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Digitally co-created corporate social responsibility: Testing the effectiveness of “You decide, we donate” approaches

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Abstract. In a world with increasing consciousness of sustainable consumption, corporate social responsibility (CSR) continues to be a major factor in consumers’ purchase-related decision making. Recently, companies have started initiatives to provide digitally co-created CSR, in which consumers can decide to which project, organization or foundation a company donates. Despite early research efforts, still, less is known about the effectiveness of such approaches in terms of customer loyalty and whether consumer characteristics impact the effectiveness. To this end, we conducted a scenario-based experiment with 241 participants, in which we manipulated different types of CSR activities, including a digitally co-created mode of corporate social responsibility that involves a “you decide, we donate approach”. We confirm the effectiveness of digitally co-created CSR and show that consumer innovativeness as a consumer characteristic has no moderating effect. We discuss implications for IS theory and practice as well as future research opportunities.

Keywords: Corporate social responsibility, digital co-creation, experiment

1 Introduction

Academics and the business press alike attest an increase in corporate social responsibility (CSR) activities [1]. Companies engage in CSR because they want to be perceived as fair market actors, increase their reputation, and ultimately increase their attractiveness to customers, suppliers, and investors [2,3]. For some companies, it is also important to display high levels of CSR to be perceived favorably by their own employees [4]. Broadly, CSR refers to “a company’s activities and status related to its perceived societal or stakeholder obligations” [5]. Examples of CSR activities cover a large spectrum and range from sponsoring local sport clubs over supporting social initiatives to being environmentally conscious. In the context of information systems, green IT approaches are also considered a form of CSR [6]. As CSR is of high strategic

importance to companies, they typically hold control over CSR activities and how they are communicated to the customer base. With the digitalization of customer-company interactions – with digitalization in the sense of the ways in which many domains of social life are restructured around digital communication and media infrastructures – possibilities for digital CSR have emerged [7]. However, although many brands use social media to leverage their CSR initiatives, they often fail to realize the full potential of digitally co-created CSR [8]. For example, Okazaki et al. [8] found that most companies communicate CSR activities in a unidirectional way, hence, inhibiting co-creation of CSR.

While CSR is still a top management issue, many firms see potential in involving customers in CSR decisions, predominantly to increase both bonds with customers and CSR effectiveness. This study focuses on co-creation of cause-related marketing campaigns (i.e., organizations provide a donation to a charitable project), in which *customers* (and not the company) decide to which charitable initiative the firm donates money in response to customer purchases [9] – a “you decide, we donate”-approach. Hence, in contrast to firm-controlled CSR initiatives, in which the firm decides where and how to engage, digitally co-created CSR enables customers to be an integral part of the CSR initiative by deciding where the firm’s CSR engagement will take place.

While some early research points to the effectiveness of such approaches in terms of increased brand attachment and brand attitude [9], at least two voids still exist. First, the effectiveness of digitally co-created CSR has not been shown for more behavioral customer responses such as loyalty intentions. Second, so far, the influence of personality on the influence of “you decide, we donate-approaches” on downstream variables have been largely neglected. Thus, our research question is: “Does digitally co-created CSR affect customers’ loyalty intentions?”

To this end, we use an experimental 3x1 between-subject design to test the effect of the use of an “you decide, we donate”-approach on customer loyalty intentions. Specifically, we compare situations without specific CSR activities with classical and digitally co-created CSR activities. In addition, we consider the role of consumer innovativeness as a moderator as consumers with higher levels of innovativeness tend to evaluate new CSR activities more favorably. Thus, this study makes at least three contributions. First, it introduces the concept of digitally co-created CSR to the IS literature. Second, the study adds customer loyalty intentions as a positive consequence of digitally co-created CSR. Finally, the results show that the positive effect of digitally co-created CSR is independent of consumers’ level of innovativeness. The results prompt a discussion of implications for information systems theory and practice.

2 Theoretical background

Corporate social responsibility as a concept has received considerable attention from marketing and business ethics researchers [10], and with the rise of social media, green IT, and other digital technologies also has attracted information systems research [4,11]. Since CSR “comprises all the varied societal practices of an organization to boost the congruence between the societal expectancy of an enterprise and

stakeholders' behavior" [12], research on CSR also covers many areas. For example, Chao et al. [13] identified multiple sub-issues of CSR such as identification, heterogeneity, measurement, and interpretation. Despite the omnipresence of CSR in multiple disciplines, the literature remained quite silent on digitally co-created CSR. We will introduce some of the few exceptions found through a non-systematic literature search using key terms such as "digital CSR", "digital corporate social responsibility", "digitally co-created CSR", and "co-created CSR". To the best of our knowledge, the following articles reflect the scant research field of digitally co-created CSR best.

Jiminez et al. [14] maintains that CSR has entered a digital design space, which creates a need to adapt certain codes of conduct to meet the characteristics of the online world. Grigore et al. [15] points to similar aspects and argue that especially responsibility in the use of digital technologies requires more than just legal compliance. Etter et al. [16] demonstrates that especially in a sharing economy, the role of (shared) CSR must be newly discussed. These articles provide some guidance on how to tackle upcoming issues in CSR created by increased digitalization. However, these articles provide no empirical evidence on the functioning of digital CSR approaches. Empirical evidence on digital CSR is just starting to evolve. Ma et al. [12] studied patients of four large hospitals in Pakistan and relate CSR engagement on social media and consumer-company-identification with electronic word-of-mouth. The results point to the fact that CSR communication on social media indeed influences downstream variables. Okazaki et al. [8] studied CSR-related digital communication on Twitter and found that the co-creation potential of social media has yet to be fully tapped. Finally, to the best of our knowledge, Kull & Heath [9] are the only ones to study digitally co-created CSR in relation to "You decide, we donate" approaches and found that when consumers have a choice, in which they – and not the brand – chose charitable initiatives the brand then donates to, customers form stronger brand attachment. We add to this research by investigating customer loyalty intentions as an outcome and by considering consumer traits. Table 1 provides a non-exhaustive list of papers related to digital CSR.

Table 1. Non-exhaustive list on articles related to digitally co-created CSR

Authors	Main topic
Etter et al. 2019 [16]	CSR in the sharing economy
Grigore et al. 2017 [15]	Responsibility in the digital age
Jiminez et al. 2021 [14]	Trust in third party and code of conduct
Kull & Heath 2016 [9]	You decide, we donate
Ma et al. 2021 [12]	CSR communication on social media
Okazaki et al. 2020 [8]	Digitally co-created CSR on Twitter

3 Hypotheses

Our hypotheses rest on two assumptions. First, customers value a brand's CSR activities in the form of positive word of mouth and/or loyalty [12,13] Second, when consumers have control over a brand's meaningful decisions, the consumer-brand

relationship is strengthened [9]. To this end, we argue that when consumers are faced with situations in which a brand actively communicates CSR activities, they will respond with higher loyalty intentions compared to situations with no communicated CSR. Hence:

H1: Consumers display higher loyalty intentions in situations where CSR is communicated compared to situations in which it is not communicated.

When the level of CSR is further increased, consumers will value these initiatives with an increase in customer loyalty. Digitally co-created CSR, thus, is expected to provide higher rates of loyalty compared to conventional CSR approaches. However, it's not the digital aspect per se: Digital approaches enable customers to choose without any restrictions, where the brand should spend CSR resources. These "You decide, we donate"-approaches equip the consumer with a decision power - especially when there is unrestricted choice -which increased bonds with the respective brand [17]. Thus, in line with previous research [9], we reason that freedom in decision taking that is core to digitally co-created CSR will result in higher levels of loyalty intentions.

H2: Compared to situations with classical CSR approached, consumers will display higher levels of loyalty intentions in situations with co-created digital CSR.

Consumer characteristics such as their demographic structure (e.g., age, gender, educational background) or personality, are prone to influence how digital CSR initiatives are perceived. Hence, such characteristics potentially moderate the effect of digital CSR initiatives on downstream variables. In this study, we focus on consumer innovativeness as a consumer characteristic for two reasons. First, as digital CSR is still a rather new phenomenon, perceptions may be contingent on consumers' general attitude towards newness. Consumers with high levels of consumer innovativeness are among the first to try and buy new offerings and have generally a positive attitude towards newness [18,19]. Second, consumer innovativeness is a rather actionable variable as it can be measured with proxies such as turnover with newly introduced products and services. Thus, customers with high consumer innovativeness can be identified relatively easy. Other personality traits such as the big five are more difficult to capture in practice, for example, with appropriate survey instruments [20].

There is still some ambiguity surrounding the concept of consumer innovativeness. While some authors consider consumer innovativeness as the early purchase of a newly introduced product, others are less strict and equal consumer innovativeness to being attracted by new offers [21]. Similarly, authors distinguish actualized from innate innovativeness [20]. In this study, we consider consumer innovativeness as innate and thus treat it as a specific customer trait. We reason that consumers with a high innate innovativeness already expect digital types of CSR and are hence less impressed by such initiatives. We therefore reason that the effect of increasing CSR levels (from none to digitally co-created) is larger for consumers with low levels of consumer innovativeness.

H3. Consumer innovativeness moderates the effect of CSR intensity (from none to digitally co-created) on loyalty intentions such that the effect is weaker for consumers with high innate innovativeness.

4 Method

4.1 Procedure and measures

To test the hypotheses, we developed an experimental research design with a between-subject setup. In these types of setups, a single participant is only exposed to one experimental condition to avoid order effects. In our design, we used fictitious scenarios that serve as experimental conditions. Such scenarios are often applied in marketing and information systems research [22,23].

We decided to embed all scenarios in a realistic context. To this end, we chose a brand that is well known in the geographic area of participants, which is Germany in our case. Choosing a concrete brand – in contrast to using fictitious companies – has several advantages, but also disadvantages. As a disadvantage, one must control for brand-related aspects that could confound results such as experience with the brand [33]. On the pro-side, the scenario becomes more realistic for participants. Thus, we chose REWE, a German supermarket chain REWE as our case example. REWE is active in all parts of the country. Its 3,600 stores make it the second largest supermarket chain in Germany. With 140,000 employees and 23.8 Bn revenue, REWE is well known and very present in media.

In developing the scenarios, we partnered with a company that offers a platform-based system to digitally co-create CSR. Company representatives explained their business and suggested scenarios, which were later slightly adapted. For the scenarios, we chose three different types (or levels, as we assume a rank order) of CSR as our experimental design. Group 1 depicts the baseline group without specific CSR activities. Group 2 reports a rather conventional CSR activity. Lastly, group 3 describes a scenario with a digitally co-created CSR approach involving the “You decide, we donate”-option. After respondents had finished the survey, we highlighted that the respective scenarios were fictitious and do not mirror REWE’s actual CSR activities (Debriefing). Table 2 displays the three different scenarios.

We used established measures for our constructs of interest where possible and used five-point-Likert scale (1 = ‘fully disagree’ to 5 = ‘fully agree’) throughout. To assess our dependent variable, loyalty intentions, we used three items adapted from Sirohi et al. [24]. Items read: “The likelihood of purchasing at REWE is high”, “The likelihood of purchasing items at REWE in the next 6 months is high”, “The likelihood of recommending REWE is high”. We measured consumer innovativeness, our moderator with three items from Ailawadi et al. [25]. A sample item reads: “I am typically among the first who buy a new product”. We also measured customer orientation as a multi-item control based on three items from Walsh et al. [26]. A sample item reads: “As a customer of REWE you get treated well”. As additional controls, we assessed age (in years), gender (1= female, 0=other), income (interval), social attitude (single-item measure, “I am a socially minded person”) and attitude of helping others (measured with three items from [27]). The inclusion of these controls was backed by several considerations. First, loyalty intentions could be influenced by demographical aspects such as gender or age. Second, consumers with high income levels are – *ceteris paribus* – less likely to switch because they might search for cost-effective alternative to a lesser

extent than consumers with low budgets. Third, consumers with a social attitude might display higher concerns for CSR activities. Finally, consumers with an attitude of helping others might evaluate CSR activities different from consumers with low attitudes of helping others.

Table 2. Experimental stimuli (3x1 factorial design)

<i>Baseline scenario</i>	
REWE is a large supermarket chain that sells both offline and online with opportunities to ship purchases to customers' homes. REWE is also concerned with activities that broadly fall into the category of corporate social responsibility (CSR). You search the web and find the following about REWE. Please put yourself in the following situation when answering the questions.	
<i>Stimulus</i>	<i>Variants</i>
Group 1 No digital CSR / control	You search the Web for information regarding REWE's CSR activities and you do not find any CSR-related activities.
Group 2 Digital CSR	You search the web and find that REWE donates 1% of each online shopping to specific sustainability initiatives.
Group 3 Digitally co-created CSR ["You decide, we donate"]	You search the web and find that REWE provides online customer social coins worth 1% of the shopping to be spend to sustainability initiatives <i>of your choice</i> – (as long as the initiative partners with REWE). Examples of past initiatives range from supporting local kindergartens to supporting UNICEF.

4.2 Pretest

Before we turn to the results of the main experiment, we provide results of our pretest. We used Amazon Mechanical Turks (MTurk) to pretest the experimental design. MTurk is an online marketplace that matches task providers and task seekers and that has been proven a viable platform for attracting study participants, who self-select surveys and receive monetary compensation for their participation [28,29]. As the majority of MTurk workers are based in English-speaking countries, we 1) chose an US-based context (Walmart) and 2) asked for US residents only. We also required participants to have a HIT approval rate of more than 95% on more than 1000 HITs because higher approval rates signal higher worker reputation. With this approach, we recruited 110 participants (55.5% female, $M_{age} = 35.15$, $SD = 11.7$).

The goal of this pretest was to assess the experimental conditions' distinctiveness. As a distinguishing factor we chose the CSR type innovativeness, measured on a five-point-Likert scale ranging from 1 = "fully agree" to 5 = "fully disagree". An analysis of variance (ANOVA) revealed significant differences between experimental conditions ($F = 4.828$, $p < .01$). Scenario 1, without specific CSR activities, had a mean of 3.50 ($SD = 1.06$). Scenario 2 had a mean of 3.16 ($SD = 1.15$). Scenario 3 with the digitally co-created CSR had a mean of 2.84 ($SD = 0.90$), indicating the highest level of innovativeness. We also provided the three experimental conditions to three academic colleagues, who confirmed realism of these conditions. Thus, we consider the experimental conditions to be suitable for the main study.

4.3 Main study

For the main study, we recruited participants via a snowball technique to reduce potential biases from having paid respondents. With the help of student assistants, we spread the link to an online survey across students' networks on Facebook and Twitter. No specific compensation was offered. The link was opened by 410 individuals, of which 241 finished the survey for a completion rate of 58.8%. We had included an attention check (i.e., please provide the sum of 4+4), which all participants successfully passed. All participants further indicated to have at least bought once at REWE. They also report considerable experience with the company ($M = 1.10$, $SD = 0.31$; five-point-Likert scale from 1 = 'strong experience with REWE' to 5 = 'almost no experience with REWE'). Table 3 provides more information regarding respondent demographics. In terms of the distribution of gender, the sample comes quite close to typical grocery shopping groups.¹

Prior to the specific scenario description (see Table 2), we asked about customers' loyalty towards REWE, and other REWE-related questions (e.g. being a customer or not, etc.). We also assessed our moderator, consumer innovativeness, before the scenario description. After respondents had seen the scenario, we asked for their loyalty towards REWE again and also asked for demographic variables, which should not have been influenced by the stimulus (i.e., age, gender, income). Of the 241 respondents that depict the final sample, 80 answered in relation to scenario 1 (Group 1), 80 answered in relation to scenario 2 (Group 2), and 81 answered in relation to scenario 3 (Group 3). Thus, the three experimental groups are very balanced in terms of participants and each cell is large enough to conduct meaningful statistical analyses.

5 Results

5.1 Measurement assessment

We started our analysis with a confirmatory factor analysis to assess the quality of our measurement. To this end, we included all our multi-item measure and ran a model with a maximum-likelihood estimator in AMOS 26. We included three items for loyalty (measured after the stimulus), three items for consumer innovativeness, three items for customer orientation, three items for attitude towards helping others and one item for social attitude. The resulting model fits the underlying data quite well as indicated by the following quality criteria: $\chi^2/df = 2.31$, CFI = .94, TLI = .92, RMSEA = .088 [90% CI: .068; .107]. Moreover, all items loaded significantly on the respective construct. In terms of reliability, Cronbach's α exceeds the recommended threshold of .7 for all our constructs of interest. Loyalty (measured after the stimulus) has an α of .87, customer orientation of .89, consumer innovativeness of .81 and attitude towards helping others has an α of .70. Average variance extracted (AVE) for each construct exceeds the

¹ Statista (2021): <https://de.statista.com/statistik/daten/studie/294367/umfrage/umfrage-in-deutschland-zum-geschlecht-der-kunden-von-edeka/>

threshold of 50 – except for the control variable attitude towards helping others (AVE = .48). We also assessed discriminant validity. The square root of each AVE exceeds any correlation with another construct. Also, values for HTMT are well below the conservative threshold of .85. In sum, these tests indicate that the data is prone to be used in subsequent analyses.

Table 3. Sample

	Number	Percent		Number	Percent
Gender			Income		
Female	114	47.3	< 1,000 Euro/month	59	24.5
Male	127	52.7	1,001 – 1,500	24	10.0
Inter	0	0.0	1,501 – 2,000	31	12.9
<i>Sum</i>	<i>241</i>	<i>100</i>	2,001 – 2,500	39	16.2
			> 2,500	60	24.9
Age cohort			<i>Sum</i>	<i>241</i>	<i>100</i>
<21	16	6.7	Education		
21-25	50	20.7	Highschool	37	15.4
26-30	61	25.3	Apprenticeship	40	16.6
31-35	43	17.8	Baccalaureate	69	28.6
36-40	19	7.9	Bachelor/Master	95	39.4
41-50	25	10.4	<i>Sum</i>	<i>241</i>	<i>100</i>
51-60	21	8.7			
>60	6	2.5			
<i>Sum</i>	<i>241</i>	<i>100</i>			

Although experimental studies are less affected by artificially high correlations between predictor and response variable (a phenomenon known as common method variance, CMV), we used pre- and post-survey methods to limit the threat of CMV [30]. First, in designing the questionnaire, we aimed to use different scale anchors for different constructs of interest. Second, we ensured anonymity, which typically reduced social desirability. To quantify the amount of CMV in our data, we used two methods. First, we applied Harmon’s single factor approach, for which conducted an exploratory factor analysis without rotation where all items had to load on the same factor. When a large proportion of variance (typically above 50%) is explained by the single factor, CMV is said to be present [31]. For this analysis, we took all items that were measured with the same scale anchors (i.e., we did not include age, gender, education, and income). Specifically, we used items for loyalty (3), attitude towards helping others (3), consumer innovativeness (3), customer orientation (3), and social attitude (1). A single factor with these 13 items explains 27.4% of the variance, which is well below critical thresholds. Second, we applied the unmeasured latent factor method and compared a model, where all indicators load on their respective construct with a model where they additionally also load on an unmeasured common latent factor. CMV would be present, when factor loadings would change significantly between these two models. As no factor loading changed more than .10, we consider CMV to not loom large in our study [31].

We tested our manipulation of CSR types with two questions, one for CSR magnitude and one for CSR innovativeness. Question 1 reads: “As how extensive have

you perceived the CSR initiatives?”. Scale anchors were 1= ‘very extensive’ and 5= ‘not extensive at all’. Similarly, question 2 reads: “How innovative did you perceive the CSR initiative?” Scale anchors were 1= ‘very innovative’ and 5= ‘not innovative at all’. Concerning the magnitude of the CSR initiative, significant differences exist between experimental groups ($M_{\text{Group1}} = 3.81$, $SD = 1.15$; $M_{\text{Group2}} = 3.01$, $SD = 1.08$; $M_{\text{Group3}} = 2.43$, $SD = .98$; $F(2,238) = 33.439$, $p < .001$). We also found significant differences for the factor innovativeness of CSR initiative ($M_{\text{Group1}} = 3.84$, $SD = 1.16$; $M_{\text{Group2}} = 3.03$, $SD = 1.04$; $M_{\text{Group3}} = 2.41$, $SD = 1.01$; $F(2,238) = 35.899$, $p < .001$). Given these results, we consider our experimental manipulation successful.

5.2 Hypotheses testing

A prerequisite for testing group differences, the groups must not differ in important demographics such as age or gender. If one cell would feature predominantly older respondents while a second would feature primarily younger respondents, differences in the dependent variable could be a consequence of group composition rather than experimental manipulations. To this end, we conducted three ANOVAs for age, gender, and income. No significant differences were observed. In particular, neither age ($M_{\text{Group1}} = 32.45$, $SD = 9.99$; $M_{\text{Group2}} = 34.05$, $SD = 12.38$; $M_{\text{Group3}} = 32.54$, $SD = 12.05$; $F(2,238) = .487$, $p = .615$), nor gender ($M_{\text{Group1}} = 1.44$, $SD = .49$; $M_{\text{Group2}} = 1.48$, $SD = .50$; $M_{\text{Group3}} = 1.51$, $SD = .50$; $F(2,238) = .378$, $p = .686$) or income ($M_{\text{Group1}} = 3.60$, $SD = 1.81$; $M_{\text{Group2}} = 3.55$, $SD = 1.73$; $M_{\text{Group3}} = 3.11$, $SD = 1.73$; $F(2,238) = 1.885$, $p = .154$) differed between the three experimental groups. We also assessed loyalty (with a five-point scale; $\alpha = .81$), our dependent variable, and experience with REWE prior to the experimental stimulus. The results of an ANOVA indicate that no difference exist in loyalty intentions to REWE ($M_{\text{Group1}} = 1.95$, $SD = .81$; $M_{\text{Group2}} = 1.92$, $SD = .87$; $M_{\text{Group3}} = 1.72$, $SD = .70$; $F(2,238) = 1.915$, $p = .150$), and experience with REWE ($M_{\text{Group1}} = 1.11$, $SD = .48$; $M_{\text{Group2}} = 1.08$, $SD = .38$; $M_{\text{Group3}} = 1.10$, $SD = .30$; $F(2,238) = .187$, $p = .830$) prior to the stimulus. Hence, the data is prone to be tested in relation to the outcome variable.

Table 4. Helmert coding

Group	X1	X2
1	-.667	.000
2	.333	-.500
3	.333	.500

For testing hypotheses, we used ordinary least square regressions using the SPSS macro PROCESS (version 3.5.2, model 1) and Helmert coding [32]. Helmert coding is an advanced technique that goes beyond the typical approach with dummy-coded variables for different experimental conditions. Helmert coding contrasts the first group against the mean of the second and third group, followed by contrasting the second against the mean of the third group. In addition, it uses different weights compared to the dummy-code approach (Table 4). Model 1 in Table 5 displays the results of OLS regressions for loyalty intentions (measured after the stimulus) without the moderator,

while model 2 provides results with the moderator consumer innovativeness. Model 3 reports regression results for change in loyalty intentions (i.e., intentions after stimulus minus intentions before stimulus).

Table 5. Regression analysis

	Model 1 Loyalty intentions (T2)	Model 2 Loyalty intentions (T2)	Model 3 Δ Loyalty intentions
<i>Independent variable</i>			
CSR type (X1)	.66 (.11)***	.66 (.12)***	.57 (.09)***
CSR type (X2)	.32 (.13)*	.32 (.13)*	.10 (.10)
<i>Interaction</i>			
Consumer innovativeness		.04 (.05)	-.01 (.04)
X1 x CI		.06 (.11)	.01 (.08)
X2 x CI		-.06 (.15)	-.00 (.11)
<i>Controls</i>			
Age	-.01 (.00)*	-.01 (.00)*	-.00 (.00)
Gender	-.16 (.11)	-.16 (.11)	-.21 (.08)*
Income	.04 (.04)	.04 (.04)	.01 (.03)
Customer orientation	.34 (.05)***	.34 (.05)***	.12 (.04)**
Social attitude	.08 (.08)	.07 (.08)	-.03 (.06)
Helping others	.02 (.09)	.02 (.11)	-.08 (.09)
R ²	.29	.29	.21
N	241	241	241

Notes: *** $p < .001$, ** $p < .01$, * $p < .05$; Helmert coding contrasts group 1 against the mean of groups 2 and 3 (X1), followed by a contrasting of groups 2 and 3 (X2).

As can be seen in all models, income, social attitude, and attitude towards helping others have no significant influence on loyalty intentions. Customer orientation and age have significant influences on loyalty intentions in models 1 and 2, although the influence of age is marginal. In model 3, customer orientation again as a positive effect on loyalty intentions while gender as a negative one (i.e., female customers display a lower change in loyalty intentions).

Concerning the actual hypotheses, model 1 shows that when group 1 (no CSR) is contrasted against the combined groups of 2 (CSR) and 3 (digitally co-created CSR), the effect on loyalty intentions is significant. This implies that the mean for groups 2 and 3 deviates significantly from the mean for group 1 ($b = .66$, $p < .001$). Similarly, when group 2 is contrasted against group 3, the effect is significant ($b = .32$, $p < .05$). These effects are stable across models 1 and 2. Thus, we find first evidence in support of H1 and H2. As we had used a real brand in our experiment, customer experiences with this brand could bias results. Therefore, we also regressed our independent variables on the change in loyalty intentions, calculated as the difference between loyalty intentions after the experimental stimulus and preexisting loyalty intentions. Again, Helmert coding was applied. The results confirm the gist of H1 ($b = .57$, $p < .001$), but the difference between group 2 and 3 is insignificant ($b = .10$, $p > .05$).

To further investigate the effect of different CSR types on loyalty intentions, we conducted an ANOVA. Here, we find that while the difference between group 1 and group 2, and the difference between group 1 and group 3 are significant, the difference

between group 2 and 3 is not significant (Figure 1). This result details that H2 is not supported statistically, although the effect is in the “right” direction and suggested by Helmert coding.

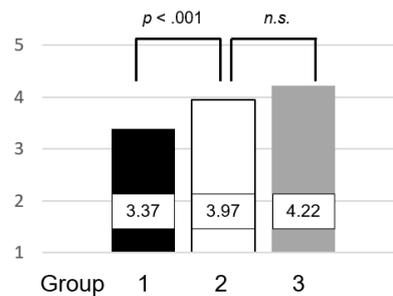


Figure 1. Mean comparison, DV: loyalty intention.

Lastly, we find no moderating effect of consumer innovativeness; neither for a moderation of the contrast of group 3 against 1 and 2, nor for the contrast of group 2 against group 1. We therefore must reject H3. In sum, we find evidence for the fact that more CSR is “better” in terms of loyalty than no CSR, and that digitally co-created CSR is “better” than the combined groups of no and standard CSR. However, the increase in loyalty from group 2 to group 3 is not statistically significant for the ANOVA. We also did not find a significant moderation effect. We will discuss the results in the following.

6 Discussion

The goal of this research was to test the effectiveness of digitally co-created CSR in the form of a “you decide, we donate” approach. The findings show that differences exist between different types of CSR – with digitally co-created CSR leading to highest loyalty levels –, but that these differences are not as prevalent as assumed. The results remain stable when we use *change* in loyalty intentions as our dependent variable. Moreover, we find that consumer innovativeness as one consumer trait has neither a direct nor a moderating effect. We next discuss the contribution of our research, provide implications for management, and illustrate opportunities for future research.

6.1 Contributions to the literature and implications for management

The importance of CSR for business and society has grown [1,2]. However, digital CSR is just about to emerge and co-created CSR, where customers are involved in CSR activities, have seldom been in the focus of information systems research. In addition, the scarce previous research has focused on brand attachment as an outcome of digitally co-created CSR in the form of “You decide, we donate”-approaches [9]. We instead used loyalty intentions as an alternative outcome and show that while differences between CSR exist in terms of loyalty, the differences are not as strong as previously discussed. We further find that consumer innovativeness as a personal characteristic

has no moderating effect. This is surprising as digitally co-created CSR can be considered an innovative approach. Together, the results lend support for the effectiveness of “You decide, we donate” approaches when compared to no CSR engagement but question the relative effectiveness of it compared to classical CSR approaches.

Companies have started to digitalize their CSR efforts, but only few have unfolded the full potential of digitally co-created CSR [8]. Most companies still use CSR-related communication in social media (e.g., Facebook, Twitter, Instagram), but fail to actually *cocreate* CSR with their customers. Especially “You decide, we donate”-approaches enable consumers to bond with the brand and simultaneously increase customers’ sense of having done something good. Accordingly, large companies such as Amazon have installed such approaches (Amazon smile), with considerable success. For example, Amazon smile has donated 243 million Euros worldwide (as of June 2021). At the same time, it may be costly for small and medium sized companies to install such approaches, which require specific technical infrastructures. Our results indicate that the “You decide, we donate”-approach is perceived favorably, but not significantly better than a conventional CSR approach. Thus, companies have to carefully balance costs and benefits of such approaches. At the same time, the results indicate that consumer innovativeness, which could easily be assessed by considering a customer’s spending on new products, is no indicator of how a specific CSR initiative is perceived.

6.2 Limitations and future research

This study features several limitations that must be considered when comparing the results to similar studies. First, the results are specific to the scenario descriptions, thus, some contingencies were not taken into account that could act as fruitful avenues for further research. For example, future research could vary the size of the donation (i.e., more than 1% of the purchase) or the magnitude of the initiatives (e.g., small vs. large organizations). Also, the location of these initiatives could be varied (e.g., local vs. global). Second, in contrast to other research that used fictitious companies in their scenarios, we used a known brand, which potentially causes biases in that respondents mix their own experiences with the information provided in the scenario [33]. Our decision was backed by the idea to show that loyalty, our dependent variable, did not deviate between groups prior to the stimulus. However, our results could be replicated by experiments with fictitious brands. Third, with our focus on loyalty intentions we complemented research that targeted outcomes such as brand attachment [9]. However, other emotional and behavioral outcome variables have not been considered such as delight, satisfaction with the CSR approach, and perceptions of corporate reputation [26]. Fourth, our focus was on loyalty intentions, which might deviate from observed behavior. Hence, future studies could consider using customer data to test the effectiveness of digitally co-created CSR. Lastly, digital CSR is relational, thus, it is part of the ongoing relation between customer and company [34]. To this end, future studies could investigate how different CSR initiatives influence loyalty over time.

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