

The Contribution of CSR Information Substantiality Portrayed in Social Media to Corporate-Consumer Relationships: The Hierarchy of Effects Model Approach

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Research Rationale and Purpose: Social media has become an integral part of the way businesses communicate and increase their engagement with customers (Gamboa & Gonçalves, 2014). Corporate social responsibility (CSR) has become an increasingly important area of interest within companies (Diddi, 2014), especially in the fashion industry (Woo & Jin, 2015). However, limited research exists on CSR information communicated through social media and its effect on corporate-consumer relationships. The current study sought to fill the gap by shedding light on a key component of information transparency—*information substantiality* as it would be related to the effects of CSR information delivered through social media on corporate-consumer relationships. Information substantiality refers to the extent to which consumers perceive that the given information is timely, relevant, accurate, reliable, and clear (Rawlins, 2009). The specific objective of this study was to examine, after consumers are exposed to a corporation’s information about its CSR practices through social media, how perceived substantiality about the CSR information (*CSR information substantiality*) affects the extent to which consumers believe the corporation is socially responsible and ethical (*corporate ethicality*), and trustworthy (*corporate trustworthiness*), which in turn affects how much consumers like the corporation (*corporate affect*); are willing to purchase from (*corporate purchase intention*) and spread positive word-of-mouth about the corporation through social media (*corporate S-WOM intention*). This study also examined the relative strengths of effects of CSR information substantiality on corporate ethicality versus corporate trustworthiness. The Hierarchy of Effects (HOE) Model (Lavidge & Steiner, 1961) was used as the theoretical framework for this study. The HOE model has been traditionally applied to the advertising field and posits that consumers respond to advertising communications in a causal order: cognitive (thinking), affective (feeling), and conative (action) (Barry & Howard, 1990). The conceptual model along with hypotheses were developed based on the HOE process (see Figure 1 below).

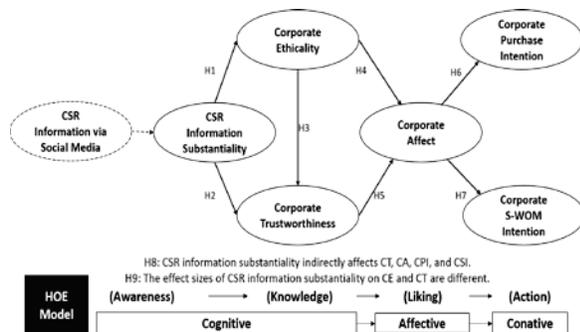


Figure 1. Conceptual model and hypotheses

Methods: This study utilized Everlane, a real fashion brand that has provided their CSR information via social media, while the brand is not yet well-known so the effects of pre-existing brand perceptions on the research outcomes could be minimized. Four posts about Everlane’s CSR practices on social media sites were chosen. The authors created a set of multiple statements that reflected the content of each post, which was used to ensure respondents could be fully aware of the given information.

Preliminary study: The statements were pre-tested with twenty-nine merchandising students for determining how well each statement represented the given information. Three statements per post with the highest scores on representativeness were used in the main study. Approximately 97 % of respondents had no familiarity with the brand, which confirmed the adequateness of the use of the brand name for the main study. *Main study:* The main study utilized an online survey with nationwide consumer panels purchased from Qualtrics. We ensured that valid responses only were included for the final analysis by filtering out participants who did not use social media platforms and those who had any level of familiarity with the brand. The final sample size was 340. All the measures for main constructs were adapted from established scales in the literature. Four posts along with the statements about CSR information were provided to the participants with a randomized order so that the order effects could be minimized. Afterwards, the measurement items for main constructs were given for respondents to answer.

Main Findings: We utilized structural equation modeling. After we confirmed the reliability and convergent and discriminant validity of all the measures based on measurement model testing, we estimated the structural model, which demonstrated an adequate fit (CFI = .936; NFI = .906; TLI = .928; RMR = .051). The individual paths of the model that denoted the direct relationships between the constructs were evaluated first. All the direct paths were significant at a p value of .01, which supported H1 through H7: from CSR information substantiality to corporate ethicality ($\gamma = .718$), from CSR information substantiality to corporate trustworthiness ($\gamma = .251$), from corporate ethicality to corporate trustworthiness ($\beta = .545$); from corporate ethicality to corporate affect ($\beta = .456$), from corporate trustworthiness to corporate affect ($\beta = .430$), from corporate affect to corporate purchase intention ($\beta = .743$), and from corporate affect to corporate S-WOM intention ($\beta = .776$). Next, decomposition tests using the bootstrapping method showed that the indirect effects of CSR information substantiality were all significant on corporate trustworthiness, corporate affect, corporate purchase intention, and corporate S-WOM intention, which supported H8. To test the relative strengths of the effects of CSR information substantiality on corporate ethicality and corporate trustworthiness, we examined the chi-square differences ($\Delta \chi^2$) between a free model and an equal constrained model. The results showed that the effects of CSR information substantiality on corporate ethicality were significantly stronger ($\gamma = .718$) than its effects on corporate trustworthiness ($\gamma = .251$), which supported H9.

Implications: This study makes significant theoretical contributions to the HOE model by highlighting the importance of information quality and transparency, specifically information substantiality in CSR communication. This study also provides implications for the management. If consumers perceive the information is more timely, relevant, accurate, reliable, and clear when a corporation disseminates their CSR practices via social media, consumers are more likely to develop positive cognitive and affective perceptions as well as behavioral intentions toward the corporation. The results suggest that information substantiality is not equally important to the nature of corporate reputations. It is more important in building a reputation of being socially responsible and ethical, which well aligns with the goal of CSR initiatives.

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