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CSR and its Impact on Consumer Behavior

A Study of the Cosmetic Industry

Master Thesis within Business Administration

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Abstract

Problem: CSR appears frequently in various kinds of reports of different corporations. However, managers are confused about how to practice CSR strategically. Little is known about consumers' awareness of CSR and how consumers react toward socially responsible corporations and their products. The cosmetic industry has been criticized a lot on CSR because of unethical and unsustainable business activities. Renowned companies in the cosmetic industry are working on different CSR initiatives, but no single study has been done on CSR and its impact on consumer behavior in the cosmetic industry. It is of critical importance to investigate consumers' awareness of CSR, and to explore consumers' attitudes and tendency of purchase behavior toward CSR in the cosmetic industry.

Purpose: The purpose of the thesis is to investigate consumers' awareness of CSR in the cosmetic industry and channels consumers get CSR information from. Furthermore, the aim is to investigate consumers' attitudes on different CSR activities and how consumers' purchasing behaviors are affected by these CSR activities.

Theoretical perspective:

The study combines stakeholder theory with theory on CSR's impact on consumers' attitudes and behavior. It refers to consumers as one important stakeholder group for a corporation.

Method: A quantitative method is used in the study. Primary data of consumers' awareness of CSR, consumers' attitudes and tendency of purchasing behavior were collected through an online questionnaire. The results of the questionnaire were analyzed and interpreted.

Conclusions: Consumers get CSR information of the cosmetic industry from different channels. Consumers' CSR information about the cosmetic industry is between "poor" and "average". They expect cosmetic companies to communicate more about CSR with the public. CSR is not an important factor that influences consumers' purchase decision. However, consumers are willing to pay more for cosmetic products made in socially responsible ways. Consumers believe it is important that cosmetic companies fulfill their legal and ethical responsibilities, but they do not ask cosmetic companies to be philanthropically responsible.

Table of Contents

1	Introduction	1
1.1	Background	1
1.2	Problem.....	2
1.3	Purpose.....	3
1.4	Delimitations.....	3
1.5	Thesis structure.....	3
2	Theoretical framework	4
2.1	Corporate social responsibility	4
2.1.1	Carroll's four-part theory.....	4
2.2	Stakeholder approach	6
2.2.1	Stakeholder issues.....	6
2.2.2	Stakeholder collaboration.....	6
2.2.3	CSR as a competitive strategy	7
2.3	CSR and consumer behavior	8
2.3.1	Ethical purchase intention	8
2.3.2	Social responsible consumers.....	10
2.4	Summary of the theoretical framework.....	11
2.5	Research questions	12
3	Method	13
3.1	Study approach	13
3.2	Sampling	13
3.3	Data collection.....	13
3.4	Reliability and validity	15
3.5	Data analysis and interpretation	16
3.5.1	Data analysis.....	16
3.5.2	Data interpretation.....	16
4	Results and analysis	18
4.1	Demographic information	18
4.2	CSR awareness and information source	19
4.2.1	Analysis of CSR awareness and information source.....	21
4.3	Tendency of purchase behavior	21
4.3.1	Analysis of purchase behavior	24
4.4	Respondents' attitudes toward CSR	24
4.4.1	Analysis of respondents' attitudes toward CSR.....	29
4.5	Respondents' comments.....	31
4.5.1	CSR communication.....	31
4.5.2	Relative importance of CSR	31
4.5.3	The ethical consumers	32
4.5.4	CSR and competitive strategy.....	32
4.6	Summary of results	32
5	Conclusions and discussion	34
5.1	Conclusions.....	34
5.2	Contribution and limitation.....	35
5.3	Suggestions for further studies.....	35

References.....	36
Appendix 1: The questionnaire	38

List of Figures

Figure 2-1: The pyramid of Corporate social responsibility	5
Figure 2-2: Consumer attitudes to ethical purchasing	9

List of Tables

Table 4-1: Demographic information	18
Table 4-2: CSR information level of the cosmetic industry	19
Table 4-3: CSR Information source	20
Table 4-4: Recall of cosmetic companies' CSR initiative	21
Table 4-5: Previous ethical purchasing on cosmetics	22
Table 4-6: Avoid buying socially irresponsible producers' cosmetics	23
Table 4-7: Likelihood of buying cosmetics from socially responsible producers	23
Table 4-8: Pay close attention to producer's CSR when buying cosmetics	25
Table 4-9: Premium for socially responsible firms' cosmetic products	25
Table 4-10: The relative importance of influence factors	26
Table 4-11: The mean of the relative importance of the influence factors	27
Table 4-12: The importance of different CSR initiatives.....	28
Table 4-13: The mean of the relative importance of CSR initiatives	29

1 Introduction

The introduction chapter gives background information of corporate social responsibility. Problem, purpose and delimitations of the thesis are stated in this chapter. Also, the structure of the thesis is presented.

1.1 Background

Bowen (1953) argued that society is the playground where business activities are operating therefore the societal interests are of concern to businesses and firms (cited in Banerjee, 2007). Corporate social responsibility (CSR) as a field of business study emerged in the 1950s in the United States. By now, every Fortune 500 company and numerous small and medium-sized enterprises (SMEs) have some sort of statement of CSR in various kinds of reports (Banerjee, 2007). In 160 out of the 250 largest multinational corporations published a CSR report in 2005 (Porter & Kramer, 2006). Information about a firm's CSR can be easily found in different channels, such as articles and reports in magazines and newspapers, product packaging, Internet and corporate annual reports.

Clarkson (1995) summarized the principles, models and methodologies employed in 70 studies on corporate social performance from 1983 to 1993. He argued that definitions of corporate social responsibility (CSR), corporate social responsiveness and corporate social performance (CSP) were still unclear. McWilliams and Siegel (2001) defined CSR as “*actions that appear to further some social good, beyond the interests of the firm and that which is required by law*”. European Commission released its new definition of CSR in 2011 as:

“... the responsibility of enterprises for their impacts on society, ... a process integrates social, environmental, ethical, human rights and consumer concerns into business operations and core strategy in close collaboration with stakeholders, ... maximizing the creation of shared value for shareholders and other stakeholders and society at large; identifying, preventing and mitigating their possible adverse impacts” (European Commission, 2011).

In this thesis, the author refers to the definition of CSR by European Commission (2011). CSR emphasizes not only business operations but also calls attention to the impact of a business on society, care about consumer concerns and collaboration with various stakeholders.

The word “stakeholder” became popular in the business world and in research after Freeman published his landmark book “*Strategic Management: A Stakeholder Approach*” in 1984 (Mitchell, Agle & Wood, 1997). Freeman (1984) defined stakeholder as “*any group or individual who is affected by or can affect the achievement of an organization's objectives*” (cited in Freeman & McVea, 2001, p. 4). The emergence of stakeholder theory had broadened the view of strategic management from the sole focus of economic performance to a wider horizon (Freeman & McVea, 2001). Interests of different stakeholders, such as consumers, shareholders, employees, suppliers, local communities, the environment and the society need to be considered.

One important stakeholder, the consumers, expect firms to be socially responsible. Consumers tend to reward responsible companies and punish the irresponsible ones through their purchasing and consuming behavior (Creyer & Ross, 1997).

The cosmetic industry has received a lot of criticisms on unethical and irresponsible business activities such as the use of animals for product test, chemical pollution, unethical sourcing and unsustainable ingredients. Companies of the cosmetic industry have realized the importance of CSR and have started working on the prevention and minimization of the negative impacts by their business practices as well as the maximization of shared values for all stakeholders (Organic Monitor, 2010). For example, The Body Shop states concerns for environment and people in its value statement. Environment reservations, defend human rights, support community fair trade and against animal experiments are included in The Body Shop's values (The Body Shop, 2012).

Previous studies on consumers' attitudes on CSR and CSR's impact on consumer behavior and consumption decisions are quite general (see Becker-Olsen, Cudmore & Hill, 2006; Öberseder, Schlegelmilch & Gruber, 2011). No single study was made exclusively in the cosmetic industry, and this makes it particularly interesting and meaningful to investigate consumers' awareness of CSR and consumers' attitudes, purchasing and consuming behavior toward CSR in the cosmetic industry.

1.2 Problem

Companies have realized their obligations to the society in terms of responsible business practices, and are trying to become good corporate citizens by taking their economic, ethical, and altruistic responsibilities (Louche, Idowu & Filho, 2010). However, study on what the public expect firms to do on CSR, and how much firms are expected to do is still limited. The business world still knows little about what to do and how to practice CSR strategically. Managers are confused about what CSR initiatives to choose and how much to do with them (Mohr, Webb & Harris, 2001). Not only managers, but also consumers are quite confused about CSR and consumers' knowledge of different firms' CSR is rather limited (Carrigan & Attalla, 2001). Studies on how consumers view different CSR initiatives and how they react to CSR initiatives addressed by firms are limited too (Sen & Bhattacharya, 2001).

Common responses to corporate social responsibility such as charity donations and CSR reports tell the public what good deeds have been done by a company. This is more like "CSR business" rather than addressing CSR strategically and integrate CSR into a company's overall strategy. A lot of published research papers talk about CSR, but still there are few practical guidelines to businesses on how to address CSR innovatively. Effectively consider stakeholders' concerns and integrate these concerns with business operations and corporate strategy are essential to develop a strategic approach of CSR practices (Porter & Kramer, 2006).

The cosmetic industry is actively seeking to improve the industry's image by adopting ethical, ecological and responsible business practices. Popular CSR activities in the cosmetic industry include reduction of packaging and use of environmental friendly packaging material, use of energy and water more efficiently, against animal test, abandoning unethical ingredients, promoting ethical supply chain and fair trade (Organic Monitor, 2010). Firms choose the CSR activities that they believe are relatively more important, therefore CSR activities vary among different firms.

However, no single study has been done on consumers' awareness of CSR, consumers' attitudes toward CSR and the impact of CSR on consumer behavior in the cosmetic industry. Therefore, the problem reflects the critical importance to know what kind of CSR initiatives are favored the most by consumers and how these CSR initiatives affect consumer behavior. In order to address CSR innovatively and strategically in the cosmetic industry, it is necessary to know more about how well consumers are aware of CSR in the cosmetic industry and what their attitudes on CSR and tendency of purchase behavior are.

1.3 Purpose

The purpose of the thesis is to investigate consumers' awareness of CSR in the cosmetic industry and channels consumers get CSR information from. Furthermore, the aim is to investigate consumers' attitudes on different CSR activities and how consumers' purchasing behaviors are affected by these CSR activities in the cosmetic industry.

1.4 Delimitations

CSR initiatives cover a wide range of different social issues such as economic, legal, ethical and philanthropic issues (Carroll, 1991). It is hard to include all kinds of CSR initiatives in one thesis, so only a few CSR initiatives are focused on based on their relevance to the cosmetic industry. Furthermore, this thesis aims at investigating consumers' attitudes and behavior toward CSR, so all the CSR initiatives discussed in this thesis are of importance to consumers. CSR initiatives aiming to benefit other stakeholders beside consumers are not included in this thesis.

1.5 Thesis structure

The thesis has five chapters. The next chapter presents the theoretical framework, in which previous studies on CSR and CSR's impact on consumer behavior are discussed. This chapter also contains research questions. Chapter 3 discusses the method and data collection. Chapter 4 demonstrates the findings from the empirical study, followed by analysis and interpretations. Chapter 5 gives the conclusions and states the contribution of this thesis as well as its limitation. Suggestions for further studies are also included in chapter 5. The questionnaire used in the data collection procedure for this thesis is attached as Appendix 1.

2 Theoretical framework

In this chapter previous studies on CSR, stakeholder theory in CSR study and CSR's impacts on consumers' attitudes and behavior are discussed. A summary of the theoretical framework is given and followed by research questions.

2.1 Corporate social responsibility

The society is the playground for all business activities that companies' business operations are affected by and that affect the society. Halal (2000) argued that business operations should meet the societal objectives; interests of various stakeholders should be taking into consideration. However, whether corporations should take social responsibility or not is still under debate (Tsoutsoura, 2004; Davis, 2005). Both the pro and con parties of CSR have realized the significance of social issues to business success (Davis, 2005). It can be seen that companies have put more and more attention and resource to working on serving customers, employees and local communities, instead of purely chasing profits (Halal, 2000). Socially responsible businesses go beyond "*the business of business*" by taking their social responsibilities. A sole focus on short-term business performance made it difficult to obtain customers' trust, retention, corporate reputation and innovation. Dealing with social issues inappropriately can expose a corporation to criticism, and this is not positive to any corporation (Davis, 2005).

2.1.1 Carroll's four-part theory

Corporations need to address their social obligations more consciously. It is important to understand what kinds of responsibilities construct CSR before involving in any CSR activities. One widely acknowledged theory of CSR's components is Carroll's four-part theory.

Carroll (1991) developed his four-part theory of CSR, arguing that CSR is constituted by four kinds of social responsibilities: economic, legal, ethical, and philanthropic responsibilities. The economic responsibilities are the primary part of the four responsibilities. It is the fundamental layer of Carroll's CSR pyramid. All corporations are responsible for providing goods and services that are needed by the society. Consequently, profits from selling goods and services go to shareholders and other investors to keep a company survive and grow. Economic responsibilities of a company are the base for providing legal, ethical and philanthropic responsibilities.

Legal responsibilities are the second layer of the CSR pyramid and are coexisting with economic responsibilities as fundamental precepts of the free enterprise system. Firms are expected to operate under the legal system and regulations while creating profits for shareholders. Firms are fulfilling the "social contract" between firms and the society by being legally responsible. Legally responsible also reflects the "codified ethics" of business operation, as well as the pursuit of economic responsibilities set by lawmakers (Carroll, 1991).

Ethical responsibilities involve activities and practices that are expected by the society and done by firms voluntarily regarding fair, justice and the respect for or protection of stakeholders' moral rights. Ethical responsibilities are voluntary choices of firms, since they are not codified into any law or regulation. These responsibilities reflect social norms, expectations and concerns of consumers, employees, shareholders and

the community. Ethical responsibilities go further than legal responsibilities because they involve newly emerging values and norms that the public expects a firm to comply with and are at a higher standard of business practices than that current legal system required. However, ethical responsibilities are not easy to deal with for firms because new expectations from the public keep emerging and this makes the legitimacy of ethical responsibilities continually under debate (Carroll, 1991).

Philanthropic responsibilities involve firms' activities that are aiming to become good corporate citizens by performing altruistic activities. Society and communities expect firms to use their resources to promote social welfare. This includes actively engaging in acts or programs to promote human welfare and goodwill. Philanthropic responsibility distinguishes itself from ethical responsibilities by sense of discretion. The public will not regard firms that fail in fulfilling philanthropic responsibilities as unethical because philanthropic is not in the fields of ethics and morals (Carroll, 1991). The four categories of responsibilities that constructed Carroll's CSR pyramid are shown in Figure 2-1.

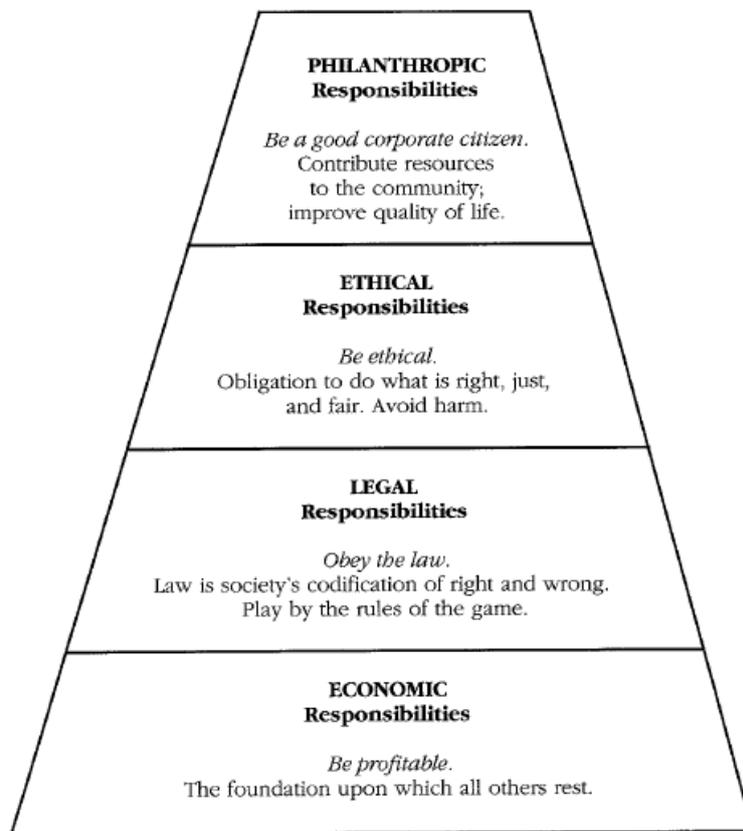


Figure 2-1: The pyramid of Corporate social responsibility

Source: Carroll (1991, p. 42)

Carroll's (1991) four-part theory of CSR is popular both in academia and the business world because of its pragmatic nature. Companies can relate their CSR to these four dimensions of responsibilities. Economic and legal responsibilities are fundamental responsibilities of companies to shareholders. Ethical and philanthropic responsibilities help companies become outstanding and become good corporate citizens by being responsible to other stakeholders besides shareholders.

2.2 Stakeholder approach

Corporations are not operating only under the interest of shareholders. A wide range of stakeholders claim legitimate interest in corporations' business operations (Matten, Crane & Chapple, 2003). When talking about CSR, it is helpful to always ask "responsibility to whom" and "responsibility about what". A socially responsible corporation takes responsibility for its actions in society, but before taking any CSR initiative, it is important to identify if an issue is a stakeholder issue for the corporation (Clarkson, 1995).

2.2.1 Stakeholder issues

Clarkson (1995) argued that it is essential to distinguish between stakeholder issues and social issues. Identification and evaluation of stakeholder issues and social issues is necessary when practicing social responsibilities. Stakeholder issues are not necessarily social issues, and vice versa. Clarkson pointed out that only stakeholder issues are relevant to a firm's CSR.

Stakeholder issues should be dealt with strategically at the highest level of corporate management. Stakeholder issues have to be included in a firm's overall strategic planning. Firms need to manage stakeholders' claims and deploy corporate social initiatives strategically in a proactive way. Besides stakeholder issues, some social issues are also relevant to a firm's CSR and should be included when forming social initiatives strategies (Davis, 2005). This argument is opposite to Clarkson's (1995), who stated that social issues are irrelevant to firms CSR activities.

Becker-Olsen et al. (2006) also argued that firms need to be selective when practicing CSR. CSR initiatives need to "fit" with a firm's specialization and strengths. Fitness is defined as "*the perceived link between a firm's product line, brand image, position, and/or target market*" (Varadarajan & Menon, 1988 cited in Becker-Olsen et al., 2006, p. 47). Not all CSR initiatives have positive impacts on consumers' attitudes toward a company and its products. Actually, low-fit CSR initiatives have bad impacts on consumers' attitudes and purchasing intentions.

2.2.2 Stakeholder collaboration

Stakeholder relationship management is important to corporate strategy and a corporation's long term success. Since stakeholders cover a wide range of individuals and groups, identifying and evaluating stakeholders are essential to a business when practicing CSR initiatives. To choose what kind of CSR activities to do from a wide range of options is important to firms when addressing CSR. Firms need to analyze their goals and take their core business into consideration before practicing CSR. CSR is more than philanthropic donations (Porter & Kramer, 2006).

Freeman and McVea (2001) pointed out that the business world cannot be well analyzed when it is separated from the world of ethics and politics. A stakeholder approach is always seen as an ethical theory, but actually it is also an economic theory. Employing a stakeholder approach to decision making and strategic management helps to create value for all stakeholders. Some stakeholders such as consumers, employees, suppliers and environmental organizations were ignored in traditional corporate governance practices. Stakeholder collaboration pays attention to the relationships with all stakeholders especially those previously estranged.

However, not all stakeholders are equally important. The integrations of all stakeholders' interests are essential for a successful corporate strategy. Freeman and McVea (2001) argued that it is inappropriate to maximize some stakeholders' interests while limiting others'. Halal (2000) raised his "reward-contribution approach" which he saw as the actual "balance" of stakeholder collaboration.

Mitchell et al. (1997) classified stakeholders into seven different types based on three attributes: power, legitimacy, and urgency. Stakeholders with only one attribute are called latent stakeholders; the ones with two attributes are expectant stakeholders. The definitive stakeholders are the ones who combine all the three attributes. The typology of stakeholders helps managers dealing with the claims from each type of stakeholder. Claims from stakeholders that have all the three attributes should have priority. It is a practical way to understand which stakeholder really counts and how salient their claim is.

Porter and Kramer (2006) argued that each firm has a certain expertise and focus of business as well as budget constraints. Firms should only work on social issues that are consistent with their particular business. Each social issue is usually more suitable and meaningful for one specific industry. Practicing CSR strategically implies more than becoming a good corporate citizen. Strategic CSR practice selects social issues to work with in an efficient way with bearable costs. Strategic CSR practice benefits a firm with improved relation with the society, customers and other stakeholders. Furthermore, strategic CSR practice contributes with competitive advantages.

2.2.3 CSR as a competitive strategy

CSR initiatives are addressed on the basis of market forces aiming to satisfy one or more stakeholders. The motivations of CSR initiatives are of concerns to stakeholders. Provision of CSR depends on products differentiations, marketing to sales ratio, government contracts, labor supply, firm size and industrial life cycle. A conglomerate with extends business coverage tends to be more active on the provision of CSR. Market competition drives the profit rate of socially responsible firms and the profit rate of socially irresponsible firms to the same level. Socially responsible firms gain high revenues with high costs of being socially responsible, while other firms, the socially irresponsible ones, have low revenues and low costs. When using the cost-benefit analysis, managers can find the optimal level of a firm's CSR, therefore balance the interests of CSR demand side (customers, employees, community and environment) and the supply side (shareholders) of CSR (McWilliams & Siegel, 2001).

One direct notion is the financial benefits from CSR. Many researchers have studied the relationship between CSR and corporate financial performance, but no widely agreed conclusions have been drawn (Cochran & Wood, 1984; McWilliams & Siegel, 2000; Tsoutsoura, 2004). Being a socially responsible firm means more costs than an irresponsible business. CSR initiatives need to generate at least non-negative benefits for a firm to survive and make CSR a sustainable business practice. A firm's reputation is usually improving with CSR practices. Moreover, CSR protects a business from market failures, environment scandals etc., which ensures stable earnings for a socially responsible firm (Tsoutsoura, 2004).

CSR may not significantly enhance one firm's financial report, but it does not lag it back either. Individual investors are usually myopic on firms' CSR investments, while

institutional investors are in favor of socially responsible corporations. Myopic refers to the investment choices that only focus on short-term return and do not care about the long-term payback. Individual investors might penalize firms who spend resources on CSR activities, while institutional investors instead favor socially responsible firms (Freeman & McVea, 2001).

Besides financial benefits, another possible reason for implementing CSR is competitive advantage. Socially responsible corporations attract more customers, business partners and more competitive employees. All these stakeholders contribute to better financial results and generate competitive advantages for a corporation. Socially responsible firms are less likely to involve in consumer boycott, environment and humanism scandals, which cause magnificent financial hurts to a business (Tsoutsoura, 2004). CSR deployed in appropriate ways can benefit firms with additional opportunities and resources, more significantly, competitive advantages. The business of CSR is not a zero-sum activity between business and the society, business can also benefit from CSR initiatives (Porter & Kramer, 2006).

Halal (2000) argued that academia and professionals always take stakeholder issues morally, ethically, and socially, but neglect the economic values of stakeholder issues. The competitive advantage from dealing with stakeholder issues strategically is always been ignored too. He gave a new interpretation of the balance in stakeholder management. Instead of treating all stakeholders equally, Halal (2000) emphasized the use of a more productive way that links the rewards with the contributions for every stakeholder. More attention has been put on how a business serves customers, employees and local community besides profitability. Profitability and responsibility can be reconciled under the perspective of corporate community and generate corporate competitive advantage.

2.3 CSR and consumer behavior

Consumers do care about firms' CSR but react toward firms' CSR differently through their purchasing behavior. Consumers' choices have implications for the whole society. Socially responsible corporations are more attractive to consumers. Consumers care about firms' CSR and firms' impact on environment. They reward and punish firms accordingly by choosing or exhibit aversion to firms' products (Mohr et al., 2001).

2.3.1 Ethical purchase intention

Carrigan and Attalla (2001) used focus group interviews when studying whether consumers care about a firm's ethical behavior. They found that firms' poor ethical practices do not necessarily have negative impact on consumer choice. Consumers usually have some knowledge about different firms' CSR, but quite limited. A main reason for consumer choice is whether they favor the product rather than the producer's CSR. Consumers believe that firms in different industries have to focus on different CSR subareas regarding firms' expertise.

Consumers are not active information seekers of a firm's CSR. According to Carrigan and Attalla (2001), consumers are waiting to be informed about firms' CSR. Price, value, brand image and trend are the most important factors that influence consumers' choice. However, consumers do state that a firm's CSR has an impact on their choices. Consumers are willing to pay a premium for products made in socially and

environmentally responsible ways. Consumers claim that they are willing to pay a higher price for products of socially responsible firms, but are not willing to spend time on figuring out which firm is socially responsible. At the same time, a segment of consumers continue to buy products from firms with well acknowledged bad ethical conducts. Consumers do not act as what they claim. A small number of highly ethical consumers do exist. They care much about producers' CSR in their buying and consumption choices (Carrigan & Attalla, 2001).

Carrigan and Attalla (2001) categorized consumers into four types based on their ethical awareness and ethical purchase intention. Consumers with low ethical awareness and low ethical purchase intention are called oblivious consumers. Confused and uncertain consumers are those with low ethical awareness but show high ethical purchase intention. Consumers with high ethical awareness who do not make purchase intention accordingly are cynical and disinterested consumers. The last type is caring and ethical consumers who obtain sufficient CSR information and are highly ethical in their purchase activities. The characters of the four types of consumers are shown in the Figure 2-2.

		Ethical Awareness	
		High	Low
Ethical Purchase Intention	High	Caring and Ethical	Confused and Uncertain
	Low	Cynical and Disinterested	Oblivious

Figure 2-2: Consumer attitudes to ethical purchasing

Source: Carrigan and Attalla (2001, p. 572)

Carrigan and Attalla (2001) also pointed out that consumers are not the only stakeholders of a business. Other stakeholders such as employees, environmental organizations may care much about a firm's CSR. Each stakeholder group has a focus on firms' CSR. The focus is usually what influences their interest most. When addressing CSR, firms need always engage the target stakeholders and their focus of concerns. Philanthropy seen everywhere without any consumer engagement has little contribution to consumer choice. Consumers' awareness of firms' CSR is limited in general, so opportunities exist in the communication of corporate social performance and social responsibility initiatives with consumers. Even though consumers' choices are not significantly influenced by a firm's CSR, it is still important to be socially responsible in business operations. Consumers may have more CSR information and

become more ethical in their purchasing behavior in the future. In addition, the new generation may behave differently to socially responsible companies' products.

2.3.2 Social responsible consumers

Mohr et al. (2001) conducted a consumer interview project for investigating the impact of firms' CSR on consumer behavior. How well are consumers aware of the CSR level of individual firms? Are the purchase decisions of consumers affected by a firm's CSR, and how much? How do consumers think about firms' motivation for being socially responsible? Mohr et al. (2001) found that consumers are positive to business in general. It is not wrong to pursue economic interests. Consumers expect firms to be socially responsible. The attitudes of consumers toward socially responsible firms are more positive than toward irresponsible firms. Consumers are aware that socially responsible firms are helping themselves by practicing CSR. But this perception of consumers does not harm the positive consumer evaluations toward socially responsible firms.

The study of Mohr et al. (2001) is enlightening for researchers, managers and policy makers. For managers specifically, it is clear that consumers do care about a firm's CSR and act accordingly. Some consumers are highly ethical in their purchasing behavior. The work on CSR and consumer choice could be a new growth opportunity for marketing. CSR initiatives with well-designed targets and high consumer awareness through communication could play an important role in successful marketing.

Becker-Olsen et al. (2006) suspected the assumption that consumers will always reward firms for their socially responsible initiatives unselectively. They designed two studies to explore how consumers react to different CSR activities. In addition, they investigated the impact of the motivations and time choice of CSR initiatives.

CSR activities that do not fit with a firm's expertise have negative impact on consumers' attitudes toward a firm and the firm's credibility. Firms can be perceived as "doing good" only by addressing selected CSR initiatives. CSR activities with low fitness with a firm are perceived as "doing CSR business" by consumers, and lead to non-positive consumer evaluations. Perceived motivations of consumers have effect on consumers' evaluation of a firm and a firm's CSR initiatives. If consumers believe CSR initiatives are profit-driven rather than social-driven, then they will assess a firm and its credibility negatively. This leads to a low likelihood of consumers' purchase intention. The time of practicing CSR activities matters to consumers' assessments. Proactive CSR activities help firms get positive evaluations from consumers. In contrast, consumers regard reactive CSR activities as doing "CSR business". Reactive CSR has non-positive contribution to a firm's image (Becker-Olsen et al., 2006).

Sen and Bhattacharya (2001) examined what kind of CSR initiatives have positive consumer reactions by exploring time, approach and target, and argued that the congruence between CSR initiatives and individual consumer's characters matter. Company specific and individual consumer specific factors are key moderators of a consumer's perception and reactions to CSR initiatives.

Sen and Bhattacharya (2001) found that consumers' reactions to CSR are highly related to the congruence between CSR activities and consumers' individual interests. CSR's impact on consumer's purchase intention is more complex compared to CSR's impact on corporate evaluation. Quality of a product matters and consumer's CSR

perception of the corporation plays a role for purchase intention as well. Low CSR evaluation can reduce the purchase intention even though the product itself may be of good quality. Consumers are exposed to information about a company earlier than they are exposed to information of a product. Therefore, the perception of a product's quality is already formed before consumers know a product. Sen and Bhattacharya (2001) called for attention to the congruence between consumer's interest and the focus of CSR.

Consumers consider firms' CSR in their purchase decision-making process. But the impact of CSR is rather limited compared with the consideration of price, quality, brand and service. Moreover, the financial status of an individual consumer has impact on the relative weight of CSR in the decision-making process. Individuals in good financial conditions are more interested in CSR than the ones who show financial stress in their purchase decision-making process. Besides, consumers are concerned about the credibility of CSR information as well as a company's reputation (Öberseder et al., 2011).

Öberseder et al. (2011) called attention to two core factors of consumers' evaluation of CSR in the purchasing process. One core factor is the sufficiency of CSR information. Consumers will likely omit CSR's impact on their purchasing process if they do not have enough information about CSR. The other core factor is the credibility of CSR information. Consumers who obtained sufficient CSR information of a firm will evaluate the credibility of this CSR information. Finally, they will decide if they are more in favor of products of socially responsible producers. Most consumers who do not have sufficient CSR information are waiting to be informed about firms' CSR.

2.4 Summary of the theoretical framework

As pointed out in this chapter, four categories of responsibilities constructed the pyramid of CSR (Carroll, 1991). They are economic, legal, ethical and philanthropic responsibilities. The economic and legal responsibilities are fundamentals of CSR. Ethical and philanthropic responsibilities are higher components placed at the top of the pyramid. All CSR initiatives drop into the four responsibilities categories.

CSR is aiming to meet the expectations of one or more stakeholders. Support and contribution from stakeholders are essential for a firm's success. Therefore, stakeholder collaboration is important in the practice of CSR (Freeman & McVea, 2001). The relevance of a firm's business and CSR initiatives is the key of efficient CSR practice. When practicing CSR, corporates need to understand what they are responsible about and to whom (Clarkson, 1995; Davis, 2005; Becker-Olsen et al., 2006).

Also emphasized in this chapter, corporations are using CSR as a competitive strategy. Socially responsible corporations are more attractive to customers, business partners and competitive employees. Moreover, socially responsible firms are less likely to involve in scandals and be boycotted by consumers (Tsoutsoura, 2004). Socially responsible firms have access to more opportunities and resources. More significantly, CSR benefits firms with the competitive advantage. The business of CSR is not a zero-sum activity between business and the society, business can also benefit from being socially responsible (Porter & Kramer, 2006). Profitability and responsibility can be reconciled under the perspective of corporate community (Halal, 2000).

Consumers are an important stakeholder group for corporations and they expect corporations to be socially responsible in business activities. Carrigan and Attalla (2001) found that a firm's CSR has impact on consumers' choices. Consumers are willing to pay a premium for products made in socially and environmentally responsible ways. Unlike most of the consumers, a small segment of consumers are highly ethical and care much about CSR in their purchase process. CSR activities congruent with consumers' interest and with high consumer engagement affect consumer choice positively.

Mohr et al. (2001) also found that consumers have positive attitudes toward socially responsible firms. They argued that CSR initiatives with well-designed targets and communicated well to consumers could play a big role in successful marketing.

Öberseder et al. (2011) argued that consumers are waiting to be informed about firms' CSR. Consumers' awareness of CSR and perception of the credibility of CSR information are the two core factors of their CSR evaluation purchase decision-making process. Consumers tend to omit the impact of CSR in the decision-making process if they do not have sufficient information about producers' CSR.

The chapter further emphasized that firms can be perceived as "doing good" only by addressing selected CSR initiatives which are relevant to firms business and strength (Becker-Olsen et al., 2006). Doing CSR through campaigns that are irrelevant to a firm's business has been perceived as "doing CSR business" by consumers. This evaluation leads to non-positive effects on consumers' purchase intentions. The time for practicing CSR activities is also important. Consumers give positive evaluation only to CSR activities that they perceive as proactive. CSR activities perceived as reactive by consumers have non-positive effects on consumers' evaluation and purchase intentions. Sen and Bhattacharya (2001) also argued for the importance of the congruence between CSR activities and individual consumer's concerns. Consumer's reactions are positively related to the congruence between CSR initiatives and individual consumer's interests and concerns.

2.5 Research questions

Based on the theoretical framework and the purpose of this thesis, the following three research questions are formulated.

RQ1: Do consumers have sufficient CSR information about the cosmetic industry and from which channels do consumers get the cosmetic producers' CSR information?

RQ2: Do consumers care about CSR when they buy cosmetics and are they willing to pay more for cosmetics produced in socially responsible ways?

RQ3: How important is CSR in consumers' decision-making process of buying cosmetics and what kinds of CSR initiatives in the cosmetic industry are regarded as more important by consumers?

3 Method

This chapter presents the method employed in this thesis. The quantitative method used in this thesis, sampling, data collection, reliability and validity are discussed. The process of data analysis and interpretation is also presented.

3.1 Study approach

Many different methods for collecting data can be used in business administration research. All the methods fall into two categories: qualitative method and quantitative method. Quantitative studies are based on numerical and quantified data, while qualitative studies mainly deal with non-numerical data of literal statements and descriptions. Researchers can compare different methods, and trying to find the most suitable method for their specific research (Anderson, 2004).

Quantitative methods can statically measure and compare data. The purpose of this thesis is to investigate consumers' awareness of CSR, consumers' attitudes and tendency of purchase behavior toward CSR in the cosmetic industry. Therefore, a quantitative method is more suitable than a qualitative method in this thesis.

As to data, both primary data and secondary data can be used in a research. Data can be categorized into primary data and secondary data based on the source of getting it. Primary data are data collected by researchers themselves for a specific research, and secondary data are data that has already been collected for some other purpose (Sekaran, 2003; Saunders, Lewis, & Thornhill, 2009).

In this study, primary data has been collected. An online questionnaire has been proceeded to collect data of consumers' awareness of firms CSR, consumers' attitudes and tendency of purchasing behavior in the cosmetic industry. The detailed description of how the questionnaire was developed and processed is in section "3.3 Data Collection".

3.2 Sampling

Sampling is the process of selecting individuals to comprise a sample for a study. The sampling technique used in this thesis is a convenience and non-probability sampling method. Most of the time, the whole population of a research question is too big and makes it impossible to collect data for the entire population, so sampling is necessary. A sample is a subset of the population made up by randomly selected individuals from the population. Therefore, only some individuals of a population will be included in a sample. The author targeted the students and graduates of Jönköping University as the sample of this study. Study on the data and its properties we get from a sample is a way to find the answer to a problem, and possibly the answer can be generalized to the entire population (Sekaran, 2003).

3.3 Data collection

In this thesis, primary data is collected through an online questionnaire. In the questionnaire, respondents were asked to answers questions about their knowledge about CSR in the cosmetic industry, their attitudes toward CSR and how they react upon CSR when they buy cosmetics.

Questionnaire is the most popular and practical technique for collecting data in quantitative studies and is widely and frequently used in management studies. Beside questionnaire, other ways of collecting data in quantitative research are used as well, such as observation and experiments (Thi éart, 2001). Questionnaire is defined as “*pre-formulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives*” by Sekaran (2003, p. 236). A questionnaire can be processed through personal administered survey, regular mail, online and telephone. It is a direct way to get individual’s responses on specific research issues. It is an effective way of collecting primary data especially suitable for a quantitative study based on a large sample that is geographically expanded (Thi éart, 2001; Sekaran, 2003).

Three aspects are essential when designing a questionnaire. Firstly, wording of a questionnaire should be brief, clear and neutral. Secondly, variables should be chosen and classified in order to capture a respondent’s answers. Lastly, overall layout of a questionnaire should be neat with introduction and courteous ending and other necessary complementary information. When a questionnaire covers respondents with different native languages, it is necessary to translate the questionnaire into local languages. An alternative way is using an universal language, most of the time English, but questions should be stated in words that are understandable for nonnative English speakers (Sekaran, 2003).

The questionnaire used to collect data for this thesis is in English. While a lot of respondents do not have English as their first language, the author used simple words and structured the questions as clear as possible to minimize misunderstandings. The questionnaire was neatly and tidily structured in a reader friendly manner with necessary information in the beginning of it. The questionnaire is in Appendix 1.

In the questionnaire different variables are used. Attribute variables are used to record demographic information about respondents, and this information is important in the analysis and interpretation section. Certain demographic information such as gender, age occupation and education can help to describe respondents’ characteristics which are important in a report (Sekaran, 2003). One example of attribute variable question in the survey is Question 4: “*Your occupation is*”.

Opinion variables record respondents’ feelings of and beliefs in something. Behavior variables record what respondents did, do and will do in the future (Saunders et al., 2009). Opinion variables and behavior variables are used in the questionnaire to capture the consumer’s attitude and tendency of behavior toward CSR initiatives in the cosmetic industry. For example, two questions in the questionnaire refer to “*What do you think about the relative importance of the below factors and their influence when you buy cosmetics*” and “*How likely is it that you will buy a cosmetic producer’s products if it involves CSR activities of your concerns*” opinion variables and behavior variables.

Usually, both open-ended questions and closed-ended questions are used in a questionnaire. Open-ended questions allow respondents to answer in a way they like. In contrast, close-ended questions provide several alternatives that can be answered and coded easily (Sekaran, 2003). In the questionnaire used in this study, most questions are closed-ended questions in order to measure consumers’ attitude and behavior information as accurate as possible. In addition, two open-ended questions are included mainly to obtain consumers’ comments and opinions.

Scaled questions can help researchers on measuring a respondent's responses to stimulus quantitatively. Scaled questions are popular when we want to investigate a respondent's psychological responses such as feelings, judgments, opinions perception and tendency of behavior (Jupp, 2006). Likert scaled questions capture a respondent's attitudes on an assertion from 1 to 5 which stand for strongly disagree to strongly agree (Buglear, 2004). In the questionnaire of this study Likert scaled questions are used to obtain consumers' attitudes and tendency of behavior. For example, Question 7 is "*You pay close attention to producer's CSR when buying cosmetics.*" with five scaled options "*Strongly disagree; Disagree; Neutral; Agree; Strongly agree*".

After a questionnaire is structured, a pilot test is a good way to find any mistake or unclear expressions. A pilot test is essential to get a high quality data set from a survey. In this study, a pilot test was done on March 14, 2012 in Jönköping. In the pilot test, three respondents were asked to finish a monitored printed questionnaire and give comments on the clarity and quality of each question. Revises were made after the first pilot test. The second pilot test was done on March 15, 2012 in Jönköping. Two respondents were asked to finish a monitored printed questionnaire and give comments. No additional revise was made after the second pilot test since the two respondents said all the questions are clearly stated without any misunderstanding. On April 12, 2012, thirteen revises were made on grammar errors, but without any changes impacting on the meaning of any question.

When a questionnaire has passed a pilot test, the next step is distribution. Questionnaires can be distributed in several ways, by post mail, telephone, online and personal contact. Online questionnaire is relatively easy to administer and reaches a large geographic scope rapidly and inexpensively. The data analysis process of an online questionnaire is relatively efficient because all responses can be coded and analyzed using computer software (Thi éart, 2001; Sekaran, 2003).

The online survey of this study was processed from March 19, 2012 to March 31, 2012. I got 74 respondents in total. The questionnaire is attached as the Appendix 1.

3.4 Reliability and validity

The accuracy of measurements on the variables affects the quality of information we get from a study, therefore we need to examine the goodness of the measurements we employed. Reliability ensures that we are measuring the right variables for a specific study. Validity tests, including content validity, criterion-related validity and construct validity are used to "*test the goodness of measures and writers use different terms to denote them*" (Sekaran, 2003).

No research can claim to be perfectly valid since it is always possible to find some invalidity in a study. However, a critical processed study employing the reliability and validity measurement techniques can generate good quality results that can be judged as reproducible and cumulative, moreover, be generalized (Thi éart, 2001).

To achieve high reliability and validity of this study, a lot of time has been spent on relevant previous studies. Furthermore, variables in the questionnaire were chosen and reviewed carefully in order to capture respondent's attitudes and tendency of purchase behavior precisely. In addition, as mentioned in section 3.3, two rounds of pilot tests were done before the launch of the questionnaire. In the pilot tests, five respondents

were asked to complete the questionnaire under the author's observation and were asked to give their comments on the clarity and quality of the questionnaire.

The response of the questionnaire was voluntary. People who chose to take this survey were at least interested in this study's topic and were likely to answer the questionnaire seriously. This insured the reliability and validity of the study. All the mentioned techniques helped to achieve high reliability and validity of this study.

3.5 Data analysis and interpretation

Once the work of data collection is finished, all data from the survey needs to be edited, analyzed and interpreted. Four stages are involved in the data analysis and interpretation. They are data preparation, getting a feel for data, goodness test of data and testing of research questions. The feel for the data gives an overall image of the average scale and central tendency of the respondents' answers. Researchers can get a general idea on how respondents react to a questionnaire by looking at the mean, mode, median, range, standard deviation and variance (Sekaran, 2003).

3.5.1 Data analysis

Software such as SPSS and Microsoft Office Excel can be used to assist the process of data analysis. Microsoft Office Excel was chosen as the tool of data analyzing because it has all functions that are needed in the data analyzing process in this study. Besides, Microsoft Office Excel has good and easy usability. After data analyzing, the next step is data performing and interpreting.

In the survey of this study, fifteen questions were included. The questions were structured in a logical order and a way of smooth reading. The data of the survey in this thesis was generated from the website where the questionnaire was published.

The coding of data was relatively easy since only three types of questions were included in this questionnaire. The Likert scaled questions were coded from 1 to 5. The demographic information questions and the two open-ended questions were not coded since they are used to explain respondents' attributes and additional comments. Variability is essential to distinguish, while if data on one question has little variability then it is hard to explain and draw conclusions. It is always helpful to demonstrate demographic variables' frequency, mean, median, variance and standard deviation, correlations of variables. Various statistical analyses can be employed to help to answer research questions and interpret the data collected (Sekaran, 2003).

3.5.2 Data interpretation

Data performing and interpreting refer to the description of the numbers and the relationship between numbers. There is a need to communicate the information to the readers in a way that is easy to understand. The intention of data analysis and interpretation is to obtain the essence of data, summarize and communicate the relationship between the data and finally draw conclusions (Dewberry, 2004). In this thesis, chapter 4 includes the data performing and interpreting part.

In chapter 4, the data collected from the survey is sorted into five categories. The first category is the demographic information of the respondents, including questions 1 to question 4. Respondents' gender, age, education and occupation are performed in this category. The respondents' demographic information is shown in section 4.1. The

second category is the respondents' information of CSR and information source. Three questions in the questionnaire, question 5, 6 and 8, were used to collect this information. The three questions asked respondents' awareness of CSR in the cosmetic industry and channels of getting CSR information. Also, one question asked if the respondents can recall any CSR activity of the cosmetic brands they were using. The third category, question 9 and 10, was aiming to obtain information of the respondents' previous behavior of buying cosmetic products. Respondents were asked if they have ever bought a cosmetic mainly because of the producer's CSR and to what extent they agree to avoid buying and using cosmetics from socially irresponsible producers.

Question 7 and question 11 to 14 were asked to measure the respondents' attitudes toward different CSR activities in the cosmetic industry. Question 7 asked the respondents how much attention they paid to the producers' CSR when they buy cosmetic products. Question 11 asked if respondents are more in favor of cosmetics offered by socially responsible firms. If respondents are willing to pay more, and how much more, for cosmetic products from socially responsible producers was asked in question 12. Question 13 asked how important factors such as quality, ingredients and CSR are in the respondents' purchase decision making process. Question 14 asked about the respondents' perception of the importance of the chosen CSR initiatives in the cosmetic industry.

Lastly, question 15 was an open-ended question asking respondents to give their comments on CSR in the cosmetic industry. In the following chapter, findings are analyzed and interpreted in this five categories.

4 Results and analysis

The results of the questionnaire used in the empirical study are presented and analyzed in this chapter. Tables are used to assist the analysis and interpretation.

4.1 Demographic information

In total, 74 respondents answered the online questionnaire. The response rate of the questionnaire was approximately 23% (74 respondents out of 320 invited individuals). 44 respondents (59.5%) are female, and 30 respondents (40.5%) are male. The gender distribution is not even, we got more female respondents than male.

Respondents' age distribution is even more uneven. 56 respondents (75.7%) aged between 18 and 25. 18 respondents (24.3%) aged from 26 to 35. No respondents fall into the rest three age options: under 18 years old, 36 to 45 years old, 46 to 55 years old, or over 55. All people who were over 35 and had been invited to the survey did not reply.

The education levels of respondents are relatively high. 38 respondents (51.4%) hold or was studying for a Bachelor degree. 33 respondents (44.6%) hold or was studying for a Master or even higher degree. Three respondents hold or were studying for a high school diploma are counted 4.1% of the whole respondents.

As to occupation of the respondents, 55 respondents (74.3%) are students, 16 respondents (21.6%) are employees, and 3 respondents (4.1%) are self-employed people. The occupation distribution of the respondents is uneven. The majority are students. The respondents' gender, age, education and occupation information are shown in Table 4-1.

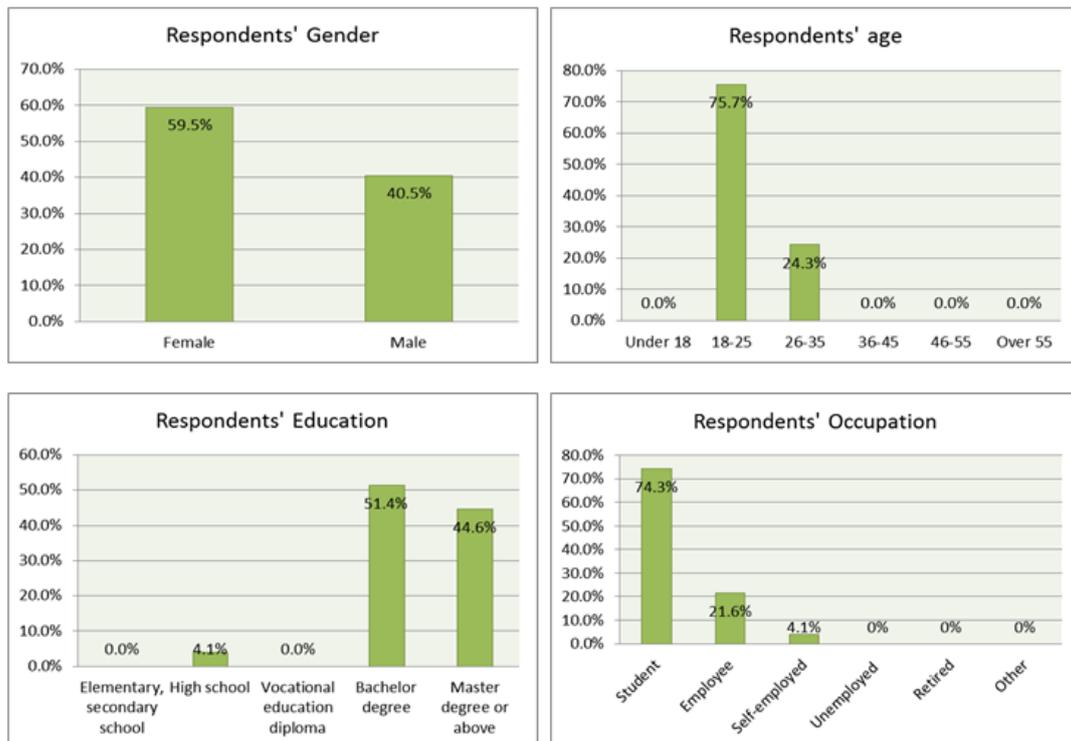


Table 4-1: Demographic information

4.2 CSR awareness and information source

Question 5, 6 and 8 were about the respondents' CSR awareness and information source of CSR about the cosmetic industry. Question 5 was "*You think your CSR information about the cosmetic industry is*". This question has five options: "*very poor; poor; average; good; excellent*". 36.5% of the respondents regarded their CSR information of the cosmetic industry as "average". 29.7% of the respondents answered that they have "poor" CSR information of the cosmetic industry. Table 4-2 shows the respondents' CSR information level of the cosmetic industry.

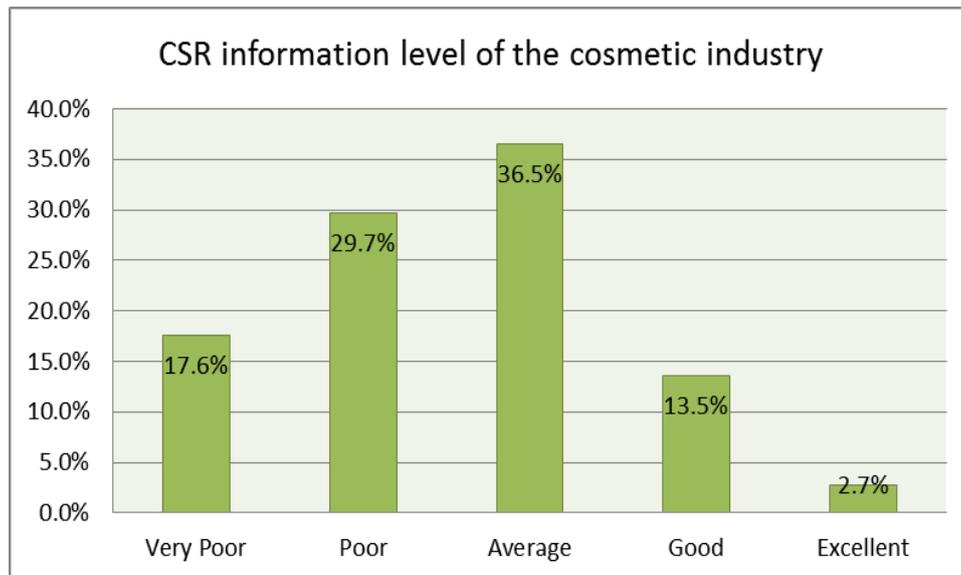


Table 4-2: CSR information level of the cosmetic industry

The mean of respondents' information of CSR was 2.54, means between "poor" (coded as 2) and "average" (coded as 3). In general, the respondents CSR information level was still not high, but was higher than two previous studies show (see Carrigan & Attalla, 2001; Öberseder et al., 2011). The probable reason is that most of the respondents have good education. They obtain more information than the whole population because of good education. Therefore, they also have a higher awareness level of CSR compared to the whole population. We can see that a small segmentation of respondents have "excellent" CSR information of the cosmetic industry. This is congruent with the findings of Carrigan and Attalla (2001) that there exist some highly ethical consumers with very good CSR awareness.

Question 6 was about the information source of CSR in the cosmetic industry. The question was "*You get different cosmetic companies' CSR information from below channels...*". The respondents could choose more than one alternatives included in the seven options listed. The options of the Internet, magazine/newspaper/billboard and product packaging/labels were the three most popular channels through which the respondents get CSR information. Other sources of CSR information were TV/radio, store layout/activities and environment organizations. Table 4-3 shows the popularity of different channels from which the respondents get CSR information about the cosmetic industry.

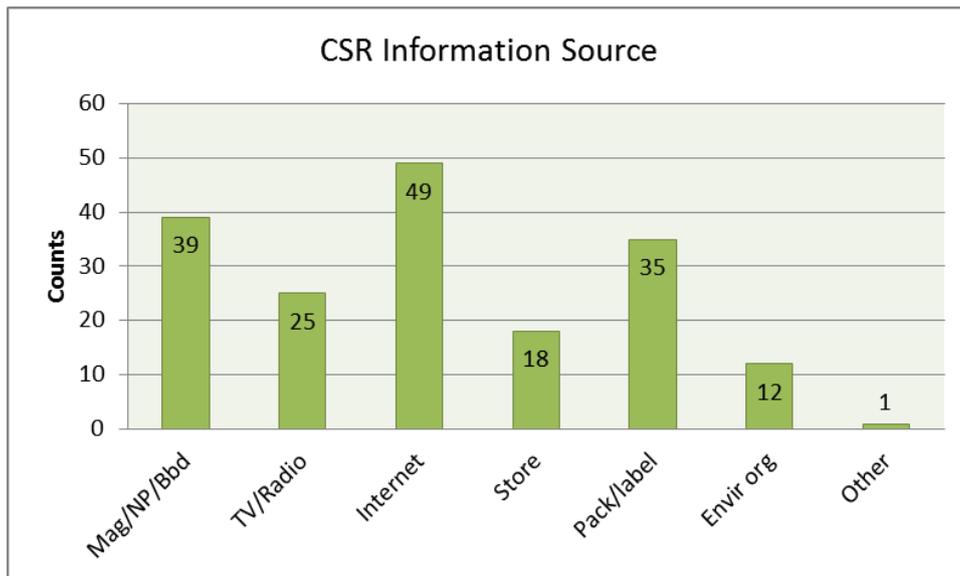


Table 4-3: CSR Information source

We can see the important role of the Internet on communicating CSR with consumers. 49 respondents said they got cosmetic companies' CSR information on the Internet. This made the Internet become the most popular way to get CSR information. At the same time, traditional printed media such as newspapers, magazines and billboards were other important information channels for the respondents. 39 respondents got CSR information through printed media channels. Besides, the respondents got information about cosmetic firms' CSR through product packaging and labels. 35 respondents regarded product packaging and label as a way of getting cosmetic firms' CSR information.

Respondents could also add other sources of CSR information. I got one effective response of "other CSR information channel" which was "employee". Some consumers can get information from cosmetic firms' employees as well, but only when they are able to communicate with the employees.

When asked "Can you recall any CSR initiatives by the cosmetic brands you are currently using", 54.1% of the respondents could not. Only 45.9% of the respondents could recall some CSR initiatives from the cosmetic brands they were using.

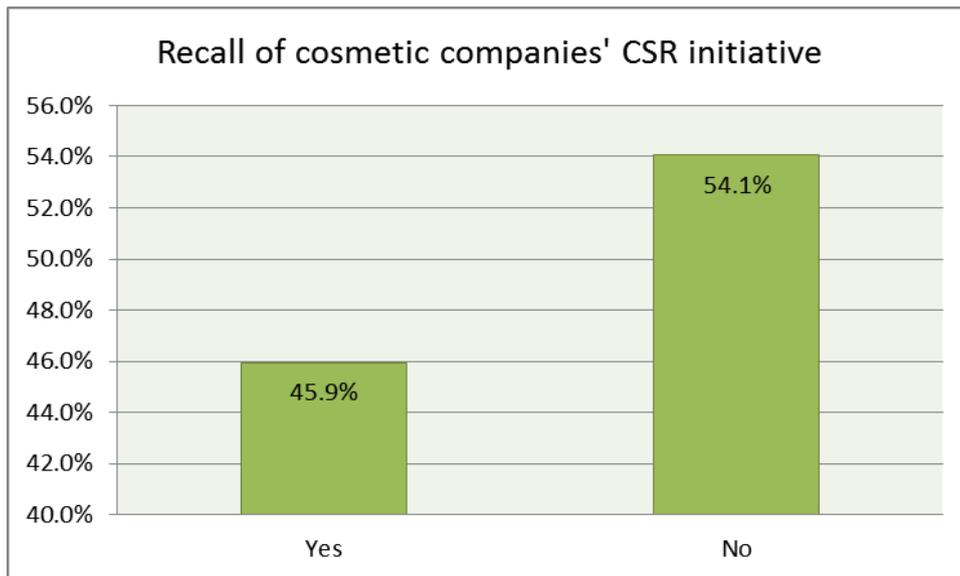


Table 4-4: Recall of cosmetic companies' CSR initiative

As it was argued by Carrigan and Attalla (2001), most of the consumers are not active CSR information seekers. They are waiting to be informed about companies' CSR initiatives. The majority of the respondents cannot always remember different firms' CSR initiatives after their purchase.

4.2.1 Analysis of CSR awareness and information source

The respondents of this study had better CSR awareness and CSR information compared to two previous studies (see Becker-Olsen et al., 2006; Öberseder et al., 2011). 36.5% of the respondents regarded their information of CSR in the cosmetic industry as "average". In total, 52.7% of the respondents answered that their information of CSR about the cosmetic industry was "average" or above average. The respondents got information about cosmetic firms' CSR through different information channels. The Internet was the most popular way of getting CSR information of the cosmetic industry. At the same time, traditional media such as newspaper, magazine and billboard still play an important role in the communication of CSR of the cosmetic industry. 54.1% of the respondents could not recall any CSR initiatives of the cosmetic brands they were using. This indicated that the communication of CSR was still relatively inefficient in the cosmetic industry.

4.3 Tendency of purchase behavior

Questions 9 to 11 asked the respondents about their past purchase behavior and the tendency of future purchase behavior. Question 9 asked if they have bought a cosmetic mainly because of the producer's CSR initiatives. 67.6% of the respondents gave a negative answer. Only 32.4% of the respondents said they have bought a cosmetic mainly because of the producer's CSR initiatives. The result of question 9 is shown in Table 4-5.

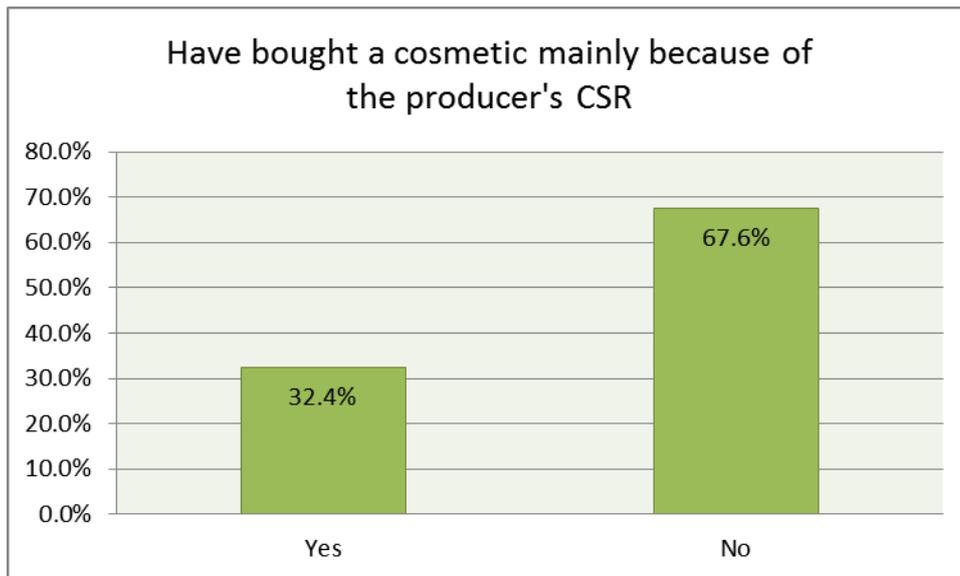


Table 4-5: Previous ethical purchasing on cosmetics

Consumers are rational in general. They buy a cosmetic mainly because of the benefits they can get from it. Cosmetic producers' CSR is not a main factor that influences consumers' purchase decision. However, some consumers, here 32.4% of the respondents, have bought a cosmetic mainly because of the producers' CSR. Some consumers are highly ethical and pay much attention to producers' CSR when they buy cosmetics. This small segment of highly ethical consumers had been pointed to in the study of Carrigan and Attalla (2001).

Question 10 was designed to investigate the tendency of consumers purchase behavior with regard to CSR in the cosmetic industry. The question was *"You avoid buying and using a cosmetic if its producer involves in socially irresponsible business practice"*. Five options from "strongly disagree" to "strongly agree" were listed as the alternatives. 54.1% of the respondents answered "agree" or "strongly agree", while only 20.3% of the respondents answered "disagree" or "strongly disagree". Approximately 25% chose neutral on avoid buying and using cosmetics from socially irresponsible firms. The table 4-6 shows to what extent the respondents agree on avoid buying and using socially irresponsible cosmetic firms' products.

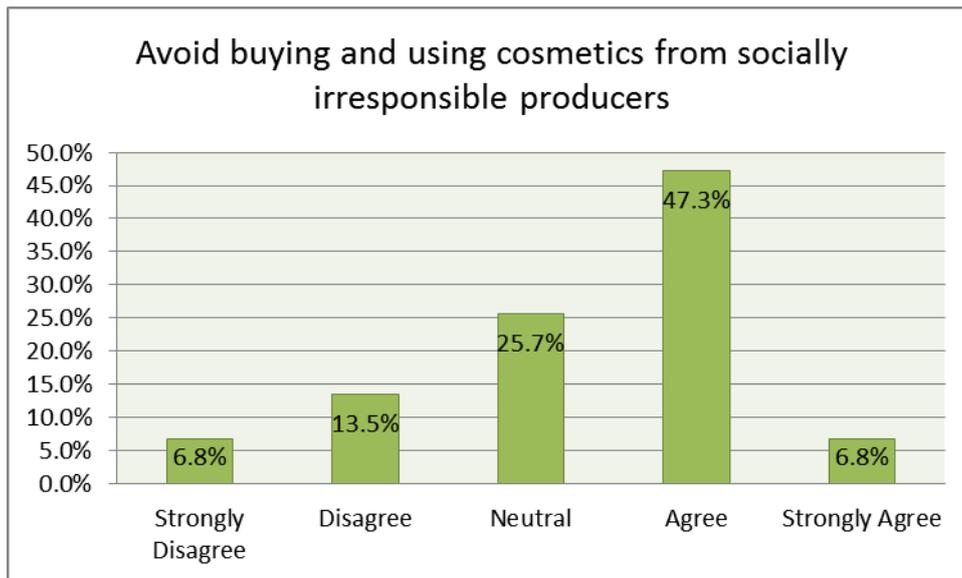


Table 4-6: Avoid buying socially irresponsible producers’ cosmetics

There is a tendency that the majority of the consumers are likely to punish socially irresponsible firms by their purchasing choices. More than half of the respondents to some extent agreed that they avoid buying or using socially irresponsible cosmetic firms’ products. Firms involved in socially irresponsible business practices are more likely to face consumers’ boycott.

Question 11 was “*How likely is it that you will buy a cosmetic producer’s products if it involves CSR activities of your concerns*”. The respondents could choose from five options range from “very unlikely” to “very likely”. 43.2% of the respondents chose “likely”. The option that got the second most response was “undecided”. 32.4% of the respondents answered “undecided” when being asked how likely it is that they will buy products of cosmetic firms that practice social responsibilities. 13.5% of the respondents answer “unlikely” or “very unlikely” to this question. The answer distribution of question 11 is shown in Table 4-7.

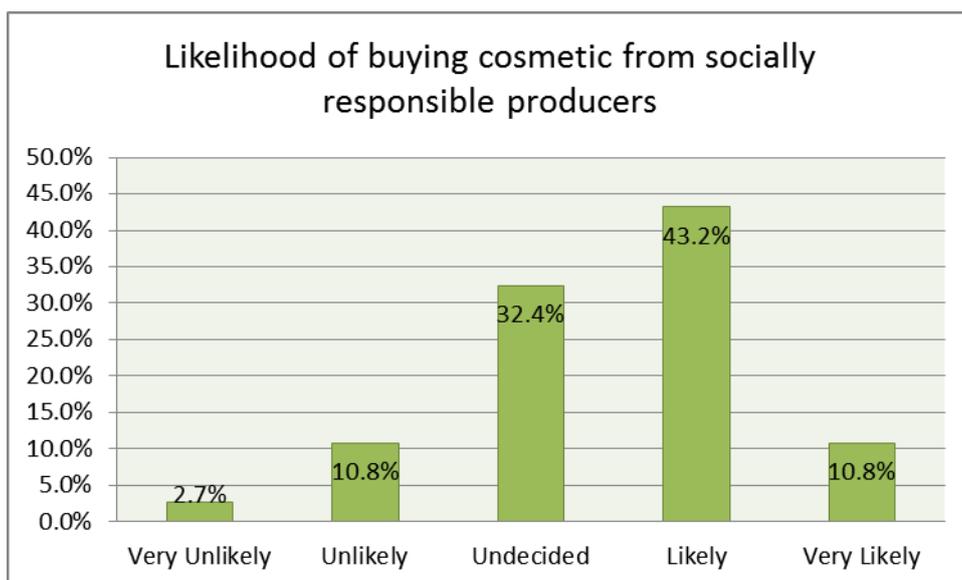


Table 4-7: Likelihood of buying cosmetics from socially responsible producers

4.3.1 Analysis of purchase behavior

It is meaningful to compare the answers of question 11 with the answers of question 10. Question 10 was investigating the respondents' tendency to avoid buying and using products from socially irresponsible cosmetic firms. Question 11 was similar to question 10 but was formulated in a different way. Question 11 was trying to find out the likelihood of buying products from socially responsible cosmetic producers. The findings of the two questions are congruent. 54.1% of the respondents agreed that they avoid buying and using products from socially irresponsible cosmetic producers, while also 54.1% of the respondents expressed the likelihood that they will buy cosmetic products from socially responsible cosmetic firms. 32.4% of the respondents answered "undecided" to if they will buy products from socially responsible cosmetic firms, while 25.7% were neutral on avoid buying and using products of socially irresponsible cosmetic firms.

20.3% of the respondents answered "disagree" or "strongly disagree" on avoid buying and using cosmetics from socially irresponsible firms. At the same time, only 13.5% of the respondents showed the unlikelihood of buying cosmetics from socially responsible firms. Öberseder et al. (2011) argued that consumers will ignore CSR in their purchase decision making process if the CSR is only a vague idea, continuing with their customary purchase habits. Carrigan and Attalla (2001) also argued that some consumers will continue buying and using products from socially irresponsible firms even if they know that these firms have a bad CSR record. The findings of this study are congruent with the arguments of Carrigan and Attalla (2001), and Öberseder et al. (2011).

Part of the consumers' purchase behavior will not be affected by CSR even though they know that some firms are socially irresponsible in their business activities. Consumers claimed that they support socially responsible businesses; actually, they do not act as what they claimed in their purchase activities. The purchase decision is a complex process in which different factors are involved. CSR is a factor that influences a consumer's purchase behavior, but not one of the core factors (Carrigan & Attalla, 2001; Öberseder et al., 2011).

4.4 Respondents' attitudes toward CSR

Question 7 and question 12 to 14 were aiming to capture the respondents' attitudes toward CSR in the cosmetic industry. Question 7 was "*You pay close attention to producer's CSR when buying cosmetics*". The respondents could choose from five options ranged from "strongly disagree" to "strongly agree". Nearly 50% of the respondents chose "neutral" to question 7. 14.9% and 4.1% of the respondents answered "agree" and "strongly agree" respectively, while more respondents to some extent disagreed with the statement that they care much about CSR when they buy cosmetics. 33.8% of the respondents were to some extent disagreeing with the statement that they pay close attention to producers' CSR when buying cosmetics. The table 4-8 shows how the respondents agree or disagree with the statement of question 7.

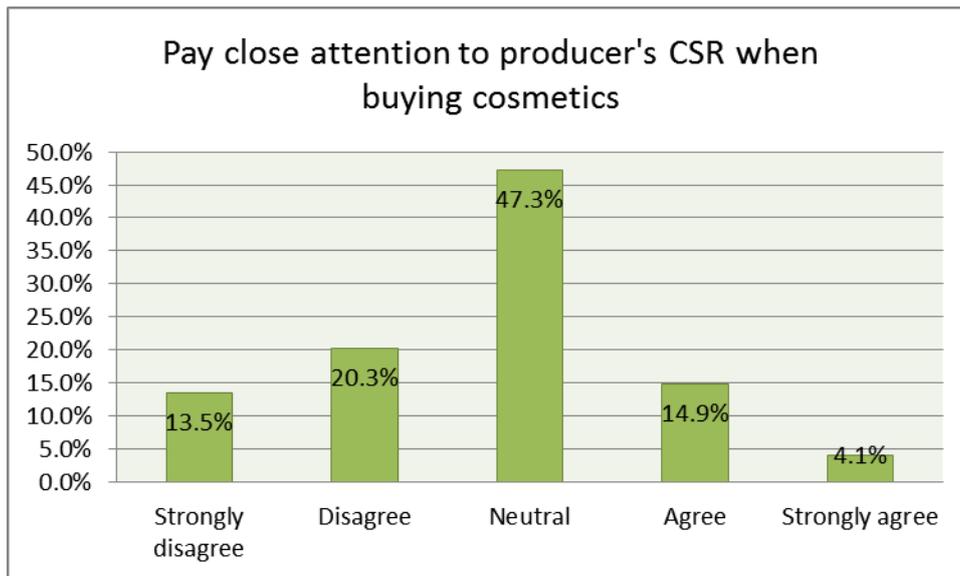


Table 4-8: Pay close attention to producer’s CSR when buying cosmetics

Question 12 asked if respondents are willing to pay a premium to cosmetics from socially responsible producers, and how much extra they are willing to pay. 6.8% of the respondents answered they will not pay a premium for cosmetics made in socially responsible ways. 93.2% expressed that they are willing to pay some extra money. In general, respondents were willing to pay a premium, but they did not want to pay too much. 50% of the respondents chose to pay less than 10%. 31.1% of the respondents answered that they are willing to pay 10% to 20%. Table 4-9 shows how much extra the respondents were willing to pay for cosmetics from socially responsible producers.

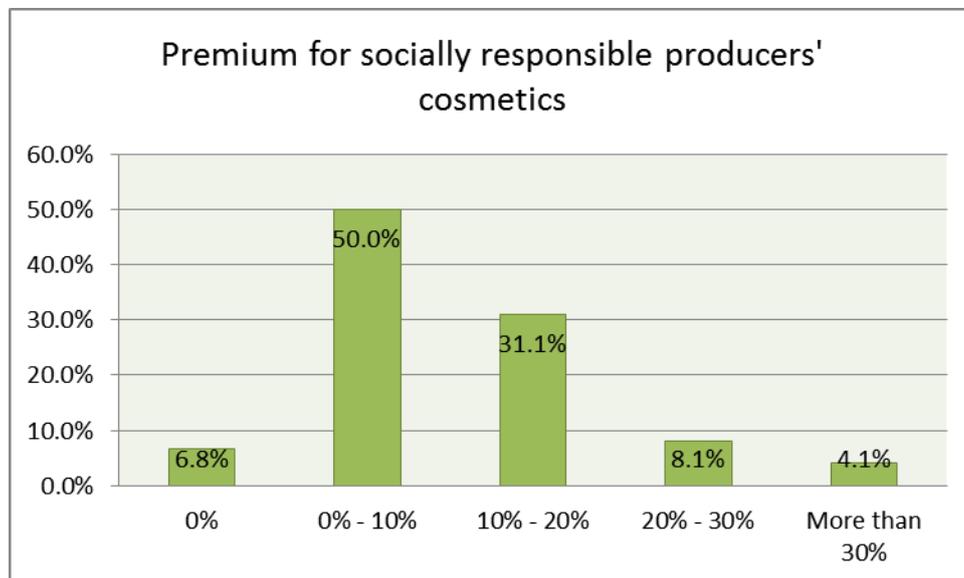


Table 4-9: Premium for socially responsible firms’ cosmetic products

Question 13 was “*What do you think about the relative importance of the below factors and their influence when you buy cosmetics*”. The respondents were asked to give the relative importance of factors such as price, quality, brand reputation, producer’s CSR and ingredients. Five options range from “unimportant” to “very important”. Table 4-10 shows how the respondents rated the relative importance of different factors that influenced their purchase decisions of cosmetics.

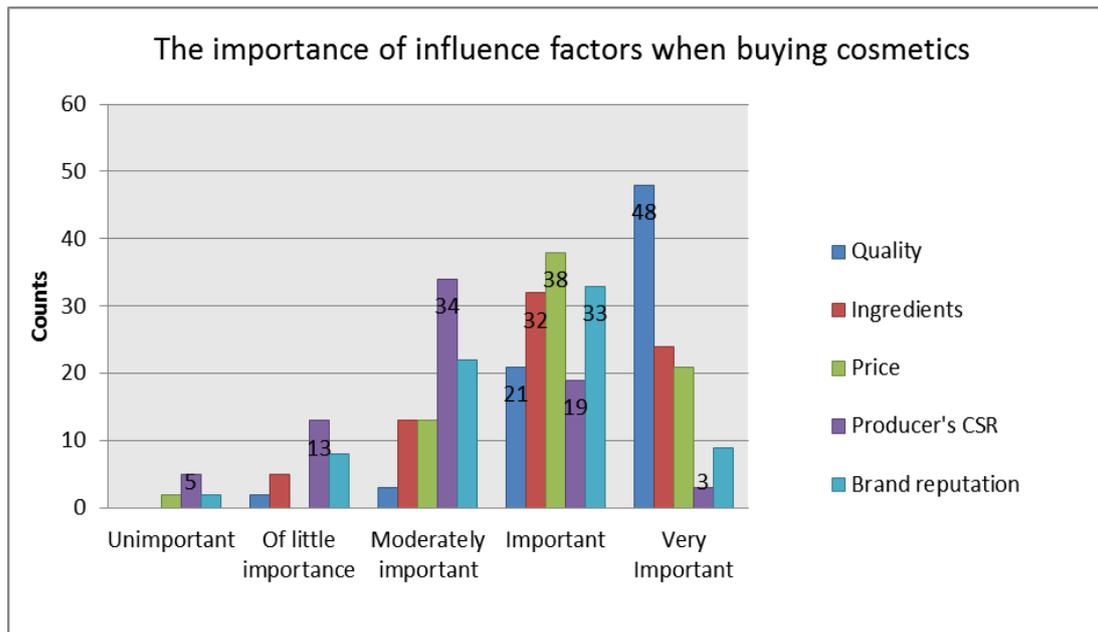


Table 4-10: The relative importance of influence factors

48 respondents rated that quality is “very important” when they choose to buy cosmetics, and 21 rated quality as “important”. In total, 69 of the respondents, or 93.2%, regarded quality as an “important” or “very important” influence factor. Price was also regarded as an important factor. 38 respondents answered that price is an “important” factor in their purchase decision-making process. 21 respondents regarded price as a “very important” factor. Respondents care about cosmetics’ ingredients too. 75.7% expressed that ingredients is an “important” or “very important” factor that influence their decisions when buying cosmetics.

The respondents care about producers’ reputation when buying cosmetics. 33 of the respondents rated the brand reputation as an “important” factor that influences their purchase decision of cosmetics. 9 regarded brand reputation as a “very important” factor when they buy cosmetics. In total 42 (56.8%) rated brand reputation as an “important” or “very important” factor that they consider when they buy cosmetics.

As to CSR, 34 (45.9%) respondents rated producer’s CSR as a “moderately important” factor of their purchase decision of cosmetics. The numbers of respondents who believed that producer’s CSR is an “important” or “very important” factor of their purchase decision process were 19 and 3. These highly ethical consumers amount to 29.7% of the total respondents. In total 18 (24.3%) respondents answered that producer’s CSR is an “unimportant” factor or “of little importance” when buying cosmetics. This number was higher than what the other four influence factors got. Only 2 (2.8%) respondents rated quality and price as “unimportant” or “of little importance” to their purchase decision of cosmetics. 5 (6.9%) of the respondents did not care much about ingredients, and 10 did not pay much attention to brand reputation when they buy cosmetics.

The relative importance of these factors in consumers’ decision-making process of buying cosmetics was compared. The five options from “unimportant” to “very important” were coded as 1 to 5. 1 stands for “unimportant”, 2 means “of little importance” and 5 means “very important”. The mean of the relative importance of these five factors is shown in Table 4-11.

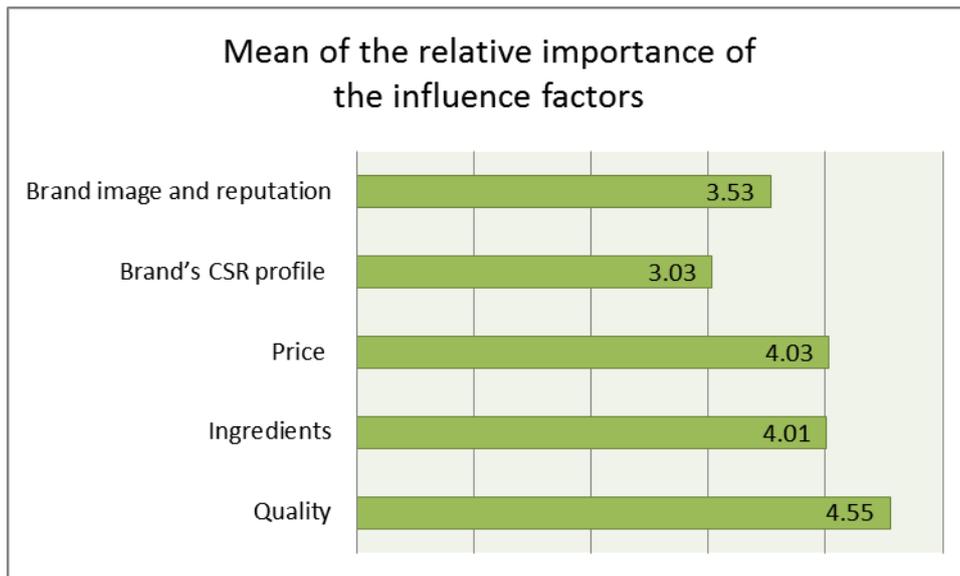


Table 4-11: The mean of the relative importance of the influence factors

The most important factor out of the five that influences the respondents' purchase decision of cosmetics is quality. Its mean of relative importance was 4.55 which is between "important" and "very important". Consumers care about cosmetics' quality. They buy cosmetics mainly because the products make them look and feel good. Quality is a core factor that influences consumers' purchase decision. The second important factor was price. Price got a mean of relative importance of 4.03 which is a little bit above important. This number was very close to what the ingredients got. The respondents also consider a cosmetic's price when they chose from different alternatives. As what has been pointed to in section 4.4, the respondents are willing to pay a premium to cosmetics from socially responsible producers. But the premium is less than 20% on average.

The respondents also regarded ingredient as one important factor when they buy cosmetics. The probable reason is that individual consumers have preferences for different ingredients that suit their skin types. The mean of the relative importance of brand reputation was 3.53. This number suggests that the relative importance of brand reputation is between "moderately important" and "important". Consumers believe that brand reputation is the guarantee of safe and high quality products. But brand reputation does not affect consumers' purchase decision directly. Instead, it is a signal of high quality.

The mean of relative importance of producer's CSR was 3.03. This number suggests that CSR is a little bit more than "moderately important". This number was the lowest one of the five factors. For the respondents, a producer's CSR is not as important as factors such as quality, price and ingredients when they buy cosmetics. Consumers choose a cosmetic mainly because of the benefit that they can get from it, so quality is their prime concern. Cost benefit analysis is used by consumers in their purchase process. Price was also considered as an important factor that influences the respondents' purchase decision.

I am also interested in examining consumers' perception of the popular CSR initiatives in the cosmetic industry. Question 14 was designed with this purpose. The question was "What do you think about the importance of the listed CSR initiatives in

the cosmetic industry". The six listed CSR initiatives were "ecological production process, reduce packaging and use ecological packaging material, against animal test, provide consumers with safe products, contribute to local communities", and the sixth, "health awareness and promotion campaigns". These CSR activities are popular in the cosmetic industry and are practiced by renowned brands such as The Body Shop and L'Oréal and other cosmetic producers (Organic Monitor, 2010). The respondents could choose from five options scaled from "unimportant" to "very important". Table 4-12 shows how the respondents rated the importance of the listed CSR initiatives in the cosmetic industry.

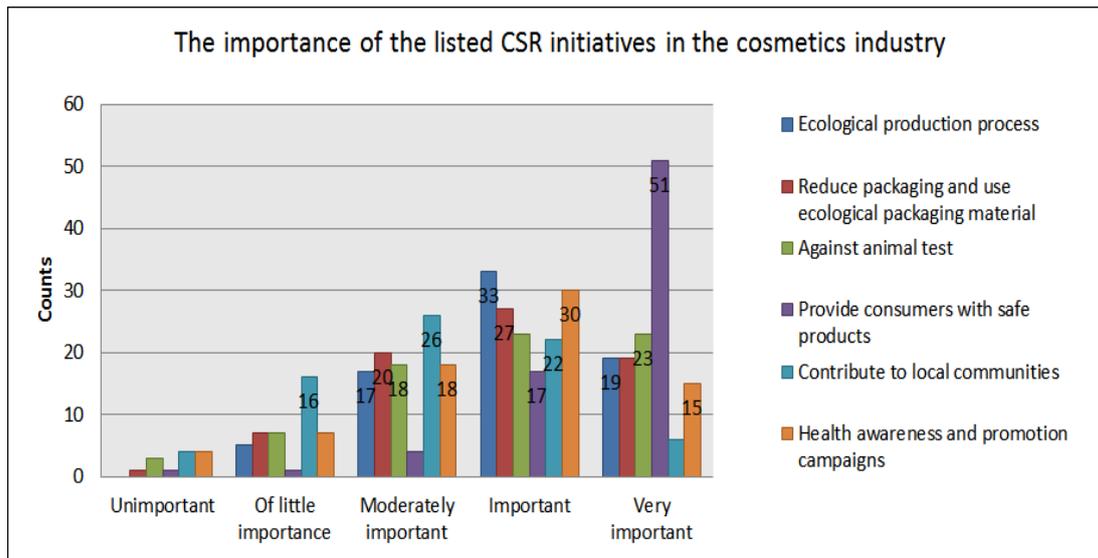


Table 4-12: The importance of different CSR initiatives

The respondents expressed their concern for firms' responsibility for providing consumers with safe products. 51 of the respondents rated "provide consumers with safe products" as "very important", and 17 rated "important". In total, 68 of the respondents stated that it is important that cosmetic firms provide consumers with safe products.

"Ecological production process" was another CSR activity that a lot of the respondents rated as "important" and "very important". 33 respondents rated it as "important", and 19 rated "very important". "Against animal test" and "reduce packaging and use ecological packaging material" were regarded as important by the respondents too. But the relative importance of "against animal test" and "reduce packaging and use ecological packaging material" were not as high as "provide consumers with safe products" and "ecological production process".

30 of the respondents rated "health awareness and promotion campaigns" as "important" and 15 respondents rated "very important". As to "contribute to local communities", 26 of the respondents rated it as "moderately important", while 22 and 6 of the respondents chose "important" or "very important".

The relative importance from "unimportant" to "very important" was coded with figure 1 to figure 5. "Unimportant" was coded as 1, "of little importance" was coded as 2, and "moderately important" to "very important" were coded from 3 to 5. After coded the relative importance of the listed CSR initiatives in the cosmetic industry,

the mean of the relative importance of the six listed CSR initiatives was calculated. The mean is shown Table 4-13.

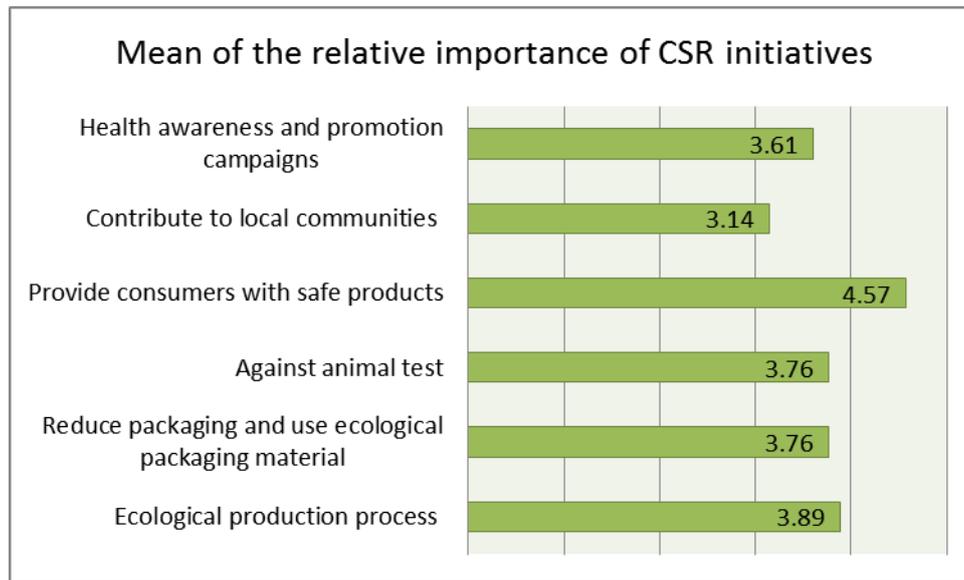


Table 4-13: The mean of the relative importance of CSR initiatives

In all the six listed CSR initiative activities, “provide consumers with safe products” got the highest mean of relative importance. The mean of relative importance of “provide consumers with safe products” was 4.57. This number suggests that the respondents regarded the importance of “provide consumers with safe products” as between “important” and “very important”. Ecological production got an average relative importance of 3.89. This means the mean of the relative importance of “ecological production process” was between “moderately important” and “important”, but more close to important. The respondents regarded “against animal test” and “reduce packaging and use ecological packaging material” as between moderately important and important on average. The two CSR initiatives both got 3.76 on the mean of relative importance. “Health awareness and promotion campaigns” got a mean of relative importance of 3.61. This number indicates that the respondents regarded the importance of “health awareness and promotion campaign” as a little more than “moderately important”. Among all the six listed CSR initiatives in the survey, “contribute to local communities” was the one that got the lowest mean of importance. The mean of “contribute to local communities” was 3.14. The number suggests that the respondents regarded “contribute to local communities” to be a little bit more than “moderately important”.

4.4.1 Analysis of respondents’ attitudes toward CSR

Consumers are willing to pay a premium for cosmetics from socially responsible firms, but they do not want to pay much. Most of the respondents were willing to pay less than 20% extra for cosmetics from socially responsible firms. Carrigan and Attalla (2001) also argued that consumers are willing to pay a premium for products made in a more socially and environmentally responsible way. But they are not willing to spend time on figuring out which firms are socially responsible. It is possible that socially responsible cosmetic producers can charge a higher price for

their products. But it is essential to communicate with consumers about the firm's CSR.

McWilliams and Siegel (2001) argued that firms can find an ideal level of CSR through cost benefit analysis. But they did not point out how to analyze the cost and benefit. The premium that consumers are willing to pay for socially responsible firms' products can be seen as the benefit. It is less than 20% compared to the total price of a product. The expenditures that firms spend on CSR should not be more than the premium that consumers are willing to pay, in order to keep CSR as a sustainable business practice.

Carrigan and Attalla (2001) argued that price, value, brand image and trend are the most important factors that influence consumer choice. This argument is congruent with the finding of this study focused on the cosmetic industry. Cosmetic companies can employ CSR as a competitive strategy, but only if they can provide high quality products. The role of CSR in consumer decision-making processes is limited. Cosmetic firms with a good CSR record, but fail in providing high quality cosmetic products will fail in attracting consumers. Öberseder et al. (2011) stated that CSR is a peripheral factor rather than a core factor in consumers' purchase decision-making processes. The findings of this study support the argument of Öberseder et al. (2011).

Carroll (1991) argued that a firm's CSR is constituted by four kinds of social responsibilities. They are economic, legal, ethical and philanthropic responsibilities. The four kinds of responsibilities constructed the pyramid of CSR. Economic and legal responsibilities are the bases of the pyramid, while ethical and philanthropic are the upper layers. Since this study focuses on CSR and its impact on consumer behavior, the economic responsibilities of a firm are not included. The six listed popular CSR initiatives in the cosmetic industry can be categorized into three kinds of social responsibilities: legal, ethical, and philanthropic responsibilities.

Firms need to provide consumers with safe products. This is a basic requirement by the law. The responsibilities to provide safe products can be seen as cosmetic firms' legal responsibilities. "Health awareness and promotion campaign" and "contribute to local communities" are not required by the law. If firms fail in fulfilling these two kinds of responsibilities, consumers will not regard firms as unethical. The responsibilities of "health awareness and promotion campaign" and "contribute to local communities" can be categorized into philanthropic responsibilities.

It is not very clear to which kinds of responsibility "ecological production process" and "reduce packaging and use ecological packaging material" belong. Since it is required by the law that companies' business activities need to follow the environment reservation standards, the author categorizes ecological production process into legal responsibilities. It is not clearly required by law that cosmetic firms need to reduce packaging and use ecological packaging material. The author categorizes this CSR initiative into ethical responsibility.

From the mean of the relative importance of the six listed CSR initiatives, we can see that the respondents regard "provide consumers with safe products" as important to cosmetic firms. The mean of the relative importance was between "important" and "very important". As to the ethical responsibilities of CSR, the respondents regarded it as between "moderately important" and "important". The ethical responsibilities are not as important as legal responsibilities, but are more important than philanthropic

responsibilities. The philanthropic responsibilities in this study, “health promotion” and “contribution to local communities” were regarded as between “moderately important” and “important”. But the mean of the relative importance of philanthropic responsibilities was lower than the mean of ethical responsibilities.

The findings of this study proved that consumers believe that the basic layers of Carroll’s (1991) CSR pyramid, such as legal responsibilities, are more important than the responsibilities in the upper layers. Cosmetic firms can fail in involving in CSR initiatives that fulfill their philanthropic responsibilities. But they should better not fail in practicing their legal and ethical responsibilities.

Consumers care more about CSR initiatives that are congruent with their interests (Sen & Bhattacharya, 2001). Product quality and safety, environment reservation and against animal tests are relevant to most of the consumers. CSR initiatives such as “health promotion” are only relevant to certain groups of consumers who have health problems. Consumers do not care much if a firm is contributing to the local community unless they are members of the community. Companies need to be selective on different CSR initiatives, only choose the ones that are cared about by their consumers and are relevant to the companies’ expertise.

4.5 Respondents’ comments

Question 15 was an open-ended question aiming to collect respondents’ comments about CSR initiatives in the cosmetic industry. The question was “*You are very welcome to leave any comment about CSR in the cosmetic industry*”. I got eleven very inspiring comments. The comments are quoted and analyzed as follows.

4.5.1 CSR communication

A male respondent, aged between 18 and 25 who is a Bachelor student, stated that “*In my opinion, CSR initiatives are definitely important. But I think the communication about the initiatives is not that good. Most people have no idea what the initiatives are behind the products*”. He expressed his opinion that consumers still have little information about CSR, and suggested that firms need to do more on the communication of CSR. His comments also support the findings of Carrigan and Attalla (2001), that consumer care about CSR but have little information of CSR. Consumers are waiting to be informed about firm’s CSR and expect firms’ to put more effort into communication of CSR with the public.

“*We need more information about this if there even is any CSR initiative*”. This was a comment by a male respondent aged between 18 and 25, who is an employee and hold a Bachelor degree. A female respondent, aged between 18 and 25 who is a Master student commented that “*personally, I don't know much about this since such kind of information is not popular, just for certain groups. I recommend the cosmetics company communicate more of their CSR and call attention to their clients.*” From these two comments we can see that consumers expect more information about CSR in the cosmetic industry.

4.5.2 Relative importance of CSR

“*The top responsibility is to keep quality*” commented by a female respondent who is an employee aged between 26 and 35, holding a Bachelor degree. A male respondent who is an employee aged between 26 and 35, holding a Bachelor degree stated that

“CSR can help building brand equity and image but is of little aid for sales. Especially for low and middle end cosmetic products, for which retail price is the driven factor of consumer choice”.

The respondents view providing high quality cosmetic products as the basic and most important responsibility of cosmetic companies. They also believe that CSR benefits brand image, but has little help on increasing sales. Consumers care much about the price of cosmetics rather than CSR, especially consumers who can only afford low-end and middle-end cosmetic products.

4.5.3 The ethical consumers

In section “2.3.1 Ethical purchase intention”, the author analyzed Carrigan and Attalla’s (2001) typology of consumers, based on the awareness of CSR and ethical purchase intention. We can find some examples of “oblivious consumers” and “caring and ethical consumers” from the respondents’ comments.

“I try to buy quality cosmetics and I never follow CSR of any cosmetics I buy, unless some incident is discovered by the media”. This comment was from a female respondent who is a Master student aged 26 to 35.

I also got comments from four caring and ethical consumers. Two respondents stated that *“personally I only buy Vegan cosmetics which weren't tested on animals”* and *“from now on, I think I will care more about CSR when I want to buy some cosmetics”*. The other two respondents left valuable comments as follows.

“I believe that CSR is very important in all types of organizations, and I have a very huge interest within the cosmetic industry. I think that CSR is vital when I buy my products. It feels better and more pure to use products that one knows come from good sources and have been produced in a good sustainable way. Everyone shall take responsibility! That is what makes the world to a better place if everyone contributes!” This was a comment from a female student who aged between 18 and 25 studying for her Bachelor degree.

“I always buy natural cosmetics but it is difficult to find them with a reasonable price. I have to purchase them from abroad or online. I think it is sad that the most renowned brands use a lot of chemicals and consumers are unfortunately not very aware of their effects on our health and to the environment.” This was a comment from a female student who aged between 18 and 25 studying for her Master degree.

4.5.4 CSR and competitive strategy

One female respondent who aged between 18 and 25 studying for her Master degree pointed out that CSR can benefit a firm’s competitive advantages. She said that *“at the end, CSR adds eventually competitive advantage to the companies, because they have somehow to differentiate from the other competitors”*. Her argument was congruent with what is stated by McWilliams and Siegel (2001) and Halal (2000).

4.6 Summary of results

On average, the respondents did not care much about producers’ CSR when they buy cosmetics. Nearly half of the respondents were neutral to producers’ CSR when they buy cosmetics. The respondents did not regard their information about CSR in the

cosmetic industry as sufficient. The mean of the respondents CSR information level was between poor and average. The respondents expressed that they expect cosmetic companies to communicate more about their CSR activities with consumers. The respondents got information on cosmetic companies' CSR from different channels. The three most popular way of getting CSR information were through the Internet, printed media (such as magazine, newspaper and billboard) and product packaging and labels.

Nearly half of the respondents agreed that they avoid buying and using cosmetics from socially irresponsible producers. But in general, the mean of this tendency was between neutral and agree. 43.2% of the respondents answered that it is likely that they will buy cosmetics from socially responsible producers. The mean of all the respondents' likelihood was between "undecided" and "likely".

The respondents were willing to pay a premium to cosmetics made in socially responsible ways even though they do not care much about CSR when they buy cosmetics. The premium was not high. Half of the respondents were willing to pay a premium, which is less than 20% for cosmetics made in socially responsible ways.

The respondents cared more about cosmetic products' quality, price, ingredients and brand reputation than producers' CSR when they buy cosmetics. Compared to cosmetics quality and price, CSR is not so important in consumers' decision making process of buying cosmetics. On average, the respondents regarded CSR as a moderately important influence factor when they buy cosmetics.

The respondents regarded some CSR initiatives to be more important for the cosmetic industry. They rated provide consumers with safe cosmetic products as the most important one in the listed six CSR initiatives. Ecological production and reduce packaging and use ecological packaging materials were regarded as important too. Health promotion campaigns and contribute to local communities were regarded as not so important for the cosmetic industry.

Eleven respondents also added their comments on CSR in the cosmetic industry. They stated that CSR is not as important as quality and price when they buy cosmetics. At the same time, they expect cosmetic firms to communicate more about their CSR initiatives with consumers. I also got comments from two highly ethical consumers. One respondent always buy cosmetics made in socially responsible ways and the other regarded CSR as very important and urged all consumers to take their responsibilities.

5 Conclusions and discussion

This chapter presents the conclusions drawn from the analysis of the empirical study. The contribution and limitation of the study are also discussed in this chapter. The last section of this chapter is suggestions for further studies.

5.1 Conclusions

The first research question is *“Do consumers have sufficient CSR information about the cosmetic industry and from which channels do consumers get the cosmetic producers’ CSR information”*. Based on the analysis I conclude as follows. Consumers’ average awareness level of CSR information of the cosmetic industry is between “poor” and “average”. Consumers expect cosmetic firms to communicate more about their CSR and CSR initiatives with the public. The three most popular ways of getting cosmetic firms CSR information are the Internet, printed media (such as magazine, newspaper and billboard) and product packaging and labels. Cosmetic companies need to pay more attention to the communication of CSR with consumers. When communicating CSR with consumers, it is important to choose the efficient media channels.

The second research question is *“Do consumers care about CSR when they buy cosmetics and are they willing to pay more for cosmetics produced in socially responsible ways”*. The analysis indicates that consumers do not pay much attention to producers’ CSR when they buy cosmetic products. Probably because consumers do not have much information about CSR, so they choose to ignore the CSR attributes of cosmetic producers when they make a purchase decision. However, most of the consumers are willing to pay a premium for cosmetics made in socially responsible ways as the study shows. Consumers are not oblivious to cosmetic producers CSR.

The third research question is *“How important is CSR in consumers’ decision-making process of buying cosmetics and what kinds of CSR initiatives in the cosmetic industry are regarded as more important by consumers”*. Based on the analysis, I conclude that CSR is not an important factor that influences consumers’ decisions on buying cosmetics. The three most important factors that influence consumers’ choice of cosmetics are quality, price and ingredients. On average, consumers regard CSR as “moderately important” when they buy cosmetics. Consumers believe that the most important responsibility for cosmetic firms is to provide consumers with safe and high quality products. Ecological production and environment reservation are important in cosmetic firms’ CSR initiatives.

To sum up, consumers get CSR information about the cosmetic industry from different channels. The Internet plays an important role in communicating CSR. Consumers’ CSR information about the cosmetic industry is between “poor” and “average”. They expect cosmetic companies to communicate more about CSR with the public. Consumers care much about products’ quality, price and ingredients when they buy cosmetics. CSR is not an important factor in consumers’ purchase decision of cosmetics. Even though consumers do not pay much attention to producers’ CSR when they buy cosmetics, they are willing to pay more for cosmetic products made in socially responsible ways. Consumers believe it is important that cosmetic firms fulfill their legal and ethical responsibilities, but they do not ask cosmetic firms to be philanthropically responsible.

5.2 Contribution and limitation

The contribution of the empirical study and analysis presented in this thesis is the clarity of consumers' awareness, attitudes and tendency of purchasing behavior toward CSR in the cosmetic industry. Cosmetic companies need to pay more attention to communication of CSR with consumers. When fulfilling their social responsibilities, cosmetic companies need to focus on their legal and ethical responsibilities, since consumers regard these two types of responsibilities as more important. Moreover, the findings of this study can serve as good references when cosmetic firms work on their CSR.

The author also wants to point to the limitation of the thesis. Consumers do not always act as they claim. There exists a gap between consumers' attitudes and actual purchase behaviors. Two previous studies called attention to the attitude-behavior gap (see Carrigan & Attalla, 2001; Öberseder et al., 2011). Conclusions drawn from the study in this thesis cannot exactly indicate how a consumer will behave in a real purchase situation because of the attitude-behavior gap. Further studies, recommended in section 5.3, may help to minimize, or hopefully overcome, the bias caused by the attitude-behavior gap.

5.3 Suggestions for further studies

Consumers' ethical purchase behavior is relevant to their financial status (Öberseder et al., 2011). The majority of the respondents in this thesis are students. They cannot always afford to be ethical consumers even if they want to. It is necessary to explore the relationship between consumers' income and ethical purchase behavior. Furthermore, it is meaningful to investigate the relationship between consumers' expenditure on cosmetics and ethical purchase behavior.

Consumers do not act as they claim. There exists a gap between consumers' ethical purchase intention and actual purchase behavior (Carrigan & Attalla, 2001). It is essential to investigate the attitude-behavior gap in order to obtain a better understanding of consumers' actual purchase behavior. The author suggests that further studies use observation and experiment as methods to help minimize the bias caused by the attitude-behavior gap.

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Appendix 1: The questionnaire



Dear Participant,

This survey is designed to investigate consumers' attitudes and behavior toward Corporate Social Responsibility (CSR) and social responsible business practice in the cosmetic industry.

Social responsible business implements social, environmental, ethical, human rights and consumer concerns into corporate's operations and strategy. We play the role of consumers in our purchase and consumption activities. This study is aiming at a better understanding of consumers' perception on CSR and how consumers react in the purchasing process toward CSR in the cosmetic industry. I sincerely invite you to participate in the study by finishing this survey.

This survey takes you about 5 minutes. Thank you very much for your contribution.

Cordially,
Guosheng ZHAO
Candidate of MSc. in Business Administration
Jonkoping University, Sweden

Q1. Your gender

Female

Male

Q2. Your age

Under 18

18-25

26-35

36-45

46-55

Over 55

Q3. Your education

Elementary or
secondary school

High school

Vocational education
diploma

Bachelor degree

Master degree or
above

Q4. Your occupation

Student

Employee

Self-employed

Unemployed

Retired

Other

Q5. You think your CSR information about the cosmetic industry is

Very Poor

Poor

Average

Good

Excellent

Q6. You get different cosmetic companies' CSR information from below channels... (you can choose more than one alternative)

Magazine, newspaper and billboard	TV and radio	Internet	Store layout and activities	Product packaging and label	Environmental organization	Other
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If any other, please state here.

Q7. You pay close attention to the producers' CSR when buying cosmetics.

Strongly disagree	Disagree	Neutral	Agree	Strongly agree
<input type="radio"/>				

Q8. Can you recall any CSR initiatives by the cosmetic brands you are currently using?

Yes	No
<input type="radio"/>	<input type="radio"/>

Q9. Have you ever bought a cosmetic mainly because of the producer's CSR initiative?

Yes	No
<input type="radio"/>	<input type="radio"/>

Q10. You avoid buying and using a cosmetic if its producer involves in socially irresponsible business practice.

Strongly disagree	Disagree	Neutral	Agree	Strongly agree
<input type="radio"/>				

Q11. How likely is it that you will buy a cosmetic producer's products if it involves CSR activities of your concerns?

Very unlikely	Unlikely	Undecided	Likely	Very likely
<input type="radio"/>				

Q12. How much extra you are willing to pay for cosmetics from socially responsible producers?

0%	0% - 10%	10% - 20%	20% - 30%	More than 30%
<input type="radio"/>				

Q13. What do you think about the relative importance of the below factors and their influence when you buy cosmetics?

	Unimportant	Of little importance	Moderately important	Important	Very important
Quality	<input type="radio"/>				
Ingredients	<input type="radio"/>				
Price	<input type="radio"/>				
Producer's CSR	<input type="radio"/>				
Brand image and reputation	<input type="radio"/>				

Q14. What do you think about the importance of the listed CSR initiatives in the cosmetic industry?

	Unimportant	Of little importance	Moderately important	Important	Very important
Ecological production process	<input type="radio"/>				
Reduce packaging and use ecological packaging material	<input type="radio"/>				
Against animal test	<input type="radio"/>				
Provide consumers with safe products	<input type="radio"/>				
Contribute to local communities	<input type="radio"/>				
Health awareness and promotion campaigns	<input type="radio"/>				

Q15. You are very welcome to leave any comment about CSR in the cosmetic industry.

Thanks again for finishing the survey!