



CSR motivation and customer extra-role behavior: Moderation of ethical corporate identity☆



Elif Karaosmanoglu ^{a,*}, Nesenur Altinigne ^{b,1}, Didem Gamze Isiksal ^{c,2}

^a Faculty of Management, Management Engineering Department, Istanbul Technical University, Suleyman Seba cd. No. 2 Macka-Besiktas, 34367, Istanbul, Turkey

^b International Logistics and Transportation Department, Istanbul Bilgi University, Dolapdere Campus, Hachahmet Mahallesi, Pir Husamettin Sokak No. 20, 34440, Beyoglu, Istanbul, Turkey

^c Faculty of Management, Management Engineering Department, Istanbul Technical University, Suleyman Seba cd. No. 2 Macka-Besiktas, 34367, Istanbul, Turkey

ARTICLE INFO

Article history:

Received 1 November 2015

Received in revised form 1 March 2016

Accepted 1 March 2016

Available online 28 March 2016

Keywords:

Ethical corporate identity

CSR motivation

Customer extra-role Behavior

CSR fit

ABSTRACT

This study investigates the relationship between corporate social responsibility (CSR) motives and customer extra-role behavior in an emerging market context. It examines the moderating role of ethical corporate identity on this relationship in two replicated scenario-based experiments in two different contexts (i.e. high CSR fit vs. low CSR fit). Both studies assess whether the attributions of consumers about a firm's CSR motivation (i.e. firm-serving vs. public serving) change their extra-role behavior (e.g. making suggestions related to product or service improvement, taking part in company surveys and activities, defending companies against negative reactions, making recommendations to others) toward that company if it expresses its ethical identity. Study I takes place in a company-locus/CSR initiative high-fit context; and Study II replicates it in a company-locus/CSR initiative low-fit context. The results demonstrate that regardless of the CSR fit contexts, CSR activities improve customer extra-role behavior with-in the firm-serving motivation condition when a company is known for its ethical stance before CSR activities. However, they are ineffective when a company's ethical visibility is implicit even in the public-serving motivation situation. These outcomes indicate that expressing a company's ethical standing prior to CSR activities would be a beneficial strategy for companies in emerging markets.

© 2016 Elsevier Inc. All rights reserved.

1. Introduction

In today's world of reputation, organizations' core stance often matters more than their offerings. Consumers assume that firms are their lifelong partners with whom they engage in value co-creation. Therefore, when they build bonds with companies, they seek value-laden traits embedded not only in their products/services but also in their actions (Lii & Lee, 2012). Consumers consider corporate social responsibility (CSR) activities as one of the paths through which they learn about the values of companies. For example, Google topped the list of the 2015 Global CSR RepTrak rankings for the fifth time by pursuing initiatives worldwide in three major areas: citizenship practices, sustainable energy consumption, and renewable energy investments (Reputation Institute, 2015). The Coca-Cola Company launched a collaborative program in Africa to fight HIV/AIDS in 2002

and Vodacom of South Africa created a community phone service program in 1994 to overcome the problem of unequal access of disadvantaged communities to telecommunications (Zhang, 2008). Such CSR activities not only improve the world but they also lead to various company-favoring responses such as enhancement of customer extra-role behaviors (Lii & Lee, 2012).

Especially in emerging markets, organizations face the challenge of adopting and managing an effective CSR strategy that aligns with their corporate brand values. Emerging markets' structure of increasing trade, economic prosperity, and rapidly expanding purchasing power breeds a new middle class that scrutinizes companies and their actions more than expected (Hah & Freeman, 2014). Organizations need to comprehend the factors that affect consumers' evaluations of CSR activities to overcome this challenge (Boeche & Cruz, 2010). In an attempt to address this issue, this study analyzes whether the CSR motivations and ethical corporate identity are significant variables supporting the success of the companies' CSR efforts. In doing so, the present research also responds to the call that highlights the need to study CSR in under-studied emerging markets (Hah & Freeman, 2014) such as Turkey.

Despite extensive research investigating the effects of CSR on consumers' responses in emerging markets (e.g. Baskin & Gordon, 2005; Frynas, 2006), previous studies fail to explain how consumers react to the CSR motives of companies' under different circumstances.

☆ The authors would like to thank Udo Wagner and Maja Szymura-Tyc for their support and the reviewers for their valuable comments on the first drafts of our paper. We also would like to thank Mark David Wyers for his professional service of proofreading.

* Corresponding author. Tel.: +90 5336139520; fax: +90 2122248685.

E-mail addresses: karaosman5@itu.edu.tr (E. Karaosmanoglu), nesenur.altinigne@bilgi.edu.tr (N. Altinigne), isiksal@itu.edu.tr (D.G. Isiksal).

¹ Tel.: +90 5321600591.

² Tel.: +90 5556702562.

The main aim of this study is to provide an explanation for the conditions under which CSR activities may or may not achieve their desired impact for corporate brands. It specifically focuses on the interplay between the ethical visibility of the corporate brand and CSR motivations in generating extra-role behavior. This study argues that CSR activities may produce more favorable responses when consumers attribute that a company has public-serving motives for expressing social responsibility, or less favorable evaluations when they attribute that it has firm-serving motives. It further explores whether these relationships differ if the corporate brand expresses its ethical stance prior to the CSR activities they engage in. These issues are covered in two replicated studies in two different CSR contexts.

2. Emerging markets and CSR

Although CSR has acquired increasing significance in developed countries, it is hardly a new concept for emerging markets (Preuss & Barkemeyer, 2011). The MasterCard Ethical Shopping Survey (2015) proves that even at the product level, over 70% of emerging countries' consumers, such as those in Indonesia, China, Malaysia, and Thailand, choose brands that are socially responsible. The financial and economic structure of industrialized countries pressure emerging markets and their players to adopt CSR activities as a strategy against their multinational competitors (Baskin, 2006). While consumers highly appreciate global organizations' CSR acts, they also expect the similar attempts from their local counterparts. This fact makes CSR a part of the competitive structure and a strategic tool for corporate brand positioning (Doukakis, Kapardis, & Katsioloudes, 2005). Brenes, Montoya, and Ciravegna (2014) delineate a CSR activity as an indicator of management quality that signals a corporate brand's differentiated position in emerging markets.

The literature on CSR strongly emphasizes that consumers reward companies that engage in CSR activities through positive evaluations as well as higher intent to purchase their products (Sen & Bhattacharya, 2001). CSR also facilitates to the recovery of corporate credibility during product and company crises (Lin, Chen, Chiu, & Lee, 2011), resilience to negative information, easy market data collection and the establishment of beneficial relationships with customers (Ahearne, Bhattacharya, & Gruen, 2005). Companies' CSR engagement affects consumers' perceptions of those firms in terms of being altruistic, which then leads to more favorable attitudes toward them (Nan & Heo, 2007). As a result, consumers become more likely to work for the benefit of such companies (Groth, 2005). At times when consumers are keen on learning about firms' societal practices and achievements, CSR activities become the most valuable asset of a firm (Peloza, Looch, Cerruti, & Muyot, 2012), one that nurtures the corporate brand.

Therefore, it is imperative to understand what causes different reactions to corporate brands that engage in CSR. Moreover, emerging markets may provide a rich context for investigating the link between CSR initiatives and consumer behavior toward corporate brands. Relying on United Nations Developments Program and World Bank reports, Visser (2008) states that although the distribution of wealth is unequal in emerging markets, GDP per capita is relatively higher than in the rest of developing countries, thus leading to dramatic differences in social structure (Hah & Freeman, 2014). Concordantly, emerging markets present a distinctive CSR agenda, which has become native, indigenized and also changeable by local cultural norms and corporate traditions (Visser, 2008).

According to the Turkey Social Responsibility Baseline Report, in Turkey, as one of the well-known emerging markets, local non-governmental organizations mostly conducted CSR activities until multinational companies began to adopt global CSR initiatives (Gocenoglu & Onan, 2008). In line with Visser's (2008) argument that CSR is a local as well as a universal concept, global companies have started to launch collaborative initiatives with Turkish NGOs while adapting their CSR approaches to local conditions and focusing on major domestic issues (Corporate Social Responsibility Association of

Turkey, 2008). According to the 2011 Colloquy Cross Cultural Loyalty Study, when organizations bring local issues on board to develop CSR actions, publics in emerging markets respond to and engage with the initiatives twice as much (Hlavinka & Sullivan, 2011). The present study is an attempt to unfold underlying mechanisms of the CSR-corporate brand relationship in terms of consumer reactions in an emerging market by focusing on the interplay between ethical corporate identity and CSR motives.

3. Conceptual underpinnings

3.1. CSR motivation and extra-role behavior

Even though the dominant view in the literature suggests that the relationship between CSR and firm performance is positive, there are scholars who defend the idea that CSR seems to have an ambiguous and complex impact on firm performance (e.g. Crifo, Diaye, & Pekovic, 2016; Mackey, Mackey, & Barney, 2007). The main reason for the latter view is related to the trade-off between the different dimensions of CSR (Crifo et al., 2016). A firm's CSR policy covers the multiple facets of environmental, social, and business behaviors. The contribution of these various aspects to firm performance is a critical area of management which requires understanding how and in what way different stakeholders' react to them. Firms should make careful decisions to balance the demands of the various audiences related to CSR to avoid negative impacts on firm performance (Mazutis, 2010).

Consumers, as one of those stakeholders, want to know about the good efforts of companies they buy from, but they also have doubts when it comes to the companies' underlying motives (Du, Bhattacharya, & Sen, 2010). Kim, Chaib and Chaib (2012, p. 272) assert that "CSR is typically understood by external stakeholders as a non-profit seeking activity that is far from the general profit-seeking nature of a corporation". This contradiction between the nature of CSR and firm interest makes consumers question the underlying motivation behind it and may influence their subjective evaluations about organizations.

Attribution theory (Anderson & Weiner, 1992; Kelley, 1967) argues that an observer interprets other actors' behaviors in terms of their causes, which then determines his/her actions toward them (Kelley & Michela, 1980). Moreover, it asserts that when unexpected information is delivered, as in the CSR definition mentioned above, consumers try to deduce the reason and the motivation behind it. If suspicions arise, people engage in more complex attributional processing that weakens or excludes the observed or claimed motives (Fein & Hilton, 1994). In the CSR context, consumers' interpretations of a cause may determine their reactions toward a particular corporate brand. When they attribute that the firm's motivation falls close to the nature of CSR, they may express more firm-favoring behaviors.

Ahearne et al. (2005) argue that when consumers are stimulated with genuine company efforts addressing social causes, they become more likely to express company-favoring responses. Extra-role behaviors, as one of those responses, are voluntary and discretionary behaviors of the individual customer, which are not directly expected or rewarded (Groth, 2005). Even though CSR activities may generate extra-role behaviors such as making suggestions related to product or service improvement, purchasing additional services, taking part in company surveys and activities, defending companies against negative reactions, making recommendations to others, and engaging in positive word-of-mouth (Anderson, Fornell, & Mazvancheryl, 2004), their effectiveness depends on consumer perceptions.

Consumers' attributions about a company's CSR motivation influence their CSR associations, which in turn significantly affect their responses to those activities (Ellen, Webb, & Mohr, 2006). Although there are differing definitions of CSR, Kim et al. (2012) show that the motivation behind CSR activities can be categorized into two dimensions: social (public-serving) and economic (firm-serving). While organizations generate economic benefits to sustain their businesses, they

are also responsible for having social impact in the society where they do business. As a part of society, firms can support its welfare even while making profit. Therefore, an organization can have both firm-serving and public-serving motivations to conduct CSR activities. However, the question here is about what consumers attribute to their motivation and how their attributions influence their reactions toward them. Drawing upon attribution theory (Kelley & Michela, 1980), this study claims that when companies declare firm-serving motives (e.g. increasing company image), consumers will question the sincerity of CSR activities more. On the other hand, when companies state public-serving motives (e.g. increasing public welfare), they will evaluate CSR activities as acting out of a genuine concern for the focal issue (Rifon, Choi, Trimble, & Li, 2004). However, there is no guarantee that a specific motivation produces the same outcomes under all circumstances.

Yoon, Gurhan-Canli, and Schwarz (2006) identify a mediating role for the perceived sincerity of company motives when consumers evaluate CSR. According to their study, firm-serving motives lead to less favorable stakeholder attitudes and behaviors toward the company. The research of Forehand and Grier (2003) indicates that stronger attributions of public-serving motives result in positive inferences about the company's underlying character. Thus, it is difficult for companies to decide whether to declare only public-serving motives and deny firm-serving motives in their CSR communications, or be transparent and emphasize the business motives they have in their CSR initiatives. Based on these arguments, H1 follows (Fig. 1):

H1: When consumers consider that a company conducts a CSR activity with a public-serving motivation, they would demonstrate more extra-role behavior toward this company than the situation when they think that it conducts a CSR activity with a firm-serving motivation.

3.2. CSR motives, ethical corporate identity, and extra-role behavior

Consumers form psychological contracts with corporate brands that help to guarantee mutually beneficial long-term relationships. The corporate brand explicitly represents the corporation and its products (Aaker, Fournier, & Brasel, 2004) and hence influences consumers' associations and their attitudes toward the products and actions of the company (Sweetin, Knowles, Summey, & McQueen, 2013).

CSR activities place companies under a high amount of scrutiny and attract the attention of activists and interest groups that aim to reveal firms' failures if their promises are empty or exaggerated (Maignon & Ferrell, 2004). Consumers' perceptions of such empty promises may direct them to punish corporate brands through various actions (Sweetin et al., 2013). Consumer-generated actions against corporate brands may damage positive brand associations, corporate brand strategy and identity building efforts (Kucuk, 2010).

Conflicting messages may undermine companies' reputations if CSR activities fail to embrace the values embedded in their corporate brands (Verbos, Gerard, Forshey, Harding, & Miller, 2007). According to the Brand Japan 2014 Survey, the basic common feature of the top five environmental brands is the visibility of their contributions in society (Nikkie BP Consulting Inc., 2014). Those firms emphasize their ethical view at every opportunity above and beyond CSR activities and shape their corporate philosophy around company values and moral understandings. Companies are identified as being ethical by their "social connectedness, critical reflexivity and responsiveness" and with their "socially and dialogically" embedded corporate practices (Balmer, Fukukawa and Gray, 2007, p. 21). Ethical principles govern the relationships between the corporation and society (supplier, employee, customer, and environment) and form organizational values, regulations, decision-making processes, actions, behaviors, and communication efforts (Oliver, Statler, & Roos, 2010). Therefore, expressing the ethical stance of a corporate brand (ethical corporate identity) may

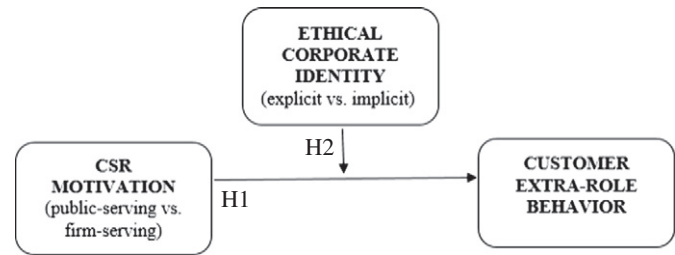


Fig. 1. A conceptual framework for understanding the effects of CSR motivations on customer extra-role behavior, and the moderating role of ethical corporate identity.

signal an organization's identity and serve as a heuristic that can provide leverage to reduce consumers' skepticism regarding CSR activities.

Ethical corporate identity provides a fluid and holistic approach that is essential for bridging the internal (what the company has) and external (what outsiders perceive) parts of corporate identities (Balmer et al., 2007). Emphasizing the ethical stance of a company explicitly gives an opinion about where the company is located in the competitive sphere, and hence it may be an effective strategy in achieving a distinctive place in consumers' minds (Siltaja, 2006). Companies that position themselves as ethical businesses can have a better chance of achieving a higher perceived consistency between their CSR activities and corporate brands. Regardless of what motivates companies to engage in CSR actions, it is likely that consumers will favor companies with ethical corporate identities. Despite the advantages of explicit ethical identities, some companies still do not stress their ethical aspects or rather they make implicit claims about corporate characteristics (Oliver et al., 2010). They do not make an effort to communicate through and/or underline their ethical standpoint prior to CSR activities. In spite of its positive outcomes, why some companies still refrain from overtly demonstrating their ethical corporate identity remains as an unresolved question in the corporate branding and CSR literature. Even though the corporate branding literature posits that revealing ethical corporate identity generates positive consequences, there is no clear explanation about how consumers react under the different conditions of ethical corporate identity (explicit and implicit) and CSR motivation (public-serving and firm-serving). Hence, an intriguing question emerges: What is the impact of interaction between ethical corporate identity and CSR motivation on extra-role behavior? Based on these arguments, H2 follows (Fig. 1):

H2: The relationship between CSR motivation and extra-role behavior is moderated by ethical corporate identity in so far as consumers demonstrate more extra-role behavior toward a company that expresses its ethical stance (explicit ethical corporate identity) prior to a CSR activity than the one that does not (implicit ethical corporate identity).

4. Method

This study investigates whether or not expressing ethical corporate identity prior to CSR activities has any influence on consumers' reactions toward corporate brands when they attribute public-serving or firm-serving motivations to companies' CSR efforts. It adopts a two-by-two between-subjects experimental design in two complementary studies conducted in two different with-in contexts. In both studies, the researchers manipulated the visibility of ethical corporate identity (explicit ethical corporate identity vs. implicit ethical corporate identity) and CSR motives (firm-serving vs. public-serving). Following Study I, to eliminate the drawbacks of single with-in context experimentation, the authors conducted another with-in context study (Study II). Study I described a company engaging in a CSR initiative related to its core business (high CSR fit setting: a computer manufacturer supporting a computer literacy program). Study II portrayed a

company pursuing a CSR cause outside its main field (low CSR fit setting: a computer manufacturer protecting blue whales in Qatar). Since the respondents needed to refer to a certain CSR activity to be assessed to examine whether they would attribute public-serving or firm-serving motivation to the CSR initiative, the researchers used the criterion of the fit between a firm's core business and the nature of the social cause as to define it. Studies by Du et al. (2010) and Forehand and Grier (2003) highlight the fact that consumers elaborate on the impact of CSR activities differently when they perceive a mismatch between a company's main field of business and the social initiative. In order to be able to focus on the main goal of this study, the authors took a plainer approach and did not consider the fit as another interaction condition but rather as a variable to define the CSR context, and conducted two replicated 2×2 scenario-based experiments in two separate within contexts that are high CSR fit (Study I) and low CSR fit (Study II).

In Study I, 126 undergraduate and graduate students (69 males and 57 females) and in Study II, 120 undergraduate and graduate students (51 males and 69 females) filled out questionnaires. All 246 respondents were between the ages of 18 and 35. In both studies, the procedure was randomly assigning respondents to conditions in a 2 (firm-serving or public-serving CSR motivation) $\times 2$ (explicit or implicit ethical corporate identity) between-subjects design.

In Study I, the participants read a scenario (see Appendix A) in which a fictitious ABC Computer Inc. that stresses (or does not emphasize) its ethical presence has recently conducted a computer literacy CSR initiative (high-fit context) to contribute to society (public-serving motivation) or to increase the company image (firm-serving motivation). Study II portrayed the same company as engaging in a CSR activity that contributes to a protection scheme of blue whales (low-fit context). The survey proceeded by the assessment of the participants' perceptions of the company's ethical identity, its CSR motivation and their perceptions of the CSR fit level. It concluded with the subjects' expression of their willingness to show extra-role behavior. The scales used are as follows: ethical corporate identity (perceived ethical stance of the company) (Brunk, 2012), CSR motivation (Kim et al., 2012), CSR fit (Geue & Plewa, 2010), and extra-role behavior (Ahearne et al., 2005). The study also adapted the scale by McColl-Kennedy, Daus, and Sparks (2003) to assess the scenario believability. All of the scales were anchored as 1—strongly disagree and 5—strongly agree.

High scores on the ethical corporate identity scale mean that the firm described in the scenario made its ethical stance more explicit (visible) compared to the one pictured in the other condition that represents implicit (non-visible) ethical identity. Drawing on attribution theory (Kelley & Michela, 1980), the assumption is that if a firm is portrayed as being concerned about its ethical view and it uses every chance to enjoy rewards for its ethical behavior, consumers will be more likely to evaluate its ethical stance as more visible.

Kim et al. (2012) assert that when companies decide to pursue CSR, social (public-serving) and/or economic (firm-serving) benefit expectations drive them. These are two separate sets of benefits that are not mutually exclusive; yet they do not represent a continuum either. When consumers evaluate a company's motivation to do CSR, they may attribute both social and economic contributions to their CSR activities. Therefore, the items related to both dimensions aforementioned were included in all the questionnaires regardless of the experiment exposed. This approach gives the opportunity to assess manipulations. The researchers used the items for the social dimension of the CSR Process Scale (Kim et al., 2012) to assess public-serving motivation and averaged them to calculate the mean value for the relevant scenario. There was a similar approach for assessing firm-serving motivation by utilizing the items related to the economic dimension of the same scale. This procedure resembles the approach adopted by Babin, Darden, and Griffin's (1994) to assess hedonic and utilitarian shopping value dimensions that do not

represent a continuum, yet exist in any value evaluation case together.

4.1. Study I: CSR motivation and ethical corporate identity in high-fit context

Participants were in one of these four conditions: (1) public-serving CSR motivation and explicit ethical corporate identity, (2) firm-serving CSR motivation and explicit ethical corporate identity, (3) public-serving CSR motivation and implicit ethical corporate identity, and (4) firm-serving CSR motivation and implicit ethical corporate identity. All the multi-item scales used to measure the constructs mentioned had high reliabilities (ethical corporate identity $\alpha_{ETH} = .98$; public-serving CSR motivation $\alpha_{PSM} = .97$; firm-serving CSR motivation $\alpha_{FSM} = .96$; CSR fit $\alpha = .79$; scenario believability $\alpha_{BEL} = .84$; customer extra-role behavior $\alpha_{EXTR} = .87$) (Nunnally, 1978). Scenario believability was achieved as well ($M = 4.4, p < .05$). In order to assess the manipulations, participants evaluated the perceived ethical-stance of the company (explicit vs. implicit ethical corporate identity) and motivation of the CSR activity (public-serving vs. firm-serving). The researchers used the Welch test to check for CSR motivation manipulation, since the homogeneity of group variances was not satisfied. There was a statistically significant difference between firm-serving and public-serving motivations ($M_{FSM} = 4.2$ vs. $M_{PSM} = 2.1$; $F = 4.62, p < .05$). Based on the Levene test, explicit and implicit ethical corporate identity perceptions were significantly different as well ($M_{EX} = 4.2$ vs. $M_{IM} = 1.6$; $F = 0.88, p > .05$).

Following manipulation checks, the 2×2 factorial design was used to assess the impact of CSR motivation and perceived ethical corporate identity on customer extra-role behavior. ANOVA results indicated that CSR motivation ($F = 163.6, p < .01$) and the perceived ethical identity of the company ($F = 519.8, p < .01$) had a significant main effect on customer extra-role behavior. The analysis highlighted that consumers tend to demonstrate more extra-role behavior toward companies that conduct CSR activities with public-serving motivations than firm-serving motivations ($M_{PSM} = 3.5 > M_{FSM} = 2.7$) (H1 supported).

More importantly, the CSR motivation and ethical corporate identity interaction was significant ($F = 11.68, p < .01$) in predicting extra-role behavior (Fig. 2). The relationship between CSR motivation and extra-role behavior was stronger under the moderating effect of ethical corporate identity. Consumers are more willing to express extra-role behaviors for companies known for their ethical corporate identities explicitly prior to CSR initiatives than the implicit ones in both public-serving ($M_{EXPSM} = 4.2 > M_{IMPSM} = 2.9$) and firm-serving conditions ($M_{EXFSM} = 3.5 > M_{IMFSM} = 1.8$) (H2 supported). Consumers show more extra-role behavior for companies that overtly position their corporate brand as ethical under firm-serving conditions compared to implicit ethical corporate identity situations. More specifically, explicitly revealing and stressing ethical corporate identity enhances the positive responses of consumers to a company regardless of the company's underlying motivation to carry out CSR activities. In other words, emphasizing ethical corporate identity strengthens the positive responses of consumers toward that company and such an effect emerges even when the company declares a firm-serving motivation (increasing image) behind the CSR activity. As expected, extra-role behavior is high under the condition of public-serving motivation and explicit ethical corporate identity ($M_{EXPSM} = 4.2$), but is low under the condition of firm-serving motivation and implicit ethical corporate identity ($M_{IMFSM} = 1.8$).

4.2. Study 2: CSR motivation and ethical corporate identity in low-fit context

In this experiment, participants were randomly assigned to one of the four conditions mentioned in the section above in the low CSR fit

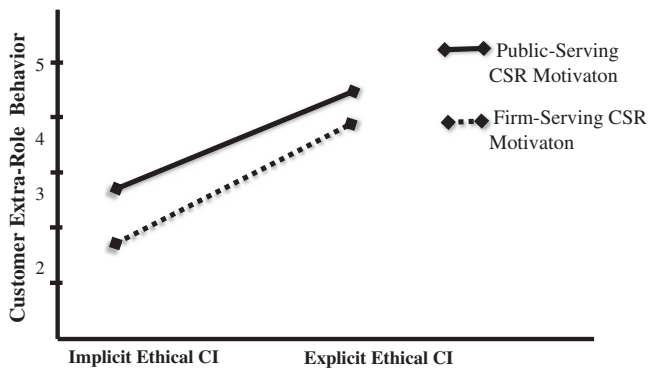


Fig. 2. CSR motivation and ethical corporate identity interaction in Study I.

context. Scenario believability was again satisfied ($M = 4.2$, $p < .05$). Ethical corporate identity, public-serving CSR motivation, firm-serving CSR motivation, CSR fit and customer extra-role behavior scales showed high reliabilities as well ($\alpha_{ETH} = .97$, $\alpha_{PSM} = .97$, $\alpha_{FSM} = .97$, $\alpha_{FIT} = .93$, $\alpha_{BEL} = .95$, $\alpha_{EXTR} = .97$). Manipulation checks for CSR motivation based on the Levene test demonstrated that there was a statistically significant difference between firm-serving and public-serving motivations ($M_{FSM} = 4.6$ vs. $M_{PSM} = 2.0$; $F = 3.12$, $p > .05$). Since the homogeneity of variances was not satisfied for ethical corporate identity perceptions, the researchers employed the Welch test. Explicit and implicit ethical corporate identity perceptions were significantly different ($M_{EX} = 4.0$ vs. $M_{IM} = 1.9$; $F = 15.89$, $p < .05$).

In low CSR fit setting, the analysis yielded similar outcomes. CSR motivation ($F = 204.8$, $p < .01$) and the perceived ethical identity of the company ($F = 1036.9$, $p < .01$) had significant main effects on customer extra-role behavior. Similar to Study I, consumers tend to demonstrate more extra-role behavior toward companies that conduct CSR activities with public-serving motivations than firm-serving motivations even in a low CSR fit context ($M_{PSM} = 3.2 > M_{FSM} = 2.3$) (H1 supported).

Additionally, the analysis revealed a significant interaction between CSR motivation and ethical corporate identity in predicting extra-role behavior ($F = 12.80$, $p < .01$). In detail, extra role behavior is high under the condition of public-serving motivation and explicit ethical corporate identity ($M_{EXPSM} = 4.4$), and is low under the condition of firm-serving motivation and implicit ethical corporate identity ($M_{IMFSM} = 1.3$) (Fig. 3). The analysis demonstrated that in the low CSR-fit context, consumers are more willing to express extra-role behaviors toward companies known for their ethical corporate identities in both firm-serving ($M_{IMFSM} = 1.3 < M_{EXFSM} = 3.2$) and public-serving ($M_{IMPSM} = 2.0 < M_{EXPSM} = 4.4$) CSR motivation conditions (H2 supported). In other words, emphasizing ethical corporate identity enhances the positive responses of consumers toward companies and such effect is observed not only when they highlight

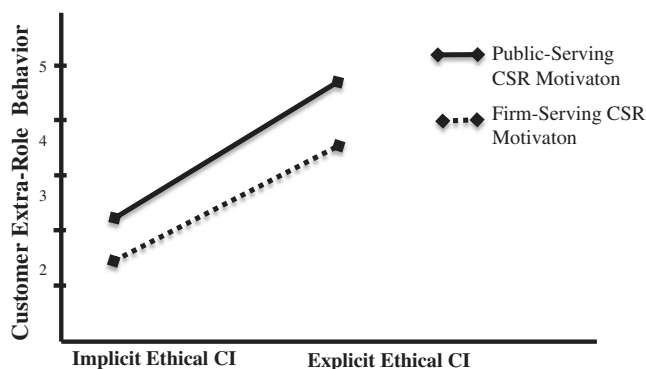


Fig. 3. CSR motivation and ethical corporate identity interaction in Study II.

public-serving motivations (increasing public welfare) behind their CSR activities, but also when they declare firm-serving motivations (increasing image). In line with the expectation of this study, more extra-role behavior occurs under the public-serving motivation and explicit ethical corporate identity condition ($M_{EXPSM} = 4.4$), whereas less extra-role behavior is expressed under the firm-serving motivation and implicit ethical corporate identity condition ($M_{IMFSM} = 1.3$).

Overall, these findings indicate that in both with-in CSR fit contexts (high fit and low fit), when consumers attribute a public-serving motivation to a firm's CSR activity, they tend to engage in more extra-role behaviors toward that organization than a firm, which is considered to have a firm-serving motivation. Similarly, the main effect of explicit ethical corporate identity on extra-role behavior is present in both with-in contexts. When a company overtly expresses its ethical stance, consumers are more inclined to show extra-role behavior toward that organization than one that does not declare it.

In terms of the interaction effects in the two CSR fit contexts, the same pattern appears: explicitly revealing the ethical corporate identity of a firm brings about higher extra-role behavior both for public-serving and firm-serving motivations. However, a comparison of the two studies intuitively raises an interesting point: even though the expectation is that consumers would show more extra-role behavior toward companies that have public-serving CSR motivation and explicit ethical corporate identity in high CSR fit context, the opposite possibility emerges in the analysis. Although statistically not tested, the comparison of the mean values of low CSR fit ($M_{EXPSM} = 4.4$) to high CSR fit context ($M_{EXPSM} = 4.2$) shows a slight increase for the former. Contrary to the expectation above, this increase may suggest that consumers have a propensity to demonstrate higher extra-role behavior toward organizations with explicit ethical corporate identity conducting CSR activities with public-serving motivations when a low CSR fit exists. This comparison draws attention to the potential interaction between ethical corporate identity and CSR fit.

5. Discussion and conclusion

The aim of this study is to explore the relationship between CSR motives and customer extra-role behavior in an emerging market context by examining the moderating role of ethical corporate identity. By measuring consumer responses to firms engaged in CSR, this study finds that consumers show relatively high extra-role behavior toward companies that express their ethical corporate identity. The results also indicate that the positive effect of ethical corporate identity on consumer response is present under different CSR fit contexts (high vs. low fit).

This research sheds light on the factors that may affect the reactions toward CSR activities particularly in emerging markets. CSR activities have become a corporate brand positioning tool for emerging market firms used against their multinational competitors (Baskin, 2006), since competition forces them to meet standards similar to those of their counterparts in developed countries. Consumers in emerging markets have become increasingly aware of CSR activities over the years since many multinationals brought their universal understanding of contributing to the social issues of the societies in which they do business. Moreover, they tend to react twice as much to domestic concerns (Hlavinka & Sullivan, 2011), so it is imperative for firms to examine consumers' reactions toward CSR activities in emerging markets, especially when they are exposed to local issues. Even though not manipulated, providing a scenario that represents a local issue of computer literacy versus a non-local issue of blue whale protection in Qatar brings the respondents the opportunity to relate to a local issue in one of the experiments while distancing themselves in the other.

The present research contributes to an understanding of the effects of CSR motives and highlights the key role of the perceived ethical visibility of a company determining the success of CSR initiatives. From an attribution theory perspective (Kelley & Michela, 1980), CSR

activities are driven by companies' expectations that consumers will draw positive inferences and attribute positive motives and high ethical standards to them. This research suggests, however, that consumers will not draw these inferences when they have vague perceptions about the ethical presence of a company.

One of the notable findings of this study is that consumers have a greater tendency to demonstrate extra-role behavior toward firms that they perceive as being ethical even though those firms declare firm-serving motives for conducting a CSR activity. This finding provides a new angle to the study of Yoon et al. (2006), which asserts that consumers respond less favorably to firms that conduct CSR activities with firm-serving motives. The present study claims that even in cases where companies declare firm-serving motives behind their CSR activities, making the ethical stance of the company more visible may change consumers' less favorable responses to a more positive direction. This result may be emergent due to the social structure of emerging markets, in which the degree of interdependency in society is high owing to collectivist culture structure (Walumbwa & Lawler, 2003). In contexts where informal and close-ties are typical qualities of the society at hand, consumers tend to define their extended-self through organizations too (Pérez, 2009). By relying on this notion, it may be safe to assume that consumers may have a propensity to identify themselves with companies that express their ethical standing explicitly rather than non-visible others, and they prefer to support them through extra-role behaviors.

Companies with profits are not enough for emerging markets; society would like to support firms that reflect their environmental and social concerns (Seckin, 2007) in their corporate brands. Therefore, a plausible conclusion may be that companies should first try to sense how they are perceived in terms of their ethical visibility by their target market, and invest in strategies to improve their perceived ethical presence in emerging markets.

Moreover, the analyses with two replicated studies highlight parallel results in different CSR fit contexts (high vs. low-fit). Even though the expectation was that consumers in emerging countries tend to respond to CSR activities about local issues more than others and that they would be more likely to favor them over less relevant ones, the results of the two studies demonstrate that in both of the CSR fit contexts (high fit: a computer literacy campaign and low fit: protecting blue whales in Qatar) consumers reacted the same. Respondents still demonstrate high extra-role behavior toward companies that they perceive as being more ethically visible. The reason for the same main effect in different CSR fit settings may be related to the fact that new middle class in emerging markets would like to express themselves as global consumers while being a part of local norms (Kravets & Sandikci, 2014). That is why consumers' reactions remain the same under a low CSR fit setting, which here is a global environmental issue (saving blue whales on the brink of extinction). A valid explanation for such inference may lay in the demographic profile of the respondents, who were young university students of a major public university of Turkey. The majority of this young group came from middle class families in Turkey and still live with their parents. This audience is dependent on their families until they get married. This strong-tie structure of Turkish household leads to the interpretation that public university students will express and possess values and judgments that are similar to those of their own middle-class families (Karakuyu & Guzelgul Yondem, 2013).

In conclusion, the results make it possible for the authors to comment that a better understanding of the factors that underlie consumers' reactions to CSR activities may help companies allocate their resources more efficiently and effectively in achieving their goals regarding returns from CSR activities. This study demonstrates that investing in the ethical visibility of a corporate brand, in other words, having an ethical corporate identity and revealing it publicly to position the company in the marketplace, enhances the impact of CSR activities. This result may be more visible especially in emerging markets with a

large middle class, which is now more aware of and interested in ethics and the distribution of information on ethical presence. Therefore, the findings suggest that companies, particularly those in emerging markets, should highlight their ethical stance when they communicate about their corporate identities as to benefit from extra behaviors toward them.

6. Future research and limitations

All the assertions and points discussed above should be evaluated within certain limitations. Firstly, the two studies were conducted in two with-in contexts (CSR high-fit and low-fit settings). Further studies could integrate fit manipulations in scenarios and adopt a $2 \times 2 \times 2$ factorial design to make a concurrent comparison of conditions. Associative network theory suggests that high levels of perceived relatedness enhance consumer attitudes toward firms/brands because they see the actions of such firms as being appropriate (Aaker, 1990). A high-fit between prior knowledge about the competencies of a firm and the social initiative it focuses on can more easily match with the consumer's existing cognitive structure and hence strengthen the connection between them (Fiske & Taylor, 1991). Alternatively, Du et al. (2010) claim that due to a lack of logical connections between the CSR initiative's cause and company-locus (i.e. low CSR fit), consumers are likely to engage in higher cognitive elaboration. Therefore, a low-fit initiative may cause inconsistency with prior actions in a consumer's mind, and hence he/she may have difficulty in internalizing new knowledge to his/her existing memory. Earlier research indicates that consumers who elaborate on inconsistency reduce positive attitudes toward a firm and its initiatives (Forehand & Grier, 2003). Furthermore, a low fit tends to diminish the clarity of the company's position in the market and leads consumers to question the firm's motives. In short, a lack of consistency triggers skepticism and negative attitudes (Boush, Friestad, & Rose, 1994). Although, in this study, the findings of the two studies show a similar direction when tested in two separate with-in contexts, drawing on the arguments above, adopting a $2 \times 2 \times 2$ experimental design and manipulating firm CSR motivation, company-locus, and CSR cause fit and ethical corporate identity concurrently to see their impact on extra-role behavior may yield more interesting results.

Moreover, specific ethical views or acts can be articulated in scenarios to see how consumers' evaluations will be accordingly shaped for an ethical corporate identity. Furthermore, real-life cases of CSR and non-fictitious companies can be chosen in order to achieve external validity in the following studies. Future research may also explore additional key variables such as source of information, credibility of the source, source attractiveness, and perceived CSR effort.

Lastly, although the small sample sizes and convenience sampling may drive concerns about assessing the generalizability of the current findings, this study still draws viable attention to an under-studied subject in emerging markets that has much potential for further investigation via the inclusion of new aspects.

Appendix. Scenarios

Ethical identity manipulation in (parentheses), CSR motive manipulation in {brackets}

ABC Electronics is a Company that produces electronic products (printers, cartridges, software). (ABC builds its aims and objectives upon ethical rules and tries to emphasize its ethical view in every occasion. This year it again won the most ethical company of the year award for the third time and become the most ethical company of the year/ABC prefers NOT to highlight that it builds its aims and objectives upon ethical rules and is not interested in revealing its ethical view. It also prefers NOT to participate in any competition that awards the most ethical company of the year).

(Insert high-fit wording or low-fit wording mentioned below accordingly)

The CEO stated that computer illiteracy is one of the biggest problems the underprivileged are facing in our country today, without this skill, it is very difficult to get a job in Turkey and it is nearly impossible to advance one's career in any meaningful way. Therefore, our company is investing in a project to fight computer illiteracy. {We hope that this program will help to solve this problem in our society/We hope that this program will help to increase the positive image of our company}.

Study I: High CSR fit context

The company CEO recently announced that they would support a program about computer illiteracy.

Study II: Low CSR fit context

The company CEO recently announced that they would support a program about protecting blue whales in Qatar.

References

- Aaker, D. (1990). Brand extensions: The good, the bad, and the ugly. *Sloan Management Review*, 31(4), 47–56.
- Aaker, J., Fournier, S., & Brasel, S. A. (2004). When good brands do bad. *Journal of Consumer Research*, 31(1), 1–16.
- Ahearne, M., Bhattacharya, C. B., & Gruen, T. (2005). Antecedents and consequences of customer-company identification: Expanding the role of relationship marketing. *Journal of Applied Psychology*, 90(3), 574–585.
- Anderson, C. A., & Weiner, B. (1992). *Attribution and attributional processes in personality. Modern personality psychology: Critical reviews and new directions*. New York: Harvester Wheatsheaf.
- Anderson, E. W., Fornell, C. F., & Mazvancheryl, S. K. (2004). Customer satisfaction and shareholder value. *Journal of Marketing*, 68(4), 172–185.
- Babin, B. J., Darden, W. R., & Griffin, M. (1994). Work and/or fun: Measuring hedonic and utilitarian shopping value. *Journal of Consumer Research*, 20(4), 644–656.
- Balmer, J. M., Fukukawa, K., & Gray, E. R. (2007). The nature and management of ethical corporate identity: A commentary on corporate identity, corporate social responsibility and ethics. *Journal of Business Ethics*, 76(1), 7–15.
- Baskin, J. (2006). Corporate responsibility in emerging markets. *Journal of Corporate Citizenship*, 24, 29–47.
- Baskin, J., & Gordon, K. (2005). Corporate responsibility practices of emerging market companies. *OECD working papers on International Investment*, 2005/03. OECD Publishing.
- Boehe, D. M., & Cruz, L. B. (2010). Corporate social responsibility, product differentiation strategy and export performance. *Journal of Business Ethics*, 91(2), 325–346.
- Boush, D. M., Friestad, M., & Rose, G. M. (1994). Adolescent skepticism toward TV advertising and knowledge of advertiser tactics. *Journal of Consumer Research*, 21(1), 165–175.
- Brenes, E. R., Montoya, D., & Ciravegna, L. (2014). Differentiation strategies in emerging markets: The case of Latin American agribusinesses. *Journal of Business Research*, 67(5), 847–855.
- Brunk, K. H. (2012). Un/ethical company and brand perceptions: Conceptualizing and operationalizing consumer meanings. *Journal of Business Ethics*, 111(4), 551–565.
- Corporate Social Responsibility Association of Turkey (2008). CSR Turkey baseline report. <http://csrtrkiye.org/csr/csr-country-reports/> (Accessed 28.12.15)
- Crifo, P., Diaye, M. A., & Pekovic, S. (2016). CSR related management practices and firm performance: An empirical analysis of the quantity–quality trade-off on French data. *International Journal of Production Economics*, 171, 405–416.
- Doukakis, P. I., Kapardis, K. M., & Katsioloudes, M. (2005). Corporate social responsibility: The way forward? Maybe not. A preliminary study in Cyprus. *Journal of European Business Review*, 17(3), 263–279.
- Du, S., Bhattacharya, C. B., & Sen, S. (2010). Maximizing business returns to corporate social responsibility (CSR): The role of CSR communication. *International Journal of Management Reviews*, 12(1), 8–19.
- Ellen, P. S., Webb, D. J., & Mohr, L. A. (2006). Building corporate associations: Consumer attributions for corporate socially responsible programs. *Journal of the Academy of Marketing Science*, 34(2), 147–157.
- Fein, S., & Hilton, J. L. (1994). Judging others in the shadow of suspicion. *Motivation and Emotion*, 18(2), 167–198.
- Fiske, S. T., & Taylor, S. E. (1991). *Social cognition*. New York: McGraw-Hill.
- Forehand, M. R., & Grier, S. (2003). When is honesty the best policy? The effect of stated company intent on consumer skepticism. *Journal of Consumer Psychology*, 13(3), 349–356.
- Frynas, G. J. (2006). Introduction: Corporate social responsibility in emerging economies. *Journal of Corporate Citizenship*, 6(24), 16–19.
- Geue, M., & Plewa, C. (2010). Cause sponsorship: A study on congruence, attribution and corporate social responsibility. *Journal of Sponsorship*, 3(3), 228–241.
- Gocenoglu, C., & Onan, I. (2008). Customer social responsibility report in Turkey. http://csrtrkiye.org/wp-content/uploads/2015/07/CSR_Report_en.pdf (Accessed 28.12.15)
- Groth, M. (2005). Customers as good soldiers: Examining citizenship behaviors in Internet service deliveries. *Journal of Management*, 31(1), 7–27.
- Hah, K., & Freeman, S. (2014). Multinational enterprise subsidiaries and their CSR: A conceptual framework of the management of CSR in smaller emerging economies. *Journal of Business Ethics*, 122(1), 125–136.
- Hlavinka, K., & Sullivan, J. (2011). *The billion member march: The 2011 COLLOQUY loyalty census: Growth and trends in loyalty program membership and activity*. Colloquy, Cincinnati, OH: LoyaltyOne Inc.
- Karakuyu, M., & Guzelgul Yondem, S. (2013). Determination and analysis of sociocultural properties of university students in Turkey: Case of Istanbul. *Marmara Cografya Dergisi*, 27(1), 172–192.
- Kelley, H. H. (1967). Attribution theory in social psychology. *Nebraska symposium on motivation*. University of Nebraska Press.
- Kelley, H. H., & Michela, J. L. (1980). Attribution theory and research. *Annual Review of Psychology*, 31(1), 457–501.
- Kim, S., Chaib, C., & Chaib, S. (2012). Developing a corporate social responsibility process scale of individual stakeholder's perception. *Marketing in the socially-networked world: Challenges of emerging, stagnant, and resurgent markets. Proceedings of the AMA Summer 2012 Marketing Educators Conference*. (pp. 271–280).
- Kravets, O., & Sandikci, O. (2014). Competently ordinary: New middle class consumers in the emerging markets. *Journal of Marketing*, 78(4), 125–140.
- Kucuk, S. U. (2010). Negative double jeopardy revisited: A longitudinal analysis. *Brand Management*, 18(2), 150–158.
- Lii, Y. S., & Lee, M. (2012). Doing right leads to doing well: When the type of CSR and reputation interact to affect consumer evaluations of the firm. *Journal of Business Ethics*, 105(1), 69–81.
- Lin, C., Chen, S., Chiu, C., & Lee, W. (2011). Understanding purchase intention during product-harm crises: Moderating effects of perceived corporate ability and corporate social responsibility. *Journal of Business Ethics*, 102(3), 455–471.
- Mackey, A., Mackey, T. B., & Barney, J. B. (2007). Corporate social responsibility and firm performance: Investor preferences and corporate strategies. *Academy of Management Review*, 32(3), 817–835.
- Maignon, I., & Ferrell, O. C. (2004). Corporate social responsibility and marketing: An integrative framework. *Journal of the Academy of Marketing Science*, 32(1), 3–19.
- MasterCard Ethical Shopping Survey (2015). Emerging markets more likely to shop ethically than developed markets. <http://news.mstr.cd/1MwUBv6> (Accessed 10.12.15)
- Mazutis, D. (2010). Why zero is not one: Towards a measure of corporate social strategy. *Academy of Management Proceedings*, 1, 1–6.
- McColl-Kennedy, J. R., Daus, C. S., & Sparks, B. A. (2003). The role of gender in reactions to service failure and recovery. *Journal of Service Research*, 6(1), 66–82.
- Nan, X., & Heo, K. (2007). Consumer response to corporate social responsibility (CSR) initiatives. *Journal of Advertising*, 36(2), 63–74.
- Nikkie BP Consulting, Inc. (2014). Brand Japan 2014 survey results. <http://consult.nikkeibp.co.jp/english/news/140328/> (Accessed 10.12.15)
- Nunnally, J. (1978). *Psychometric methods*. New York: McGraw Hill.
- Oliver, D., Statler, M., & Roos, J. (2010). A meta-ethical perspective on organizational identity. *Journal of Business Ethics*, 94(3), 427–440.
- Pelozo, J., Looock, M., Cerruti, J., & Muyot, M. (2012). Sustainability: How stakeholder perceptions differ from corporate reality. *California Management Review*, 55(1), 74–97.
- Pérez, R. C. (2009). Effects of perceived identity based on corporate social responsibility: The role of consumer identification with the company. *Corporate Reputation Review*, 12(2), 177–191.
- Preuss, L., & Barkemeyer, R. (2011). CSR priorities of emerging economy firms: Is Russia a different shape of BRIC? Corporate governance. *International Journal of Business and Social Science*, 11(4), 371–385.
- Reputation Institute (2015). Global CSR RepTrek rankings report. <http://www.reputationinstitute.com/thought-leadership/global-reprtrak-100> (Accessed 15.12.15)
- Rifon, N. J., Choi, S. M., Trimble, C. S., & Li, H. (2004). Congruence effects in sponsorship: The mediating role of sponsor credibility and consumer attributions of sponsor motive. *Journal of Advertising*, 33(1), 30–42.
- Seckin, S. (2007). *Manager*. Turkey: SAHA Rating.
- Sen, S., & Bhattacharya, C. B. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *Journal of Marketing Research*, 38(2), 225–243.
- Siltaoja, M. E. (2006). Value priorities as combining core factors between CSR and reputation—a qualitative study. *Journal of Business Ethics*, 68(1), 91–111.
- Sweetin, V. H., Knowles, L. L., Summey, J. H., & McQueen, K. S. (2013). Willingness-to-punish the corporate brand for corporate social irresponsibility. *Journal of Business Research*, 66(10), 1822–1830.
- Verbos, A. K., Gerard, J. A., Forshey, P. R., Harding, C. S., & Miller, J. S. (2007). The positive ethical organization: Enacting a living code of ethics and ethical organizational identity. *Journal of Business Ethics*, 76(1), 17–33.
- Visser, W. (2008). Corporate social responsibility in developing countries. *The Oxford handbook of corporate social responsibility* (pp. 473–479).
- Walumbwa, F. O., & Lawler, J. J. (2003). Building effective organizations: Transformational leadership, collectivist orientation, work-related attitudes and withdrawal behaviors in three emerging economies. *International Journal of Human Resource Management*, 14(7), 1083–1101.
- Yoon, Y., Gurhan-Canli, Z., & Schwarz, N. (2006). The effect of corporate social responsibility (CSR) activities on companies with bad reputations. *Journal of Consumer Psychology*, 16(4), 377–390.
- Zhang, F. (2008). Corporate social responsibility in emerging markets: The role of multinational corporations, progressive thinking for a global age. *Foreign Policy Centre* (<http://fpc.org.uk/fsblob/919.pdf> Accessed 2.12.15).