Relationship between Customer Perception about CSR activities and Purchase Intention:
The Role of CSR Communication Channels

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Abstract

With the incorporation of businesses as major players in a country’s economy and society, Corporate Social Responsibility is becoming a very important aspect of corporate activity. This field is greatly understudied and only limited research has been done on the consequences of conducting CSR activities through different channels of communication. This thesis therefore contributes to a better understanding of the relationship between customer perception and purchase intention in the setting of CSR activities towards online and offline channels through both theoretical and practical aspects. The purpose of our study is to investigate which channel may incur better performance for different dimensions of customer perception, and how to utilize and combine online and offline channels to achieve an optimal outcome. In our study, surveys were employed and 175 valid responses were collected for quantitative analysis in order to test hypotheses related to customer perception and purchase intention. Furthermore, semi-structured interviews were conducted to better explain the reasons behind the results. According to our findings, communication through an offline channel plays an important role when conducting CSR activities on satisfaction and consequent purchase intention. Correspondingly, the online channel performs better on customer trust. However, limitations still exist in this paper rendering the explanatory power of our model partially sufficient. Further research can focus more on explaining the reason why online and offline channels have a different effect on purchase intention by altering parameters of our experiment (sample composition etc.), for instance, why awareness has no relationship with purchase intention via both channels and how to better enhance the contribution of customer trust and satisfaction in purchase intention respectively through online and offline channel.

Key words

CSR, online channel, offline channel, customer perception, purchase intention
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1 Introduction

In the past decades, the rapid rise of Internet-mediated communication based on high technology created a mass of opportunities for companies in different areas (Ackland, 2009; Karpf, 2012; Thelwall, 2006), including product information collection and brand image promotion. Meanwhile, the trend of incorporating corporate social responsibilities (CSR) in the business strategy of companies is becoming a crucial issue for all companies since it is an important method of showing their ethical responsibility (Luo and Bhattacharya, 2006). Therefore, the interaction between firms and customers over CSR issues is increasingly more significant since the Internet has attracted worldwide attention, acting as a platform for communication as well as a means for expression and protest (Castells, 2012). Based on this reasoning, the trend to combine CSR activities and Information technology communication platforms requires further analysis.

1.1 Research background

Korschun et al. (2014) suggested that, companies not only need to increase CSR activity awareness among customers and employees separately, but also to selectively encourage CSR-related communication among various stakeholders. Traditionally and commonly, companies conduct their CSR activities related to stakeholders through offline channels. By offline channels, we mean that CSR activities will be realized face to face with direct participation of the people; this does not involve the company’s high-end technological resources. For instance, during earthquakes and other catastrophes, what most companies do is donate millions to devastated areas and organize charities or send staff as volunteers to these areas (Tang et al., 2014). These are the general forms in which companies conduct CSR practices in offline ways.

With the help of Internet and high technologies, and with a firm basis on offline channels, companies are showing signs of conducting CSR through online channels. For instance, Baidu Inc. has cooperated with the United Nations Development Programme (UNDP) in China and has launched the Big Data Joint Laboratory in Beijing to create new methods and frameworks
utilizing big data to support development goals. Here by online channels, we mean that companies utilize their unique high technologies and networking resources to establish a whole-society platform, which mainly builds on the power of the Internet and high technologies. The core is the service design, a notion that the company pre-designs the process of implementing CSR activities, involves cooperation and interaction among multi-resources, and creates long-term value between benefactors and recipients (China Business News, 2014).

Therefore, what we discovered as online channels of communicating CSR practices mainly lies in the Internet Industry, which has innovated the traditional methods of conducting CSR practice. For example, Cisco Inc. is the world leader in the industry of Information Technology (IT) as well as networking and transforming how people connect, communicate and collaborate. Diverse CSR programs have been highlighted within Cisco; for instance, its U.S. Veterans Program and Global Hunger Relief Campaign are more like traditional forms of CSR implementation as all responsible companies do as part of their programme for philanthropy and community service (Cisco CSR Report, 2014). In addition, by applying its high-end technologies and its broad networking resources, Cisco has managed to “bring people together to tackle global challenges faster and more effectively” (Cisco CSR Report, 2014, P1). One typical example is the 21st Century Schools Initiative, through which Cisco partnered with school systems to create an online studying model to transform education in order to enable the better engagement of today’s students. Furthermore, the online model provides interactive technologies between peers, relocates expertise for long-term instruction of teachers and students, and regularly conducts follow-up studies about the evaluating results¹.

Commonly, what companies focus on most, is whether those ethical activities can increase profits and how to increase the possibility of benefiting through CSR activities. In order to get to a conclusion concerning the two channels we mentioned above, it is very important to define what indicators should be used to present the differences between them. Based on agency theory (Jensen and

¹ See more at: http://csr.cisco.com/casestudy/21st-century-schools-initiative#sthash.KVKuwtHR.dpuf
Meckling, 1976), it is broadly admitted that the main target of a company is to increase shareholders’ profit, so do CSR activities. Therefore, customer purchase intention, which has a direct impact on financial performance (Öberseder, Schlegelmilch and Gruber, 2014), is the concept that we chose to capture by measuring the perception of customers related to CSR.

Customer perception of a company’s CSR activities was defined as “the ability of the consumers to differentiate between corporate economic responsibilities on the one hand and corporate legal, ethical, and philanthropic responsibilities on the other hand (Maignan, 2001, p. 65). Evidence shows that consumers’ product responses (Brown and Dacin, 1997) and attitude (Berens, Van Riel, and Van Bruggen, 2005) can be affected directly or indirectly by CSR initiatives. Respectively, customers’ positive responses and perception appear to increase the benefit of adopting CSR initiatives (Lichtenstein, Drumwright, and Bridgette, 2004, p. 17; Kolodinsky et al., 2010). Therefore, studying customer perception will help to achieve a better understanding on how customers perceive CSR activities and then further increase their purchase intention. Drawing on extant research on customer perception, the most widely used factors are customer awareness, satisfaction and trust (Lee and Shin, 2009; Esch et al., 2006; Fornell et al., 2006; Gruca and Rego, 2005) and those will be taken into consideration when evaluating customer perception about CSR

1.2 Research gap

Nowadays, most existing research in academic studies is focused on the offline channel of conducting CSR activities. Scholars have argued whether and to which extent firms should involve themselves in CSR (e.g. Sen et al., 2006), and how companies conduct CSR activities (e.g. Tang et al., 2015). Also, the effectiveness of conducting and communicating CSR initiatives in different forms has been discussed (e.g. D. Eberle et al., 2013). Compared with traditional offline channels to implement CSR initiatives, the online channels are relatively innovative. However, research today is more likely to be focused on the analyses of online channels for profitable business or advertising instead of CSR communication (Ros-Diego et al, 2011).

Arguments about the influence of CSR activities on customer purchase
intention are quite diverse. As for offline CSR, some scholars argued that customers would reward companies engaging in CSR activities and vice versa (e.g. Creyer and Ross, 1977) while others claimed that the customer's concern about social responsibility would not largely affect their purchasing behavior (e.g. Page and Fearn, 2005). However, there exist little research concerning customer purchase intention towards online CSR. These issues call for research focused on discovering the different effects of conducting CSR activities through different channels (online and offline) on customer purchase intention.

On one hand, we would like to fill the research gap regarding customer perception about online CSR of which we believe to be the future for companies to communicate CSR activities to customers. On the other hand, since many companies are reporting that they do not have a clear guideline and framework regarding their consumer’s expectation about CSR (Jose, Rugimbana and Gatfield, 2012), we are putting more effort to build an academic guidance and reference point for these companies to utilize different channels in communicating CSR activities according to different scenarios.

1.3 Research question

Based on the descriptions above, the purpose of this thesis is to explore the relationship between customer perception about CSR activities and purchase intention respectively through offline and online channels.

Research questions:

- how do online and offline channels influence customer perception in terms of awareness, trust and satisfaction based on the Internet Industry?

- how do online and offline channels influence differently on the relationship between customer perception and purchase intention?
2 Literature review

2.1 Overview of CSR theories

Corporate Social Responsibility (CSR) is a term gaining increasing importance not only in the academic circles but also in business area; it is dynamic, diversified, multifaceted, and differentiated across economies and industries (Matten & Moon, 2008). Therefore, it is not helpful to elaborate on every definition of CSR from the previous scholars. Instead, we will focus on the mostly discussed and used CSR theories and divide them into two schools based on the nature of the firm in focus and its motivation for engaging in CSR activities.

A well-known perspective for most companies is the maximization of the shareholder wealth, which could be articulated by the agency theory (Jensen and Meckling, 1976). The perspective of the firm emphasizes on the essence of the firm and on the manager's efforts to create as much value as possible for shareholders (Jensen and Meckling, 1976). McWilliams and Siegel (2001) considered CSR as a type of investment, the level of which managers needs to consider due to the firm perspective. Friedman (1970) stood out as the representative of this school of thoughts and asserted that the only responsibility of business is to utilize its resources and abilities to increase profits for shareholders without breaking the law. Also, Davis (1960) suggested that avoidance of responsibilities would lead firms into going socially bankrupt, in relation with enhancing an organization's’ legitimacy (Filatotchev and Nakajima, 2014).

Following this, the view of competitive advantages has been integrated with the essence of CSR, exemplified by Porter and Kramer (2002), who proposed “philanthropy can often be the most cost-efficient way for a company to improve its competitive context”, under their analysis of four elements of competitive context. Also, Hart (1995) made propositions of resource-based view of the firm for its contributions of sustainable competitive advantages. Porter and Kramer (2006) further examined the effective method of connecting companies’ resources and social issues when conducting CSR practices. Their original intention of supporting companies’ conducting CSR
activities still lies in ensuring shareholders’ maximum value since the failure of doing CSR leads to a loss of shareholders’ value. An example of CSR benefiting corporate profits is that Murray and Montanari (1986) designed an approach by integrating a “marketing concept” for applying strategic CSR. Also, Clark (2000) has compared CSR and corporate public relations and proved similarities and connections between them. This school of thoughts is mainly around the optimum maximization of shareholder value as a long-term strategic goal. In those theories, CSR is considered as an enlightened self-interest (Keim, 1978) and an instrument for creating win-win situations (Garriga and Melé, 2004).

The other school of thought concerning CSR is based on the idea of the firm as a citizen that will go beyond the minimum requirements of the law (Davis, 1973). Stephan Chen credited that “with greater power comes greater responsibility” (Chen 2009, p526). Therefore, firms should understand and utilize their social resources and power through the functional role of business and managers, (Matten et al. (2003) defined that corporations enter the arena of citizenship when government fails to take its responsibility to facilitate social life. Similarly, the stakeholder theory initially put forward by Freeman (1984) asserts that corporations should shoulder a moral obligation to all stakeholders (Gibson, 2000). Freeman (1984) generally defined a stakeholder as “any group or individual who can affect or is affected by the achievement of the organization’s objectives” (1984, p. 46). Carroll (1979) defined the scope of business obligations reflecting its social responsibility must embody the economic, legal, ethical, and discretionary categories of business performance. These CSR-related theories, compared to the former group of thoughts, are focused on rights, responsibilities, and interdependence of business in the society.

After summing up two distinctive motivations for firms to conduct CSR practices, Corporate Social Responsibility can be understood as a newly acquired feature for most firms, that, upon its traditional characteristics, firm voluntarily utilizes its unique power and resources to create sustainable value for its’ stakeholders as well as the society and environment it is involved in (Husted and Allen, 2000; Jones, 1980; Carroll, 1979; Thompson et al., 2013; Gladwin and Kennelly 1995). In conclusion,, CSR is becoming a vital
component for companies (Davis, 1960) and integral part for corporate strategies (Thompson et al., 2013). This makes communicating CSR practices in effective ways the more crucial.

2.2 Conducting CSR practices

Based on former research, there are mainly five types of CSR practices that companies can conduct.

*Product and Service Reinforcement:* CSR investment may entail adding to their products socially responsible attributes, such as pesticide-free or non-animal-tested ingredients (McWilliams and Siegel, 2001). Based on the model of the “Resource-Based View of the Firm”, Hart (1995) has established a conceptual background with three main interconnected strategic capabilities: pollution prevention, product stewardship and sustainable development. Based on his analysis of the India experience, Prahalad (2002) has suggested multinational companies are able to excavate the consuming potential and improve the living standards of the bottom of the pyramid by utilizing the disruptive innovation (Christensen and Overdorf, 2000; Christensen et al., 2001).

*Workforce Enhancement:* Except for the shared goal of wealth creation for shareholders (Windsor, 2001), building a diverse workforce, creating a good working environment and designing diversified training programs for employees, are also a significant part of CSR strategy (Thompson et al., 2013). In the late 1980s, AT&T’s family care initiative has been a good example of how to incorporate boosting employee morale into corporate giving (Smith, 1994). Ruggie (2008) defined human rights due diligence as ‘the steps a company must take to become aware of, prevent and address adverse human rights impacts’ (Ruggie, 2008, p.56) and argued that businesses can potentially impact on almost all ‘internationally recognized rights’ (Ruggie, 2008, p.52). Islamah and McPhailb (2011) has focused on the garment retail sector and found that the discourse of human rights has fused into their voluntary disclosures of corporate responsibility of multinational garment manufacturers.

*External Stakeholders Relationship Management:* Outside stakeholders like customers, supplies, partners and non-governmental organizations (NGOs) and the development of proper relationships with them take up another form of
conducting CSR measures (Harrison and St. John, 1996). More recently, the global MNC–NGO relationship has been healthier since MNCs turn to actively engage with NGOs (Doh and Guay, 2006). A study by the NGO Development Center (NGO, 2009) showed that 62 percent of surveyed Palestinian businesses engaged in CSR activities with partners including NGOs. As for supplier-relationship management, according to Drumright (1994), social responsibility should be enhanced as a new and different type of criterion to some organizational purchasing decisions from suppliers. Some negative organizational consequences can result from choosing the "wrong" business partner (Mitchell, 1995).

**Philanthropy and Community Service:** Bowen (1953) first introduced CSR as a philanthropic action. Organizations frequently reinforce their philanthropic efforts by encouraging employees to participate in community services, for instance, Starbucks Youth Action Grants (Thompson et al., 2013). Therefore, some scholars have argued that corporate philanthropic strategy has a positive influence on corporate financial performance (e.g. Porter and Kramer, 2002). Besides, it works out to prevent corporations from suffering from reputation loss (Fombrun, Gardberg and Barnett, 2000). However, Seifert, Morris, and Bartkus (2004) did not find a significant relationship between corporate philanthropy measures and financial performance by modeling a sample of Fortune 1,000 firms. Top managers may use philanthropy to boost their personal reputations and to advance their careers (Haley, 1991), which is criticized by Friedman (1970) as a waste of corporate resources.

**Environmental Strategy:** As Hopkins (2003) put it, CSR is a way of creating higher living standards while preserving the firm’s profitability. Sustainable development should be seen as an ethical concept that considers all the goals of different stakeholders to create a development mode for the world (Blindheim and Langhelle, 2010). Based on an event study about announcement of corporate environment-related news for all US publicly traded companies, Flammer (2013) found that companies reported to behave responsibly toward the environment issues experience a substantial stock price increase, vice versa.
2.3 Traditional offline channel of CSR communication

Due to the future global trend of CSR (Matten and Moon, 2008; Zhao et al., 2013) and the increasing media coverage of corporate irresponsibility issues, companies are now putting more efforts on communicating their CSR practices visibly and directly to multiple stakeholders (Luo and Bhattacharya, 2006). As a matter of fact, CSR communication ranks as the third largest budget after corporate advertising and foundation funding in communication departments of large corporations in the United States (Hutton, Goodman, Alexander, & Genest, 2001).

In general, most companies conduct CSR practices offline and then publish CSR reports and communicate their CSR activities to the public (Tang et al., 2015), in which situation stakeholders would be aware of their actions only after CSR actions are done and publicized. The results of Tang et al. (2015) showed that the “how” of CSR practice lies in the creation of company policies of CSR, establishing partnership with universities and NGOs via financial sponsorships and building charity foundations or awards for corporate donations. For instance, “Walmart China decided to donate more than 17 million [RMB, or $2.45 million] again for the reconstruction of the quake-hit areas. Meanwhile, Walmart is actively considering the possibility of establishing Walmart foundation to make disaster relief more institutionalized”, that is an announcement issued by Walmart China (2008). This traditional channel of communicating CSR is what we consider as offline since the essence of these CSR practice is simply donating money without involving its high-end and high-priced technologies since it is not clear for managers that its consumption of money and time would be worthy in terms of corporate profits.

2.4 Novel online channel of CSR communication

Thanks to the Information and Communication Technology (ICT), firms frequently engage themselves in communicating CSR schemes via social media, and online activists gather power and attention to force firms to become more socially responsive (Zhang and Luo, 2013). On the other hand, the widely reached media and Internet have facilitated exposure of firms’ unethical behavior around the world and turned it into financial and reputational losses
(Falkenberg, 2004; Smith, 2003). Tapscott and Ticoll (2003) predicted that transparency will become the essential premise for acquiring and sustaining customer trust and cooperative relationships with all other stakeholders, and ICT will gradually contribute to achieving and increasing corporate transparency (Vaccaro and Madsen, 2009).

To better understand the influence of ICT in CSR communications, social network theory examines the relationships among multiple factors in a network (Borgatti and Forster, 2003) rather than analyzing the dyadic relationships between social factors. Chen (2009) using social network analysis confirmed that Internet amplified many effects of social networking owing to its easy access and global range. Online activist groups seek to influence corporate policies and practices on issues according to what they judge as corporate responsibilities (Spar and La Mure, 2003) and further networks of activist groups could play an important role in framing CSR (den Hond and de Bakker, 2007).

There is no doubt that more stakeholders will be involved in online platform with the fast development of Internet (Tapscott and Williams, 2006). Hence, Fieseler and Fleck (2013) did research on the relationship between stakeholders and corporate CSR performance through Internet, the result shows that CSR activities becomes much more transparent as well as the relations among stakeholders will be easier to collect and analyze through online platform. Since the Internet industry (digital communications industry) has been one of the fastest growing sectors, scrutinizing CSR issues about it is pertinent and far-reaching (J. Tan and A. E. Tan, 2012). For instance, Tencent and Baidu have utilized big data for better performing philanthropic actions and environmental protection measures.

### 2.5 Customer perception and purchase intention

Freeman’s (1984) stakeholder theory points that company is not only responsible to its shareholders but also all kinds of stakeholders in the society. Especially, customers are highlighted since their reaction has a relatively close relationship with company’s financial performance and management decisions (Brown and Dacin, 1997). From then on, the literatures focused more on
customer who is an important driver of CSR, are increasing since the late 1990s (Marin and Ruiz, 2007; Mohr and Webb, 2005; Sen and Bhattacharya, 2001). This trend also reveals the necessity to take customers into consideration when talking about CSR. Based on this, Daub and Ergenzinger (2005) created the term “generalized customers” to indicate customers who are involved in the stakeholders’ group and also have a higher potential to accept the service and product provided by the socially responsible firms. On account of the non-ignorable role that customers play among all the stakeholders, this thesis picked out customer perception and purchase intention to be the observing index for the further research.

When talking about customer perception and company’s CSR initiatives, a few researchers suggested a positive correlation between them, while others reserve their judgment. Based on a survey of 280 respondents, Creyer and Ross (1997) argued that customers would like to reward the company that contributed more in CSR by purchasing at a higher price and on the contrary to punish the company that has lower ethics by purchasing at a lower price. Luo and Bhattacharya (2013) also supported the idea that CSR actions enable firms to build customer satisfaction, which in return can positively affect the market value of the company. Nevertheless, Page and Fearn (2005) pointed out that even though customers care about CSR, it would not mainly affect their shopping behavior. These different conclusions inspired us to study whether customer perception changes in terms of different CSR channels.

In reality, there are several factors that can present customer perception of a company’s CSR initiatives (Pomering, 2009); these are customer awareness, fairness evaluation about CSR activities and connection of the CSR initiative to a specific company or product (Tian, Wang and Yang, 2011). Besides, trust and awareness of CSR are also used to illustrate customer perception by Dutta and Singh (2013), the result shows that customers are willing to pay more to the company who are engaged more in CSR activities. In addition, Liang and Wang (2007), announced that customer satisfaction, trust and commitment are three main factors that influence customer perception about CSR activities. While Pérez and Rodríguez (2013) highlighted 3 dimensions that can help understand customer perception about CSR, which are congruence (Varadarajan and Menon, 1988), attribution (van Herpen, Pennings, and Meulenberg, 2003) and
credibility (Bigné, Currás, and Sánchez, 2009).

Among all the factors mentioned above, awareness, trust and satisfaction are chosen to be the measure indicators to measure customer perception in our paper. Customer’s awareness of CSR activities, as the foundation of their further perspective, is fairly important while researchers only paid less attention in this area (Lee and Shin, 2009). When talking about trust, we found that it is widely used to measure customer perception since scholars identified it as one of the most important mediators of customer-company relationship (Esch et al., 2006). The reason why we choose satisfaction is that from some scholars’ point of view, customer satisfaction is treated as an important composition of company strategy (Fornell et al., 2006) and a main factor of a firm long-term profitability and market value (Gruca and Rego, 2005).

In order to reflect on the influence of customer perception in a more intuitive way, except these influence factors we are able to discuss in the following paper, purchase intention will be utilized as the final indicator. It is defined as the plan to purchase a product or service in the future and research show that active attitude to a company’s CSR initiative can always lead to the intention to purchase the product or service (Brown and Dacin, 1997). Based on this finding, Tang, Hull and Rothenberg (2012) pointed out the increase of the customer purchase intention is directly related to improve company’s financial performance, which to some extents is exactly the ultimate purpose of CSR activities. Even though sufficient number of articles argued that CSR activities can positively affect customer purchase intention (Dutta and Singh, 2013) while Page and Fearn (2005) believed that despite CSR activities are crucial to the society, customers care more about the quality, price and other factors concerning the product instead of the CSR initiatives when making a decision whether to purchase or not. Arguments about the influence of CSR activities on customer purchase intention are still prevalent. In this article we are going to explore if the impact on purchase intention changes through different CSR channels. The following part will illustrate more about the relationship between customer perception and purchase intention referring to CSR activities.
2.5.1 Awareness

Customer awareness of CSR activities is defined as the understanding or cognition of a company’s CSR activities by customers, which involves customers’ ability to distinguish if a company is conducting CSR initiatives at that moment (Öberseder, Schlegelmilch and Gruber, 2011). According to the Theory of Reasoned Action (TRA), customers will base their purchase decision on their rational analysis about the company or product (Fishbien and Ajzen, 1975), while the more information they can get, the more probable it is that they will make a rational purchase decision. A problem is that most of the research assumes that consumers are able to be informed of a company’s CSR activities, which is proved to be incorrect. Evidence shows that actually customers have a low level of awareness about CSR initiatives (Pomering and Dolnicar, 2009). However, even if customers can learn about these CSR activities, it has not been shown that this can result to positively affect customer purchase intention (Sen et al., 2006). Further research on this matter by Lee and Shin (2009) got to the conclusion that positive relationship is revealed between customer awareness and purchase intention based on a questionnaire survey of Korean consumers for offline channel as the medium of CSR. Besides, Öberseder, Schlegelmilch and Gruber (2011) also support Lee and Shin’s statement by interviewing customers, they pointed out that managers should deliver a clear CSR message to their customers. Taking different communication channels into consideration, Jin and Zou (2013) got to the conclusion that a new brand will be easier to become known through offline channels instead of online channels based on 20 web companies’ practice.

However, opposition voices among scholars claim that existing research was conducted in a laboratory setting, it is not clear whether the theoretical result matches the real practice when customers make purchase decisions (Maignan, 2001; Mohr et al., 2001). De Pelsmacker et al., (2005), Shaw and Shui (2002) pointed out the notion of the “Ethically Minded Consumers” to support the idea that the influence on purchase intention concerning customer awareness is inconspicuous. Even though this kind of customers believe they are willing to purchase from the company who delivers more information that they are advocating in CSR activities (Auger and Devinney, 2007; Belk et al., 2005;
Carrigan and Attalla, 2001), surprisingly one study revealed the fact that even though 30% of customers stated that they would buy products from the company who draws a picture that they are conducting CSR activities, only 3% actually complete the purchase behavior (Futerra, 2005). That is to say, consumers do not always act as they talk. Pomering and Dolnicar (2009) implemented a quantitative study about Australian banking that customer awareness about CSR initiatives has little influence on their purchase behavior in real life. In order to get a deeper and more accurate result, Carrington, Neville and Whitwell (2010) improve the conceptual model by adding relevant external environmental factors to reflect the complicated system about awareness and purchase intention in real practice. The outcome shows that purchase intention is not affected by customer awareness about the CSR activities.

Pomering and Dolnicar (2009) proposed a possible reason that they believe the precondition to analyze the relationship between customer awareness and purchase intention is that CSR information transforms precisely to consumers, which was attested relatively hard to achieve. In spite of the endeavor companies make to propagandize CSR initiatives, customer seems like receive less than what we expected so that it is even harder to cause influence on their purchase intention (Auger et al., 2007). It is heartening that Dawkins (2004) also indicated different channels may deliver different intensity level of CSR information to customer so that affect the degree they receive it, and finally produce the influence on purchase intention.

\textit{H1a: When conducting CSR activities online, customer awareness has a positive relationship with purchase intention.}

\textit{H1b: When conducting CSR activities offline, customer awareness has a positive relationship with purchase intention.}

2.5.2 Trust

Trust is defined as the perception of a service provider’s confidentiality, honesty, integrity, and high ethical standards (Coulter, 2002). According to the Commitment-Trust theory, trust and commitment play an important role in enhancing stakeholders’ relationship and finally help in creating a cooperation
environment (Morgan and Hunt, 1994). That is to say, trust can help strengthen the relationship between customer and company, and further lead to a positive customers’ purchase behavior. Piercy and Lane (2009) addressed the idea that if a company actively involves in social activities, customers will trust more that company. However, in some special cases, like charity activities, customers need to trust that the company is sincerely doing philanthropic work instead of doing that for their own benefits; otherwise these CSR initiatives may generate negative influence (Vlachos and Tsamakos, 2011). Furthermore, customer trust in the credibility of a company’s CSR activities can also influence their attitude on how to evaluate the company, which includes the company’s reputation, as well as their purchase intention (Mohr and Webb, 2005). This view is also supported by Erdem and Swait (2004) as they claimed that customer trust is a major predictor for a positive outcome of the company’s marketing strategy such as increasing customer purchase intention and strengthening brand loyalty. Based on this, scholars further elaborate that the higher consumer trust can evoke stronger purchase intention of the product (Kim, 2012).

The majority of recent findings suggest that trust plays an intermediate role between CSR activities and purchase intention (Sun, 2014). Sandro et al., (2009) utilize an experiment in Italian market to illustrate that the more understanding customers have about how their money flow, the higher trust they will have about the company and directly lead to their higher purchase intention. This research also reflects on the emphasis customers give on the transparency of CSR activities and supervision strengthening. According to our topic, which is related to online and offline channels, Eberle, Berens and Li (2013) claimed that CSR messages spread through online channel are more credible since stakeholders can easily publish their critical opinions.

H2a: When conducting CSR activities online, customer trust has a positive relationship with purchase intention.

H2b: When conducting CSR activities offline, customer trust has a positive relationship with purchase intention.


2.5.3 Satisfaction

Customer satisfaction is defined as “an overall evaluation of the post consumption experience of products or services in the minds of customers” (Anderson, Fornell, and Mazvancheryl, 2004). According to the Identity Theory, customers feel more comfortable with the company whose brand image is more close to their evaluation criteria, and this identification with the company’s moral character will make the customer prone to purchase from this company (Tajfel and Turner, 1985). Nowadays, literature is focused on the relationship between CSR initiatives and customer satisfaction (Luo and Bhattacharya, 2006). Researchers have shown that one way to improve customer satisfaction is to increase customer knowledge about CSR (Mithas, Krishnan and Fornell, 2005), so that Luo and Bhattacharya (2013) believe that CSR activities can help enhance customer satisfaction and they also conclude that customers are more satisfied with the company that are more willing to devote to CSR initiatives.

Some researchers also argue that customer satisfaction, as a mediating role, can create extra benefit to a company’s market value by increasing the purchase intention, for example, He and Cai (2011) claimed that customer satisfaction can help to enhance customer loyalty and lead to a higher customer purchase intention. Homburg, Koschate and Hoyer (2005) examined that customer satisfaction can to some extent impulse customers to pay more for products.

Besides, Creyer and Ross (2004) pointed out the importance of connecting CSR activities with customers. If the CSR activities are closely related to customers’ life or match their value judgment, they will feel more comfortable and satisfied, and then further positively influence their purchase behavior. This opinion was also supported by Sen and Bhattacharya (2012) as well as Mohr and Webb (2004). Deeper analyses were conducted by scholars to discover what kind of CSR activities could match customers’ expectation to the maximum degree. Mohr and Webb (2004) claimed that if the CSR activities are related to the company’s core business, customers would be more satisfied and think highly of their efforts on CSR initiatives. However, different channels to conduct CSR activities may cause different satisfaction levels drawing on a
research exploring that patients feel more satisfied with the hospitals that have online channel to communicate with since they can get more information (Richter, et al., 2014).

**H3a:** *When conducting CSR activities online, customer satisfaction has a positive relationship with purchase intention.*

**H3b:** *When conducting CSR activities offline, customer satisfaction has a positive relationship with purchase intention.*

Figure 1 shows the conceptual model of our study,

![Figure 1 Conceptual Model](image)

**Figure 1 Conceptual Model**
3 Methodology

This chapter consists of four parts. The first part of the methodology presents the research design. The second part illustrates the design, sampling and measure scale of the survey. Similarly, the third part introduces the design and sampling of the semi-structured interview. After that, the final part describes the method we adopt to analyze the collection of our empirical findings.

3.1 Research Design

In order to test the hypotheses and further interpret the relationships between the independent variables and dependent variables, a mixed methods approach of quantitative and qualitative research was employed in our study. Specifically, a survey research strategy, targeted at a sample of consumers, linked with semi-structured interviews was selected in our study.

The analysis of quantitative data can help us build the foundation for exploring the relationship between each dimension of customer perception through online and offline channel and purchase intention as well as further analysis (Saunders et al, 2009, p.177). In order to obtain a deeper understanding of the result derived via the questionnaire, the in-depth interview is found to be appropriate to further unravel the reasons behind all the results (Saunders et al, 2009, p.378).

3.2 Survey design

In order to test the hypotheses, a survey on customers related to a company’s CSR activities was conducted. Considering that people may have preconceived notions about a real company’s brand and reputation, which can possibly have a great influence on measuring the effectiveness of a company’s CSR initiatives, a fictitious company was created in our survey to avoid such bias. Furthermore, on the account of the advantages that large database sources and high-end technologies IT industry possess for implementing CSR activities through online and offline channels, our survey is based on a fictitious IT company which we named Goosung.

According to our definition about online CSR and the rise of online donations,
we choose philanthropy and community service of the company as the subject in the survey. The questionnaire design was based on two scenarios of different CSR communication channels about one company. Questions were asked about the company’s CSR actions in a comparative way between online and offline (See Appendix).

The first section of the questionnaire consists of control variables (age, sex, monthly income, and nationality), designed to measure the demographic characteristics of the respondents. The second section consists of the independent variables, which are measured in three dimensions, awareness, trust and satisfaction for the online and offline channel respectively. The six dimensions together then lead to the consequences in purchase intention. Therefore, the third section consists of dependent variables, related to purchase intention.

3.2.1 Sampling for the survey

Considering the efficiency and feasibility of data collection, an online questionnaire was adopted in our study. This approach guarantees that one IP address can only access to one questionnaire at one time and answers are recorded automatically (Denscombe, 2007). The surveys were published through Google docs and Wenjuanxing online. These are online survey system accessible to all Internet users all around the world. In view of the convenience of the respondents from different countries, and user population of the survey system, the English questionnaire was posted on Google docs and Chinese questionnaire was released on Wenjuanxing. The data is presented and analyzed in empirical finding section.

Considering the accurate representation of the data, the cost and time constraint, we applied a snowball sampling to select respondents. Initially, the questionnaires were sent by hyperlink to a small group of people who well understand the research topic. After that, this small sample of people sent the questionnaire hyperlinks to their friends or relatives. The data collection lasted 20 days from 16th March to 5th April.

A total of 198 people who usually buy IT products participated in the study. 23 surveys were deemed as invalid responses (e.g. Blank, double answer, etc.),
and therefore eliminated, resulting in a final sample of 175 respondents. The demographic characteristic of respondents is as follow: 93 were female and 82 were male; 60% between 18 and 25 years old, 27.4% between 26 and 35 years old, 9% between 36 and 50 years old, and 1.7% below and above 50 years old; 44% of the respondents had a monthly income before taxes less than 800€, and 31.4% of the respondents had a monthly income before taxes between 801€ and 2000 €; 88% were Chinese.

3.2.2 Measure Scale

Consistent with our survey design, 7-point likert scales ranging from “strongly disagree” to “strongly agree” were used to obtain the data. The construction of the questionnaire is built on pre-existing scales from literature. The final operationalization based on our data analysis is reported in Chapter 4.

Independent variables

The dimension of awareness is mainly to test whether customers realize that the company is conducting CSR practice. In our thesis, awareness is measured as a four-item construct, which includes both online, and offline channels. The respondents were asked to indicate on a scale from 1 (strongly disagree) to 7 (strongly agree) whether: <They pay attention to some social issues involving firm’s charitable donations.>, <They can see Goosung Company is helping to solve social problems.>, <They can see Goosung Company plays a responsible role in the society beyond their economic benefits.>, and <They think what Goosung Company is doing sincerely aimed at contributing to society.> (Ma del Mar García de los Salmones et al., 2005, Pérez and Rodríguez del Bosque, 2013). The internal construct reliability was good with a coefficient alpha of 0.816 through online channel and 0.711 through offline channel respectively, exceeding the recommended level of 0.7 (Nunnally, 1978).

The dimension of trust is evaluated as the degree to which consumers believe these CSR activities. A four-item construct based on previous research by Newell and Goldsmith (2001), Erdem and Swait (2004), and Xie and Peng (2009) is set to measure trust. The respondents were asked to indicate, on a scale ranging from 1 (strongly disagree) to 7 (strongly agree): <They trust the credibility of this program. >, <They believe this program is easy to be
supervised by authorities concerning the flow direction of the raised fund. >, <They believe Goosung Company took a lot of effort to conduct the program.> and <They believe the program made substantial contribution to the society.>

Internal construct reliability was high, with a coefficient alpha of 0.913 through online channel and 0.902 through offline channel respectively.

The dimension of satisfaction is measured as the degree to which consumers feel encouraged and satisfied in relation to Goosung Company’s CSR activities. According to Dabhoklar et al., (2000), and Maxham et al., (2002), we use a 4-item construct to measure satisfaction where the respondents indicated to what extent, on a scale from 1 (strongly disagree) to 7 (strongly agree): <They are completely satisfied with this program.>, <They would like to participant in this program.>, <It is easy for them to get involved in this program.> and <They would like to recommend their friends to donate through this channel.>. The construct has adequate internal reliability with a coefficient alpha of 0.914 through online channel and 0.869 through offline channel respectively.

**Dependent Variables**

The dimension of purchase intention is mainly to test if a consumer would like to purchase from Goosung Company. The use of purchase intention is reflected in a three-item construct and builds on Oliver (1997), Krishnamurthy and Sivaraman (2002). The respondents were asked to indicate on a scale from 1 (strongly disagree) to 7 (strongly agree), to what extent because of the fact that Goosung Company is planning to launch the philanthropy program: <They believe they would like to purchase a product from this company.>, <They would like to pay more for their product compared to other companies offering equal quality of product>, and <After purchasing the product of the company, they would like to repurchase its product >. The internal construct reliability was good with an alpha coefficient of 0.944. These six items including online and offline channel were summed and averaged to form the construct. Table 3.2 lists the research constructs and items included in the questionnaire.
<table>
<thead>
<tr>
<th>Construct</th>
<th>Item</th>
<th>Measure items</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Online</td>
<td>Offline</td>
<td></td>
</tr>
<tr>
<td>Awareness</td>
<td>AW1(a)</td>
<td>AW1(b)</td>
<td>I pay attention to some social issues involving firm’s charitable donations.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Ma del Mar García de los Salmones et al., (2005), Pérez and Rodríguez del Bosque, (2013)</td>
</tr>
<tr>
<td></td>
<td>AW2(a)</td>
<td>AW2(b)</td>
<td>I can see Goosung Company is helping to solve social problems.</td>
</tr>
<tr>
<td></td>
<td>AW3(a)</td>
<td>AW3(b)</td>
<td>I can see Goosung Company plays a responsible role in the society beyond their economic benefits.</td>
</tr>
<tr>
<td></td>
<td>AW4(a)</td>
<td>AW4(b)</td>
<td>I think what Goosung Company is doing sincerely aimed at contributing to society.</td>
</tr>
<tr>
<td></td>
<td>TR1(a)</td>
<td>TR1(b)</td>
<td>I trust the credibility of this program.</td>
</tr>
<tr>
<td></td>
<td>TR2(a)</td>
<td>TR2(b)</td>
<td>I believe this program is easy to be supervised by authorities concerning the flow direction of the raised fund.</td>
</tr>
<tr>
<td></td>
<td>TR3(a)</td>
<td>TR3(b)</td>
<td>I believe Goosung Company took a lot of effort to conduct the program.</td>
</tr>
<tr>
<td></td>
<td>TR4(a)</td>
<td>TR4(b)</td>
<td>I believe the program made substantial contribution to the society.</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>SA1(a)</td>
<td>SA1(b)</td>
<td>I am completely satisfied with this program.</td>
</tr>
<tr>
<td></td>
<td>SA2(a)</td>
<td>SA2(b)</td>
<td>I would like to participant in this program.</td>
</tr>
<tr>
<td></td>
<td>SA3(a)</td>
<td>SA3(b)</td>
<td>It is easy for me to get involved in this program.</td>
</tr>
<tr>
<td></td>
<td>SA4(a)</td>
<td>SA4(b)</td>
<td>I would like to recommend my friends to donate through this channel.</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>PI1(a)</td>
<td>PI1(b)</td>
<td>Because of the fact that Goosung Company is planning to launch the philanthropy program, I believe I would like to purchase product in this company.</td>
</tr>
<tr>
<td></td>
<td>PI2(a)</td>
<td>PI2(b)</td>
<td>Because of the fact that Goosung Company is planning to launch the philanthropy program, I would like to pay more for their product compare with other companies offering equal quality of product.</td>
</tr>
<tr>
<td></td>
<td>PI3(a)</td>
<td>PI3(b)</td>
<td>After purchasing the product of the company, I would like to repurchase its product because of the company’s philanthropy program.</td>
</tr>
</tbody>
</table>

Table 3.2
3.3 Interview design

In order to further analyze the relationship between customer perception (online and offline) and purchase intention, semi-structured interviews were conducted in our exploratory study. Semi-structured interview is helpful when probing for participants’ attitudes or opinions, which can add significance and depth to the data we collected. Meanwhile, the Semi-structured interviews can help us discover the deeper reason behind the relationship observed that might have been overlooked (Saunders et al, 2009, p.378). In order to ascertain the validity and reliability of the information obtained and reduce bias, we phrased the questions in a factual way and made a list of themes related to the topic we are exploring before the interview (Saunders et al, 2009, p.391).

During the interview, we used open questions and probing questions based on the themes of the question. Because these two kinds of questions allowed participants to provide extensive and development answer and seek an explanation that can help us understand the interviewee’s meaning and reveal the reasoning involved (Saunders et al, 2009, p.391-p.392). The interview guide was constructed based on the results of our survey, with questions such as “Comparing the online CSR activity and offline CSR activity, which CSR communication channel do you think is easier for you to keep track of, and why do you think so?”

3.3.1 Sampling for interview

We interviewed 7 people in the street, aging from 22 to 54. Respondents were invited to our interviews only if: a) they previously paid attention to CSR activities; b) they had prior purchasing experience from an IT company. To ensure the reliability and quality of the interview, the Semi-structured interview was audio-recorded and written down. The notes help us to formulate points to summarize back to the interviewee to test our understanding and devise follow-up probing questions (Saunders et al, 2009, p.378). The table lists the conducted interview.
<table>
<thead>
<tr>
<th>Sex</th>
<th>Age</th>
<th>Codified Name</th>
<th>Data of Interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>22</td>
<td>F1</td>
<td>2015-04-11</td>
</tr>
<tr>
<td>Female</td>
<td>27</td>
<td>F2</td>
<td>2015-04-11</td>
</tr>
<tr>
<td>Female</td>
<td>33</td>
<td>F3</td>
<td>2015-04-12</td>
</tr>
<tr>
<td>Female</td>
<td>42</td>
<td>F4</td>
<td>2015-04-12</td>
</tr>
<tr>
<td>Male</td>
<td>23</td>
<td>M1</td>
<td>2015-04-11</td>
</tr>
<tr>
<td>Male</td>
<td>27</td>
<td>M2</td>
<td>2015-04-11</td>
</tr>
<tr>
<td>Male</td>
<td>54</td>
<td>M3</td>
<td>2015-04-12</td>
</tr>
</tbody>
</table>

Table 3.3

3.4 Choice of statistical test

3.4.1 Factor analysis

In our study, the Factor Analysis was conducted to test construct validity of each item and sort the main factors among the items. To ensure the factorability of the data, Bartlett’s test of sphericity should be significant (p<0.05) so that the factor analysis would be considered appropriate (Pallant, 2019, p.183). The minimum value of Kaiser-Meyer-Olkin (KMO) for a good factor analysis is 0.5 (Hutcheson and Sofroniou, 1999, p.224-225). Subsequently, the validity and reliability of the data collected were tested. In our study, we used Cronbach’s alpha to measure the reliability of each variables. If the alpha coefficient with a value of 0.7 or above, it indicates that the questions combined in the scale are measuring the same thing (Nunnally, 1978).

3.4.2 Correlation analysis

Prior to hypotheses testing, the correlation of the variables was examined by Spearman. According to Saunders, the relationship between the independent variables and dependent variables should be above 0.3. Besides, the correlation between two independent variables had better be less than 0.7. In order to assess the multicollinearity, the indicators of VIF were taken to measure the variability of the specified independent variable. In theory, the
values of VIF should not be more than 10 (Hair, et al, 1998).

3.4.3 Hypotheses testing

Through the data we collected from the survey, we used multiple regression analysis to explore the correlation between the purchase intention and each dimension of customer perception through online and offline channel respectively. Based on the result, we analyzed the difference of the impact resulted from each dimension of customer perception on purchase intention.
4 Data analysis

After describing the questionnaire design, the process of collecting responses, in this part, we will explore how customer perception differently influence purchase intention when companies conduct CSR practices in two different channels, namely online channel and offline channel. Firstly, Exploratory Factor Analysis was used to assess the dimensionality of the constructs used. Furthermore, the reliability of constructs was examined by applying Reliability Analysis. Prior to the main analysis, the multicollinearity of the model was examined by Spearman. According to our hypothesis, we adopted multiple regression analysis to discover the strength and direction in the correlation between dependent variable and independent variables in two channels.

4.1 Factor Analysis

In order to check for common method bias and measure the dimensionality of the constructs, exploratory factor analysis was performed. For the exploratory factor analysis, principal component analysis, with Varimax Rotation and Kaiser Normalization was used (Kaiser, 1958). Initially, all the relevant indicators were included in the principal component factor analysis, which were extracted into 7 factors including online and offline independent variables and dependent variables. However, the result shows some indicators have high cross loading, which is the limitation of our data that can be further explored by other researchers. Therefore, two exploratory factor analyses were conducted to assess the internal consistency of the data separately. In the first exploratory factor analysis, the items related to online awareness, online trust, online satisfaction, purchase intention were included. While the second exploratory factor analysis involved offline awareness, offline trust, offline satisfaction, and purchase intention. Our motivation for doing so was the similar yet distinct character of our questions.

Based on our hypothesis, the number of extracted factors in the first exploratory factor analysis was fixed to 4. The cut-off value for visualizing factor cross-loadings was set 0.32, which represents 10% of the overlapping variance (Comrcy & Lee, 1992). Due to the cross-loading value of AW4 (a) on extracted trust component (0.594) and awareness component (0.559), AW4 (a)
was deleted when constructing the awareness component. Subsequent to deletion of one item for online awareness, the result extracted four feasible factors, which we name online awareness, online satisfaction, online trust and purchase intention. The Kaiser Meyer Olkin (KMO) value was 0.888, which exceeded the recommended 0.6 level for an adequate sample. Additionally, Bartlett’s test of sphericity was 0.000 (p<0.001), which indicates highly significant and good correlation of the indicators.

Table 4.1.1 lists the result of the first factor analysis. The four factors (online awareness, online trust, online satisfaction, purchase intention) account for 79.397% of the total variance explained with Eigen values of 0.776, 1.800, 0.911, and 10.011 respectively. In the rotated factor solution, the remaining items highly load on their corresponding factors (0.578 to 0.854). The result shows the four extracted factors give optimal possibility to interpret the factor solution. Additionally, the Table 4.1.1 shows that Cronbach's α value of each scale ranges from 0.816 to 0.944 (above 0.7), indicating good internal consistency and reliability for the scale for our sample.
Table 4.1.1

The second exploratory factor analysis explored a four-factor solution based on our hypotheses. The item AW4 (b) has high cross-loading on trust component (0.622) and awareness component (0.615), therefore, AW4 (b) was deleted when constructing the awareness component. Similarly, the item SA1 (b) was deleted because of high cross loading on purchase intention component (0.369), awareness component (0.329) and trust component (0.562). Subsequent to the deletion of one item each for offline awareness and offline satisfaction because of cross-loadings, three sub-dimensions of offline awareness, four sub-dimensions of offline trust, three sub-dimensions of offline trust emerged. The Kaiser Meyer Olkin (KMO) value was 0.862, and thus fell within the acceptable level for the sampling adequacy. Additionally, Bartlett’s test of sphericity was at a 0.000 (p<0.001) significance level, indicating a sufficient correlation among the indicators (Hair, et al., 1998). Therefore, it is appropriate to apply a factor analysis based on the collected data.
Table 4.1.2 reveals that the four extracted factors (offline awareness, offline trust, offline satisfaction, purchase intention) account for a total of 78.148% of the total variance explained, with the contributing of 4.076%, 12.514%, 5.713%, and 54.946% respectively. Additionally, the factor loadings, ranging from 0.648 to 0.845, shows all of the items load well onto their own construct and poorly on other constructs. Based on the analysis above, the four extracted factors give optimal possibility to interpret the factor solution. Furthermore, a reliability coefficient (Cronbach’s α) was computed for each factor to estimate the reliability of each scale. The Cronbach’s α coefficients were 0.711, 0.902, 0.869, and 0.944 respectively, indicating a high degree of reliability.

<table>
<thead>
<tr>
<th>Construct (Offline)</th>
<th>Item</th>
<th>Factor Loading</th>
<th>Community</th>
<th>Eigenvalue</th>
<th>Variance Explained (%)</th>
<th>Cronbach’s α</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness (Offline)</td>
<td>AW1(b)</td>
<td>.750</td>
<td>.733</td>
<td>.796</td>
<td>4.076</td>
<td>.711</td>
</tr>
<tr>
<td></td>
<td>AW2(b)</td>
<td>.703</td>
<td>.768</td>
<td></td>
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<tr>
<td></td>
<td>AW3(b)</td>
<td>.655</td>
<td>.757</td>
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<td>Trust (Offline)</td>
<td>TR1(b)</td>
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<td>.819</td>
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<td></td>
<td>TR3(b)</td>
<td>.820</td>
<td>.759</td>
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<td>Satisfaction (Offline)</td>
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<td>.839</td>
<td>.914</td>
<td>5.713</td>
<td>.869</td>
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<td></td>
<td>SA3(b)</td>
<td>.746</td>
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<td></td>
<td>SA4(b)</td>
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<td>.787</td>
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<td>Purchase Intention</td>
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<td>PI3(a)</td>
<td>.845</td>
<td>.845</td>
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<tr>
<td></td>
<td>PI1(b)</td>
<td>.775</td>
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<tr>
<td></td>
<td>PI3(b)</td>
<td>.795</td>
<td>.813</td>
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</tr>
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</table>

Cumulative Variance explained: 78.148%

Table 4.1.2

4.2 Correlation Analysis

In the correlation analysis, all of the independent variables (online and offline awareness, trust and satisfaction) correlate substantially with the dependent variable (purchase intention). The results are shown in Table 4.2 (0.449, 0.664, 0.653, 0.452, 0.522, and 0.698 respectively). However, the correlation between the independent variables, online and offline awareness, trust and satisfaction, as well as online trust and online satisfaction, score slightly higher than 0.7,
which is not a major problem because of the result of Factor Analysis. To further evaluate the possibility of multicollinearity, the indicators of VIF are taken to measure the variability of the specified independent variable. From Table 4.2, the VIF values of most variables are below 5, an exception is the VIF values of online trust (7.216) and online satisfaction (5.070) which are slightly higher. In spite of this, the VIF value of online trust (2.969) and online satisfaction (2.769) in model 2 are comparatively low, which therefore means that multicollinearity is not problematic in our base regression model.

<table>
<thead>
<tr>
<th></th>
<th>MEAN</th>
<th>S.D.</th>
<th>1</th>
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<th>4</th>
<th>5</th>
<th>6</th>
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<th>9</th>
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<th>11</th>
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</thead>
<tbody>
<tr>
<td>1.Sex</td>
<td>1.53</td>
<td>0.5</td>
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<td></td>
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</tr>
<tr>
<td>2.Age</td>
<td>2.49</td>
<td>0.757</td>
<td>-1.198**</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.Monthly Income</td>
<td>1.95</td>
<td>1.1</td>
<td>-1.105</td>
<td>.428**</td>
<td></td>
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</tr>
<tr>
<td>4.Nationality</td>
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<td>0.326</td>
<td>-0.217**</td>
<td>.228**</td>
<td>.090</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>5.Online Awareness</td>
<td>5.188</td>
<td>1.183</td>
<td>0.199**</td>
<td>.091</td>
<td>.124</td>
<td>-0.269**</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.Online Trust</td>
<td>4.91</td>
<td>1.236</td>
<td>0.234**</td>
<td>.094</td>
<td>.000</td>
<td>-0.213**</td>
<td>.651**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.Online Satisfaction</td>
<td>4.831</td>
<td>1.383</td>
<td>0.185**</td>
<td>0.048</td>
<td>0.014</td>
<td>-0.338**</td>
<td>.623**</td>
<td>.715**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.Offline Awareness</td>
<td>4.754</td>
<td>1.208</td>
<td>0.216**</td>
<td>0.072</td>
<td>0.056</td>
<td>-0.332**</td>
<td>.653**</td>
<td>.546**</td>
<td>.410**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.Offline Trust</td>
<td>4.637</td>
<td>1.192</td>
<td>0.158**</td>
<td>-0.028</td>
<td>-0.054</td>
<td>-0.148**</td>
<td>.372**</td>
<td>.736**</td>
<td>.385**</td>
<td>.588**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.Offline Satisfaction</td>
<td>4.43</td>
<td>1.301</td>
<td>0.215**</td>
<td>0.006</td>
<td>-0.006</td>
<td>-0.347**</td>
<td>.453**</td>
<td>.645**</td>
<td>.701**</td>
<td>.521**</td>
<td>.608**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.Purchase Intention</td>
<td>4.235</td>
<td>1.341</td>
<td>0.071</td>
<td>0.108</td>
<td>-0.054</td>
<td>-0.306**</td>
<td>.449**</td>
<td>.864**</td>
<td>.853**</td>
<td>.452**</td>
<td>.522**</td>
<td>.898**</td>
<td></td>
</tr>
</tbody>
</table>

VIF | 1.141 | 1.391 | 1.234 | 1.491 | 3.311 | 7.216 | 5.070 | 3.358 | 4.979 | 3.832 |

** Correlation is significant at the 0.01 level (two tailed).
* Correlation is significant at the 0.05 level (two tailed).

Table 4.2

4.3 Multiple Regression Analysis

Our thesis employed multiple regression analysis for evaluating the relationship among the control variables, independent and dependent
variables in order to test the hypothesis. The multiple regression analysis took sex, age, monthly income nationality as control variables, online and offline awareness, online and offline trust, online and offline satisfaction as independent variables, purchase intention as dependent variables. The analysis models are as follows:

Model 1: \( Y_1 = \beta_0 + \beta_1 \cdot \chi_1 + \beta_2 \cdot \chi_2 + \beta_3 \cdot \chi_3 + \beta_4 \cdot \chi_4 + \varepsilon \)

Model 2: \( Y_2 = \beta_0 + \beta_1 \cdot \chi_1 + \beta_2 \cdot \chi_2 + \beta_3 \cdot \chi_3 + \beta_4 \cdot \chi_4 + \beta_5 \cdot \chi_5 + \beta_6 \cdot \chi_6 + \beta_7 \cdot \chi_7 + \varepsilon \)

Model 3: \( Y_3 = \beta_0 + \beta_1 \cdot \chi_1 + \beta_2 \cdot \chi_2 + \beta_3 \cdot \chi_3 + \beta_4 \cdot \chi_4 + \beta_5 \cdot \chi_5 + \beta_6 \cdot \chi_6 + \beta_7 \cdot \chi_7 + \beta_8 \cdot \chi_8 + \beta_9 \cdot \chi_9 + \beta_{10} \cdot \chi_{10} + \varepsilon \)

Where \( \beta_0 \) is the intercept; \( \beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6, \beta_7, \beta_8, \beta_9, \beta_{10} \) the coefficient; \( Y \) the purchase intention; \( \chi_1 \) the sex; \( \chi_2 \) the age; \( \chi_3 \) the monthly income; \( \chi_4 \) the nationality; \( \chi_5 \) the online awareness; \( \chi_6 \) the online trust; \( \chi_7 \) the online satisfaction; \( \chi_8 \) the offline awareness; \( \chi_9 \) the offline trust; \( \chi_{10} \) the offline satisfaction , \( \varepsilon \) the residual of regression.

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th></th>
<th>Model 2</th>
<th></th>
<th>Model 3</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Beta</td>
<td>S.e</td>
<td>Beta</td>
<td>S.e</td>
<td>Beta</td>
<td>S.e</td>
</tr>
<tr>
<td>(constant)</td>
<td>.589</td>
<td>.565</td>
<td>.568</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sex</td>
<td>.029</td>
<td>.194</td>
<td>-.093</td>
<td>.146</td>
<td>-.107</td>
<td>.139</td>
</tr>
<tr>
<td>Age</td>
<td>.269*</td>
<td>.136</td>
<td>.107</td>
<td>.104</td>
<td>.092</td>
<td>.102</td>
</tr>
<tr>
<td>Monthly Income</td>
<td>-.190*</td>
<td>.092</td>
<td>-.096</td>
<td>.069</td>
<td>-.098</td>
<td>.066</td>
</tr>
<tr>
<td>Nationality</td>
<td>-.350***</td>
<td>.297</td>
<td>-.087</td>
<td>.240</td>
<td>-.028</td>
<td>.245</td>
</tr>
<tr>
<td>Online Awareness</td>
<td>-.061</td>
<td>.085</td>
<td>-.053</td>
<td>.100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online Trust</td>
<td>.416***</td>
<td>.096</td>
<td>.354**</td>
<td>.142</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online Satisfaction</td>
<td>.372***</td>
<td>.083</td>
<td>.126</td>
<td>.106</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offline Awareness</td>
<td>.065</td>
<td></td>
<td>.049</td>
<td>.122</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offline Trust</td>
<td>.065</td>
<td></td>
<td>.049</td>
<td>.122</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offline Satisfaction</td>
<td>.386***</td>
<td>.098</td>
<td>.049</td>
<td>.122</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R²</td>
<td>.178</td>
<td>.559</td>
<td>.611</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. R²</td>
<td>.158</td>
<td>.541</td>
<td>.587</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>( \Delta R² )</td>
<td>.178</td>
<td>.381</td>
<td>.052</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F-statistics</td>
<td>9.182***</td>
<td>48.253***</td>
<td>7.230***</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*aValues are standardized parameter estimates.

\( p < 0.1, *p < 0.05, **p < 0.01, ***p < 0.001. \)

**Table 4.3.1**

In order to explore how control variables (age, sex, monthly income, and nationality), online independent variables (online awareness, online trust and
online satisfaction) and offline independent variables (offline awareness, offline trust and offline satisfaction) influence purchase intention gradually, a three-step multiple regression is adopted in our study. Specifically, control variables, online independent variables and offline independent variables are introduced into the regression model step by step. Based on the results, we were able to discover interesting relationships between each dimension of customer perception through online and offline channel and purchase intention in different models, which will be further discussed and interpreted in Chapter 5.

In Model 1, the R² value is 0.178, which means that control variables explain 17.8 percent of the variance in purchase intention. By checking the column, the value of ANOVA F-value is 9.182 (Sig. = .000), indicating the model reaches statistical significance. From the table 4.3.1, the result shows age has a significantly positive (p <0.05, Beta=0.269) relationship with purchase intention. While monthly income (p <0.05, Beta=-0.190) and nationality (p <0.001, Beta=-0.350) indicates significantly negative relationship with purchase intention.

Model 2 investigates the relationship between awareness, trust, and satisfaction and purchase intention when CSR activities were conducted online. The results indicates that the addition of online customer perception (awareness, trust, and satisfaction) explain significant incremental variance (Δ R²=0.381, F=48.253, P<0.001) beyond that accounted for by control variables. Contrary to what is postulated in Hypothesis 1a, the finding indicates a very small influence of online awareness (Beta=-0.061) when CSR was conducted online, and relationship is insignificant (p=0.419>0.1). As we expect in our Hypothesis, online trust (p <0.001, Beta=0.416) and online satisfaction (p <0.001, Beta=0.372) have significantly positive relationship with purchase intention. Thus, Hypothesis 2a and 3a are supported in Model 2.

In Model 3, all the control, independent and dependent variables are included. Model 3 is significant with an F-value of 7.230 (Sig. = .000) and an R² value of 0.611. The result indicates that the addition of offline customer perception (awareness, trust, and satisfaction) significantly increases the amount of variance explained for the purchase intention. (Δ R²=0.052) compared to the Model 2. According to the analytic result of Model 3, either online awareness
(p=0.554>0.1) or offline awareness (Beta=0.065, p=0.465>0.1) is significantly related to purchase intention. Interestingly enough, online awareness is negatively (Beta=-0.053,) related to purchase intention while offline awareness is positively (Beta=0.065,) related to purchase intention. Thus, H1a and H1b are not supported. As we expected in Hypothesis 2a, online trust has a significantly positive (Beta=0.354, p<0.01) relationship with purchase intention. On the contrary, offline trust has a negative (Beta=-0.049) relationship with purchase intention, but does not have significant (p=0.649>0.1) effects on purchase intention, rejecting H2b. The Beta of online satisfaction is 0.126 and p-value is 0.253, which indicates online satisfaction is positively related, but not significantly related to purchase intention. Therefore, H3a is not supported. Finally, H3b is supported, offline satisfaction is significantly positive (Beta=0.386, p<0.01) related to purchase intention. More interestingly, the effect of offline satisfaction on purchase intention is stronger than that of online satisfaction. Table 4.4.2 provides an overview of the results with respect to our hypotheses.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a</td>
<td>When conducting CSR activities online, customer awareness has a positive relationship with purchase intention</td>
</tr>
<tr>
<td>H1b</td>
<td>When conducting CSR activities offline, customer awareness has a positive relationship with purchase intention</td>
</tr>
<tr>
<td>H2a</td>
<td>When conducting CSR activities online, customer trust has a positive relationship with purchase intention</td>
</tr>
<tr>
<td>H2b</td>
<td>When conducting CSR activities offline, customer trust has a positive relationship with purchase intention</td>
</tr>
<tr>
<td>H3a</td>
<td>When conducting CSR activities online, customer satisfaction has a positive relationship with purchase intention</td>
</tr>
<tr>
<td>H3b</td>
<td>When conducting CSR activities offline, customer satisfaction has a positive relationship with purchase intention</td>
</tr>
</tbody>
</table>

Table 4.3.2
5 Discussion

As it was demonstrated in the previous chapter, we incorporated all independent variables step by step within our three models. Here, we will focus on analyzing Model 3 about the relationship between customer awareness, trust and satisfaction and customer purchase intention, because this model is the least biased model, which is consistent with our theoretical assumptions. Other than the correlation analysis we conducted from the responses of 175 surveys, we also include the insights we gathered from the 7 people from our semi-structured interviews. Therefore, in this chapter, we will explain how online and offline channels influence customer perception in the setting of CSR activities and how they differently influence the relationship between customer perception and customer purchase intention.

5.1 Relationship between awareness and purchase intention

According to the literature review and results elaborated before, it is shown that the perspective of Sen et al. (2001) that whether customer’s realizing CSR activities can lead to positive affect on customer purchase intention is not clear is supported. The customers in our survey demonstrated the proposition that awareness about CSR activities has little influence on their purchase intention. Furthermore, through an online channel it even presents negative relation, which is also supported by Jin and Zou (2013). However, it seems the result is contradicting some previous researches that show a positive relationship between these two factors. For instance, Lee and Shin (2009), Öberseder, Schlegelmilch and Gruber (2011) have already showed a significant positive influence between customer awareness and purchase intention based on both survey and interview. Nevertheless, some scholars demonstrated that this kind of positive relationship only occurred in theoretical findings while the real situation is much more complicated and even leads to a contradicting outcome. What we interviewed from our respondents confirmed this perspective. According to our interviewees,

“Even though I am aware of the fact that a company is conducting CSR practices, it is not enough to influence my purchasing choices. For example, I can see that a company is
collecting money in the community for a disaster area or a company is publicizing their online charity project on social media, but I will not get interested in following up or involving myself in these activities. It is because sometimes that their way of telling the story is boring and sometimes that I care more about the price and quality. (F2)

In fact, an interesting phenomenon is that most of the interviewees are what is known as “Ethically Minded Consumers”, which we have already elaborated on in the literature review. This means they try to understand and notice that a company is conducting CSR activities and also think that a company’s ethical conduct needs to be rewarded. Even though they have a kind of mindset that dictates that they will purchase from a company because of its’ ethical practices, they in the end do not fulfill their intended purchase. This conclusion is in accordance with the views of Carrington, Neville and Whitwell (2010).

Another reason we found based on the interview is that even though company have already put a lot of efforts to deliver the CSR information to customer, they actually receive much less than expect. From the responses of our interviews, it is confirmed that the online information customers received has been so overloading that useful messages fail to reach them. As follows,

“Sometimes I received so much information about companies’ CSR activities from the Internet, and I find it really hard to select them and I am not willing to spend too much time on doing that. Therefore, being aware of companies doing CSR, I will not be able to understand what actually they are doing and therefore I will not be able to support these responsible companies. For example, I received news that Tencent is promoting its CSR activities on its charity website and also many news of its promotions of other products. So, not knowing the detailed facts, I will only base my purchasing choices on the product itself.” (M2)

What is more interesting in our finding is that through online channels, customer awareness about CSR activities will lead to a negative influence on purchase intention while offline channel show the opposite result. Some studies attribute the outcome to different comments or reviews existing online (Anderson and Simester, 2014; Bronner and Hoog, 2013). Compared with offline channels, information can be spread much faster online while the authenticity is even harder to prove (Willemsen et al. 2011). Under the condition that what customers get through online channel about CSR activities may lead to wrong purchase decisions, they prefer not to buy the products.
The study of Van Noort et al. (2012) on online media has shown that the interactivity of these media has a positive effect on customers’ attitudes toward companies, and according to Du et al. (2010), the use of interactive media is likely to increase the effectiveness of corporate communication about CSR and which is a benefit of conducting CSR online. However, the interactivity of the online channel receives both positive and negative comments from customers and negative news have more impact than positive ones for utilitarian products (Sen and Lerman, 2007). One interviewee showed her support as follows,

“I prefer to get the knowledge of companies’ CSR activities online. Their ability of conducting creative online projects leads me to believe that they are also capable of producing higher-quality products. However, it is hard for me to believe in positive news of their activities since these reviews could be fictitious but it is quite easy for the negative news to affect my purchase intention” (F1)

This is the most possible reason we inferred from our interview. In summary, even though awareness of CSR practices does not significantly influence consumers’ purchasing intention, detrimental impacts of negative comments are much higher than the favorable impacts of positive comments, consistent with the phenomenon of a negativity bias (e.g., Rozin and Royzman 2001). Therefore, through online channel, customer awareness of negative comments about CSR activates negatively influences and brings companies’ more negative image.

### 5.2 Relationship between trust and purchase intention

Resulting from our survey, it is supported that customer trust towards online CSR activities has a positive impact on purchase intention. This result matches most of the research aiming at revealing the relation between trust and purchase intention. Underlying causes, like the increase of loyalty generated with trust, higher reputation customer give to company, etc., are addressed by kinds of literatures shown in the literature review. Apart from these reasons, Tian et al., (2011) claimed that companies who are conducting CSR activities will convey the impression that they have the willingness and ability to fulfill their trade commitment, so that a sense of security and a favorable impression will be given to the customers, and in the end make the customers believe that
these companies will not have opportunistic behavior and can be treated as a trustworthy partner.

Furthermore, communication channels are emphasized by Ligeti and Oravecz (2009) as they believe these communication channels play a significant role in strengthening trust when making CSR related information available to consumers. Eberle et al. (2013) showed that an increase in perceived (but not actual) interactivity leads to higher credibility for the CSR programmes and stronger feelings of identification with the company, however, which channel will generate more positive influence and why is hardly ever discussed. The conclusion of Eberle et al. (2013) pointed out that customers are more likely to trust online channel supports our findings, while our thesis will try to answer these questions based on the survey and interview. The results from our interview show that the online channel is perceived to be more related to transparency and credibility. The perspective explained from one of our interviewees is the following,

“The online channel makes it easier for monitoring. I can simply find all the information about the company and its activities online and then keep track of the process if I am interested in it. This online community gathers people with same interests and by interacting with each other, I gain more trust from the company’s activities and tend to buy their products.” (F3)

“If there is an independent third party platform like a rating company or a governmental department involved in the online charity project, I would trust more about this activity compared to offline activities that are usually without detailed information. Since the information from the third party is more neutral. And through online, it is much easier for me to search related news about companies’ CSR activities. For instance, I could find out how Baidu Inc. cooperated with United Nations on the UN website apart from Baidu’s homepage. Due to its credibility, I prefer to buy these companies’ products.” (F2)

As Stahl et al. (2014) discussed, the importance of a responsible top management team in corporate social responsibility, some interviewees explained that they would consider the reputation of the managers when thinking about trust of CSR activities. Through the online channel, senior managers are easily involved and connect their image with that of the company’s.

“I think it is hard to separate CSR and public relations since companies are actually
benefiting the society as well as marketing themselves the same time when doing CSR activities. Therefore, if I realize the managers are charming and responsible, I would consider their CSR activities trustworthier and their products are better to buy. And I always follow responsible managers on social networking sites and subconsciously I tend to prefer the products of their companies. This happens when I chose to use Baidu searching engine because its CEO Li Yanhong is quite responsible and intelligent.” (Female, 1)

Our survey also shows that trust customers feel related to CSR activities through an offline channel will not affect their purchasing intention. This is also confirmed with one interviewee,

“These offline CSR activities are quite common. I do believe that they are sincere when they offer community service like helping the elderly in the community. However, due to the lack of transparency, offline CSR have changed a lot from its original aim of being responsible. For example, some companies even diverted the money collected to other purpose. Therefore, I do not trust the offline CSR activities that much and sometimes even do not prefer to buy their products because of the suspicion of the fund trace.”(M1)

5.3 Relationship between satisfaction and purchase intention

Literature shows that the company who creates higher customer satisfaction tends to get stronger customer loyalty (Oliver, 1997), positive reputation (Henard and Dacin, 2010) and also higher purchase intention (Homburg, Koschate and Hoyer, 2005). Socially responsible consumer behavior (SRCB) was present as early as 2001 by Mohr, Webb and Harris. This kind of customers treats the tendency to purchase from social responsible companies as a measurement of their own moral criterion. For them, higher consistency between CSR activities and their morality incurs greater satisfaction and ultimately leads to increased purchase intention. Furthermore, as was discussed in the literature review, the more connected the customers’ life is to the CSR activities, the more satisfied customers will feel which leads to positive purchase behavior.

From one of our respondents,

“When the company’s CSR initiatives are more related to my moral principles or my daily life, I will be more satisfied to buy their products. For example, if I saw the company is raising fund for dealing with hygiene problems in a remote region in which one of my friends came
from, I would be more encouraged to participate. And of course the offline CSR activity is simpler and closer to my life, compared to the complicated and demanding computer skills I have to understand in online CSR activities”. (F4)

Comparing the effect trust has on purchase intention in the two channels, our survey discovered that the customers’ satisfaction related to CSR practices through the offline channel affects more the purchasing behavior. Even though they admit the creativeness of online CSR projects, some of our interviewees still feel it is important to have personal involvement.

“Spending all time online, I get lots of news of CSR activities online and do trust the credibility of them since they are reposted by some managers and social activists I follow. However, the satisfaction of communicating face-to-face in offline CSR activities can arouse more of my interest in purchasing their products. I do not feel satisfied enough through the online CSR activities to affect my purchasing choices. Especially, I participated a lot of volunteer projects in college; therefore, I understand that people feel more fulfilled when they are physically involved in that occasion.” (F1)
6 Conclusion

Corporate Social Responsibility has been discussed from both an academic and practical perspective for quite a long time (Lee, Park and Newman, 2011). Especially in recent years, CSR has been raised to a level that it takes a crucial part in corporate strategy almost to the same level as marketing strategy (Thompson et al. 2013). Therefore, we believe that the focus of the discussion on CSR should be shifted from whether it is a company’s responsibility to perform CSR activities to how to perform and communicate CSR activities efficiently through the right channels for the companies.

Through a total number of 175 surveys collected within three weeks, we analyzed the relationship between customer perception about CSR activities and purchase intention through offline and online channels. The results are quite interesting when examining how the significance of independent variables changed through models. Besides, the result that via both online and offline channel, customer awareness has no significant relationship with purchase intention is also surprising. To better explain these results, we conducted semi-structured interviews within a group of 7 people who are interested in CSR issues. By carrying out surveys and interviews, we managed to explore how online and offline channels influence customer perception in terms of awareness, trust and satisfaction and the differences between both channels. We found that customer trust has a significant relationship with purchase intention through online channels while the relationship between satisfaction and purchase intention through offline channels is quite significant.

The theoretical contribution of our thesis is shown in the aspect that we introduce online and offline channels into discussion to observe this new area in conducting CSR practice. Therefore, we wish that the future scholars would put more effort in this field. With the help of a survey and interviews, we discussed which channel is more effective in increasing consumer awareness, trust, and satisfaction and the related purchasing intention. Based on the analysis of data and responses of interviews, we believe our following suggestions could be instructive for future researchers and managers.

It is highly recommended to combine offline channels and online channels
when conducting CSR activities. Our results show that trust is easier to be built and contributes higher in purchasing intention through online channels while satisfaction works better through an offline channel due to consumers’ preference of face-to-face contact. Therefore, it is helpful to start with publicizing CSR projects through an online channel since online is regarded as the fastest way to spread messages to a wider range of people. However, the amount and credibility of the information should be controlled strictly to avoid negative comments. During the process, other than utilizing high-end technologies for CSR activities like what Cisco does for educating poor children, offline measures are also necessary like raising money from the community for the same project. In this case, it will amass more interest and a sense of accomplishment in participants and they will be more satisfied from their personal experience. Besides, providing follow-up information of the project online can further enhance consumer’s perceptions in generating purchase intention.

The key facts that we investigated about these two channels are in which situation the channels would turn out to be more effective. Transparency and reliability are what concerns consumers most when participating in corporate activities (Tapscott and Ticoll, 2003) and our interviewees suggest that the online channel would be easier to reach transparency without time or space limits. Online is apparently the future of conducting CSR, which means that managers should take it into consideration. While the spread of negative news is also facilitated by online channel and our interviewees believe that they are more affected by negative news than positive ones, we recommend a more cautious and organized usage of online channel rather than a thoughtless replication of existing models.
7 Limitations and future research

From the result of our study, some positive relations were supported like between trust and purchase intention, while some non-significant relations also shows in our analysis such as between awareness and purchase intention. However, this paper put more efforts to illustrate the relationship from “how”, but only a few from “why”. Nevertheless, This limitation also lead to the future research on exploring the reason behind the results why customers trust online channel more while feel more satisfied with offline channel. We believe this new area will also help company to build their CSR strategy.

Another limitation we want to highlight is that most of the respondents are from China where people’s perspective about CSR activities is relatively different from other countries, like U.S.A or European countries. As the representatives of highly developed countries, these countries have a higher standard about CSR activities and certainly have a lot of different opinions compared to Chinese consumers. This limited scale of region can only reveal partially the situation in specific countries. Further research can focus on more countries and it will be interesting to explore the differences between different regions.

Besides, limitations also existed in the design of our survey. A fictitious company was introduced to avoid respondents’ preconceived impression about a real company. While it shows that people have some problems in understanding what the fictitious company is doing for CSR activities since they are not aware of this company in real life. It is hard for them to clearly separate how the company is doing differently through online and offline channels and this may mislead their answers. If possible, future research can base on a real company and their ongoing CSR activities to build the scenario in the survey, which may get a more specific result.

In summary, even though some limitations still exist in this thesis, the research question is thoroughly investigated. The relationship between customer perception and purchase intention is illustrated respectively for awareness, trust and satisfaction through online and offline channels. Some possible reasons also pointed out based on the interview, which we believe can help
companies to get a deeper understanding about these two different channels. In the future, different areas can be explored to fill the research gap or limitations in this thesis, which can lead to a more comprehensive research system for CSR activities.
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Appendix

Questionnaire

Scenario describe:
Located in Shanghai, China, Goosung Co., Ltd is an IT company whose primary business are online paid-search service (competing with Google) and offline high technologies, like smartphone (competing with Samsung) priced at 500$. Goosung Company has been committed to CSR activity for years and donated 5 million to help children in poor regions. Recently it plans to launch a charitable donation program through two different channels (offline channel and online channel), aiming to attract more people to participate in CSR activities conforming to its CSR strategies. In general, the main difference between these two channels is that the former is based on the traditional CSR approaches that contact directly with people and the latter integrates Internet and high-technology expertise as the intermediary to conduct CSR activities. Basically, the purpose of this program is to help the children in poor regions in Daliang Mountains of Sichuan Province by building schools.

**Offline channel:**

a) Set up donation boxes in community to encourage people to participate in the program;
b) Partnered with NGOs and charities by financially supporting their programs of helping poor children;
c) Compensate voluntary teachers to accomplish at least three-year teaching in these poor regions.

**Online channel:**

a) Build online donation platform on its official website where all users can be involved in long-term donation and track the process;
b) Partnered with school systems and technology companies by creating an interactive e-learning platform between teachers and students after donating 100 computers to each school;

c) Allocate its expertise team and capital for long-term instruction and follow-up evaluations of e-learning results.

Note: the questionnaire is based on this virtual IT Company and two CSR channels described above.

**General questions:**
1. What is your gender: male [ ] female[ ]
2. What is your age: [ ]
3. What is your nationality: [ ]
4. What is your monthly income: [ ]

5. I pay attention to some social issues involving firm’s charitable donations.

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6. I can see Goosung Company is helping to solve social problems.

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7. I can see Goosung Company plays a responsible role in the society beyond their economic benefits.

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8. I think what Goosung Company is doing sincerely aimed at contributing to society.

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9. I trust the credibility of this program.

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10. I believe this program is easy to be supervised.

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11. I believe Goosung Company took a lot of effort to conducting the program.

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12. I believe the program made substantial contribution to the society.

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13. I am completely satisfied with this program.

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14. I would like to participate in this program.

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15. It is easy for me to get involved in this program.

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16. I would like to recommend my friends to donate through this channel.

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17. Because of the fact that Goosung Company is planning to launch the philanthropy program, I believe I would like to purchase product in this company.

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18. Because of the fact that Goosung Company is planning to launch the philanthropy program, I would like to pay more for their product compare with other companies offering equal quality of product.

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19. Because of the philanthropy program, I would like to repurchase the product in this company.

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