Volume 65 190 Number 6, 2017

https://doi.org/10.11118/actaun201765061865

CONSUMER'S ATTITUDES TO CORPORATE SOCIAL RESPONSIBILITY AND GREEN MARKETING

Jiří Čerkasov¹, Jan Huml¹, Lucie Vokáčová¹, Klára Margarisová¹

¹Department of Management, Faculty of Economics and Management, Czech University of Life Sciences, Kamýcká 129, 165 21 Prague, Czech Republic

Abstract

ČERKASOV JIŘÍ, HUML JAN, VOKÁČOVÁ LUCIE, MARGARISOVÁ KLÁRA. 2017. Consumer's Attitudes to Corporate Social Responsibility and Green Marketing. *Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis*, 65(6): 1865–1872.

Article deals with consumer's attitudes to Corporate Social Responsibility and Green marketing. Main goal of attitude research was to discover what consumer understands under term corporate responsibility in following areas: Economic, Social, and Environmental. Primary data collection was done via quantitative polling. Closed questions – a selection of options, and the Likert scale were used. Results show that majority of consumers understand the term corporate social responsibility. In opposite side major of respondents misunderstand the term of Green Marketing. As responsible in economic area respondents consider such a firms which are profitable for owners and via taxes bring benefit for all society. In term of social responsibility respondents reputed companies which are not uncaring to social problems and which are active in different social project through philanthropy. In term of environmental responsibility respondents mainly evaluated firms which invest to technology that produce less or non-waste and evince energetic efficiency.

Keywords: Corporate social responsibility, consumer, green marketing, attitude, buying behavior

INTRODUCTION

Today's business environment puts companies in front of a lot of challenges. One of them is "corporate social responsibility". This challenge consists in voluntary activities that go beyond the scope of basic economic interests and legislative measures (Carroll and Beiler, 1975). The concept of corporate social responsibility started to develop in the period before World War II (Center for Ethical Business Culture, 2005). Since then, many definitions of corporate social responsibility have been formulated (Dashlrud, 2006). A crucial importance can be attached to publication "Social Responsibilities of Businessman" by H. Bowen (2013), in which the author, among other things, emphasizes the need to focus on relationships with both close and distant communities in his concept of social audit, which forms an essential part of the work. The 1980s saw the publication of E. Freeman's "Strategic Management: Stakeholder Approach" (1984), in which the author expands the traditional understanding of shareholders to comprise also other persons involved, i.e. stakeholders. Stakeholders are then divided into primary and secondary ones depending on how they affect corporate activities or, vice versa, how they are affected by corporate activities. Primary stakeholders are those without which the operation of a company is hardly possible, if not impossible. Primary stakeholders are chiefly consumers. suppliers, employees. shareholders and legislative institutions. Secondary stakeholders are defined as those who can affect or be affected by the company, but are not essential for the functioning and existence if the company. These include media and special interest groups (Clarkson, 1995). Research conducted by author J. Harvey (2010) reveals the importance of good relationships with consumers with regard to their significant bargaining power. Businesses applying CSR should pay attention to their relationships with consumers at least in areas such as general policy, customer communications, product safety, customer complaints, special customer services, and other relevant topics in which consumers are interested in relation with an organization and its activities (Clarkson, 1995). Another thing is the way a business approaches the above-mentioned issues. According to surveys conducted by Chun and Davis (2006), a positive effect on consumers is created by businesses whose behavior towards consumers can be expressed by notions such as cool, trendy, young, adventure, imaginative, up to date, exciting, innovative, boldness, extrovert, and daring.

In addition, consumer buying behavior is influenced by many other factors, including the quality, brand and price (Stávková, Stejskal and Toufarová, 2008). The results of some experimental studies indicate that consumers' attitudes, and subsequently also their buying behavior, are influenced positively when they are aware that the business behaves in a socially responsible manner (Pomering and Dolnicar, 2009). Cruz (2017) emphasizes in his experimental work that consumers have less intention to boycott company which employed CSR even on basic level of economic, social, and environmental activities. Brown and Dacin (1997) claim that socially responsible behavior has a positive influence on views and attitudes not only towards the company itself but also to its products. Some surveys show that respondents are willing to pay more for products that are manufactured by companies declaring social responsibility (Ferreira et al., 2010). The influence of CSR in the social area was researched in even more specific details by a study that examined the effect of specific activities, such as sponsorship, cause related marketing, and philanthropy, on consumers' opinions. The results show that consumers appreciate philanthropy more than sponsorship and cause related marketing (Lii and Lee, 2012). In contrast, other works show that CSR activities present a rather indifferent element that does not provide consumers with a motive strong enough to switch companies (Rice and Peter, 2015). A virtually negative influence on consumers is exerted by inappropriate social responsibility policy that is not in harmony with the company's objectives (Becker-Olsen et al., 2006).

Another interesting question is how the consumer buying behavior is affected by a responsible approach of companies towards environmental issues. Surveys mapping the behavior and purchases of households have shown that in countries with predominating consumer lifestyle, the lifestyle and the consumer goods purchased contribute up to 40% to environmental damage (Grunert, 1995). The evolution of consumers' thinking shows that there is a potential for a change in their behavior or at least for a shift towards what is known as sustainable development. An extensive survey conducted among U.S. consumers shows that 74% of Americans consider global warming

an important issue and more than 50% regard it as an extremely important issue (Grant, 2007). In Europe the Gallup Organisation conducted a survey among 26,500 consumers across European Union Member States in 2009. The results show that EU citizens regard waste minimization and recycling as having the greatest contribution to the solving of environmental issues. A slight majority of those surveyed, with the exception of respondents in Cyprus, Lithuania, and Bulgaria, said they were aware of the impact of the products they were buying on the environment and were taking these impacts into account when shopping (European Commission, 2009). According to research agency Ipsos (2017) in the Czech Republic a number of consumers who are positively influenced by CSR is steadily growing. Only a small percentage of consumers think that their individual activities aimed at protecting the environment make sense (Confino and Muminova, 2011), and that a slight change in household behavior can reduce the production of greenhouse gases significantly (Dietz et al., 2009). According to survey results published in the National Action Plan for Social Responsibility issued by the Ministry of Industry and Trade, two thirds of Czech consumers are willing to pay more for eco-friendly products (Ministry of Industry and Trade, 2015).

To emphasize their responsible approach towards the environment, companies are starting to use what is called "green marketing". This concept appeared later than CSR. In the mid-1970s, the American Marketing Association organized a seminar called Ecological Marketing (Polonsky, 1994). In 1976, a publication entitled Ecological Marketing came out, providing the first comprehensive overview of both positive and negative impacts of marketing activities on the environment (Henion and Kinnear, 1976). In terms of the CSR concept, green marketing presents a possible means of satisfying the moral imperative of socially responsible companies in the environmental area. We cannot, however, ignore the not negligible fact of ever increasing pressure of government authorities as well as non-governmental organizations on more responsible behavior in relation to the environment (Chen, 2011). Hand in hand with the increasing general awareness, we can see a higher affinity of eco-friendly consumers towards green products (Makower, 2009). However, companies are not always successful in communicating clearly the benefits of green products (Ottman, 2006). In addition, the lengthy process of adoption of green products is supported by negative opinion compatibility. Many consumers still do not believe claims about the safety of products (European Commission, 2013). Further reasons for lower willingness to buy green products positively correlates with lower environmental knowledge members of society. (Goh and Balaji, 2016). A study conducted by the GfK market research agency even states that the number of unconfident consumers

is actually increasing (GfK, 2011). This decline in confidence may be associated with the irresponsible behavior of some companies making a number of green claims that fall within the concept of "greenwashing", which means unsubstantiated, and in some cases even false, claims (Leonidou and Skarmeas, 2015). But it does not always have to be direct lying that is behind a decline in consumer confidence. A decline in confidence in a brand may also be the consequence of excessive promoting of social responsibility (Polonsky and Jevons, 2006).

The article deals with customers' attitudes towards social responsibility and green marketing. The main objective was to find out what respondents understand by term "socially responsible organization" in the social, environmental and economic areas. A partial objective was to discover what general attitudes consumers take towards environmental issues and whether companies' activities, whether positive or negative ones, associated with impacts on the environment affect their buying behavior.

MATERIALS AND METHODS

The paper has the character of a descriptive quantitative survey. The current state of knowledge of the issue in question has been researched on the basis of a study of mainly foreign as well as Czech reference books. The objective of the survey was to find out which factors in general affect consumers when shopping as well as to examine their awareness and actual knowledge of the notions of social responsibility and green marketing. Another aim was to find out what respondents understand by "socially term responsible organization" in the social, environmental and economic areas. Other questions in the substantive part of the survey focused on consumers' attitudes towards social responsibility and green marketing. The questionnaire was created using the LimeSurvey tool (open source survey software). It contained 22 questions. The questionnaire used close-ended questions such multiple choice, the rating scale and the Likert scale. The questionnaire was completed by basic identification questions. The selection of respondents was based on nonprobability sampling method judgment and availability. The questionnaire was distributed electronically and available to fill from the beginning of July to the end of October 2016. It was also employed face to face interview with printed version of questionnaire. The sample size consisted of 359 persons aged from 15 and more. Another identification attributes of sample are sex, size category of municipality, education and Zip Codes of Czech Republic.

RESULTS

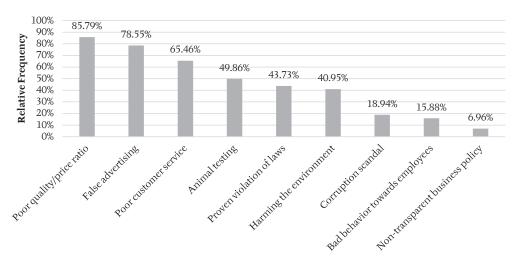
Factors affecting consumer buying behavior were the first to be surveyed. The results (see Tab. I) show that respondents placed quality and their previous experience with a product or a producer, followed by the price and country of origin, among the most important factors. Other factors are attached lesser importance. In respect of factors that take into account CSR, it should be noted that respondents attach greater importance to factors related to the environmental pillar rather than to the social one.

In compliance with previous question companies' behavior (see Fig. 1) that discourages consumers from purchasing include poor quality/price ratio (85.79%), false advertising (78.55%) and poor customer service (65.46%), followed by animal testing (49.86%), proven violation of laws (43.73%) and harming the environment (40.95%). A corruption scandal (18.94%), bad behavior towards employees (15.88%) and non-transparent business policy (6.96%) have a low influence on consumers.

A total of 69.36% of the respondents are aware of the term CSR, and 68.48% show real knowledge of the term. The awareness of the term green marketing reached lower values, 54.04%, while the actual knowledge stood only at 23.34%. The meaning of Green Dot was interpreted correctly by the 46.24% of the respondents.

I: Factors influencing buying behavior

Factors (1-unimportant, 5 - important)	Mean scores	Standard deviation
Product quality	4.42	0.76
Previous experience with the product/producer	3.92	0.99
Price	3.87	0.93
Origin (country of origin)	2.92	1.12
Knowing that producer behaves ethically to environment	2.81	1.06
Brand	2.81	0.91
Product packaging	2.80	1.01
Certificate of quality label	2.68	0.98
Environmental label	2.61	1.06
Knowing that the producer behaves ethically to its employees	2.46	1.03
Knowing that the producer contributes actively to solving various social issues	2.25	0.99



1: Behavior discouraging from purchase in general with non-product specification

The Tab. II shows the consumer perception of a socially responsible company in the social area, where a socially responsible company is viewed to be mainly such company that is dedicated to philanthropy (74.93%) and charity (59.89%), cares about the development of its employees (46.80%) and respects moral principles (45.68%). The lowest

values were recorded for a positive attitude of employees towards the consumer (5.01%) and sport sponsorship (2.79%).

In the economic area (see Tab. III), a company is considered responsible if it brings profit to its owners as well as, through taxes, benefit to the entire society (54.32%), provides its customers

II: Socially responsible company in the social area

Possibilities to choose from (n = 359)	Number	Relative number
which, in addition to its economic activities, is involved in various projects in the social area in the form of philanthropy.	269	74.93%
which is not indifferent to social problems in society and tries to provide help in the form of charity.	215	59.89%
which cares about the development of its employees.	168	46.80%
which respects moral principles of society.	164	45.68%
which does more for employees and consumers than what is required by law.	125	34.82%
which enables its employees to carry out voluntary activities in various social or environmental programs.	103	28.69%
whose employees have a very positive attitude towards the consumer.	18	5.01%
which is known for its generous sport sponsorship.	10	2.79%

III: Socially responsible company in the economic area

Possibilities to choose from (n = 359)	Number	Relative number
which brings profit to its owners as well as, through taxes, benefit to the entire society.	195	54.32%
which provides its customers with products of a high utility value.	175	48.75%
which offers products at a fair price.	153	42.62%
which puts the interest of society and environmental protection above its economic benefit.	138	38.44%
whose products and services fully satisfy customer needs.	121	33.70%
which is active mainly on the local market.	100	27.86%
which strictly complies with the law.	60	16.71%
which has highly effective sales.	59	16.43%
which has the reputation of a thriving business on the market.	52	14.48%
which has a well-known brand.	11	3.06%

with products of a high utility value (48.75%), offers products at a fair price (42.62%) and puts the interest of society and environmental protection above its economic benefit (38.44%). The lowest impact on the perception of social responsibility in the economic area was recorded for a well-known brand (3.06%).

In the environmental area (see Tab. IV), a company is considered to be responsible if it invests in technologies (65.74%) which generate less or no waste during production (46.24%), uses renewable energy sources (42.62%), uses energy-efficient technologies and sorts waste consistently (37.60%). The lowest importance is attached by consumers to products that cost more but last longer (6.96%), and to the use of recycled parts and components in production (3.06%).

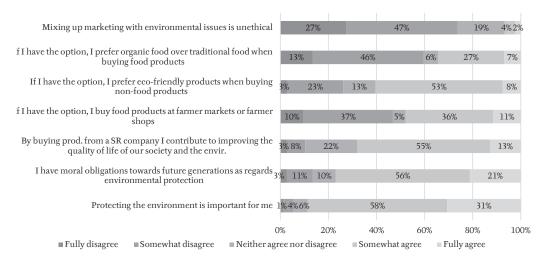
Fig. 2 shows attitudes towards green marketing with the use of the agreement scale. Responses on the agreement side concern the importance of environmental protection from the viewpoint of an individual (88.58%) and in terms of moral obligations towards future generations (76.88%), contribution to improving the quality of life of our

society and the environment through the purchase of products from socially responsible companies (67.97%), and preferring of eco-friendly non-food products where the consumer has such an option (60.45%). Responses on the disagreement side concern preferring of organic food products over traditional ones where the consumer has such an option (59.61%) and unethical behavior consisting in mixing up marketing with environmental issues (73.82%).

Fig. 3 shows attitudes towards corporate social responsibility issues with the use of the agreement scale. Responses on the agreement side concern the important role of producers and the industry in addressing environmental issues (93.31%) and the fact that some businesses make claims regarding their impact on the environment that may be considered false, unsubstantiated or unethical when promoting their products and services (61.56%). Responses on the disagreement side concern the opinions that the main environment polluters have no moral right to be engaged in environmental protection programs (55.71%) and that environmental protection is more

IV: Socially responsible company in the environmental area

Possibilities to choose from (n = 359)	Number	Relative number
which invests in technologies that generate less or no waste during production.	236	65.74%
which uses renewable energy sources.	166	46.24%
which uses energy-efficient technologies.	153	42.62%
which sorts waste consistently.	135	37.60%
which invests in modern waste water treatment and gas emission reduction technologies.	124	34.54%
which seeks to avoid the use of harmful materials in production.	107	29.81%
which tries to minimize its carbon footprint.	64	17.83%
which produces its products so as to minimize costs linked with the production and use of the products.	45	12.53%
which produces products that cost more but last longer.	25	6.96%
which uses recycled parts and components in production.	11	3.06%

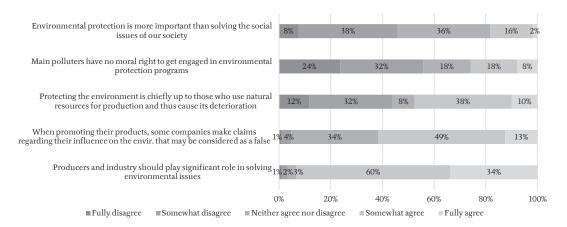


2: Attitudes towards some green marketing issues

important than solving the social issues of our society (45.96%).

Among other findings of the research can be underlined following: real knowledge of the term CSR reached almost 70%, on the other hand real knowledge of the term green marketing slightly exceeded 23%. Factors, which mainly influenced buying behavior, were product quality, previous experience with product/producer and price in

contrary knowing that producer behave ethically to its employee and active contribution to solving various social issue is important for 14% and 9% respectively. Respondents were discouraged from purchase by poor quality/price ratio, false advertising and almost half of them discouraged animal testing. Bad behavior to employee and non-transparent business practices discouraged only less than 16% and 7% respectively.



3: Attitudes towards some corporate social responsibility issues

CONCLUSION

We can conclude from the results that a majority of consumers know the meaning of the term "social responsibility". The Ministry of Industry and Trade (2015) states in the National Action Plan for Social Responsibility in the Czech Republic that almost three quarters of the public consider CSR important when shopping. In contrast, our results show that knowing that a company behaves in a socially responsible manner presents a less important factor influencing the buying behavior. CSR activities are considered to be an indifferent factor also by Rice and Peter (2015). The factors that are considered important for consumers are product quality, previous experience with the product and the price. This corresponds with the findings of Stávková et al. (2008), among others, who name the quality, brand and price as important factors influencing the buying behavior. From among factors that discourage consumers from purchase, poor price/quality ratio has turned out to be the most significant, as it discourages more than 85% of respondents. Half of the respondents are discouraged from purchase by animal testing, while bad behavior towards employees discourages mere 16% of respondents. Marginally, the survey also dealt with consumers' awareness of green marketing, with the actual knowledge of the term reaching almost thirty percent. The fact that the awareness and knowledge of green marketing is low is also evidenced by poor knowledge of the meaning of the Green Dot label. Another part focused on exploring what characteristics consumers attach to socially responsible companies in three basic pillars. In the social area, it is mainly engagement in various projects in the form of philanthropy. Sport sponsorship, on the other hand, is evaluated as insignificant. Similar results have been achieved by Lii and Lee (2012). A company considered responsible in the environmental area is a company investing in technologies that generate less or no waste. Companies considered responsible in the economic area are such companies that are profitable and at the same time beneficial for the entire society through the taxes they pay.

Consumers' attitudes towards selected green marketing issues reveal that they are aware of the importance of environmental protection, namely with regard to future generations. They also realize that by buying products from socially responsible companies they can contribute to improving the quality of life of our society as well as of the environment, though this awareness is more evident in respect of non-food goods. As regards mixing up marketing with environmental issues, a majority of consumers do not consider it an ethical problem.

The attitudes towards selected corporate social responsibility issues show that consumers attribute a significant role in solving environmental issues to producers and industry, even though these are often the main polluters. They also agree that some companies use greenwashing practices.

Acknowledgements

This paper is a follow-up to the project of the Czech University of Life Sciences Prague, University – Internal Grant Agency [nr. 20161009] – Significance of social responsibility and green marketing tools and their influence on consumer behavior.

REFERENCES

- BECKER-OLSEN, K. L., CUDMOREB, B. A. and HILL, R. P. 2006. The impact of perceived corporate social responsibility on consumer behavior. *Journal of Business Research*, 59(1): 46–53.
- BOWEN, H. 2013. Social Responsibilities of the Businessman. Chicago: University of Iowa Press.
- BROWN, J. T. and DACIN, A. P. 1997. The Company and the Product: Corporate Associations and Consumer Product Responses. *Journal of Marketing*, 61(1): 68–84.
- CARROLL, A. B. and BEILER, G. W. 1975. Landmarks in the Evolution of the Social Audit. *Academy of Management Journal*, 18(3): 589–599.
- CENTER FOR ETHICAL BUSINESS CULTURES. 2005. The Influence of Shareholders on Corporate Social Responsibility. [Online]. Available at: http://www.cebcglobal.org [Accessed: 2016, November 22].
- CLARKSON, M. B. E. 1995. A Stakeholder Framework for Analyzing and Evaluating Corporate Social Performance. *The Academy of Management Review*, 20(1): 92–117.
- CONFINO, J. and MUMINOVA, O. 2011. What motivates consumers to make ethically conscious decisions? Guardian sustainable business, Sustainable business blog. *The Guardian*. [Online]. Available at: https://www.theguardian.com/sustainable-business/motivates-consumers-environmental-ethical-decisions [Accessed: 2016, November 23].
- CRUZ, B. de P. A. 2017. Social Boycott. Review of Business Management, 19(63): 5-29.
- DAHLSRUD, A. 2006. How Corporate Social Responsibility is Defined: an Analysis of 37 Definitions. *Corporate Social Responsibility and Environ. Management*, 15(1): 1–13.
- DIETZ, T., GARDNER, G. T., GILLIGAN, J., STERN, P. C. and VANDENBERGH, M. P. 2009. Household actions can provide a behavioral wedge to rapidly reduce US carbon emissions. *Proceedings of the National Academy of Sciences of the United States of America*, 106(44): 18452-18456.
- GOH, S. K. and. BALAJI, M. S. 2016. Linking Green Skepticism to Green Purchase Behavior. *Journal of Cleaner Production*, 131(2016): 629–638.
- EUROPEAN COMMISSION. 2009. Europeans' attitudes towards the issue of sustainable consumption and production. Flash Eurobarometer 256 The Gallup Organisation. [Online]. Available at: http://ec.europa.eu/[Accessed: 2016, November 23].
- EUROPEAN COMMISSION. 2013. Attitudes of Europeans towards building the single market for green products. *Flash Eurobarometer* 367. [Online]. Available at: http://ec.europa.eu/ [Accessed: 2016, November 27].
- FERREIRA, D. A., AVILA, M. G. and DE FARIA, M. D. 2010. Corporate social responsibility and consumers' perception of price. *Social Responsibility Journal*, 6(2): 208-221.
- FREEMAN, R. E. 1984. Strategic Management: A stakeholder approach. Boston: Pitman.
- GFK. 2011. The Environment: Public Attitudes and Individual Behavior A Twenty Year Evolution. [Online]. Available at: http://www.climateaccess.org/sites/default/files/SCJ GfK_The Environment Public Attitudes and Individual Behavior.pdf [Accessed: 2016, November 27].
- GRANT, J. 2007. The Green Marketing Manifesto. Chichester: John Wiley & Sons, Ltd.
- GRUNERT, S. C. and JUHL, H. J. 1995. Values, environmental attitudes, and buying of organic foods. *Journal of economic psychology*, 16(1): 39–62.
- HARVEY, J. 2010. Stakeholder analysis applied to safety issues in food production: what are the issues in terms of trust and risks and their implications? A sample analysis. In: *Proceedings of Agrarian Perspectives XIX*. Faculty of Economics and Management, 14–15 September. Prague: CULS, pp. 201–210.
- HENION, K. E. and KINNEAR, T. C. 1976. Ecological Marketing. Chicago: American Marketing Association.
- CHEN, Y. S. 2011. Green organizational identity: sources and consequence. *Management Decision*, 49(3): 384–404.
- CHUN, R. and DAVIS, G. 2006. The Influence of Corporate Character on Customers and Employees: Exploring Similarities and Differences. *Journal of the Academy of Marketing Science*, 34(2): 138–146.
- IPSOS. 2017. Společenská odpovědnost firem ovlivňuje lidi při jejich doporučování a rozhodování. IPSOS CSR & REPUTATION RESEARCH 2016. [Online]. Available at: http://www.ipsos.cz/spolecenska-odpovednost-firem-ovlivnuje-lidi-pri-jejich-doporucovani-a-rozhodovani/ [Accessed: 2017, August 15].
- LEONIDOU, C. N. and SKARMEANS, D. 2015. Gray Shades of Green: Causes and Consequences of Green Skepticism. *Journal of Business Ethics*, 144(2): 401-415.
- LII, Y. S. and 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.
- OTTMAN, J. 2011. The New Rules of Green Marketing. San Francisco: Berrett-Koehler Publishers.

- MAKOWER, J. 2009. Strategies for the green economy: Opportunities and challenges in the new world of business. New York: McGraw-Hill.
- CHEN, Y.-S. and CHANG, C.-H. 2013. The Determinants of Green Product Development Performance: Green Dynamic Capabilities, Green Transformational Leadership, and Green Creativity. *Journal of Business Ethic*, 116(1): 107–119.
- MINISTRY OF INDUSTRY AND TRADE. 2015. *Národní akční plán společenské odpovědnosti v České republice*. [Online]. Available at: http://www.mpo.cz/. [Accessed: 2016, November 23].
- POLONSKY, M. J. 1994. An Introduction to Green Marketing. *Electronic Green Journal*, 1(2): 1–10. [Online]. Available at: http://escholarship.org/uc/item/49n325b7 [Accessed: 2016, November 29].
- POLONSKY, M. J. and JEVONS, C. 2006. Understanding issue complexity when building a socially responsible brand. *European Business Review*, 18(5): 340–349.
- POMERING, A. and DOLNICAR, S. 2009. Assessing the Prerequisite of Successful CSR Implementation: Are Consumers Aware of CSR Initiatives? *Journal of Business Ethics*, 85(1): 285–301.
- RICE, T. and PETER, C. 2015. Banking on Corporate Social Responsibility. *Journal of Management Sciences*, 2(2): 256–273.
- STÁVKOVÁ, J., STEJSKAL, L. and TOUFAROVÁ, Z. 2008. Factors influencing consumer behavior. *Agric. Econ. Czech*, 54(6): 276–28.