Contents lists available at ScienceDirect

Intern. J. of Research in Marketing

journal homepage: www.elsevier.com/locate/ijresmar

Full Length Article Does retailer CSR enhance behavioral loyalty? A case for benefit segmentation

Kusum L. Ailawadi *, Scott A. Neslin, Y. Jackie Luan, Gail Ayala Taylor

Tuck School of Business, Dartmouth College, 100 Tuck Hall, Hanover, NH 03755, United States

A R T I C L E I N F O

ABSTRACT

Article history: First received in 8 November 2011 and was under review for 10 months Available online 16 October 2013

Area Editor: Els Gijsbrechts

Keywords: Corporate social responsibility (CSR) Dimensions of CSR Retail store patronage Attitude towards store Loyalty Share of wallet their behavioral loyalty toward retailers. The four activities are environmental friendliness, community support, selling locally produced products, and treating employees fairly. Behavioral loyalty is measured by share-of-wallet (SOW). We control for other retailer attributes that drive attitudes and SOW, and examine how the market is segmented in terms of consumer response. We partition the total effect of CSR on SOW into a direct effect and an indirect effect mediated through attitude towards the store. These effects differ by CSR activity and customer segment. The effects on attitude are positive and positive attitude enhances SOW, so the indirect effects on SOW are positive. While we generally find positive total effects, the total effect of one of the CSR activities, environmental friendliness, is significantly negative for one group of consumers. The magnitude of CSR's total impact on SOW is not only statistically significant but also managerially meaningful in an industry where every share point carries a substantial dollar amount. We characterize the customer segments and conclude with implications for how best a retailer can manage its CSR initiatives.

We study the effects of consumer perceptions of four types of corporate social responsibility (CSR) activities on

© 2013 Elsevier B.V. All rights reserved.

1. Introduction

Corporate social responsibility (CSR) refers to a firm's moral, ethical and social obligations beyond its own economic interests (Brown & Dacin, 1997; McWilliams & Siegel, 2001). As CSR gains strategic importance in the eyes of senior management, companies are engaging in a wide range of CSR programs including environmental sustainability, community support, cause-related marketing, and employee enablement. They are investing significantly in publicizing their CSR initiatives in the hope of strengthening relationships with employees, customers, investors, and the broader community. But, as noted by Luo and Bhattacharya (2009) and others, CSR programs compete for resources that can alternatively be channeled to other areas such as innovation or service improvement. Not surprisingly, both academics and practitioners want to determine the returns to CSR investments. The purpose of this paper is to investigate CSR returns by examining the impact on behavioral loyalty, focusing on the retail grocery industry.

Prior research has assessed returns to CSR efforts by examining financial performance. Despite a large body of empirical research, the jury is still out regarding this question. Most studies use the Kinder, Lydenburg, Domini (KLD) index of corporate social performance to quantify CSR efforts. The majority of these studies show a positive effect and recent work suggests that CSR reduces firm-specific risk (Luo & Bhattacharya, 2009). But some researchers report a substantial number of insignificant and even negative effects, and methodological and theoretical criticisms of the studies abound (see Margolis & Walsh, 2003 and Orlitzky, Schmidt, & Rynes, 2003 for reviews). These mixed results are attributable in part to the fact that CSR has multiple dimensions whose impact varies across industries, stakeholder groups, and individuals within a stakeholder group (Berman, Wicks, Kotha, & Jones, 1999; Hillman & Keim, 2001; Sen & Bhattacharya, 2001). Godfrey and Hatch (2007) and Raghubir, Roberts, Lemon, and Winer (2010) note that there is a need to conduct industry-specific studies and to distinguish between different dimensions of CSR.

One of the firm's most relevant stakeholders is its customers. Social identity theory and consumer–company identification research suggest that consumers should embrace the more positive and distinctive identity of a company that engages in CSR (e.g., Bhattacharya & Sen, 2003; Sen & Bhattacharya, 2001). Thus, customers should reward such companies with greater loyalty, ultimately enhancing the firm's financial value. But, research on how customers respond to CSR efforts is more limited.

Consumer polls paint a rosy picture for CSR initiatives, but they suffer from social desirability bias and other validity concerns (see Auger, Burke, Devinney, & Louviere, 2003 and Cotte & Trudel, 2009 for critiques of these polls). Academic work shows that, by and large, consumers exhibit more favorable attitudes towards socially responsible companies (e.g., Du, Bhattacharya, & Sen, 2007; Klein & Dawar, 2004; Lichtenstein, Drumwright, & Braig, 2004; Luo & Bhattacharya, 2006) but there is considerable heterogeneity in response (e.g., Barone, Miyazaki, & Taylor, 2000; Bhattacharya & Sen, 2004; Brown & Dacin, 1997; Sen & Bhattacharya, 2001).

Importantly, it is not clear whether these positive effects translate into behavioral loyalty, for example in the form of share of wallet





CrossMark

^{*} Corresponding author. Tel.: +1 603 646 2845; fax: +1 603 646 1308. *E-mail address:* kusum.ailawadi@dartmouth.edu (K.L. Ailawadi).

^{0167-8116/\$ -} see front matter © 2013 Elsevier B.V. All rights reserved. http://dx.doi.org/10.1016/j.ijresmar.2013.09.003

(SOW). Previous research is largely based on laboratory experiments and measures attitudes and intentions rather than actual behavior. Subjects are typically presented with a description of a company's CSR record and then asked about their attitudes and/or purchase likelihood. Given the salience of the CSR information in the experiment, its impact may be overstated compared to the real-life purchase environment in which several other factors - product quality, price, assortment, convenience, etc. - influence choice. Bhattacharya and Sen (2004) note that, while CSR initiatives produce positive company attitudes, this may not translate into greater purchase behavior because consumers are reluctant to trade off CSR for core attributes such as price. This suggests that attitudes may mediate the impact of CSR activities on behavioral loyalty, but CSR activities may have direct effects as well. In addition, the limited external validity of this body of work has led researchers like Sen and Bhattacharya (2001) and Du et al. (2007) to call for more research based on data collected in actual marketing environments and in the context of competitive offerings.

Thus, prior research reveals the need to: (1) distinguish between different dimensions of CSR; (2) study the response of specific stakeholder groups in individual industries; (3) link consumers' CSR perceptions to their behavioral loyalty in addition to attitude; (4) control for other core firm attributes from which consumers derive utility; (5) examine heterogeneity in CSR response across individuals; and (6) study real-world data.

To address this need, we study the effects of key CSR activities in the grocery retail industry on behavioral loyalty. We survey consumers in a geographical market to measure their perceptions of CSR and other attributes, as well as overall attitude, with respect to all major grocery retailers in that market, and measure their behavioral loyalty to these retailers.

We use these data to specify and estimate a model of behavioral loyalty that allows for attitudes to mediate the impact of CSR, and for heterogeneity in consumer response. We examine four CSR activities: environmental friendliness, community support, selling local products, and treating employees fairly. In sum, we (1) measure the effects of CSR on behavioral loyalty in a field setting while controlling for other drivers of consumer preferences, (2) allow attitudes to mediate these effects; (3) show how these effects differ across key CSR dimensions in an industry that represents a major sector of the economy (U.S. sales of \$580 billion in 2010); and (4) investigate how the response to CSR dimensions varies across consumers.

The rest of our paper is organized as follows. We first develop our conceptual framework and describe the data used for our analysis. This is followed by a presentation of our results and we conclude our paper with a discussion of the implications for researchers and managers.

2. Conceptual development

Fig. 1 depicts our conceptual model. It allows consumers' perceptions of CSR to influence behavioral loyalty (measured as share of wallet) through overall attitude as well as directly, while incorporating the impact of other retailer attributes that the literature identifies as important influencers of store patronage. We discuss each major element of the framework below, moving from left to right in the figure.

2.1. The dimensions of CSR

The literature generally follows the KLD classification of CSR into six dimensions – employee support, diversity, community support, environment, products, and non-U.S. operations. Bhattacharya and Sen (2004) propose that consumers may respond more positively to CSR initiatives that directly affect their experience with the firm. Bhattacharya, Sen, and Korschun (2008) also note that stakeholders' response depends upon the benefits they themselves derive from the CSR activities. Related to this is the notion that pro-social behavior is motivated by both selfish and selfless altruism, where the ultimate goal

of the former is self-benefit with helping others being an instrumental goal, while the ultimate goal of the latter is helping others with self-benefit as an unintended consequence (Batson & Shaw, 1991; Krishna, 2011).

Consumer response is also expected to be more positive for initiatives that are integrated into the core positioning of the firm/ brand (Du et al., 2007), as long as this does not generate negative perceptions regarding the firm's motives (Barone, Norman, & Miyazaki, 2007). This suggests that dimensions of CSR that only contribute to broad social good and that are less integrated with a retailer's core offering (e.g., those related to the environment or community) should have a less positive effect on consumer loyalty. In contrast, CSR dimensions that provide both societal and personal benefit and are integrated into a retailer's core offering (e.g., those related to the product or service experience) should have a more positive effect.

We examine four CSR activities that are relevant in our empirical context: environmental friendliness, community support, selling local products, and treating employees fairly. The last two relate directly to the customer's shopping experience, while the first two do not. While the four CSR activities can be grouped into customer-experience versus non-customer-experience, all four are quite different. We therefore examine them separately; the results will reveal whether they exert similar or different effects.

2.2. Other retailer attributes

Although our focus is on the effect of CSR, we must control for other retailer attributes that affect loyalty and may be correlated with CSR, especially given previous findings regarding consumers' unwillingness to trade off other attributes for CSR (Barone et al., 2000; Luo & Bhattacharya, 2006; Sen & Bhattacharya, 2001). A review of the literature shows that the drivers of retail store image and patronage can be categorized into a few key attributes – price, assortment, product quality, deals, in-store service and social experience, and convenience of location (Ailawadi & Keller, 2004; Baker, Parasuraman, Grewal, & Voss, 2002; Lindquist, 1974; Mazursky & Jacoby, 1986; Verhoef, Neslin, & Vroomen, 2007). We include these in our model.

2.3. Mediation model

Consumer perceptions of CSR and other store attributes can affect behavioral loyalty directly or indirectly through overall attitude towards the store. The indirect route is supported by models of consumer decision-making such as the theory of reasoned action (Fishbein & Ajzen, 1975) later broadened into the theory of planned behavior (Ajzen, 1991).

However, attitudes may not fully mediate the impact of perceptions on behavior. Perceptions of a store's CSR activities may influence behavior not just because of what CSR says about the store (as would be measured by overall store attitude), but also because of what it says about oneself (e.g., the social identity literature cited earlier). Also, social scientists have identified an "automaticity" effect, whereby behavior may be induced by cues in the environment without a conscious thought process (Bargh, Chen, & Burrows, 1996). The social atmosphere in the store or CSR activities might serve as such cues, evoking a categorization/stereotype that compels the consumer to shop at or avoid a store (Bitner, 1992). Similarly, a convenient location or special deals may directly cause a consumer to shop at that store, without the elaborate thought process assumed by the formation of overall attitude.

In summary, the total effect of CSR and other store attributes on behavioral loyalty comprised an indirect effect (mediated by overall attitude toward the store) and a direct effect. Since prior research shows a positive effect of CSR on attitude and attitude is positively correlated with behavior, albeit weakly, we expect a positive indirect effect. However, the direct effect may well be negative if, as some have suggested, the total effect of CSR on behavior is not positive. The



Fig. 1. The impact of corporate social responsibility on behavioral loyalty.

magnitude of the total effect and its decomposition into the direct and indirect components is an empirical question that we will investigate.

2.4. Heterogeneity in consumer response

As noted previously, researchers have found considerable variation in consumers' response to CSR. This may be due to how much consumers personally believe in the activity (Sen & Bhattacharya, 2001), whether they believe that CSR impinges on a company's corporate abilities (Brown & Dacin, 1997), and how much importance they place on other aspects of the company's core offering, such as price and service (Bhattacharya & Sen, 2004). Also, research has shown that consumers vary in the value they place on other store attributes, e.g., how much they are willing to engage in price search (e.g., Talukdar, Gauri, & Grewal, 2010; Urbany, Dickson, & Kalapurakal, 1996). Thus, our conceptual model allows for heterogeneity in the response to CSR as well as the other store attributes.

3. Method

3.1. Sample

Our data come primarily from a survey administered to customers of a retail grocery chain located in the northeastern U.S. This "focal" retailer positions itself strongly as a socially responsible retailer. With the retailer's cooperation, we mailed a letter to its approximately 16,000 active loyalty program members (i.e., those who made at least one purchase at the retailer in the previous 6 months) inviting them to participate in the survey that could be completed online or on paper. Paper copies were made available and collected at all of the retailer's stores. The purpose of the survey was introduced in general terms ("to better understand and serve the needs of customers") without mentioning CSR or any other specific area. It was made clear that the project was being conducted by a team of academic researchers at a nearby university. A lottery of ten gift certificates worth \$100 each, redeemable at area businesses, was used to encourage participation. In total, 2884 responses were obtained during the 1-month period when the survey was live, representing a response rate of about 18%. Note that the sampling frame consists of loyalty program members. However, 77% of the total sales by the focal retailer are to members of its program so this is a highly relevant sampling frame for studying the focal firm's customers.

3.2. Measures

The survey comprised four main sections. The first section collected information on the respondent's share of wallet (hereafter SOW), measured as percentage of total grocery spending in the past 6 months with the focal retailer as well as the seven major competing retailers in the area. We also allowed the respondent to indicate "other stores" not listed in the survey. The median (mean) SOW for these other stores is 0% (9.3%), indicating that the eight retailers included in our study account for most of the respondents' grocery spending.

The second section asked for respondents' perceptions of the focal retailer on the key attributes identified in the retailing and store image literature (such as product quality, price, and in-store service) and the four CSR dimensions identified earlier, as well as their overall attitude towards the retailer. Items for all constructs used a five-point scale, and the ordering of the items was randomized across respondents.

The third section asked for respondents' perceptions of a second store on the same items. In the online version of the survey, the second store was randomly generated among the competing stores that received at least 10% SOW from the respondent (this section was skipped if no competing stores receive more than 10% SOW). This ensured that the respondent had some familiarity with the second store being evaluated. In the paper version of the survey, the identity of the second store was randomized across multiple versions of the questionnaire, and the respondent was instructed to skip this section if he or she was unfamiliar with the particular store. The last section of the survey gathered self-reported importance of various retailer attributes and standard demographic and psychographic information.

In order to ensure variation not just across but within respondents we retained only respondents who rated two stores. After responses with missing data were discarded, our final sample consisted of 3492 observations from 1746 respondents. To assess how representative our sample is of the sampling frame, we compared it to the focal retailer's population of active loyalty program members. Table 1 summarizes this comparison and shows that our respondents are not very different from the population of loyalty program members in terms of duration of program membership and total spending and number of trips during the 6 months preceding the study.

Table 2 presents measures of each variable, along with descriptive statistics and, for multi-item variables, reliabilities.¹ As noted previously, we selected the store attributes based on the retailing and store image literature. We fine-tuned our selection based on qualitative interviews with four managers from the focal retailer and a convenience sample of fifteen consumers who were familiar with most of the stores in our study. The interviews led us to include not just the size of a retailer's assortment but the extent to which the retailer offers unique items not available elsewhere. They also led us to measure the social experience/ clientele aspects of the store through two separate attributes, i.e., how much a consumer feels they have in common with the clientele and how wealthy they perceive the clientele to be.

3.3. Data quality

SOW is of central interest so we first compare the self-reported SOW with actual spending compiled from the focal retailer's customer database.² The correlation between respondents' self-reported SOW at the focal retailer and their actual spending there over 6 months prior to survey administration is 0.61. We also computed respondents' SOW at the focal retailer from their actual spending and the weekly total grocery budget they reported in the survey. The correlation between computed and self-reported SOW is 0.71. These correlations are much larger than typically reported between perceived and objective measures (e.g., Bommer, Johnson, Rich, Podsakoff, & Mackenzie, 1995), and suggest that self-reported SOW has strong convergent validity.

Table 3 provides descriptive statistics of attribute ratings across retailers. The table shows substantial variation in mean ratings both within and across retailers. As the focal store positions itself on CSR and communicates its CSR activities via the guarterly newsletter to program members, its website, and in-store signage, it is not surprising that it rates highest on these dimensions. It also stands out in carrying unique items, product guality, in-store service, and assortment. However, it is rated poorly on price and promotions, and is perceived as having a wealthy clientele. Thus, consumers don't uniformly rate it positively or negatively on all attributes, alleviating concerns about social desirability and halo effects. Ratings of other retailers also show substantial variation across attributes and they generally have face validity. For example, retailers F and G position themselves strongly on price and consumers' mean price perceptions are in line with this. Similarly, retailers D and F are discount/big box stores and consumers' perceptions of these stores as offering attractive prices but being low on assortment and in-store service are in accordance with this. Finally, retailer H, who receives the poorest ratings, was struggling and closed its store in the year following our study. Overall, the pattern suggests that respondents rated the stores realistically and alleviates concerns about halo effects.

Table 1

Comparison of sample with member population.

Variable	Sample mean (std. deviation)	Population mean [#] (std. deviation)
Total spending in last 6 months (\$)	1549 (1597)	1631 (1976)
Number of trips in last 6 months	38 (42)	35 (44)
Number of months as member	145 (118)	147 (121)

[#] The population is the full set of active loyalty program members in the focal retailer's database.

As an additional check for halo effects, we examined the percentage of observations that showed high (4 or 5 on the 5-point scale) ratings for all attributes, and also what percentage of respondents who rated a retailer high on CSR also rated the retailer high on other attributes. We found that the observations with highly positive ratings on all attributes comprise less than 1% of the sample. Further, in terms of CSR versus other attributes, only a minority rated a given store high on both, depending on the CSR and other attribute involved. For example, less than 50% rated a retailer high on both environmental friendliness and quality. Only 5% rated a retailer high on both environmental friendliness and price.

Finally, we interviewed five grocery retail experts in the area and asked them to rate the stores (excluding their own) on the key attributes in our study. Overall, their ratings are consistent with those of our sample. For example, all of them rated the focal retailer highest on CSR attributes, assortment, quality, unique items, and wealthy clientele and worst on price and promotions, although the difference in ratings of the focal retailer and the next best was very small on assortment and quality.

In summary, the SOW measure exhibits strong convergent validity, the mean attribute ratings have good face validity as well as discriminant validity, and there is little evidence of halo effects. In addition, concerns about common method bias are alleviated (Rindfleisch, Malter, Ganesan, & Moorman, 2008) because (a) our key dependent variable, SOW, precedes the independent variables in the survey; (b) the order of items relating to CSR, overall attitude, and all other store attributes is randomized across respondents; and (c) SOW is measured using a different measurement scale than that used for other retailer attributes.

3.4. Model

The framework in Fig. 1 translates to a model with two equations, one for attitude and one for SOW. Both equations include the CSR dimensions and other store attributes as independent variables; the SOW equation also includes attitude. All variables are mean-centered relative to their grand means in the full sample. This does not affect estimates when there are no interactions and makes it easy to interpret main effects when interactions are subsequently included as a robustness check.

Unobserved heterogeneity in parameters across consumers can be incorporated by either the continuous (e.g., Gönül & Srinivasan, 1993) or the finite mixture method (e.g., Kamakura & Russell, 1989). We use the latter while accounting for the dependence between observations from the same respondent in a panel data model. Our choice of the finite mixture (also called latent class) model is dictated by the fact that we are interested not just in controlling for heterogeneity but in identifying actionable consumer segments whose size and preferences provide important managerial insights.

Since the latent segments are formed based on response to all model variables, the segment-level parameter estimates characterize the consumer segments not only in terms of how they respond to CSR activities but also in terms of the value they place on other retailer attributes. In addition, per Fig. 1, we use demographics and other

¹ We adapted existing measures where possible (e.g., Baker et al., 2002; the GfK consumer surveys used by van Heerde, Gijsbrechts, & Pauwels, 2008; Verhoef et al., 2007) and developed and pretested others. While multi-item measures may have been desirable for all constructs (but see Bergkvist and Rossiter (2007) for findings to the contrary), survey length was an issue given the number of constructs and the need for respondents to rate two retailers. Therefore, we used single items for some variables.

² The retailer estimates that well over 90% of members' purchases are captured in their database.

Table 2

Measurement of model variables.

Variables	Mean	SD	Survey items ^{a,b}
Dependent variables			
Attitude (ATT)	3.64	1.02	I consider myself a loyal customer at Retailer A.
$(\alpha = 0.88)$			I would recommend Retailer A to my friends.
			I would go out of my way to shop at Retailer A.
Behavioral loyalty (SOW)*	35.9	26.4	In the last 6 months, what percentage of your grocery spending
			was in Retailer A? (0-100%)
CSR			
Environmental Friendliness (CSREnv)	3.62	1.19	I believe that Retailer A has environmentally friendly policies.
Community Support (CSRCom)	3.70	1.26	I believe that Retailer A cares about the local community.
Local Products (CSRLoc)	3.32	1.47	I believe that Retailer A offers a large selection of local products.
Employee Fairness (CSREmp)	3.47	0.95	I believe that Retailer A treats employees fairly.
Other retailer attributes			
Price (Price)	2.92	0.94	I can get the same items at lower prices in other stores than Retailer A.
$(\alpha = 0.66)$			Prices at Retailer A are good compared to other stores. (reverse coded)
Quality (Qual)	3.93	1.01	I am confident in the quality of products at Retailer A.
$(\alpha = 0.90)$			The quality of products sold at Retailer A is high.
Deals (Deal)	3.64	0.79	There are special deals available on many products at Retailer A.
$(\alpha = 0.71)$			When items are on sale at Retailer A, the discounts are deep.
In-store service (Instor)	3.73	0.95	The atmosphere at Retailer A is pleasant.
$(\alpha = 0.79)$			Help is always available when I need it at Retailer A.
			It is easy to find things at Retailer A.
Assortment selection (Assort)	3.89	1.01	Retailer A offers a big selection of items in many product categories.
Unique items (Unique)	3.50	1.36	I can find unique products at Retailer A that are not available elsewhere.
Similar shoppers (Similar)	3.35	0.99	I have a lot in common with others who shop at Retailer A.
Wealthy shoppers (WIthy)	3.10	1.29	Shoppers at Retailer A tend to be wealthier than at other stores.
Location convenience (Convloc)	3.61	1.32	Retailer A's location is convenient for me.
Consumer characteristics			
Age	0.24	0.43	Age-High $= 1$ if age greater than 65, 0 otherwise
Income	0.31	0.47	Income-High = 1 if household income is greater than \$100 K, 0 otherwise
	0.23	0.42	Income-No Report $= 1$ if respondent prefer not to report income, 0 otherwise
Education	0.46	0.50	Educ-High $= 1$ if more than college graduation, 0 otherwise
CSR-ability belief (CSR-ability)	2.37	1.04	Environmental and social responsibility makes it difficult for companies to
			best serve their customers.
CSR-cost belief (CSR-Cost)	3.66	0.87	Environmental and social responsibility programs increase a company's costs.
Price importance	3.47	0.99	How important is everyday price when you decide where to do most of your
			grocery shopping?
Quality importance	4.35	0.72	How important is product quality when you decide where to do most of your
- • •			grocery shopping?
Service importance	3.30	1.02	How important is in-store service when you decide where to do most of your
-			grocery shopping?
CSR importance	3.44	1.12	How important is environmental and social responsibility when you decide
•			where to do most of your grocery shopping?
Seek local	4.08	0.90	I seek out locally grown and locally produced foods.

^a All items except SOW are measured on a 5-point scale with 5 = "strongly agree" or "extremely important" and 1 = "strongly disagree" or "not at all important". ^b In the survey, "Retailer A" is replaced by each retailer's actual name.

consumer characteristics to explain the probability of belonging to a given segment. The equation for attitude is:

$$\begin{array}{l} \mathsf{Att}_{ir} = \delta_{c0} + \delta_{c1}\mathsf{CSREnv}_{ir} + \delta_{c2}\mathsf{CSRCom}_{ir} + \delta_{c3}\mathsf{CSRLoc}_{ir} + \delta_{c4}\mathsf{CSREmp}_{ir} \\ & + \delta_{c5}\mathsf{Price}_{ir} + \delta_{c6}\mathsf{Assort}_{ir} + \delta_{c7}\mathsf{Unique}_{ir} + \delta_{c8}\mathsf{Qual}_{ir} + \delta_{c9}\mathsf{Deal}_{ir} + \delta_{c10}\mathsf{Instor}_{ir} \\ & + \delta_{c11}\mathsf{Similar}_{ir} + \delta_{c12}\mathsf{Wlthy}_{ir} + \delta_{c13}\mathsf{Convloc}_{ir} + \eta_{ir} \end{array}$$

where the variables are as defined in Table 2; the subscripts refer to consumer *i* and retailer *r*, and $c = \{1,2,...C\}$ indicates the latent class or segment. The prior probability that consumer *i* belongs to segment *c* is given by:

Prob
$$(i = c) = \frac{\exp\left(Z'_i \cdot \gamma_c\right)}{\sum_{c'=1}^{C} \exp\left(Z'_i \cdot \gamma_c\right)}$$
 (2)

where Z_i is a vector of consumer *i*'s characteristics comprising income, education, age, average, weekly grocery expenditure, belief that CSR

makes it difficult for a firm to effectively serve its customers, and belief that CSR raises a firm's costs. Complete definitions are listed in Table 2. The equation for SOW is the same as the attitude equation, except that Att_{ir} is included on the right-hand side of the equation:

$$\begin{split} \text{SOW}_{ir} = \beta_{s0} + \beta_{s1} \text{CSREnv}_{ir} + \beta_{s2} \text{CSRCom}_{ir} + \beta_{s3} \text{CSRLoc}_{ir} + \beta_{s4} \text{CSREmp}_{ir} + \\ + \beta_{s5} \text{Price}_{ir} + \beta_{s6} \text{Assort}_{ir} + \beta_{s7} \text{Unique}_{ir} + \beta_{s8} \text{Qual}_{ir} + \beta_{s9} \text{Deal}_{ir} + \beta_{s10} \text{Instor}_{ir} \quad \ \left(3\right) \end{split}$$

 $+\beta_{s11} Similar_{ir}+\beta_{s12} Wlthy_{ir}+\beta_{s13} Convloc_{ir}+\beta_{s14} Att_{ir}+\epsilon_{ir}$

Here $s = \{1,2,...,S\}$ indicates the latent class or segment and the prior probability that consumer *i* belongs to segment *s* is given by:

Prob
$$(i = s) = \frac{\exp\left(Z'_i \cdot \gamma_s\right)}{\sum_{s'=1}^{s} \exp\left(Z'_i \cdot \gamma_s\right)}$$
 (4)

We estimate the attitude and SOW models separately, using the concomitant variable latent class approach (Greene, 2003; Wedel &

Table 3

Descriptive statistics across retailers.

Variables	Mean (std. error) for retailer							
	A (n = 1746)	B (n = 416)	C (n = 575)	D (n = 273)	E (n = 176)	F(n = 167)	G (n = 98)	H (n = 41)
Environmental friendliness	4.55	2.74	2.76	2.47	3.02	2.34	2.90	2.37
	(.02)	(.04)	(.03)	(.05)	(.07)	(.07)	(.08)	(.13)
Community support	4.68	2.74	2.81	2.39	3.06	2.41	3.19	2.51
	(.02)	(.04)	(.04)	(.05)	(.08)	(.08)	(.08)	(.16)
Local products	4.54	2.18	2.36	1.49	2.58	1.46	2.38	1.90
	(.02)	(.04)	(.04)	(.04)	(.07)	(.05)	(.10)	(.15)
Employee fairness	4.01	2.99	3.02	2.88	3.09	2.34	3.17	2.78
	(.02)	(.03)	(.02)	(.04)	(.05)	(.07)	(.07)	(.14)
Price	3.45	2.67	2.37	2.22	2.81	2.02	1.71	2.74
	(.02)	(.04)	(.03)	(.05)	(.06)	(.06)	(.07)	(.11)
Assortment selection	4.11	3.87	4.01	2.84	3.66	3.48	4.06	2.83
	(.02)	(.04)	(.03)	(.07)	(.07)	(.08)	(.09)	(.20)
Unique items	4.58	2.52	2.64	2.55	2.64	2.19	2.75	1.81
	(.02)	(.05)	(.04)	(.07)	(.08)	(.08)	(.12)	(.14)
Product quality	4.67	3.17	3.30	3.16	3.42	2.57	3.54	2.67
	(.01)	(.04)	(.03)	(.05)	(.07)	(.07)	(.09)	(.15)
Deals	3.50	3.77	3.95	3.69	3.35	3.76	4.21	3.42
	(.02)	(.03)	(.03)	(.05)	(.05)	(.07)	(.07)	(.12)
In-store service	4.31	3.27	3.26	2.73	3.46	2.61	3.64	2.99
	(.02)	(.04)	(.03)	(.05)	(.07)	(.07)	(.08)	(.15)
Similar shoppers	3.74	2.98	3.05	2.73	3.34	2.58	3.08	2.63
	(.02)	(.04)	(.04)	(.05)	(.06)	(.07)	(.10)	(.16)
Wealthy shoppers	4.10	2.17	2.14	2.06	2.60	1.56	1.84	1.76
	(.02)	(.04)	(.03)	(.05)	(.06)	(.06)	(.07)	(.16)
Location convenience	3.86	3.36	3.36	3.06	4.24	2.98	3.09	3.78
	(.03)	(.06)	(.05)	(.07)	(.08)	(.10)	(.14)	(.23)
Attitude	4.20	2.84	3.16	3.32	3.01	2.75	3.88	2.36
	(.02)	(.04)	(.04)	(.05)	(.07)	(.08)	(.09)	(.17)
SOW (among raters of store)	39.72	31.10	36.64	19.68	43.35	20.92	45.54	25.39
	(.67)	(1.12)	(1.02)	(.77)	(2.17)	(1.25)	(3.05)	(3.38)
SOW (full sample $n = 1746$)	39.72	12.04	18.92	6.32	6.72	4.49	4.18	1.20
	(.67)	(.46)	(.57)	(.27)	(.43)	(.24)	(.35)	(.15)

Kamakura, 2000), and select the number of latent segments using the Bayesian Information Criterion (BIC).³

4. Results

Table 4 presents correlations between key variables in our model. The CSR dimensions are highly correlated as would be expected. There are also strong correlations between CSR dimensions and some other retailer attributes. This underscores the importance of controlling for the latter to ensure that the estimated effects of CSR are not biased due to omitted variables. The strong correlations also suggest the possibility of multicollinearity so we computed variance inflation factors (VIFs) and condition indices for all the variables in our model before proceeding further. The highest VIFs are for the CSR dimensions, but even these are all less than 5, well below levels of 10 or higher that are considered problematic. The condition number for the model variables is only 6.2, well below the ad hoc standard of 30 that is often used.

Next, we ensured that our mediation model is supported by the data (Baron & Kenny, 1986; Zhao, Lynch, & Chen, 2010). First we estimated equations for the effects of store attributes on attitude and SOW, and found significant effects of most attributes in both equations. Then, we added attitude to the SOW model and found that most attributes continued to have significant direct effects on SOW after controlling for attitude, with a significant change in their magnitude. Thus, the data support partial mediation of the effects of store attributes on SOW by attitude.

4.1. Attitude model

According to the BIC criterion, two segments provided the best fit for the attitude model, with Segment 2 being the majority segment (64.4% versus 35.6% of the sample). Segment-level parameters for the store attributes are provided in the first two columns of Table 5. The CSR coefficients all have positive signs and are statistically significant in four out of eight cases. This confirms that, by and large, CSR improves customer attitudes toward the store. Segments 1 and 2 differ interestingly in the emphasis they put on various CSR activities. Segment 1 places more emphasis on environmental friendliness whereas Segment 2 places more emphasis on employee fairness. The segments are similar in their attitude response to community support and local products. Both value the former and neither has an attitudinal response to the latter. Both segments have the expected signs for other store attributes, differing only in the magnitude of some effects. Perhaps the most important difference between them is that Segment 2 places more emphasis on promotional deals and on price and less emphasis on unique items and quality.

In addition, it is helpful to characterize segments in terms of consumer characteristics like demographic variables and to see if their CSR response is related to beliefs about how CSR affects corporate ability (Brown & Dacin, 1997; Sen & Bhattacharya, 2001). The bottom panel of Table 5 provides the effects of these concomitant variables on the probability of belonging to Segment 1 versus Segment 2. We find that higher age and more education increase the likelihood of being in Segment 1 and belief that CSR limits a firm's ability to effectively serve its customers decreases the likelihood of being in Segment 1.

³ Bucklin, Gupta, and Siddarth (1998) note that the trade-off between separate and joint estimation is one of better fit for the former vs. parsimony (fewer segments) for the latter. The better fit for the separate approach is due to its flexibility. A customer may be in attitude segment 1 and then be in either SOW segment 1 or 2. This is in contrast to the joint approach, which forces all customers who are in attitude segment 1 to be in SOW segment 1. We opted for the separate approach because we are interested in segmentation and therefore flexibility is important.

Table 4

Correlations among model variables.

	EnFr	CmSup	LocP	EmFair	Price	Assor	Uniq	Qual	Deal	Serv	Sim	Wlth	LCon	Att	SOW
Env. friendliness	1														
Comm. support	.82	1													
Local products	.81	.81	1												
Employ. fairness	.65	.63	.61	1											
Price	.40	.37	.45	.25	1										
Assort. selection	.31	.34	.33	.27	03	1									
Unique items	.71	.73	.75	.52	.40	.33	1								
Prod. quality	.78	.79	.78	.61	.32	.39	.72	1							
Deals	00	.01	05	.06	42	.30	02	.05	1						
In-store service	.72	.71	.72	.62	.22	.42	.61	.76	.16	1					
Similar shoppers	.49	.50	.48	.43	.13	.32	.43	.53	.14	.53	1				
Wlthy. shoppers	.68	.66	.74	.54	.56	.18	.65	.65	19	.55	.38	1			
Loc. conv.	.24	.24	.23	.20	.15	.05	.15	.24	.03	.28	.23	.21	1		
Attitude	.64	.65	.61	.54	.03	.37	.59	.73	.23	.69	.54	.45	.21	1	
Share of wallet	.21	.21	.22	.21	10	.17	.11	.23	.16	.31	.30	.10	.30	.44	1

Table 5

Attitude and share-of-wallet models with main effects

Independent variable	Attitude				Share of walle			Share of wallet mediated				
	Seg 1 (34.2%)	Std. error	Seg 2 (65.8%)	Std. error	Seg 1 (27.7%)	Std. error	Seg 2 (72.3%)	Std. error	Seg 1 (25.4%)	Std. error	Seg 2 (74.6%)	Std. error
Store attributes: Envir. friendliness Community support Local products Employee fairness Price Assortment selection Unique items Product quality Deals In-store service Similar shoppers Wealthy shoppers Location conven. Attitude	.173**** .098**** .017 .004 119*** .015 .147*** .382*** 028 .156*** .062** .030 .023 -	.030 .026 .025 .029 .028 .022 .020 .036 .030 .032 .025 .023 .014	.005 .078*** .016 .078*** 296*** 016 .074*** .287*** .139*** .194*** .149*** 025 .015	.029 .025 .022 .021 .016 .018 .026 .023 .024 .017 .020 .012	2.681**** 1.864* 7.039*** .853 .266 -1.252* 2.288*** .446 -1.007 1.672 .601 3.633*** 1.659***	.985 .986 .744 .819 .803 .666 .705 1.060 .845 1.059 .720 .734 .432	-1.287 -1.069 1.218* 1.800** -5.616*** .938 -3.564*** 071 1.094 4.590*** 4.007*** -1.865*** 4.566***	.822 .699 .681 .745 .562 .575 .560 .939 .754 .865 .577 .614 .376	1.944** .767 7.246*** .796 1.570* 880 1.577** -3.578*** -2.074** .905 364 3.398*** 1.253*** 8.649***	.988 .969 .766 .799 .806 .632 .695 1.122 .840 1.059 .750 .718 .432 .966	-1.961*** -1.774*** 1.365 .905 -2.584*** .962* -4.584*** -3.119*** .100 2.182** 2.552*** -1.524*** 4.541*** 11.096***	.765 .659 .654 .691 .655 .546 .524 .902 .708 .868 .546 .580 .358 .769
Concomitant variables [#] : CSR-ability belief CSR-costs belief Education-high Income-high Income-no report Age-high Wkly grocery spend	307*** 019 .593*** .029 .317 .662*** .054	.099 .107 .194 .238 .243 .231 .172			358*** .033 .372** .079 .444*** .188 .478***	.078 .086 .149 .183 .186 .178 .131			321*** .031 .337** .044 .399** .215 .550***	.083 .092 .160 .195 .198 .187 .140		

Standard errors are in parentheses. Effects of CSR variables are in bold.

[#] Effect of concomitant variables on probability of membership in segment 1 versus 2.

*** p<0.01. ** p<0.05

p < 0.05.

* p<0.10.

4.2. SOW model

The BIC criterion supports a two-segment solution for the SOW model also. Table 5 shows the non-mediated SOW model (i.e., without attitude) in columns 3 and 4, and the mediated SOW model (i.e., with attitude) in columns 5 and 6. Contrasting the two models yields two important conclusions: First, attitude is clearly important. Its coefficient is positive and highly significant in both segments. Second, many CSR and other store attributes remain statistically significant in the mediated SOW model showing that attitude partially mediates the relationship between attributes and SOW. Thus, we use the mediated SOW model in the remainder of our discussion.

The two segments in this SOW model differ substantially in the direct effects of CSR and some other attributes like price, unique items, deals, and wealthy shoppers. The first segment shows more positive direct effects of CSR, unique items and wealthy shoppers, a more negative direct effect of deals, and an insignificant direct effect of price. In terms of the concomitant variables, customers who are highly educated, bigger spenders, and who refuse to report income are more likely to be in Segment 1.⁴

It is important to point out that interpreting the direct CSR/attribute coefficients of the mediated SOW model in isolation is not particularly relevant. Managerially, what is of interest is the total effect, i.e., the impact of a change in an attribute, e.g., a CSR dimension, on SOW. This total effect is $\frac{dSOW}{dCSR}$ and is given by $\frac{\delta SOW}{\delta CSR} + \frac{\delta SOW}{\delta Att} \cdot \frac{\delta Att}{\delta CSR}$. The first term is

⁴ It may seem odd for a "missing data" code to have strong explanatory power. However, in light of the other features of Segment 1, "Income-no report" probably means that the customer is higher income. The importance of missing data codes such as represented by the income-no report variable is consistent with Blattberg et al. (2008, p. 307), who recommend the use of missing-variable coding in database marketing models.

the direct effect of the CSR dimension; the second is the indirect effect of CSR on SOW through the mediating attitude variable. The decomposition of the total effect shows it is possible for CSR to inspire positive attitudes but little behavioral action. A positive effect of CSR on attitude, together with a positive effect of attitude on behavior makes the $\frac{\delta SOW}{\delta Att} \cdot \frac{\delta Att}{\delta CSR}$ term positive. Therefore, for the total effect on behavior to be non-positive, the direct effect, $\frac{\delta SOW}{\delta ACR}$, has to be negative.

In the next section, we calculate the total effects and interpret these in conjunction with the coefficients reported in Table 5. Since the total effects combine coefficients from the attitude model $\left(\frac{\delta Att}{\delta CSR}\right)$ and the mediated SOW model $\left(\frac{\delta SOW}{\delta Att}, \frac{\delta SOW}{\delta CSR}\right)$, they depend on which segment (1 or 2) the consumer belongs to in the attitude model and the mediated SOW model.

4.3. Total effect of CSR activities on SOW

First, we classify each consumer in Attitude Segment 1 or 2 and in SOW Segment 1 or 2, using the posterior probabilities of segment membership.⁵ This generates four groups of consumers: Group 1/1 comprising consumers who are in Attitude Segment 1 and SOW Segment 1, Group 2/1 comprising consumers who are Attitude Segment 2 and SOW Segment 1, and so on. Next, we compute the total effect of each model variable (i.e., the total number of units by which SOW changes for a one unit increase in the variable) in each of the four groups, using parameter estimates from the corresponding Attitude and SOW segments. Finally, we use bootstrapping to obtain standard errors for these total effects (Efron & Tibshirani, 1993) in each of the four groups. For each group, we draw 500 bootstrap samples with replacement, estimate our models and compute the total effects of each model variable for each sample. The standard deviation of a given total effect across the bootstrapped samples is its standard error.

Table 6 provides the total effects and standard errors for all four groups. The first take-away is that the two attitude segments overlap only partially with the two SOW segments. The largest portion of the sample is in Group 2/2 but a significant proportion of consumers is in Groups 2/1 and 1/2. This underscores the advantage of not forcing a single segmentation scheme for attitude and SOW. The second take-away is that total SOW returns differ by group and CSR dimension, underscoring the importance of segmentation. Third, of the 16 CSR total effects, 10 are statistically significant – nine with a positive sign and one with a negative sign. Clearly CSR exerts an important impact on SOW.

Groups 1/1 and 2/1 are relatively small (11.6% and 13.8% of the sample, respectively). However, CSR is very important to these consumers – significant and positive in seven of eight cases. Both of these groups place very high emphasis on local products: a one-point increase in local products perceptions garners over seven SOW points. They also respond similarly to community support: a one-point increase in community support garners 1.62 SOW points for Group 1/1 and 1.44 SOW points for Group 2/1. With respect to the remaining two CSR dimensions, Group 1/1 places more emphasis on environmental friendliness, while Group 2/1 places more emphasis on employee fairness. Referring back to Table 5, we see several significant CSR effects both in the attitude and mediated SOW models for attitude Segments 1 and 2 and SOW Segment 1, so the strong total effects for Groups 1/1 and 1/2 are as expected.

CSR exerts different effects on Groups 1/2 and 2/2. This follows from the weaker and even negative direct effects in the mediated SOW model

Table	6		
T - + - 1		 -1	- C 11

I OLAI	enects	OII SHALE OI	wallet.

	Group defined h	у		
Total effect of	Attitude Seg1	Attitude Seg2	Attitude Seg1	Attitude Seg2
	SOW Seg1	SOW Seg1	SOW Seg2	SOW Seg2
	(size = 11.6%)	(size = 13.8%)	(size = 22.6%)	(size = 52.0%)
Environmental	3.440 ^{***}	1.987 ^{***}	041	- 1.906 ^{**}
friendliness	(1.064)	(.782)	(1.419)	(.933)
Community	1.615 [*]	1.442 ^{**}	687	909
support Local products	(1.856) 7.393 ^{****} (1.074)	(.723) 7.384 ^{***} (.778)	(1.202) 1.554 (1.108)	(.961) 1.543 [*] (.860)
Employee	.831	1.471 ^{**}	.949	1.770 ^{**}
fairness	(.820)	(.734)	(1.021)	(.771)
Price	.541 (.846)	990 (.664)	-3.904 (1.056)	-5.868 (.684)
Assortment selection	750	-1.018 ^{***}	1.128	.784
	(.704)	(.461)	(.857)	(.601)
Unique items	2.848 (.639)	(.516)	-2.953 (.932)	-3.763 (.764)
Product quality	2/4	- 1.096	1.120	.066
	(1.023)	(.826)	(1.492)	(1.007)
Deals	-2.316 (.883)	872 (.722)	211 (1.173)	(.754)
In-store service	(.928)	2.583 (.847)	3.913 (1.312)	4.335 (.989)
shoppers	.172	.925	3.240	4.205
	(.819)	(.726)	(1.016)	(.591)
Wealthy	3.657	3.182	— 1.191	-1.801 (.710)
shoppers	(.782)	(.614)	(.939)	
Location	1.452 ^{***}	1.383 ^{***}	4.796 ^{***}	4.707 ^{***}
convenience	(.502)	(.453)	(.619)	(.409)

Note 1: Total effect = (Direct effect on SOW) + (Effect on attitude)*(Effect of attitude on SOW).

Note 2: Bootstrapped standard errors are in parentheses. Effects of CSR variables are in bold. *** p < 0.01.

** p<0.05.

* p < 0.10.

for segment 2. CSR does not exert a significant impact on SOW for Group 1/2. The local products effect is close but does not achieve statistical significance at the 0.10 level. So for 22.6% of the consumer base, CSR is a non-factor in terms of SOW.

Group 2/2, the largest portion of consumers (52.0%), presents a mixed response to CSR. Local products and employee fairness exert positive total effects. A one-point increase in employee fairness is worth 1.77 SOW points and a one-point increase in local products yields 1.54 points of SOW. Note that these two CSR variables are related to a consumer's shopping experience, so a stronger response is expected – these CSR efforts provide not just a societal but also a personal benefit. In contrast, the impact of community support is not significant, and environmental friendliness has a *negative* total impact, significant at the 0.05 level. This is only one negative total impact out of 16 total CSR effects, but nevertheless it is intriguing and begs explanation.

We offer an *ex post* psychological explanation for the negative impact of environmental friendliness in this group – attribution. In particular, consumers who see a retailer devoting attention to a CSR cause that is not related to their experience with the store might infer that the retailer's attention is being diverted from serving customers. Consistent with this hypothesis, we find that one of the concomitant variables, the perception that "CSR makes it difficult for companies to serve their customers effectively," is associated with a higher probability of being in attitude segment two (where environmental friendliness has an insignificant effect), and a higher probability of being in SOW segment two (where the direct effect of environmental friendliness is negative). The net result is that consumers in Group 2/2 are concerned that the retailer's attention to CSR activities for the broad societal good takes their attention away from the customer. This shows up as a significantly

⁵ The most transparent way to assess the "quality" of classification is to examine the posterior probability of each respondent being in the segment he/she is assigned to. The closer these probabilities are to 1, the better the quality of classification. We find that the average probability of being in the assigned segment is 0.89 for the SOW model and 0.77 for the attitude model. Thus, the quality of assignment is very high, especially for the SOW model.

negative total response to environmental friendliness and an insignificant total response to community support, the two CSR dimensions that have a societal but not necessarily a personal benefit.

Overall, Table 6 shows that some CSR efforts can have a strongly positive impact on SOW. The positive effect is especially strong for 25% of our sample. For 52% of the consumers, CSR related to the consumer's experience in the store – local products and employee fairness – has a significant positive effect, but broader societal good related CSR, particularly environmental friendliness, detracts from SOW. There is a third group – 23% of consumers – for whom CSR is a non-factor.

4.4. Total impact of other store attributes on SOW

Table 6 shows the total effects of other store attributes on SOW, suggesting important contrasts among the groups. Groups 1/1 and 1/2 are not price sensitive, not deal prone, and value unique and special items and a wealthy clientele. Recall that these two groups are the most responsive to CSR. In contrast, Groups 1/2 and 2/2 are price sensitive and value similar shoppers, not wealthy ones. Group 2/2 is particularly price sensitive and deal prone. They respond to unique items by reducing SOW. Perhaps these consumers think of such a store as a place to shop for special items, not for everyday needs. The survey includes a question as to whether the consumer shopped at a chain mainly for special items not available elsewhere. Consistent with our logic, this item is more positively correlated with the Unique attribute in SOW segment 2 than in SOW segment 1 (correlation = 0.38 versus 0.17), and its mean is significantly higher for SOW segment 2 (3.95) than for SOW segment 1 (3.09).

Perhaps the most surprising result is the lack of importance of quality. Table 5 shows that both Attitude segments have a positive effect of quality, but the direct effect on SOW is negative for both SOW segments. Table 6 shows that the total effect is not significant. Everyone likes high quality "theoretically," but when it comes to actual shopping, quality may not mean much within the range of the data. The stores carry more or less the same packaged goods brands so, as the retail experts we interviewed noted, quality differs primarily in fresh produce, which is not a large part of total grocery spending.

4.5. Additional characterization of the four groups

The concomitant variables discussed previously characterize the Attitude and SOW segments. In Table 7, we summarize additional self-reported characteristics of the four groups. The contrast between Groups 1/1 and 2/2 (respectively the most and least CSR responsive groups

Table 7

Shopping characteristics of the four groups.

	Mean (standard error) in group defined by					
Variable	Attitude Seg1 SOW Seg1 (size = 11.6%)	Attitude Seg2 SOW Seg1 (size = 13.8%)	Attitude Seg1 SOW Seg2 (size = 22.6%)	Attitude Seg2 SOW Seg2 (size = 52.0%)		
SOW at focal	73.82*	71.31*	35.01*	25.71		
chain (%)	(.74)	(.78)	(1.15)	(.74)		
SOW at low price	12.61*	18.80*	30.58*	44.12		
chains (%)	(.77)	(.71)	(1.33)	(1.02)		
(chains						
C + D + F + G)						
Importance of	3.03*	3.29*	3.31*	3.70		
price	(.07)	(.06)	(.05)	(.03)		
Importance of	4.58*	3.93 [*]	4.35	4.27		
quality	(.04)	(.05)	(.04)	(.03)		
Importance of	3.47*	3.42*	3.34	3.21		
in-store service	(.07)	(.07)	(.05)	(.03)		
Importance of CSR	3.79*	3.57*	3.57*	3.27		
	(.07)	(.08)	(.05)	(.04)		
Seeking local	4.38*	4.25*	4.23*	3.91		
products	(.06)	(.05)	(.04)	(.03)		

* Mean is significantly different from group 4 at p < 0.01.

based on our results in Table 6) is particularly interesting. First, Groups 1/1 and 2/1 have much higher SOW at the focal retailer than the other two groups, and the self-reported importance of CSR in store choice, especially in group 1/1, is significantly higher than for the other two groups. This makes sense given the focal retailer's superior performance on CSR and the high responsiveness of these groups to CSR. Groups 1/1 and 1/2 also have much lower SOW at the price oriented retailers (Chains C, D, F, and G), and the self-reported importance of price in their store choice is significantly lower. Again this is in line with our model-based results showing that Groups 1/1 and 1/2 are much less price sensitive and much less deal prone than the other two groups, especially Group 2/2. Finally, Groups 1/1 and 1/2 report significantly higher importance of in-store service and quality in their store choice, and they report seeking local products more than Group 2/2. This, too, is in line with our model-based findings. Thus, the differences in these self-reported characteristics across the four groups provide high convergent validity for our model-based results.

4.6. Robustness checks

We conducted several analyses to establish the robustness of our results. The robustness checks relate to (i) use of self-reported SOW versus SOW computed from purchases, (ii) multicollinearity, (iii) chain differences in CSR response, and (iv) potential nonlinear effects of CSR. We summarize our findings below but full details are available upon request.

4.6.1. Self-reported versus computed SOW

The SOW measure used in our analyses is self-reported. We have respondents' actual purchase data from the focal retailer but we are unable to use actual SOW because we do not have the same information about their purchases from other retailers. However, we tested the robustness of our results with actual purchase data in two ways. First, we computed SOW at the focal retailer from the respondents' actual purchases at the focal retailer and their total weekly grocery budget as reported in the survey. Then we re-estimated our model after replacing the self-reported SOW by this computed SOW for observations relating to the focal retailer. We found no substantive difference in results. Further, we estimated the model using only observations for the focal retailer. This allowed us to directly compare results between selfreported and computed SOW because both were available. It was reassuring that the results were very similar for the two SOW measures.

4.6.2. Multicollinearity

Although the VIFs and condition indices in our model are within acceptable limits, we conducted additional checks given the high correlations between the CSR dimensions. Multicollinearity generally increases standard errors, rendering the estimated coefficients unstable across model variations. Sometimes it can result in "wrong signs", so we wished to make sure that the negative direct effects of some CSR dimensions are not an artifact of multicollinearity. We re-estimated the mediated SOW model by dropping one CSR dimension at a time and found that the results were very robust - e.g., the negative effects of environmental friendliness and community support in the second segment remained. Noting the high correlations between the quality attribute and in-store service as well as unique items attributes, we ran three additional models, dropping in-store service in one, unique items in the other, and both in the third, to see if the negative quality coefficient held up. Indeed it did. The signs of the CSR variables held up as well, although there were a few instances where significance levels changed. Finally, we subjected the multi-item store attributes to a principal components analysis and re-estimated the models with the orthogonal component scores. The CSR results were unchanged.

We also examined the correlation matrices for SOW Segments 1 and 2 and found them to be similar. We examined correlations for the focal chain versus other chains. These were somewhat smaller than in the

overall sample but, as we discuss in the next section, this is at the cost of less variation. Overall, therefore, we find that multicollinearity is not a problem and it is not responsible for negative or insignificant CSR effects.

4.6.3. Focal versus other chains

Our analysis relies on between chain/within customer variation to estimate the impact of CSR. However, it may be argued that our results, especially the negative direct effects of environmental friendliness and community support, are driven mainly by focal chain which is positioned much higher on CSR dimensions. Although separating the chains reduces variation in the CSR dimensions and hurts statistical power, we repeated our analysis after deleting the focal chain. As we expected, this resulted in fewer segments and reduced statistical significance. However, the direct effects of environmental friendliness and community support do not turn positive even when we exclude the focal chain. Indeed, the direct effect of community support remains significantly negative in one segment, just as in the full sample. We also found that the signs for local products and employee fairness are all positive, and in two of four cases, significant, despite the reduction in statistical power. In summary, the basic pattern of results persists when we remove the focal chain from the analysis, despite the weaker statistical significance resulting from attenuated variation in the CSR variables.

4.6.4. Nonlinear effects of CSR

It is possible that the impact of CSR is nonlinear. For example, the negative impact we find for environmental friendliness could be due to "over-reaching" on the part of the focal chain, i.e., going too far in its emphasis on environmental friendliness. This could lead to an inverted U effect on SOW. We examined this by adding dummy variables for high CSR values, i.e., equal to 1 if the CSR variable is rated 4 or 5 on our 1 to 5 scale (the variables are measured on an interval rather than a ratio scale, so it is not appropriate to include a quadratic term).

Although model fit improved, we found that the negative effects we discussed earlier cannot be attributed to an inverted-U relationship. Specifically, the dummy variables for environmental friendliness and community support are not significant for the second SOW segment where our model showed negative effects of environmental friendliness and community support. And directionally, they support the opposite of an inverted U effect. For example, the effect of community support becomes less negative at high levels. The only dimension for which we see an inverted U is one that did not have a negative effect in our model – local products. We find that the effect of local products gets less positive at high levels.

Adding these dummy variables aggravates multicollinearity (we now obtain VIFs above 5 and the condition number is 15). Further, the magnitude of the dummy variable for local products is implausibly high in Segment 1. Overall, therefore, although there are some nonlinear effects (as shown by the improved fit), they do not explain the negative effects in our original model, nor do they change our results directionally. We are also concerned that this is manipulating the 1–5 scale data too much. Overall, we conclude that the exacerbation of multicollinearity is not worth the additional insights and therefore we retain our original model. However, we note that non-monotonic CSR effects present a fruitful direction for future research.

A final nonlinear effect is potential interactions, especially between CSR efforts and other store attributes. We used the "data-driven" procedure proposed by Bijmolt, Van Heerde, and Pietres (2005) to identify potential interactions. Specifically, we added one set of interactions at a time (between the CSR activities and another attribute), determined the number of segments using BIC, and then determined whether this set of interactions for the attitude model, while we found interactions of CSR with quality and unique items for the SOW model.

We used the results to recalculate the total CSR effects on SOW and found the pattern of results to be similar to those shown in Table $6.^{6}$

5. Conclusion

We have used field data to quantify the impact of competing grocery retailers' CSR activities on consumers' behavioral loyalty towards these firms. We measure behavioral loyalty as share of wallet and distinguish among four types of CSR and among consumer segments. We investigate the role of consumers' attitude toward the store, allowing it to mediate the impact of CSR and other store attributes on SOW. Our key findings are as follows:

- (a) CSR perceptions have a direct effect on SOW as well as an indirect effect through attitude toward the store. The effects on attitudes are generally positive and attitudes enhance SOW. However, some of the direct effects are negative reducing the total effect on SOW, which is a combination of indirect and direct effects.
- (b) The total effect on SOW varies substantially across segments and CSR activities. Among the four types of CSR activities in our study, selling locally produced products has strong universal appeal. Employee fairness also has a positive, albeit weaker, impact across segments. Environmental friendliness is a double-edged sword with respect to SOW. A substantial segment of consumers reacts negatively to it.
- (c) For the largest group comprising over 50% of our sample, a oneunit improvement in perception (on a 1–5 scale) of local products or employee fairness increases SOW by 1.5 and 1.8 points respectively. However, this group is turned off by environmental friendliness – a similar effort on this dimension loses 1.9 SOW points. For two other groups, comprising approximately 25% of our sample, the SOW gain from local products is much larger and improvements in environmental friendliness and community support also garner substantial increases in SOW. Thus, there is a strong case for benefit segmentation in CSR efforts.
- (d) These groups can be distinguished based on education, age, income, and belief that CSR activities limits a firm's ability to effectively serve its customers. They can also be distinguished based on their response to other store attributes. Compared to the smaller groups that respond positively to all CSR, members of the group with negative SOW response to environmental friendliness and community support are more price sensitive and place greater value on assortment and location convenience. They are turned off by perceptions of exclusivity such as unique items and a wealthy clientele, have a smaller weekly grocery budget, and are more likely to believe that CSR efforts hinders the retailer's ability to serve its customers effectively.

These findings have several important implications. First, the potential gains and losses of SOW due to improvements in CSR perceptions are managerially meaningful. U.S. supermarket sales exceed \$550 billion annually and median store sales is over \$25 million (Food Marketing Institute, 2010), so every SOW point carries a substantial dollar amount. For instance, consider Kroger, one of the largest U.S. grocery chains with approximately \$76 billion in annual sales. It recorded a market share gain of 0.61 points in its major markets in 2008, and a total gain of 2.25 market share points over a four-year period. These gains were considered very "impressive" in its press release announcing the fiscal year results (The Kroger Company, 2009).

Second, not all CSR initiatives are equally important or meaningful. The best CSR initiatives are closely integrated into the company's core customer offering. CSR activities that are directly tied to the customer's experience with the firm – the front-end employees and the products – generate a higher return that is less contingent upon consumers'

⁶ Complete details are available from the authors.

idiosyncratic beliefs about the relationship between CSR and corporate abilities.

Third, our results highlight the importance of targeting CSR communications to consumers. For the largest group, communicating environmental friendliness hurts SOW. This does not mean that firms should act in ways that are environmentally unfriendly or that exploit their employees. For one, consumers react much more strongly to negative news about a firm's CSR than they might to positive news (Bhattacharya & Sen, 2004). For another, CSR never detracts from overall attitudes toward the store and therefore may lead to other pro-firm behavior not captured in SOW, such as word of mouth referrals and advocacy, and higher willingness to forgive occasional lapses (Bhattacharya & Sen, 2004; Klein & Dawar, 2004). Also, the smaller groups that value CSR for the broader social good are strategically important. Their lifetime value to the retailer is likely to be very high given their lower price sensitivity and high loyalty. In our sample, the average SOW of these segments with the focal retailer is over 70%, and other research shows that the "green consumer" spends more and is more brand and retailer loyal (GMA-Deloitte, 2009). All this suggests that while core-offering related CSR lends itself to a more uniform, mass-market communication approach, non-core related CSR is more nuanced and requires both careful messaging and careful targeting.

This is definitely both feasible and cost-effective for a retailer that already has a loyalty program and communicates directly with its consumers, e.g., through e-mail. For instance, all consumers should receive information about a retailer's local product selection and related consumption benefits such as freshness and lower pesticide levels. As also noted in the GMA-Deloitte (2009) study, green products are most effective when they represent a broader value proposition encompassing multiple purchase drivers. Only the higher educated, higher income consumers who use reusable bags or support environmental organizations should receive information about the environmental programs. Even retailers who do not have a loyalty program can use the rich geo-segmentation data available from tools such as Nielsen's PRIZM system to target CSR communications by zip-code (see Blattberg, Kim, & Neslin, 2008; pp. 197–206).

Beyond targeting based on consumer demographics and psychographics, our findings highlight the importance of appropriate messaging. Firms must tie their CSR effort not just to the broader social good but also communicate how those efforts translate into a better customer experience. They need to combat the view that some CSR activities do not directly benefit the customer and interfere with the firm's ability to serve its customers. For example, communications about a retailer's environmental programs (e.g., energy and water conservation or waste reduction) should emphasize how they reduce costs and allow the retailer to invest in products and services that the consumer values and/or reduce prices. The British grocery retailer, Tesco, even rewards customers with loyalty program points if they take actions that benefit the environment, e.g., use a reusable shopping bag. Indeed, Manget, Roche, and Munnich (2009) find that the most popular environmentally friendly actions that consumers themselves undertake involve saving money as well.

Fourth, it is dangerous for companies to charge higher prices because they perform well on CSR. Although the segment that values all types of CSR does tend to be less price sensitive, it is small. The largest group, that values only some types of CSR, is significantly more price sensitive. Further, we did not find any interactions between CSR efforts and price response, i.e., CSR does not decrease price sensitivity. This recommendation is also consistent with the GMA-Deloitte (2009) finding that consumers don't see why a green product should cost more if it is manufactured with less packaging/waste or if it is not transported far.

Fifth, firms need to measure the costs of their CSR initiatives realistically to calculate the ROI of their CSR investment. These costs were not available to us so we cannot make these calculations. We do wish to note that, just as not all CSR activities bring equal SOW benefits, not all of them are equally costly. Indeed, offering local products, the activity with the biggest benefit in our study, may not incur incremental costs (Bustillo & Kesmodel, 2011). Sourcing local products may actually be cheaper for a retailer due to lower transportation and spoilage costs and more negotiating leverage over local, often smaller, suppliers. Similarly, environmentally friendly practices such as reducing plastic or water or energy use, or reducing waste, may lower costs, the savings from which can be communicated and passed along to consumers. The point is that costs, which vary substantially across CSR activities, are quantifiable, and our research shows how to quantify economic benefits from the revenue side.

Finally, our results underscore the importance of distinguishing between attitudes and behavior in CSR research. Previous studies have suggested that positive attitudes engendered by CSR may not translate into higher purchase incidence, but, to the best of our knowledge, the current research is the first to quantify the interrelationship between attitudes and behavioral loyalty. The conclusion is that attitudes partially mediate the relationship between CSR and SOW, so evaluation of CSR must entail both attitudinal and behavioral measures. Our results show that only measuring impact on attitudes paints a rosier than warranted picture of CSR.

We note the limitations of our work and some important future research opportunities. First, our sample comes from the loyalty program of the focal retailer who is strongly positioned on CSR. Although much other empirical work has also been done using loyalty program members, we recognize that consumers in our sample may not be representative of the population as a whole. In particular, they may be more responsive to CSR, having chosen to enroll in the focal retailer's program, so our results may reasonably be viewed as an upper bound on the SOW returns of CSR. Even for this sample, we find considerable heterogeneity in CSR response. We hope future research can validate our findings with a broader sample.

Second, we have identified consumer segments and developed profiles that can be used for targeted messaging. However, we have not delved deeply into the underlying reasons for consumers' distinct perspectives about CSR. For example, we posit the negative impact of environmental friendliness on SOW in one group may be due to attribution on the part of the consumer that these efforts detract from the retailer's ability to serve the customer. Although we find only this one negative effect out of sixteen effects examined, its significance within a sizeable segment of consumers and the fact that environmental efforts are the most commonly publicized CSR initiatives underscores the importance of further research on this issue.

Third, we studied the major stakeholder group for grocery retailers, but it is also important to study how other stakeholders such as employees and investors respond to each CSR dimension. CSR dimensions like environmental friendliness and community support may well have significant effects on these stakeholders and therefore on financial returns even though they have little direct impact on consumers' behavioral loyalty. Fourth, our research is cross-sectional and there are always questions of causality with cross-sectional research. Strictly speaking, our research finds associations though theory suggests the associations are causal. We note that for reasons reported earlier, we do not believe halo effects were a problem. In addition, we note that the fact that we found two CSR dimensions negatively related to SOW and two positively related suggests that reverse causality is not at play here - respondents didn't simply rate their favorite store positively on CSR. Still, a longitudinal study over a period in which CSR policies are changed would be very valuable, especially as some retailers like Wal-Mart are investing significantly in environmentally friendly stores, products, and suppliers, and taking steps to improve their reputation on treatment of employees. It could also help to distinguish between the effects of positive versus negative changes in CSR.

Finally, we examined the impact of CSR dimensions in the grocery retail industry. As discussed at the outset of this paper, the impact of CSR should be industry-specific, so industry focus is important. But we hope future researchers will build on our work by conducting field-based analysis of the impact of CSR dimensions in other industries.

Acknowledgments

The authors thank an anonymous grocery retail chain in the northeastern U.S. for access to their loyalty program members and data. They thank Rong Guo, Lynn Foster-Johnson, and Paul Wolfson for their invaluable research support. Finally, we thank the AE and the reviewers for their constructive and valuable comments.

Appendix A

Supplementary data to this article can be found online at www. runmycode.org.

References

- Ailawadi, K. L., & Keller, K. L. (2004). Understanding retail branding: Conceptual insights and research priorities. *Journal of Retailing*, 80(4), 331–342.
- Ajzen, I. (1991). The theory of planned behavior. Organizational Behavior and Human Decision Processes, 50, 179–211.
- Auger, P., Burke, P., Devinney, T. M., & Louviere, J. J. (2003). What will consumers pay for social product features? *Journal of Business Ethics*, 42(3), 281–304.
- Baker, J., Parasuraman, A., Grewal, D., & Voss, G. B. (2002). The influence of multiple store environment cues on perceived merchandise value and patronage intentions. *Journal* of Marketing, 66(2), 120–141.
- Bargh, J. A., Chen, M., & Burrows, L. (1996). Automaticity of social behavior: Direct effects of trait construct and stereotype activation on action. *Journal of Personality and Social Psychology*, 71(2), 230–244.
- Baron, R. M., & Kenny, D. A. (1986). Moderator-mediator variables distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal* of Personality and Social Psychology, 51(6), 1173–1182.
- Barone, M. J., Miyazaki, A.D., & Taylor, K. A. (2000). The influence of cause-related marketing on consumer choice: Does one good turn deserve another? *Journal of the Academy of Marketing Science*, 28(2), 248–262.
- Barone, M. J., Norman, A. T., & Miyazaki, A.D. (2007). Consumer response to retailer use of cause-related marketing: Is more fit better? *Journal of Retailing*, 83(4), 437–445.
- Batson, C. D., & Shaw, L. L. (1991). Evidence for altruism: Toward a pluralism of pro-social motives. Psychological Inquiry, 2(2), 107–122.
- Bergkvist, L., & Rossiter, J. R. (2007). The predictive validity of multiple-item versus singleitem measures of the same constructs. *Journal of Marketing Research*, 44(2), 175–184.
- Berman, S. L., Wicks, A.C., Kotha, S., & Jones, T. M. (1999). Does stakeholder orientation matter? The relationship between stakeholder management models and firm financial performance. Academy of Management Journal, 42(5), 488–506.
- Bhattacharya, C. B., & Sen, S. (2003). Consumer-company identification: A framework for understanding consumers' relationships with companies. *Journal of Marketing*, 67(2), 76–88.
- Bhattacharya, C. B., & Sen, S. (2004). Doing better at doing good: When, why, and how consumers respond to corporate social initiatives. *California Management Review*, 47(1), 9–24.
- Bhattacharya, C. B., Sen, S., & Korschun, D. (2008). Using corporate social responsibility to win the war for talent. *MIT Sloan Management Review*, 49(2), 37–44.
- Bijmolt, T. H. A., Van Heerde, H. J., & Pietres, R. G. M. (2005). New empirical generalizations on the determinants of price elasticity. *Journal of Marketing Research*, XUI, 141–156.
- Bitner, Mary J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing*, 56, 57–71.
- Blattberg, R. C., Kim, B., & Neslin, S. A. (2008). Database Marketing: Analyzing and Managing Customers. New York: Springer.
- Bommer, W. H., Johnson, J. L., Rich, G. A., Podsakoff, P.M., & Mackenzie, S. B. (1995). On the interchangeability of objective and subjective measures of employee performance – a metaanalysis. *Personnel Psychology*, 48(3), 587–605.
- Brown, T. J., & Dacin, P. A. (1997). The company and the product: Corporate associations and consumer product responses. *Journal of Marketing*, *61*(1), 68–84.
- Bucklin, R. E., Gupta, S., & Siddarth, S. (1998). Determining segmentation in sales response across consumer purchase behaviors. *Journal of Marketing Research*, 35(2), 189–197.
- Bustillo, M., & Kesmodel, D. (August 1). 'Local' grows on Wal-Mart. Wall Street Journal, 258(26), B1–B5.

- Cotte, J., & Trudel, R. (2009). Socially conscious consumerism: A systematic review of the body of knowledge. Network for Business Sustainability.
- Du, S. L., Bhattacharya, C. B., & Sen, S. (2007). Reaping relational rewards from corporate social responsibility: The role of competitive positioning. *International Journal of Research in Marketing*, 24(3), 224–241.
- Efron, Bradley, & Tibshirani, R. J. (1993). An Introduction to the Bootstrap. Chapman & Hall/CRC, Monographs on Statistics and Applied Probability. 57.
- Fishbein, M., & Ajzen, I. (1975). Belief, attitude, intention, and behavior: An introduction to theory and research. Reading, MA: Addison-Wesley.
- Food Marketing Institute (2010). Supermarket facts: Industry overview 2010. Accessed on July 30, 2011 at http://www.fmi.org/facts_figs/?fuseaction=superfact
- GMA-Deloitte (2009). Finding the green in today's shoppers: Sustainability trends and new shopper insights. GMA/Deloitte Green Shopper Study.
- Godfrey, P. C., & Hatch, N. W. (2007). Researching corporate social responsibility: An agenda for the 21st century. *Journal of Business Ethics*, 70(1), 87–98.
- Gönül, F., & Srinivasan, K. (1993). Modeling multiple sources of heterogeneity in multinomial logit-models – methodological and managerial issues. *Marketing Science*, 12(3), 213–229.
- Greene, W. H. (2003). Econometric analysis (5th ed.)Upper Saddle River, N.J.: Prentice Hall, 440–441.
- Hillman, A. J., & Keim, G. D. (2001). Shareholder value, stakeholder management, and social issues: What's the bottom line? *Strategic Management Journal*, 22(2), 125–139.
- Kamakura, W. A., & Russell, G. J. (1989). A probabilistic choice model for market-segmentation and elasticity structure. *Journal of Marketing Research*, 26(4), 379–390.
- Klein, J., & Dawar, N. (2004). Corporate social responsibility and consumers' attributions and brand evaluations in a product–harm crisis. *International Journal of Research in Marketing*, 21(3), 203–217.
- Krishna, A. (2011). Can supporting a cause decrease donations and happiness? The cause marketing paradox. *Journal of Consumer Psychology*, 21(3), 338–345.
- Lichtenstein, D. R., Drumwright, M. E., & Braig, B.M. (2004). The effect of corporate social responsibility on customer donations to corporate-supported nonprofits. *Journal of Marketing*, 68(4), 16–32.
- Lindquist, J.D. (1974). Meaning of image. Journal of Retailing, 50(4), 29-38.
- Luo, X. M., & Bhattacharya, C. B. (2006). Corporate social responsibility, customer satisfaction, and market value. *Journal of Marketing*, 70(4), 1–18.
- Luo, X. M., & Bhattacharya, C. B. (2009). The debate over doing good: Corporate social performance, strategic marketing levers, and firm-idiosyncratic risk. *Journal of Marketing*, 73(6), 198–213.
- Manget, J., Roche, C., & Munnich, F. (2009). Capturing the green advantage for consumer companies. Boston Consulting Group Report.
- Margolis, J.D., & Walsh, J. P. (2003). Misery loves companies: Rethinking social initiatives by business. Administrative Science Quarterly, 48(2), 268–305.
- Mazursky, D., & Jacoby, J. (1986). Exploring the development of store images. Journal of Retailing, 62(2), 145–165.
- McWilliams, A., & Siegel, D. (2001). Corporate social responsibility: A theory of the firm perspective. Academy of Management Review, 26(1), 117–127.
- Orlitzky, M., Schmidt, F. L., & Rynes, S. L. (2003). Corporate social and financial performance: A meta-analysis. Organization Studies, 24(3), 403–441.
- Raghubir, P., Roberts, J., Lemon, K. N., & Winer, R. S. (2010). Why, when, and how should the effect of marketing be measured? A stakeholder perspective for corporate social responsibility metrics. *Journal of Public Policy & Marketing*, 29(1), 66–77.
- Rindfleisch, A., Malter, A. J., Ganesan, S., & Moorman, C. (2008). Cross-sectional versus longitudinal survey research: Concepts, findings, and guidelines. *Journal of Marketing Research*, 45(3), 261–279.
- Sen, S., & Bhattacharya, C. B. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *Journal of Marketing Research*, 38(2), 225–243.
- Talukdar, D., Gauri, D. K., & Grewal, D. (2010). An empirical analysis of the extreme cherry picking behavior of consumers in the frequently purchased goods market. *Journal of Retailing*, 86(4), 336–354.
- The Kroger Company (2009). Kroger Records Fourth Quarter and Record Full Year 2008 Results. Accessed on January 30, 2011, at http://www.thekrogerco.com/corpnews/ corpnewsinfo_pressreleases_03102009.htm
- Urbany, J. E., Dickson, P. R., & Kalapurakal, R. (1996). Price search in the retail grocery market. *Journal of Marketing*, 60(2), 91–104.
- van Heerde, H., Gijsbrechts, E., & Pauwels, K. (2008). Winners and losers in a major price war. Journal of Marketing Research, 45(5), 499–518.
- Verhoef, P. C., Neslin, S. A., & Vroomen, B. (2007). Multichannel customer management: Understanding the research shopping phenomenon. *International Journal of Research in Marketing*, 24(2), 129–148.
- Wedel, M., & Kamakura, W. A. (2000). Market segmentation: Conceptual and methodological foundations (2nd ed.)Boston: Kluwer Academic.
- Zhao, X., Lynch, J. G., & Chen, Q. (2010). Reconsidering Baron and Kenny: Myths and truths about mediation analysis. *Journal of Consumer Research*, 37, 197–206.