peruvian rain forest’ was cited. In the negative condition, respondents read that OilCo had been ranked last of 14 major oil companies on treatment of the environment, that the company was viewed as very environmentally irresponsible, had been placed at the bottom of similar environmental rankings in the past, and had consistently shown that it did not care about the environment. Furthermore, OilCo’s ‘recent harm caused to the Peruvian rain forest’ was cited. In the control condition, no information was given about OilCo’s environmental record.

After reading the introduction, respondents (in the treatment conditions) rated OilCo on environmental social responsibility, as a manipulation check. They
also indicated how important it is that a company is environmentally responsible. Respondents then read a newspaper article in which an OilCo product failure was described:

**OilCo Lubricant Tied to Engine Problems**

**Dateline** There have been several hundred reports of severe engine damage linked to OilCo’s ET Synthetic Blend Lubricant, an automotive engine lubricant designed to protect engines and improve performance.

Apparently, ingredients in the oil interact with the plastic jugs in which the lubricant is sold. Over time, the chemicals in the plastic thicken the oil, which causes engine damage. The company that makes the plastic jugs is Carson Plastics.

An OilCo spokesperson said yesterday, “There is no problem with the lubricant if it is sold by stores before the expiration date marked on the bottle. All of the engine problems encountered can be tied to a national grocery store chain that sold the lubricant after the expiration date”.

After reading the article, respondents completed the questionnaire that included questions concerning the locus, stability and controllability of the problem, company blame, brand evaluations, buying intention, and several demographic questions. Questions were asked in this order (with the exception that the brand evaluation and buying questions were mixed together). The specific items were consistent with previous research on attributions and brands (Agarwal & Rao, 1996; Dawar & Pillutla, 2000; Weiner, 1980).

2.2. Respondents and procedure

One hundred and fifty respondents participated in a mall–intercept study. The mall was located in the suburbs of a large city in a Midwestern state and attracted predominantly middle-class shoppers. The average age of the sample was 36.7 (ranging from 17 to 74) and 64% were female. Ninety-eight percent had at least a high school diploma, with 44% of the sample holding a college degree. Questionnaires were self-administered and respondents were recruited and randomly assigned to condition by professional interviewers working for a market research firm specializing in mall–intercept interviews. On average the study took 15 min to complete. On completion, respondents were provided monetary compensation ($2) for their time, plus a bonus ($1) if they answered correctly a final quiz that tested their memory of the news story. Respondents were told about this bonus award at the start of the study to insure that the respondents read the stimulus materials carefully. Finally, participants were given a debriefing that explained the purpose of the study and uncovered the ‘cover story’ used in the manipulation.

3. Results

3.1. Manipulation checks

The manipulations worked as intended. Subjects in the negative condition rated OilCo’s actions toward the environment as more harmful (m=2.2; on a 1, harmful to 7, helpful scale), worse than other companies (m=2.1), and less socially responsible (m=2.1) than those in the positive condition (m=4.9, 5.3, 5.1, respectively; all p’s<0.001). As expected, there were no differences between the two groups in terms of perceived importance of company environmental responsibility, or attitudes toward buying from a company that was not environmentally responsible (both t’s<1.2, n.s.).

3.2. Measures

Two sets of questions tapped the ‘locus’ dimension. First, subjects were asked to rate the likelihood of various parties being a source of the engine lubricant problem (locus) on a 1–7-point scale (from not at all likely to very likely). They rated OilCo, retailers, consumers, and the supplier of the plastic container as potential sources of the problem. In a second set of locus questions, respondents were asked to assign a ‘percentage of the problem’ that might be due to each of the four parties (with totals summing to 100%). Locus was measured using the proportion of likely source judgments given to OilCo relative to all of the parties, and the percent given for the role played by OilCo relative to all of the parties. Both measures were proportions (r=0.48, p<0.001), and an average index was created from the two.
Stability was measured using an index comprised of four items: Do you think the problem represents something stable and ongoing with OilCo, or a fluke incident?, How likely is it that this type of problem will occur again in the future with OilCo products?, How likely is it that OilCo has had problems with its products in the past?, and How likely is it that the current problem with the engine lubricant is typical of OilCo products? (Cronbach’s $\alpha=0.76$). Controllability was represented by a single item: How much control does OilCo have over this sort of product problem? Other, more specific, items used to measure controllability (e.g., How much control does OilCo have over the kind of plastic that is used in the jugs that they purchase from Carson Plastics), were significantly but insufficiently correlated with the more general item to allow the formation of an index with an acceptable $\alpha$ level. Thus, the general item was used to tap controllability. (Alternative operationalizations of controllability, using the more specific items, were also analyzed and produced results similar to those reported below).

Three items comprised the index of blame: In your opinion, what is OilCo’s level of responsibility for the engine lubricant problem?, In your opinion, should OilCo be held accountable for the engine lubricant problem?, This incident is the fault of OilCo. Statements, such as the latter item, were answered on a 7-point totally disagree to totally agree scale (Cronbach’s $\alpha=0.86$). Brand evaluations were measured by six items: Overall, what is your opinion of OilCo?, Generally speaking, what would you guess is the overall quality of the OilCo brand?, In your opinion, OilCo is not at all trustworthy/very trustworthy (7-point scale), . . . is not at all dependable/very dependable, . . . is not at all concerned about customers/very concerned about customers. Cronbach’s $\alpha=0.92$. Finally, two measures of buying intention were averaged: If you were shopping for an engine lubricant, how likely is it that you would buy an OilCo lubricant? and If OilCo’s lubricants were priced 20% higher than a generic lubricant, how likely would you be to buy an OilCo lubricant? The correlation between the two items was $r=0.78$, $p<0.001$. All measures were coded such that higher numbers indicate greater perceived OilCo (internal) locus, stability, controllability, blame, positive brand evaluations, and purchase likelihood.

3.3. Tests of hypotheses

ANOVA’s are used to test our hypotheses that the corporate social responsibility manipulation affected attributions, judgments of blame, brand evaluation and buying intentions. Structural equation modeling results of our tests of mediation effects will then be reported.

As predicted by H1a, subjects in the positive CSR condition perceived the locus of the product crisis as more external ($m=0.24$), while those in the negative CSR condition perceived locus to be more internal ($m=0.36$). Control subjects ($m=0.21$) gave ratings similar to positive condition subjects. [ANOVA for all three conditions, $F(2,147)=13.09$, $p<0.001$; contrast for positive vs. negative conditions, $t(147)=3.95$, $p<0.001$].

Stability was also affected by the CSR manipulation, supporting H1b. Subjects in the positive CSR condition perceived the product failure to be less stable ($m=4.1$) than those in the negative condition ($m=4.7$), with control subjects ($m=3.9$) giving responses similar to those in the positive condition. [ANOVA for all three conditions, $F(2,147)=4.38$, $p<0.05$; contrast for positive vs. negative conditions, $t(147)=2.23$, $p<0.05$].

The ANOVA for controllability across the three groups was less significant at [$F(2,147)=2.64$, $p=0.08$]. There was not a significant difference between positive ($m=5.4$) and negative condition subjects ($m=5.8$), although the means differed in the expected direction [$t(147)=0.99$, n.s.]. Negative condition subjects did perceive greater controllability than did control group subjects [$m=5.00$; $t(147)=2.29$, $p<0.05$].

Respondents in the negative condition blamed OilCo more for the incident than did those in the positive condition ($m=5.5$ and $m=4.8$, respectively) with control subjects ($m=4.6$) making similar judgments to those in the positive condition. [ANOVA for all three conditions, $F(2,147)=5.55$, $p<0.01$; contrast for positive vs. negative conditions, $t(147)=2.23$, $p<0.05$]. The social responsibility manipulation also affected brand evaluation and buying intentions. Subjects in the negative condition had a lower brand evaluation of OilCo ($m=2.67$) than did those in the positive condition ($m=4.25$) with the control condition in between ($m=3.73$). [ANOVA for all three conditions, $F(2,147)=19.44$, $p<0.001$; contrast for
positive vs. negative conditions, $t(147)=6.13, p<0.001$. Similarly, subjects in the negative condition had lower buying intentions ($m=1.94$) than did those in the positive condition ($m=3.89$) with the control condition in between ($m=2.77$). [ANOVA for all three conditions, $F(2,147)=20.47, p<0.001$; contrast for positive vs. negative conditions, $t(147)=6.37, p<0.001$].

Structural equation modeling (LISREL) was used to test the model and to estimate the standardized path coefficients shown in Fig. 1 (NNFI=0.97, CFI=0.99, RMSEA=0.067). Only those in the manipulated (positive and negative) conditions were included in the analyses ($n=100$). As predicted, the relationship between social responsibility and blame was mediated by the attributions made by subjects, supporting H2. The relationship between social responsibility and blame—using only the negative (coded 0) and positive conditions (coded 1)—was $-0.28, p<0.05$. When locus, stability, and controllability are included in the prediction of blame, this relationship vanishes ($B=-0.02$, n.s.). Social responsibility is a significant predictor of locus and stability ($B=-0.45, p<0.001$ and $-0.28, p<0.05$, respectively), but does not significantly predict controllability ($B=-0.14$, n.s.), although the effect is in the hypothesized direction. All three types of attribution are predictive of blame (locus: $B=0.37, p<0.001$; stability: $B=0.21, p<0.05$; and control: $B=0.22, p<0.05$). The degree of blame was consequential to brand evaluations ($B=-0.40, p<0.001$), even when controlling for the direct effects of CSR (0.56, $p<0.001$), as predicted by H3a. Consistent with H3b, brand evaluations predicted purchase intention ($B=0.83, p<0.001$). The model depicted in Fig. 1 accounts for 40% of the variance in blame, 60% of the variance in brand evaluation, and 65% of the variance in buying intentions. Two other models were also tested. The first model examines the direct and indirect effects of social responsibility on brand evaluation. The direct path from social responsibility to brand evaluation, without including blame (or attributions) in the model is 0.67, $p<0.001$. When blame is included in predicting brand evaluation this path drops to 0.56, $p<0.001$. Furthermore, the path from blame to brand evaluation ($B=-0.40, p<0.001$) is significant, as is the path from social responsibility to blame ($B=-0.28, p<0.01$). The second model examines the direct and indirect effects of social responsibility on buying intention. The direct path from social responsibility to buying intention is 0.72, $p<0.001$. When blame is included in predicting buying this path drops to 0.62, $p<0.001$. The path from blame to buying is significant ($B=-0.35, p<0.001$) and, as above, the path from social responsibility to blame is also significant ($B=-0.28, p<0.01$). Thus, social responsibility predicts brand evaluation and buying intention both directly and indirectly through blame.

4. Discussion

The results of this study provide support for the premise that CSR affects consumers’ attributions of
blame about product–harm crises. In particular, two of the three causal dimensions of attribution, locus and stability, were strongly affected by consumers’ prior perceptions of CSR, and controllability was affected to a lesser extent. In other words, consumers’ attributions about a product–harm crisis were found to be a function of consumers’ CSR associations. Each of the three attribution dimensions contributed significantly to consumers’ perceptions of blame for the product–harm crisis: internal locus, stability, and controllability were all positively related to blame. And, as expected, blame was found to have a strong negative effect on brand evaluations, which then predicted purchase intentions. The results indicate that CSR, as operationalized in this study, is a significant moderator of consumer attributions in a product–harm crisis, and that these attributions affect brand evaluations and purchase intentions. The implications of these results for CSR, for brand evaluations, and for attribution theory are elaborated on in the General discussion section.

In this first study, a fictitious company name was used because we were interested in the ability of our CSR manipulation to affect attributions of blame in a product–harm crisis. It has been suggested that the weak effects in previous research of the determinants of attributions were due to the use of realistic stimuli that dampened the effects of the intended manipulation (Folkes, 1988; Sparkman & Locander, 1980; Yalch & Yoshida, 1983). The use of a fictitious company in Study 1 eliminated the possibility of contamination of the manipulation by preexisting associations. Furthermore, given that the CSR manipulation constituted a large part of respondents’ corporate associations for OilCo, it could be argued that their effect on attributions is not surprising, and that demand effects may have been operating. In addition, this first study provides evidence of a main effect of CSR on attributions and brand evaluations. But as CSR research in routine consumer settings has shown, numerous variables moderate the impact of CSR on consumer behavior. Sen and Bhattacharya (2001), e.g., have shown that the impact of CSR is moderated by the extent to which consumers identify with the cause to which the company ascribes. We examine whether a similar moderating effect operates in nonroutine settings in influencing attributions. In particular, we build on research in psychology that has demonstrated that individuals tend to interpret event-related information and make attributions that are consistent with their prior beliefs (Crocker, 1980; Metalsky & Abramson, 1981). To examine the robustness of our findings, to eliminate the demand effects explanation, and to test for the effects of a moderating variable, we undertook a second study using a real company as the actor.

5. Study 2

5.1. Respondents, procedure, design, and measures

The purpose of Study 2 is to corroborate the essential results of Study 1 by eliminating alternative explanations, as well as to establish a boundary condition on the general effect of CSR on attributions uncovered in Study 1. Sen and Bhattacharya (2001) found that whether CSR influenced consumer evaluations or not depended on whether consumers saw congruity in the CSR domain they considered important and the one the company highlighted. We propose a more general form of this consumer-company congruence by positing that the effects of CSR will be more pronounced for those consumers who report that CSR is important to their decisions. The procedure for Study 2 was identical to that of Study 1. Again, 150 subjects participated. The average age of the sample was 36.3 (ranging from 17 to 83) and 61% were female. Ninety-seven percent reported having at least a high school diploma, with 46% of the sample reporting holding a college degree. Identical conditions and questionnaires to those used in Study 1 were utilized in Study 2, except that the fictitious company OilCo was replaced with a well-known real Oil Company. A measure of company familiarity was included in the questionnaire. Because respondents were familiar with the company (familiarity ratings averaged 5.15 on a 7-point scale) those in the control condition were also asked to evaluate the company on social responsibility. These measures permit corroboration of the impact of prior CSR, without the demand effects associated with the CSR manipulation. As in Study 1, respondents were debriefed at the end of the study, and were told that the information they had
read about the company’s environmental responsibility and products was developed for study purposes only and was fictitious.

6. Results

6.1. Manipulation checks

As in Study 1, the manipulations worked as intended. Subjects in the negative condition rated the company’s actions toward the environment as more harmful ($m=3.1$), worse than other companies ($3.0$), and less socially responsible ($3.2$) than those in the positive condition ($m=4.9, 5.1, 5.0$, respectively; all $p’s <0.001$). Means for the control group were closer to those of the positive condition ($4.4, 4.5$, and $4.8$). There were no significant differences between the positive and negative groups (or the control group) in the perceived importance of company environmental responsibility, or attitudes toward buying from a company that was not environmentally responsible. Furthermore, there were no differences in familiarity with the company across conditions (all $F’s <2$, n.s.).

6.2. Measures

As in previous studies of the determinants of attribution, subjects were likely to bring preformed impressions of the company to the study. While these prior beliefs were clearly affected by the manipulations, it is unlikely that the social responsibility information we provided completely replaced prior impressions. More likely, the manipulations modified initial opinions. Thus, a continuous measure of CSR was created rather than using the manipulated variable. This allowed our analyses to reflect typical situations in which consumers’ prior impressions of a company are modified as new information is encountered through the press, advertising, product usage, etc. (and some consumers do not encounter this information, as represented by the control condition). Consequently, social responsibility was measured through the three manipulation check items (harm to the environment, treatment of the environment relative to other companies, and social responsibility; Cronbach’s $x=0.90$). To parallel the analyses of Study 1, positive (greater than or equal to 5 on the scale, $n=65$) and negative (less than or equal to 3, $n=31$) prior CSR groups were created. All subjects, and thus the full range of social responsibility judgments, were included in the structural equation analyses presented below.

The two locus items were correlated $0.52, p<0.001$, and the Cronbach’s $x$ were $0.73, 0.81, 0.93$ for stability, blame and brand evaluations, respectively. The correlation between the two buying items was $0.61, p<0.001$.

6.3. Tests of hypotheses

Subjects with a positive prior CSR image perceived the locus of the product–harm crisis as more external ($m=0.21$), relative to those with a negative prior CSR ($m=0.34$), $[t(94)=3.94, p<0.001]$. The positive CSR subjects also perceived the problem as less stable ($m=3.7$) than the negative CSR subjects ($m=4.6; t(94)=3.95, p<0.001$). Judgments of control were not different between the two groups ($m=5.4$ and $5.2$, respectively; $t(94)=0.60$, n.s.)4 Thus, H1a and H1b were supported while H1c was not.

Those who held a negative corporate CSR image blamed the company more for the incident than those with a positive corporate CSR image ($m=5.3$ and $m=4.3$, respectively). The social responsibility manipulation also affected brand evaluation and buying intentions. Subjects with negative judgments of CSR had a lower brand evaluation ($2.96$) and lower buying intentions ($2.02$) than did those with positive judgments ($m=5.50$ and $4.04$, respectively; $p’s<0.001$).

As in Study 1, structural equation modeling was used to test the model shown in Fig. 2, using all

4 The same pattern of results is obtained if the manipulated conditions are used as the independent variable, rather than the measures of CSR. The only exception is that the difference in locus judgments across the positive and negative conditions is less significant ($p<0.07$). As in Study 1, the means for the control condition are close to those of the positive condition for locus and stability. For judgments of control, there are no significant differences across conditions.
subjects and the full range of social responsibility judgments (NNFI=0.92, CFI=0.97, RMSEA=0.10). As predicted, the relationship between social responsibility and blame was mediated by the attributions made by subjects, again supporting H2. The relationship between social responsibility and blame was \( B = 0.29, p < 0.001 \). When locus, stability, and controllability are included in the prediction of blame, this relationship drops to \( B = 0.09 \) (n.s.). Social responsibility is a significant predictor of locus and stability \( (B=0.36, p<0.001 \) and \( B=0.37, p<0.001 \), respectively), but does not significantly predict controllability \( (B=0.08, n.s.) \), although the effect is in the hypothesized direction. Attributions of locus and control were significant predictors of blame \( (B=0.38, p<0.001 \) and \( B=0.28, p<0.001 \), respectively), while stability was nonsignificant but in the predicted direction \( (B=0.12, n.s.) \). The degree of blame was consequential to brand evaluations \( (B=-0.32, p<0.001) \), even when controlling for the direct effects of CSR \( (0.63, p<0.001) \), as predicted by H3a. Consistent with H3b, brand evaluations predicted purchase intention \( (B=0.67, p<0.001) \). The model depicted in Fig. 2 accounts for 39% of the variance in blame, 62% of the variance in brand evaluation, and 45% of the variance in buying intentions.

Two other models were also tested. The first model examines the direct and indirect effects of social responsibility on brand evaluation. The relationship between social responsibility and brand evaluation, without including blame (or attributions) in the model is 0.72, \( p<0.001 \). When blame is included in predicting brand evaluation this path drops to 0.63, \( p<0.001 \). Furthermore, the path from social responsibility to blame \( (B=0.29, p<0.001) \) is significant, as is the path from blame to brand evaluation \( (B=-0.32, p<0.001) \). The second model examines the direct and indirect effects of social responsibility on buying intentions. The relationship between social responsibility and buying intention is 0.50, \( p<0.001 \). When blame is included in predicting buying this path drops to 0.44, \( p<0.001 \). The path from blame to buying is significant \( (B=-0.19, p<0.01) \) and, as above, the path from social responsibility to blame is also significant \( (B=-0.29, p<0.001) \). Thus, social responsibility predicts brand evaluation and buying intention both directly and indirectly through blame.

6.4. Moderation effects

In order to test for the predicted moderation effect, we split the sample into two groups based on their responses to the question asking how important it is that a company is environmentally responsible: the low importance group (less than or equal to 5, \( n=37 \)) and the high importance group (greater than 5, \( n=36 \)).
Table 1
Moderation of importance of CSR

<table>
<thead>
<tr>
<th></th>
<th>Low importance of CSR</th>
<th>High importance of CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simple correlation of CSR and Blame</td>
<td>−0.04</td>
<td>−0.36***</td>
</tr>
<tr>
<td>γ from CSR to locus</td>
<td>−0.02</td>
<td>−0.43***</td>
</tr>
<tr>
<td>γ from CSR to stability</td>
<td>−0.20</td>
<td>−0.41***</td>
</tr>
<tr>
<td>γ from CSR to control</td>
<td>0.21</td>
<td>−0.17</td>
</tr>
<tr>
<td>γ from CSR to blame</td>
<td>−0.04</td>
<td>−0.12</td>
</tr>
<tr>
<td>β from locus to blame</td>
<td>0.40**</td>
<td>0.37***</td>
</tr>
<tr>
<td>β from stability to blame</td>
<td>0.29*</td>
<td>0.08</td>
</tr>
<tr>
<td>β from control to blame</td>
<td>0.29*</td>
<td>0.25**</td>
</tr>
<tr>
<td>γ from CSR to brand</td>
<td>0.66***</td>
<td>0.62***</td>
</tr>
<tr>
<td>β from blame to brand</td>
<td>−0.38**</td>
<td>−0.33***</td>
</tr>
<tr>
<td>β from brand to buy</td>
<td>0.75***</td>
<td>0.66***</td>
</tr>
</tbody>
</table>

* p<0.05.  
** p<0.01.  
*** p<0.001.

n=112).5 Interestingly, those high in importance gave higher ratings for control (m=5.42) compared to those low in importance [m=4.51; t(148)=−3.24, p<0.01]. No other mean differences were found across the two levels of importance for any of the measures.

As predicted, for those who thought that a company’s environmental responsibility was unimportant, social responsibility did not predict blame, nor did CSR have a strong impact on attributions (See Table 1). The low importance group showed no simple relationship between CSR and blame (B=−0.04, n.s.) while the high importance group did (B=−0.36, p<0.001). This relationship remains nonsignificant for the low group (B=−0.04, n.s.) and drops to nonsignificant for the high group (B=−0.12, n.s.) when the attributions are added to CSR in the prediction of blame. Furthermore, CSR only predicts attributions for the high importance group (CSR to locus: B=−0.02, n.s. and B=−0.43, p<0.001, for the low and high groups respectively; CSR to stability: B=−0.20, n.s. and B=−0.41, p<0.001; CSR to control: B=0.21, n.s. and B=−0.17, n.s.). Attributions predicted blame in both models (locus to blame: B=0.40,

6.5. Demand effects

To eliminate the demand effects explanation, we undertook an S.E.M. analysis of the data from only the control group subjects for whom CSR was not manipulated. For these subjects, measures of corporate social responsibility were taken at the start of the study, as they were not exposed to the manipulation of social responsibility. The mean rating of CSR was 4.66 (S.D.=1.13). Consistent with previous results, prior social responsibility predicts blame (B=−0.39, p<0.01), but drops to non significance when the three attributional mediators are included (B=−0.13, n.s.). Social responsibility predicts each of the dimensions of attribution: locus (B=−0.35, p<0.05), stability (B=−0.34, p<0.05), and controllability (B=−0.28, p<0.06). The coefficients for the attributional variables predicting blame are locus (B=0.14, n.s.), stability (B=0.33, p<0.05) and control (B=0.36, p<0.01). Blame predicts brand evaluations with the direct effects of CSR controlled (B=−0.22, p<0.05); and brand evaluations predict purchase intentions (B=0.58, p<0.001). Finally, prior judgments of CSR significantly predicted brand evaluation and buying intentions directly, and indirectly, through blame. Thus, this analysis replicates the findings for the full sample, and suggests that CSR effects do have significant impact on consumers’ attributions, brand evaluations, and purchase intentions, in the absence of demand effects due to the manipulation. Moreover, the finding of the moderating effects for the importance of environmental issues further reduces the possibility that demand
effects produced our results. Results due to demand effects tend to be straightforward and reflected in main effects. Moderating effects in between-subjects designs make demand effects far less likely because not only would subjects have to respond differentially to the demand characteristics of the study, those differential responses would have to be highly correlated with the moderating variable.

7. General discussion

Previous research has demonstrated the role of CSR in routine consumer behavior settings. The present research seeks to extend those findings by suggesting an alternative role for CSR in a nonroutine setting. The results show that CSR associations have a strong and direct impact on consumers’ attributions, which in turn translate into blame for the incident that consequently influences brand evaluations and purchase intentions. Furthermore, while CSR appears to influence brand evaluations directly, its impact through attributions appears to be pronounced only for those consumers who report considering a company’s CSR as important to their decisions. These results point to important theoretical and managerial implications.

That CSR associations in fact have a direct and relatively strong impact on consumer judgments in a nonproduct evaluation context suggests a new and interesting role for this construct. The findings suggest that CSR associations may have a significant impact when consumers rely on corporate associations to inform their judgments. The mediating role of attributions is important in these circumstances, because situations that are deemed out of the ordinary elicit spontaneous attributional activity. These attributions, we show, are strongly affected by consumers’ prior perceptions of CSR. In turn, these attributions contribute to an ascription of blame that affects brand evaluations, which then have an impact on purchase intentions. Thus, attributions and the consequent ascription of blame may have an enduring impact on consumer behavior by altering brand evaluations.

These results indicate that in addition to the effects of CSR on firm performance through improved consumer brand evaluations and greater likelihood of purchase in routine consumer behavior situations, CSR may have a ‘dormant’ effect that is activated in circumstances in which consumers rely on corporate associations to inform their judgments. Thus, our research suggests that even if positive CSR associations do not increase immediate profitability, they may be instrumental in reducing the risk of damage to brand evaluations in the event of a calamity. This permits a potentially novel conceptualization of the impact of CSR: CSR is like an insurance policy that is there when you need it.

Furthermore, the findings in Study 1 suggest a valence-based asymmetry in that a negative corporate CSR image has a larger impact on attributions than a positive CSR image. This suggests that a poor record on social responsibility can be asymmetrically damaging relative to the credit a firm receives for a good record. We find that a negative CSR image leads to unflattering attributions and blame while a positive image led to attributions similar to those made by control subjects who had no prior impression of the firm. One interpretation of this finding is that consumers are willing to give the benefit of the doubt to firms about which they know little, but that evidence of poor CSR places the firm in a pejorative position. The implication is that while a neutral image might provide as much protection in a product crisis as a positive image, a negative image will be a powerful liability to a firm facing such a crisis. The findings complement those of Dawar and Pillutla (2000) on product–harm crises, as well as those of Sen and Bhattacharya (2001) on CSR. Although, the Dawar and Pillutla (2000) research did not examine CSR, they found that companies about which consumers had weak prior expectations based on accumulated experience with the company, were barely able to maintain brand equity after a product–harm crisis, even if they responded positively and proactively to remedy the harm. Furthermore, if the weak prior expectation firm responded to the product–harm crisis by stonewalling, it suffered a disproportionately larger loss of brand equity than companies about which consumers had positive prior expectations. This finding corroborates the result in the Sen and Bhattacharya (2001) research in which all consumers were found to react to negative CSR information, but only those supportive of the CSR domain reacted to positive CSR information.
In addition to replicating the findings of Study 2 and ruling out a demand effect interpretation of our results, Study 2 also sheds light on a boundary condition of the effect of CSR. We find that CSR influences brand evaluations for all consumers, but that it only affects attributions when consumers see the CSR issue as important to them. This suggests that only those who care about the issue are motivated to access CSR information and to make attributions that are consistent with the firm’s CSR record. Moreover, it is only for these consumers that attributions will play a mediating role. These findings point to a contingency for the new role of CSR that the present research uncovers. Specifically, it appears that the ‘insurance’ role of CSR works primarily for consumers for whom CSR is an important decision criterion.

The results of this research also help sharpen our understanding of the role of attribution theory in consumer behavior. The findings show not just that differences in prior CSR result in differential blame for the product–harm crisis, but that this blame is in fact due to differences in consumers’ judgments of crisis locus, stability, and, to a lesser extent, controllability. These differences in the causal dimensions of attribution arise, despite exposure to identical crisis-related information. Two aspects are noteworthy. First, attributional judgments are malleable and depend on prior beliefs, and they mediate the relationship between prior beliefs (about CSR) and blame. In other words, the finding that judgments of an incident are more stable or more internal is a function of a firm’s prior CSR record demonstrates the subjectivity of attributions. Second, these judgments have a domino effect on brand evaluations and purchase intentions, suggesting that attributions can have enduring effects on consumer behavior, and are unlikely to be simply temporary artifacts of the product–harm crisis information.

7.1. Limitations and future research

The link between control judgments and blame was significant in both studies. CSR, however, did not act as a significant moderator of controllability, as it did for locus and stability. This finding may be due to a consumer perception that firms—as opposed to individuals, who were the focus of Weiner’s work—are expected to be in control of outcomes, whether they are socially responsible or not. This is supported by the relatively high ratings for control (between 5.2 and 5.8) given to both the positive and negative CSR firms across both studies. Thus, it appears that CSR plays its strongest role in judgments of whether the company continually runs into problems (stability) and whether it was the source (locus) of the crisis. Future research should examine whether there are circumstances (e.g., small or new firms) where control will play a greater role.

Our focus in this research is on the cognitive processes of attribution that are influenced by perceptions of CSR. Clearly, in a highly charged environment such as that of attributing blame for product–harm crises, emotional processes may also play a significant role. Other than measuring consumer evaluations, we have not examined how consumer emotions might affect or be affected by prior CSR perceptions. This remains a promising avenue for future research.

This research contributes to a better understanding of the role of CSR in consumer behavior. CSR effects on attributions and brand evaluations provide a promising avenue for further exploration. In particular, experimental research on consumers’ contingent use of CSR information can build on the moderation effects reported here to help define conditions under which CSR will or will not affect consumer behavior in nonroutine settings. Thus, this research has uncovered a novel role of CSR.

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