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CONSUMER RESPONSE TO CORPORATE SOCIAL RESPONSIBILITY (CSR) AT

BRIDGEWATER COLLEGE

BY. ABENEZER TEKLE, CLASS OF 2020

BRIDGEWATER COLLEGE: HONORS PROJECT

FALL 2019

PROFESSOR TESHOME MOLALENGE

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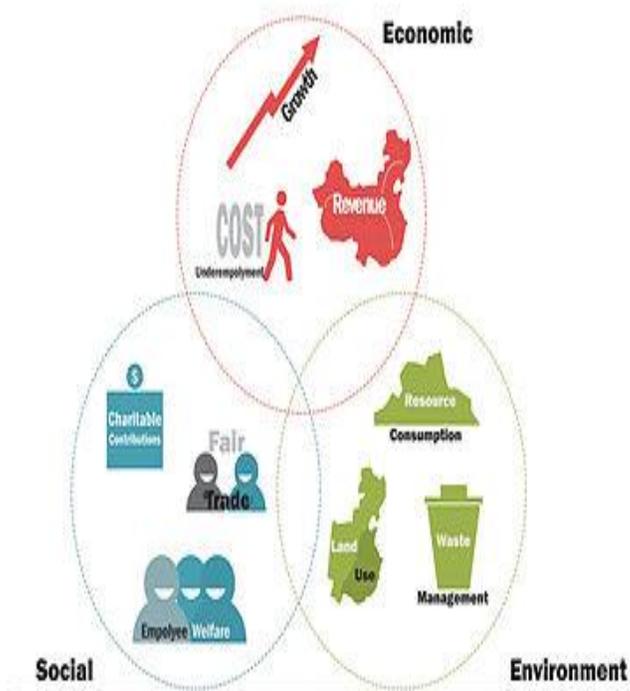
ABSTRACT

With the development of multinational companies (MNCs), corporate social responsibility (CSR) has become a very important component of corporate strategic plan. This study provides preliminary evidence that consumer response about the CSR behavior of Multinational Corporation are determined by different factors. In order to identify and measure the effects of CSR behavior on consumer response, I used quantitative research by creating an online survey to analyze three objectives. Nike was specifically included in the survey due to its popularity on college campuses. The results show that knowledge/awareness of CSR have some meaningful influence on millennial purchasing behavior; however, extensive student engagement in classrooms and outside classrooms are crucial to assure that procuring decisions are geared towards corporations with good CSR record or initiatives.

INTRODUCTION

Corporate Social Responsibility is a broad term to define easily. This term is used to describe the ethical and self-regulating strategies of private businesses. Large, competitive businesses increasingly use CSR initiatives for a number of strategic reasons such as cost-effectiveness through resource optimization, workers retention through good working environment and benefits, and/or further to gain reputation. In other words, CSR is corporation's initiatives to assess and take responsibility for the company's effects on environmental and social wellbeing; it is this sweet spot in which companies achieve a balance of economic, environmental and social imperatives. An organization wants to operate in the sustainably sweet spot because it shares the fundamental interest of shareholders and stakeholders. Corporate responsibility is simply a way for companies to take responsibility for the social and environmental impacts of their business operations (Falck.2007).

This research paper examines CSR within the Triple Bottom Line perspectives, see diagram, discusses the cost and benefits of it, and further reviews various research methodologies on how to assess CSR. The objective this project is why corporations engage in CSR and whether this engagement encourages the millennials to purchase their goods and services. The survey reveals students' irrational behavior (in most cases) towards their purchasing decisions.



BENEFITS OF CORPORATE SOCIAL RESPONSIBILITY

One company would start using CSR for its many benefits. By using CSR, one can enhance its reputation in the world that can in turn lead to competitive advantage. Companies often favor suppliers who have responsible policies, since this can reflect on how their customers see them. CSR is also cost saving, by reducing resource use, waste and emissions; you can help the environment and save money too. For an organization to operate in the sustainably sweet spot or in other words implement CSR in their organization, it will need to put in extra work. As we learn in Economics, there is no free lunch that means nothing comes free. CSR has costs and benefits so corporations have to balance risks and rewards. To better understand whom is being benefitted, I will explain the gains through the eyes of the business as well as the community.

Business

The benefits of CSR programs can likewise be observed through the three **Ps** (Profit, Planet, People). The first way a business can benefit from a CSR program is through tax breaks/subsidies from the government. For example, many state governments give tax breaks to firms that build and maintain nonrenewable energy sources. This leads into the second benefits. Implementing sustainable practices such as renewable energy sources or low energy lights decrease operating costs and can lead to higher profits. Further, the private business sector carries a lot of power and risk when discussing the impacts of global climate change. As a large consumer of energy and leading polluter, the business sector would benefit from a less volatile and changing climate. Lastly, the business would benefit from CSR through the people it attracts. CSR programs connect the business with their stakeholders. Brand recognition and reputation are key elements of successful companies. It is proven that consumers are willing to pay more for a product made from an ethical business (Becker 2006). Reputation and CSR initiatives can also

act as risk management in the event of an industry crisis. A strong CSR program can separate a business from its competitors. By expanding and/or advertising the initiative, ethical firms can be seen as industry leaders. This is true not only for consumers but also for employees both future and current. Having a CSR program makes a firm more competitive in the labor market. More applicants that are qualified will seek employment. Current employees will also value their work and workplace. For one, it can help attract and retain talent. Research by marketing agency Cone Communications found that nearly two-thirds of young people would not take a job at a company with poor CSR practices. The survey of 1,000 people found 75% of millennials would take a pay cut to work for a responsible company, and 83% would be more loyal to a business that enables them to contribute to solving social and environmental problems (Becker 2006). A manager may see decreased absenteeism and higher productivity in a firm where employees carryout socially beneficial programs.

CR's <i>potential</i> value for market value, share price, and risk reduction		
Increase market value by up to: 4-6%	Over a 15 year period, increase shareholder value by: USD \$1.28 billion	Increase valuation for companies with strong stakeholder relationships: 40-80%
Reduce the cost of equity by: 1%	Reduce share price volatility: 2-10%	Avoid market losses from crises: USD \$378 million
Reduce systematic risk by: 4%		Reduce the cost of debt by: 40% or more

Community

Ethical business and CSR programs affect the stakeholder community around them in several significant ways (White. 2006). The most direct benefit is the philanthropic donations from corporations to communities. Another benefit would be the self-regulation of businesses whether by ethical standards or the spirit of the law. In this case, communities are benefitting the

same way they would if the government would impose a regulation. For example, a paper supplier could plant trees to work towards a renewable supply instead of the government enforcing they do so. In this case, the community's well-being was taken into consideration by the business sector when the public sector failed. The last benefit is the creation of shared value. This is made when the firm and the community understand each other's needs and values. As an active member and investor in the community, a firm develops relationships with its stakeholders. This allows for long-lasting loyalty and impact.

Continued research has shown that CSR has provided many long- term benefits (Carroll & Shabana, 2010). Many companies are beginning to believe that it is in their best interest to be socially responsible because if business is to have a healthy climate in which to function in the future, it must take actions now that will ensure its long-term viability. Having a corporate social responsibility strategy can have a knock-on effect to encourage others to act responsibly too in other areas of their life, see the Pyramid of Social Responsibility diagram below.

CSR can help improve overall environmental responsibility, educate people to make greener choices and encourage personal growth and development in an area which could become a new passion for someone.



COSTS AND RISKS OF CORPORATE SOCIAL RESPONSIBILITY

One of the first reasons companies cite for not engaging in CSR is the cost to do so. For many CSR activities, the initial costs can be seen by management as too high to even think about taking on, before even looking at potential benefits. Many companies hold onto the argument that a company's sole responsibility is to maximize profits and that social issues should not be a concern of that company. By looking at the problem from this view, the costs associated with implementing CSR will only dilute profits for owners and shareholders. Many companies also view the cost of time and training as too extreme to make CSR activities worthwhile.

There are three main costs associated with CSR activities: opportunity costs, sunk costs, and recurrent costs (Friedaman. 1962). Opportunity costs include any activity that could not have been undertaken due to capital and labor being bound to the CSR activity, which might result in lost revenues. Sunk costs include all initial investments in new equipment (e.g., environmental health and safety system, wastewater systems, upgrades such as machine guards), buildings and infrastructure. Lastly recurrent costs are labor costs for increased wages and overtime payments, an increase in management time (i.e. for CSR steering meetings, etc.), all forms of social insurance, trainings, benefits for workers (i.e. free meals, dormitories, medical expenses), monitoring and reporting, and equipment update and maintenance.

As stated previously, CSR efforts require forgoing short-term profitability for long-term gains. Sustainability programs have tangible as well as intangible costs that are commonly underestimated. The tangible costs include money, labor, and materials that are used for these efforts (White.2006). Examples are products given away or volunteer hours spent by employees but compensated for by the firm. Intangible costs would include opportunity costs. Energy,

resources, and time could be spent on revenue-generating programs instead of socially responsible efforts.

RESEARCH AND METHODOLOGY

The best way to compare the impact of CSR strategies across industries and firms is through indexes created by nonprofits and research centers. Indexes are a great tool to correlate and compare firms, but it is important to understand how the indexes are measured. In the next paragraphs, we will be familiarized with the six indexes of research methodology and how they apply.

Dow Jones Sustainability Index

The Dow Jones Sustainability Indexes aim to identify and measure the “top notch” companies and their CSR efforts. The basic criterion for the publicly traded companies in this index are economy, environmental protection, and social responsibility. It assesses a Corporate Sustainability Score. A baseline score is also created that allows firms and investors to compare across sectors, countries, or economies of scale.

FTSE4GOOD

The FTSE4GOOD index is an assessment by the London Stock Exchange and the Financial Times. This index, like most others, include and exclude companies based on reputation. FTSE4GOOD is famous for being transparent in its methodology. It is also the only index trusted by UNICEF and its score, the ESG is based on three variables: Environment, Social and Governance. The umbrella of indexes associated with FTSE4GOOD are classified and compared globally, across markets, and across regions.

Business Ethics Index

This index system is announced yearly by the Business Ethics magazine and highlights the “100 Best Corporate Citizens”. There are five main indicators the company utilizes to arrive at their list of 100 firms. They include 1) environment, 2) community relations, 3) employee relations, 4) diversity, and 5) customer relations (Hopkins. 2013). It is stated that this index performs a broader grading compared to other known indexes. Business Ethics 100 appears to place a high importance on the social aspect of the triple bottom line. This index values how well a company is handling its overall stakeholder relationships. Business Ethics 100 further details this by separating its overarching stakeholders into seven different groups including “stockholders, community, minorities and women, employees, environment, non-US stakeholders, and customers” (Gruver 2018).

Of the six measurement systems, that Hopkins discusses and writes about this index appears to be one of the most comprehensive and thorough. The Business Ethics magazine appears to place a high value on the social aspect of CSR, specifically citing the relationships a firm has created with its stakeholders.

Business in the Community (BITC)

This relatively new measurement system was formed in the United Kingdom (Hopkins, 2013). BiTC is basing its corporate social responsibility from its definition stating, “a Company’s positive impact on society and the environment, through its operations, products or services and through its interaction with key stakeholders such as employees, customers, investors, communities and suppliers” (Hopkins, 2013, p. 218). Corporations are measured by

four distinct components within this system. These four include 1) how the operations of a firm impact their overall value, 2) the level of CSR integration throughout all processes and operations of the firm, 3) stakeholder relationships, and 4) the level of impact pertaining to environmental and social.

Global Reporting Initiative (GRI)

The GRI index is an international independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption. GRI's framework for sustainability reporting helps companies identify, gather and report this information in a clear and comparable manner. GRI's sustainability reporting framework is now widely used by multinational organizations, governments, small and medium enterprises, NGOs and many industry groups.

Accountability Rating (AA)

This index measures the state of corporate accountability by ranking individuals' companies on their global sustainability performance. It aims to develop new tools, thinking and connections that enable individuals, institutions and alliances to respond better to global challenges

There are different methodologies I could have used, but I chose these because they tie in well with my personal research. During my undergrad studies, I was lucky enough to intern with the Office for Community Engagement, Sustainability, and research about corporate social responsibility. That gave me the interest to go beyond and do a personal research on it.

PERSONAL RESEARCH

Every business organization operates within a society. The relationship that an enterprise has with the society in which it operates can be summed up under a concept referred to as corporate social responsibility. It is mainly about whether a corporate organization should be responsible for its stakeholders, including its customers, shareholders, employees, suppliers and community. CSR is becoming an increasingly powerful tool of modern societies; carried out by companies on a voluntary basis, working to deliver social cohesion and environmental sustainability as well as economic development.

The correlation between corporate social responsibility (CSR) and competitive advantage has been studied for decades; however, a consistent conclusion has still not been reached. Competitive advantage is a condition or circumstance that puts a company in a favorable or superior business position (Kramer, M. R. 2006). The primary purpose of a business is to maximize profits for its owners or stakeholders while maintaining corporate social responsibility. Although that may be true, many companies do not take CSR seriously. Like I mentioned in the earlier part of this research, CSR has its own costs and many companies rather ignore that cost to maximize profit and minimize cost. In the next part of this research paper, we will aim to analyze the correlation between CSR and competitive advantage, using a survey created for current Bridgewater College Students. The goal of our research was to explore how consumers respond to CSR at Bridgewater College.

Statement of the problem

Currently, consumers are generally aware of a company's CSR behavior and its impact on the environment and the community. Consumers can react to this behavior by either

rewarding or punishing firms by either choosing and buying their products or avoiding their products. The goal of my research was to explore how consumers respond to CSR at Bridgewater College. The focus is on the consumer behavior response, considered a positive and a negative driving force on CSR. The work presented in this research could help the Office for Community Engagement and Sustainability at Bridgewater College to fully understand student's perception of CSR. I want to raise awareness to the student about the importance of CSR.

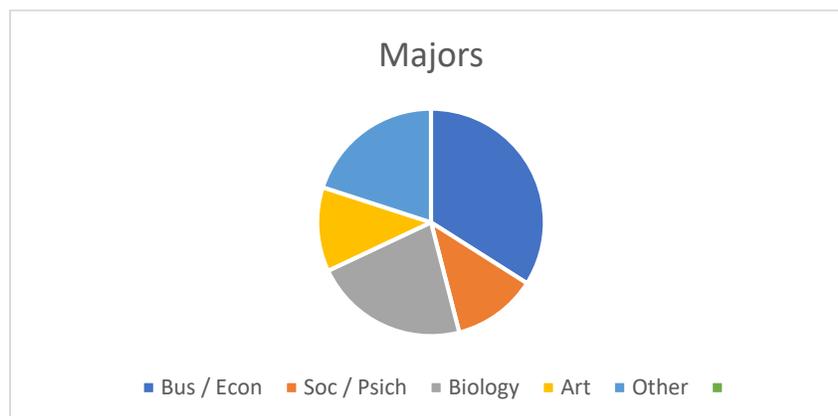
Survey objectives

- To determine whether or not Bridgewater Students are aware of CSR;
- To examine if CSR have an important influence on their purchasing behavior, and;
- To determine whether poor CSR really affect customer's loyalty to a brand.

Survey questions

Susanna Lertora, a senior student, shared ideas with me in formulating survey questions for this project; she was working on an internship project with the Center for Engaged Learning to develop a comprehensive guideline lines for Sustainable Living in the Residence Halls. I have attached the responses for survey numbers 1, 2 and 4 as these three are the most critical components of this study.

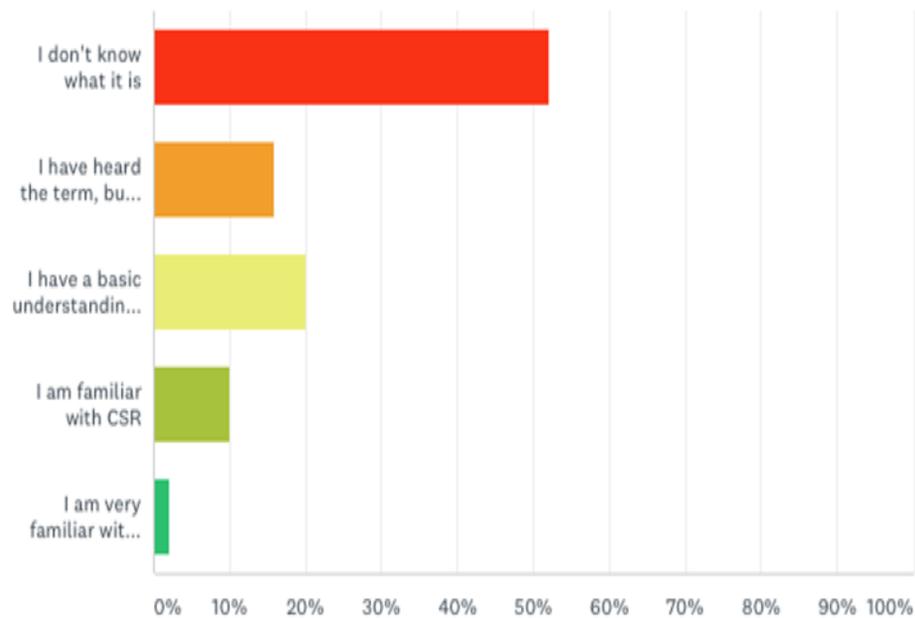
1. What is your year and major?



2. What is your knowledge regarding the term CSR?
- I don't know what it is
 - I have heard the term, but I don't know exactly what it means
 - I have a basic understanding about this concept
 - I am familiar with CSR topic
 - I am well versed in CSR concept

What is your knowledge regarding the term CSR?

Answered: 50 Skipped: 0



3. How important is it to you that companies operate on a socially responsible level?
- Extremely important
 - Very important
 - Somewhat important
 - Not so important
 - Not at all important
4. Rank the following options in order of the importance they have on your purchasing behavior
- Price
 - Quality
 - Marketing Reputation
 - CSR reputation of the organization
 - Social influences (friends, family favorite brands)



5. Would you be willing to pay extra for a product if the brand acted Socially Responsible?
 - a. Yes
 - b. No

6. If a company has a proven record of poor CSR, would you cut off purchasing their product?
 - a. Yes
 - b. No

7. Would you consider Nike to be your first choice when purchasing sportswear products?
 - a. Yes
 - b. No

8. How many Nike products have you purchased in the last three years?
 - a. None
 - b. 1-3 items
 - c. 4-6 items
 - d. 7-10 items
 - e. More than 10 items

9. Are you aware of the Nike's poor CSR record throughout their operating history, especially in the late 1990s?
 - a. Yes
 - b. No

10. In the late 1990's, Nike were accused of using sweatshops in the manufacturing of their products. Their production was outsourced to Asia where labor is cheap and laws on working conditions are not in place. The spotlight on Nike intensified and many charities and organizations found more and more condemning results when examining Nike's working conditions. After being made aware of Nike's poor CSR record and reputation, how has your attitude changed towards Nike?
- a. Better
 - b. Worse
 - c. About the same

Research hypotheses

As stated earlier, the purpose of this study was to explore the relationship between consumer perception about CSR activities and their loyalty to brand. In order to successfully carry out this research, two hypotheses have been formulated. These will test the validity the propositions:

1. There is a correlation between knowledge of CSR and customer loyalty.
2. CSR record of a company is not an important factor in student consumer behavior.

Findings

Today's socially conscious workforce is looking for more than just benefits and a paycheck. They are seeking a deeper sense of meaning and purpose that goes beyond their day-to-day responsibilities in their jobs, and to have a greater impact on the world around them. Study after study shows that companies have a huge opportunity to use their workplace culture and consumer brands to meet people's increasing desire to be good social citizens.

Unlike other generation, the millennials are completely focused on doing well for the planet and not worry about the price or other materialistic decisions. Companies are fiercely competing for millennial mindshare and it is only the beginning. According to the Work Bank, there are eighty million millennials in America alone and they represent about a fourth of the entire population. They have a lot of influence over older generations and are trendsetters across

all industries from fashion to food. Companies have been struggling to connect with this generation because many of the traditional methods of advertising have proven ineffective at capturing their attention. Furthermore, many companies believe in certain myths about millennials that are just plain inaccurate, including that they are not brand loyal.

This study provides preliminary evidence that consumer response about the CSR behavior of Multinational Corporation are determined by many factors. We will discuss how these different factors influence a college students' decision to buy a product.

In order to identify and measure the effects of CSR behavior on consumer response, an online survey was created for data collection. After data collection, statistical data analysis was performed to validate or invalidate the hypothesis.

RESULT OF QUALITATIVE RESEARCH

Through the interview process, we obtained a deeper understanding of the constructs of our research model and found some common features regarding Bridgewater College student consumer response to CSR.

Perceived CSR

First, the perception of CSR was evaluated. Out of the fifty college students, 52% respondents with "I don't know what it is"; 80% respondents have heard the term, the other 30% have a basic understanding and only 2% are familiar with it.

Importance of CSR

For all responders, it was important that companies operate on a socially responsible level, but that importance had different levels to it. While 78% of the responders wanted, their company to operate socially responsible, 18% of them said a moderate amount while only 4% said a little.

Ranking of Purchasing Behavior

Purchasing behavior is the decision processes and acts of people involved in buying and using products. When asked to rank different factors in order of the importance they have on their purchasing behavior, the responses I got were a little surprising. Almost 50% of the responders ranked the price as being the most important one with quality. The second most important one that was chosen was the quality of it. On average 45% of people put it in second place. The next factor is what differentiate the other generations from this generation. The millennials really take consideration of the newest trends and the most trending product on social media and that is why it was selected number three. Marketing was selected at number three and CSR reputation at last place.

Purchasing Behavior When It Comes to CSR

When asked if participants were willing to pay extra for a product if the brand acted socially responsible, half of them said yes and only 14% of them said no. The rest 36% said they were not sure. Next, up, when they were asked the same question but from the opposite side the responses were about the same, which showed me the accuracy of the responders. That question was “If a company has a proven record of poor CSR, would you cut off purchasing their products?” Just like the first answer 52% said yes and 14% said no. The rest were not sure.

NIKE

The next three questions circled around Nike - an American multinational corporation that is the world's largest supplier and manufacturer of athletic shoes, apparel and other sports equipment. The reason I chose Nike is because it is a worldwide known company and almost everyone own their product. Not only that Nike has been in many controversial stories in the past

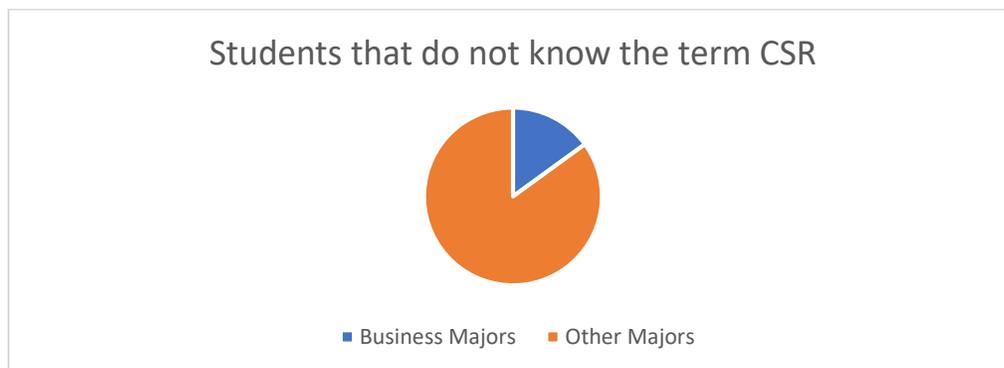
and one of them is about their CSR reputation. When asked if Nike was their first-choice sportswear product, the majority said **Yes** and only 34% said **No**. Only 7% has not purchased any Nike products in the last year while 93% of the responders have or had own a Nike product. I then asked them if they are aware about Nike's poor CSR record throughout their operating history, especially in the late 1990s, and 75% of the responders said **No**. The last question was I informing them about Nike's CSR reputation and how they feel about it. "In the late 1990's, Nike were accused of using sweatshops in the manufacturing of their products. Their production was outsourced to Asia where labor is cheap and laws on working conditions are not in place. The spotlight on Nike intensified and many charities and organizations found more and more condemning results when examining Nike's working conditions. After being made aware of Nike's poor CSR record and reputation, how has your attitude changed towards Nike? More than half of the people was not fazed by this information with only 28% that responded saying they heard about it.

Hypothesis Testing

Throughout this research, we had three objectives we wanted to meet. We wanted to determine whether Bridgewater College Students are aware of CSR. The next one was to examine if CSR have an important influence on the students purchasing behavior and lastly, to determine whether poor CSR really affect customer's loyalty to a brand. We will see the outcomes of these objectives in the next paragraphs.

CSR is a term that has been recurring everywhere in the business world. People are not only thinking about themselves but also for the next generation. One of the goals of this research was to conclude about the number of students that are aware about CSR. During the survey, I

was surprised to see that more than half of the people do not know what it means. Of course, this is a small sample and may not be true for the whole campus, but this number is definitely alarming. With this number, we can assume that many of the people here at Bridgewater College do not know the definition of CSR and that there is a lot of work to be done. At one point during this research, I could not wrap my head around the high number of people that do not know about CSR, so I decided to dig deeper. My reason behind this effort was that as a business major and someone that took economics classes, I know that I learned this term during the early stages of the major. I wanted to know if there were many business majors that did not know about this term. Out of the 52% of participant that did not know about CSR, only 15% were business or economics majors. The other 85% were students from different majors that might not have heard about it in class or outside of class. I would like to urge the sustainability committee to come up with an awareness event that would help students understand the importance of CSR.



Corporations are increasingly pursuing social responsibility initiatives, but the trend may not be completely benevolent. Millennials, the fastest-growing consumer segment in the market, are increasingly asking more from the companies they buy from. Corporations that show a little bit of conscience stand to gain big with consumers, perhaps indicating a greener future for the

economy. Years of Internet use, television, mass media exposure, and fake news have left most millennials more resilient to the typical marketing structures of the past half-century.

Corporations are less and less able to rely on advertising, celebrity spokespeople, and heavy-handed product placement strategies in movies and television. The 2017 Millennial Impact Report indicates that millennials are even more invested in philanthropy than they were in 2016, indicating that a focus on CSR is here to stay.

Millennials have different buying habits, too. They are very tech-friendly and have led the rapid rise of technologies like digital assistants. Amazon's Echo line alone brought an entire segment of new technology to market, playing off millennials' desire for convenience with voice commands and connectivity. As the economic power of the millennial generation grows, companies are shifting towards sustainable business practices in an effort to win their trust (and their money).

With Millennials having even more buying power in the coming years, CEOs should look into business practices that reflect their younger consumers' ideals, including socially responsible practices like "going green." Business leaders could go green by implementing recycling practices, have their energy usage audited or even introduce a telecommuting policy to reduce fuel consumption. Within each of these initiatives are more ideas to compound on the eco-friendly actions. With millennials having many factors in the consumer behaviors, I wanted to make sure, if this theory applies to Bridgewater students.

The results of my research started on a positive note. 50% of the participants, which are all millennials, said they would be willing to pay extra for a product if the brand acted socially responsible. Out the rest, only 14% said no and the remaining 36% were not sure about what

they were going to do. When asked another similar question, the results were identical. The question asked was “If a company has a proven record of poor CSR, would you cut off purchasing their products?” With these answers, we can assume that the majority of millennials at Bridgewater consider CSR in their purchasing factors.

To determine whether poor CSR really affect customer’s loyalty to a brand, I came up with a brand that all millennials use and that has a poor CSR reputation. The first company that came to my mind was Nike. To start this part of the survey, I asked the participants if they own a Nike product 90% of them said they did. With that answer, I asked whether they were aware of the Nike’s poor CSR record throughout their operating history, especially in the late 1990s. Only a quarter of them said **Yes** while the other 75% said they never heard about it. I then explained what Nike did by saying “In the late 1990’s, Nike were accused of using sweatshops in the manufacturing of their products. Their production was outsourced to Asia where labor is cheap and laws on working conditions are not in place. The spotlight on Nike intensified and many charities and organizations found more and more condemning results when examining Nike’s working conditions.” The next question was “After being made aware of Nike's poor CSR record and reputation, how has your attitude changed towards Nike?” The answer I got was really surprising, 54% of them said their attitude towards Nike was about the same. Only 28% of them said their attitude was worse than it was. Out of the 54% that said their attitude, I wanted to know what “About the same” meant so I dig deeper. From the participant that said their attitude was the same towards Nike, I realized that 63% of them have Nike as their first choice and still did not care about the CSR reputation of Nike. Only 37% never had Nike as their first-choice sportswear and their attitude did not change towards it. We can assume that certain people other factors like price and comfort more important than the CSR reputation of the company.

ANALYSIS

Corporate social responsibility is a way of performing business operations that I do not see becoming diminished at any point soon. Corporations are realizing the vast benefits that accompany these actions and are taking the necessary steps to put these desired plans into motion (Bowen, 1953). While these actions require much planning and, in some cases, sacrifice, the concluding results will create a better environment, society, and company. The coveted triple bottom line is an excellent sustainability benchmark and I urge all corporations to become involved with CSR actions. People need to understand the importance of CSR and be more planet oriented. I believe CSR will continue to be a cornerstone in business strategies of the future. In recent years, Corporate Social Responsibility (CSR) has been discussed from the academic and practical perspective (Lee et al., 2012) in marketing strategy and corporate strategy (Thompson et al., 2013). This research explores factors that influence millennials, in particular Bridgewater college student's consumer response in terms of CSR. Although many corporations engage in CSR activities, they should think carefully about the way they do pursue these activities and how well they communicate these efforts to consumers.

I used both qualitative and quantitative research methods. First, I conducted an online questionnaire to better get a better understanding of participants' consumer behavior. A total number of 50 surveys collected within one and half weeks, I analyzed the relationship between consumer response (Corporate Evaluation and Purchase Intention) and Perceived CSR, Trust of CSR, and Awareness of CSR. The results showed that Trust of CSR and Awareness of CSR are significant independent influencing factors. Perceived CSR significantly influenced Corporate Evaluation but showed no significant relationship with Purchase Intention. 50% of the participants that are all millennials said they would be willing to pay extra for a product if the

brand acted socially responsible. Only 36% of them would actually stop buying a product if that brand is acting poorly towards CSR. The results of the study showed that Bridgewater College students rather choose different consumer behavior (Price and Quality) than the corporate social responsibility of that organization. This comes down to the education and understanding the term CSR.

When I started this research project, I had limited knowledge and exposure about corporate social responsibility and did not know what to expect. This research project really made me rethink my values. The more I knew about CSR the more I was developing a new interest in sustainability. Throughout this research, I learned the importance of CSR in today's life. I also learned that consumer behavior changes from generation to generation. Millennials do things differently. They shop differently, engage with brands differently, and they hold brands accountable more than any generation before them. New research reveals a stern warning for companies to keep an extra-sensitive eye on their millennial customers. This is a generation that really cares about what the other person thinks about them, therefore they will try to appear the best version of themselves even if they do not believe in it. Therefore, CSR is a term millennials really, are passionate about but not all of them really consider it as their value. They would rather pay extra to have a quality brand than to choose the socially responsible brand. The CSR aspect of it is more like a tiebreaker. For example, if a millennial is trying to buy shampoo and is undecided between two brands, they would first look at the price and look if it fits their need accordingly. If the two shampoos are the same quality and quantity that is when they start thinking about the brand and the level of social responsibility they carry.

This study examined the relationships between Perceived CSR, Trust of CSR, as well as the Awareness of CSR. For future research, there are two suggestions to expand on this work and to address previous limitations.

First, there are also other potential factors, such as product catalogues and brand preferences that may be factors influencing consumer response to CSR. Consumer response to CSR will be inevitably influenced by the brand preference of a specific firm. Therefore, how CSR activities affects consumers in different stages of consumer brand recognition needs to be studied.

Secondly, researchers need to expand CSR research to include studies in other countries and cultures. CSR may be context-specific, and conclusions based on Western research may not be true in other cultures.

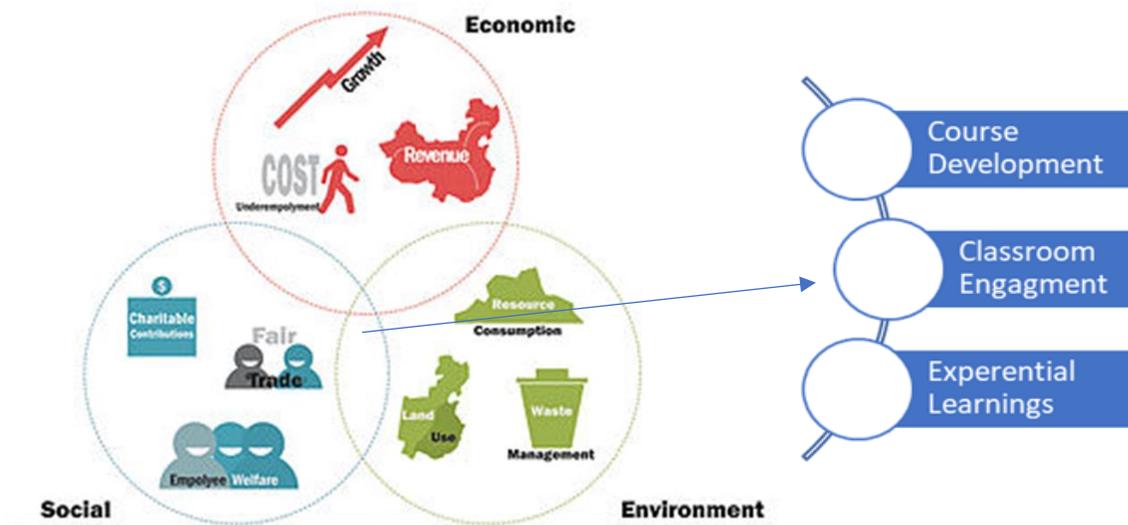
CONCLUSION/REFLECTION

As for Bridgewater College student, the Office of Sustainability needs to promote the importance of CSR to the students through academic and out of classroom engagement. We learn in economics that consumers behave in their self-interest and primarily focus on prices and sometimes on quality and quantity. In addition, the new school of economics, Behavioral Economics, teaches us that market transactions are heavily influenced by moral and ethical factors. From my research and readings, the millennials are very passionate about corporate social responsibilities. In one of the survey I researched, millennials are willing to take lesser pay to work for corporation with good CSR. However, further engagement in CSR is vital to increase millennial awareness of where products are made and in what conditions. The strategy is what

are the mechanisms and strategies to increase student engagement, most specifically for Bridgewater College students.

- **Course Development:** Adding another business sustainable organization course. Presently, there is only one business sustainable organization course, BUS 105 SUST ORGANIZ, in our academic catalogue. It would benefit students if the college develops an upper class BUS 205 SUST ORANIZ - CSR can be easily integrated into this course.
- **Classroom Engagement:** Integrating the concept of CSR into business and economics courses and extending them into Sociology and Psychology.
- **Experiential Learning:** Enhancing internship and special projects.

The future of CSR will integrate student engagement in the Triple Bottom Line as shown below so that society, most specifically the millennials, is aware of corporation's behavior and actions when purchasing their products and services.



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