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**Social interactions for economic value? A marketing perspective**

Vock, M.

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## Chapter 4

### **Consumer Responses to Social Alliances: When and Why Social Value Orientations Matter**

#### Abstract

This research examines consumers' responses to social alliances, in which companies cooperate with non-profit organizations as part of a strategic approach to corporate social responsibility. This study explores for which type of consumers social alliances matter (considering consumers' social value orientation), under which alliance condition (company-cause fit) consumer type matters, and whether company factors (corporate ability) might account for differences. A 2 (prosocials/ proselfs) x 3 (high /low fit/ control group) experimental design was conducted. The findings suggest that while prosocials reward companies for high-fit social alliances, proselfs even punish the company. This effect can be explained by differences in prosocials' and proselfs' perceptions of the company's corporate abilities, which are influenced by the level of fit. Interestingly, neither prosocials nor proselfs seem to care for a low fit or no alliance<sup>5</sup>.

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<sup>5</sup> This chapter is based on a paper that is co-authored by W. van Dolen & A. Kolk, which is currently being prepared for submission to an academic journal. The authors would like to thank Nanet Stoelwinder for her valuable contribution to the implementation of this research.

## Introduction

Attention to the societal dimensions of business activities is considerable and extends to marketing specifically (Jones, Clarke-Hill, Comfort, and Hillier, 2008; Kirchgeorg and Winn, 2006; Peattie, 2001), given its potential of “changing consumer behavior and more generally in influencing attitudes and beliefs” (Jones et al., 2008, p. 127). Extant research suggests that consumers’ attitudes are generally positive about companies’ corporate social responsibility (CSR) programs, and tend to reward CSR active firms in terms of favorable evaluations and behaviors (cf. Bhattacharya and Sen, 2004). Nevertheless, some studies show that companies should not consider CSR as a panacea for favorable consumer behavior, as under certain circumstances CSR seems ineffective or may even hurt the company.

Some consumer characteristics moderate the effectiveness of CSR, such as consumers’ personal support for or affinity with specific causes (Sen and Bhattacharya, 2001). While companies may be able to partly control the impact of such personal characteristics (e.g., by partnering with popular causes), relatively stable personality traits are typically beyond corporations’ sphere of influence. Research on whether and how consumers’ more stable personality traits impact their responses to CSR is rather scarce. This paper aims to contribute to the CSR literature in the marketing field by considering individuals’ social value orientation (SVO). The importance of empirically studying the impact of SVO is underlined by a recent conceptual paper by Du, Bhattacharya, and Sen (2010), which suggested that SVO might influence the effectiveness of CSR communication to consumers.

Insights into SVO are rooted in social dilemma research, denoting conflicts between individual and collective interests (Van Lange and Kuhlman, 1994), which seems particularly relevant in a CSR context. While most extant studies on SVO report controlled experimental settings including dyads or small groups of people, hardly any studies used SVO to predict prosocial behavior in everyday life situations, where decisions and behaviors one actor takes may impact large groups of others, either directly or indirectly (Van Lange, Bekkers, Schuyt, and Van Vugt, 2007). Those that took such approach either investigated whether SVO can

predict individuals' donation behaviors to charities (Van Lange et al., 2007), or consumers' environmentally friendly behaviors. In both situations consumers were requested to make trade-offs between their individual and collective interests. The current study, however, examines whether SVO (i.e., prosocials versus proselves) can also predict consumers' responses towards companies in the case of trade-offs at the corporate level, thus examining the impact of consumers' SVO in reaction to company initiatives.

This research not only examines the role of SVO, but also draws on the concept of company-cause fit to investigate under which social alliance condition (i.e., high versus low fit) SVO matters. Taking fit into account seems particularly relevant from a practical perspective. As companies cannot influence consumers' stable personality traits, identifying interrelated factors which companies are able to control, as is the case with fit, may help them to cope with specific personality characteristics. Despite some contradictory results (Lafferty, 2007), researchers often see high fit as a premise for favorable consumer responses to company/brand-cause alliances (e.g., Becker-Olsen and Hill, 2006). The literature on SVO, however, suggests that fit may not affect all consumers equally. This study hence considers fit as potential moderating factor.

Furthermore, to explore whether company factors (corporate ability) might account for differences, this research considers consumers' perceptions of the company's corporate abilities (i.e., product/service quality and innovativeness) at varying levels of fit. With regard to SVO, corporate abilities may be particularly important for proselves, who care more about their individual gains or advantages compared to prosocials. Consumers' perceptions regarding the company's corporate abilities may therefore help to predict consumers' overall responses towards companies. This approach responds to calls for an exploration of potential mediating factors that might influence the (in)effectiveness of CSR communication (Du et al., 2010).

The context of this study are social alliances, also called partnerships in the management literature, which have emerged in the past decade to address both societal goals (helping a particular social good) as well as organizational objectives of the partners (Berger, Cunningham, and Drumwright, 2004; Selsky and Parker, 2005). Social alliances are "close, mutually beneficial, long-term" partnerships which have "moved beyond cause-related marketing and philanthropy" (Berger, Cunningham, and Drumwright, 2006, p. 129). They are hence a more strategic type of CSR (cf. Seitanidi and Ryan, 2007), which is why

they are increasingly adopted by corporations. For example, in 2002 the Dutch logistics company TNT started an alliance with the World Food Program (WFP). Due to the organizations' joint efforts to enhance logistics services, the WFP was able to improve its impact on emergency food deliveries (Thomas and Fritz, 2006). In spite of a considerable number of publications in the management literature (e.g., Kolk, van Tulder, and Kostwinder, 2008; Selsky and Parker, 2005), research on the effects of social alliances on consumer responses is still very limited. Several authors therefore call for more research on social alliances to increase the current understanding of this promising form of long-term company-nonprofit collaboration (e.g., Austin, 2000; Berger et al., 2004). Preliminary findings suggesting that strategic CSR programs have more impact on consumer brand loyalty than tactical programs support these calls (Van den Brink, Odekerken-Schröder, and Pauwels, 2006).

The structure of this paper is as follows. The following theoretical section comprises a review of the relevant literature on SVO and company-cause fit. Based on this review we develop a conceptual framework that explains the hypothesized contingent impact of SVO on consumers' responses to a company's social alliance activity. Next, this paper reports an empirical investigation of the hypotheses formulated and the results. The paper ends with a discussion of the findings and implications for theory and practice.

## **Conceptual Framework and Hypotheses Development**

### **Social Value Orientation**

SVO has been described as "stable preferences for certain patterns of outcomes for oneself and others" (Van Lange, De Bruin, Otten, and Joireman, 1997, p. 733). They are predictors for helping behavior, judgments of everyday life incidents of co-operation and competition and also have an impact on decision-making and judging others (Van Lange et al., 1997). This study identifies two types of SVO, namely prosocials and proselfs, with the latter combining individualistic and competitive orientations (De Cremer and Van Lange, 2001). While prosocials exhibit clear tendencies towards cooperation and equality, proselfs

try to maximize “their own and relative gain” (Van Lange et al., 1997, p. 733). Compared to proselves, prosocials seek greater opportunities to enhance collective and equal outcomes and feel more responsible to further the group’s interests. As prosocials consider the consequences of their choices on others, they are generally more sensitive to social norms (such as social responsibility), which describe how someone should act in interdependence situations. Social responsibility accounts at least partly for behavioral differences between prosocials and proselves.

Based on their SVO, individuals interpret identical social dilemmas, which are conflicts between individual and collective interests, differently (Van Lange and Kuhlman, 1994). Depending on which perspective on rationality an individual takes, (non-) cooperative decisions can be rational or intelligent for one person, while they appear irrational or unintelligent for another (Van Lange and Kuhlman, 1994). This is particularly relevant for cognitive processes with regard to judging others and impression formation (Van Lange et al., 2007). While prosocials define interdependent situations in terms of win-win solutions, proselves define an identical situation in terms of solutions that are best for themselves in the first place. Similarly, while prosocials think of others mainly in terms of morality and hence attribute moral judgments such as good or bad, honest or dishonest, proselves evaluate others rather in terms of intelligence or power. For proselves, cooperation is a sign of weakness, signaling less intelligence and power (Van Lange and Kuhlman, 1994). As proselves strive for independence and dominance in interdependence situations, which helps them to fulfill their individual self-interests and which they hence consider as smart (Beersma and De Dreu, 2005), they regard information about others’ strengths or weaknesses as important.

According to Marin and Ruiz (2007), attributions in terms of morality or competence are not only relevant with regard to people, but can describe companies as well. In fact, recent research by Aaker, Vohs, and Mogilner (2010) shows that in general, consumers perceive companies as more competent (e.g., intelligent, capable, competitive) than nonprofit organizations (NPOs), which, conversely, score higher on dimensions of warmth (e.g., sincerity, generosity, helpfulness). Furthermore, the authors argue that perceptions of competence signal strong corporate abilities to consumers, which in turn impact purchase intent.

While most research on SVO focuses on experimental social dilemmas and game situations (Van Lange et al., 2007), researchers have paid little attention to differences between prosocials and proselfs in response to CSR. However, some empirical studies consider everyday life situations of prosocial behavior. Van Lange et al. (2007), for instance, show that SVO influences individuals' donation behavior to social causes, with prosocials reporting to donate to various and more donation goals. Different from donation situations, which require active involvement through the commitment of funds by citizens, empirical evidence still needs to confirm whether prosocials' likelihood to be more supportive than proselfs also holds for social alliances at the company level, and hence from a consumer perspective.

Due to prosocials' tendency to enhance collective outcomes and their sensitivity for social norms (relative to proselfs), they will be more positive towards a social alliance, which signals companies' helping behavior and social responsibility towards society. The concept of consumer-company (C-C) congruence lends support for this proposition, stating that consumers' reactions to CSR depend on the level of congruence they perceive between the company and their own personality. The company's engagement in a social alliance may reflect consumers' caring personality characteristics. Past research shows that perceptions of C-C congruence mediate consumers' responses to CSR (Sen and Bhattacharya, 2001). Ahearne, Bhattacharya, and Gruen (2005) assert that whether and to what extent C-C identification occurs depends, among other factors, on whether consumers perceive the company's central and distinctive characteristics as attractive, and whether these characteristics help them to express themselves. As consumers' identification with a company has shown to impact their evaluative and behavioral responses towards organizations positively (Sen and Bhattacharya, 2001; Ahearne et al., 2005), prosocials are expected to respond more favorably towards the company compared to proselfs in an alliance condition.

*H<sub>1</sub>: Prosocials respond more favorably towards the company than proselfs in terms of (a) attitudes, (b) trust, and (c) word of mouth, if the company engages in a social alliance.*

On the one hand, prosocials are likely to respond to social alliances generally more positive than proselfs. On the other hand, the literature on SVO informs reason to believe that prosocials' and proselfs' responses to alliances will be sensitive to the level of company-cause fit, due to individuals' differences in interpreting identical situations either more in terms of morality (i.e., prosocials) or intelligence (i.e., proselfs).

## The Moderating Role of Company-Cause Fit

Company-cause fit can be based on several dimensions of fit, such as congruence among the collaborating organizations' missions, cultures, employees, resources or offerings (Berger et al., 2004). In a social alliance context, Berger et al. (2004) stress that a high level of fit on several of these dimensions will benefit the alliance partners and is thus important. As a reflection of the literature in which the concept of fit covers multiple dimensions (cf. Berger et al., 2004; Menon and Kahn, 2003; Gourville and Rangan, 2004; Nan and Heo, 2007; Becker-Olsen and Hill, 2006), the current study likewise adopts a broad approach and defines fit as perceived overall congruence between the company and the cause. This definition builds on the literature on cause-brand fit, which describes fit as "the degree of similarity or compatibility that consumers perceive exists between the cause and the brand" (Lafferty, 2007, p. 448).

Many studies on cause-brand fit draw on congruence or consistency theory (e.g., Lafferty, Goldsmith, and Hult, 2004; Barone, Norman, and Miyazaki., 2007) to explain why consumers are likely to respond more favorably to high-fit cause-brand alliances compared to low-fit alliances (Becker-Olsen and Hill, 2006). Congruence theory states that relatedness or similarity influences storage in memory and retrieval of information (Cornwell, Weeks, and Roy, 2005; Lafferty, 2007). As people prefer to establish and maintain harmony among their thoughts, feelings and behaviors, they strive for uniformity among cognitive elements (Lafferty et al., 2004; Jagre, Watson, and Watson, 2001). Despite strong conceptual and empirical support for the importance of high fit alliances (e.g., Becker-Olsen and Hill, 2006; Berger et al., 2004), recent empirical research, which examined the effects of fit in more detail, finds only partly or even no support at all for the importance of high fit (e.g., Lafferty, 2007). Again other researchers identified boundary conditions for the effect of fit,



suggesting that the impact of fit may depend on other factors and that high fit might not matter for all individuals equally (e.g., Barone et al., 2007; Nan and Heo, 2007).

Prosocials and proselves are likely to interpret information regarding a company's engagement in a social alliance differently, depending on the perspective taken and the information available. As SVO influences what kind of information individuals search, encode, retrieve and share (De Dreu, Nijstad, and Van Knippenberg, 2008), prosocials are more inclined to focus on cues signaling whether a company behaves morally and honest. Proselfs, on the other hand, will search for cues regarding a company's rational and intelligent intentions and behaviors. In the context of social alliances, this study poses that information about the company's social engagement indicates morality information, describing the company's good intentions towards society. Information about the level of fit, on the other hand, informs consumers about the company's rationality and intelligence, indicating to consumers the company's motivations behind such social engagement (cf. Ellen, Webb, and Mohr, 2006).

With regard to fit, Rifon, Choi, Trimble, and Li (2004), who studied consumers' perceptions of companies' motivations to engage in sponsorship, report that high fit triggers more altruistic attributions by consumers, which causes higher firm credibility. Rifon et al.'s (2004) study shows that altruism and firm credibility in turn influence consumers' attitudes towards the company favorably. Although Rifon et al. (2004) acknowledge that consumers may attribute firm-serving motivations as well, they argue that consumers may downplay such profit-motivated goals in high-fit initiatives. Low fit, on the other hand, triggers more perceptions of firm-serving motivations, which diminish potential altruistic beliefs.

Ellen et al. (2006) report similar results on studying consumers' attributions elicited by CSR in more detail. While high fit simultaneously evokes altruistic motivations (e.g., the moral obligation to give back to the community) and strategic firm motives (i.e., typical business motives), low fit prompts egoistic attributions by consumers. An example for corporations' egoistic motivations would be that the company takes advantage of the NPO to help its own business (cf. Ellen et al., 2006), which reflects its non-cooperativeness with regard to the NPO. More specifically, Van Lange and Liebrand (1991b) demonstrate that impressions about others' morality (e.g., their sincere intentions towards others) impact individuals' expectations of their cooperative behaviors, for instance in social dilemma

situations. The egoistic/ self-serving attributions triggered by low fit, however, diminish a company's credibility with regard to its sincerity towards the partnering cause (cf. Bigné-Alcañiz, Currás-Pérez, and Sánchez-García, 2009), and will hence decrease consumers' perceptions of the company's cooperative intentions towards the NPO. High fit, on the other hand, primarily signals corporations' altruistic motivations (Bigné-Alcañiz et al., 2009), which consumers use to draw inferences regarding the company's sincere and honest intentions towards the cause (Bigné Alcañiz, Chumpitaz Cáceres, and Currás Pérez, 2010). By contributing resources and capabilities that are closely related to corporations' core business (i.e., high fit), companies share strategically important assets and capabilities with their nonprofit partner. Such a willingness requires high levels of trust and that the company abandons dominance, which indicates cooperativeness.

As morality is particularly important for prosocials, and they perceive cooperativeness as more moral than non-cooperativeness (Van Lange and Kuhlman, 1994), the company's altruistic or win-win motives attributed to high fit will lead to positive responses towards the company. As consumers associate low fit with a company's egoistic motivations, the importance prosocials assign to morality and sincerity will cause less favorable responses towards the company compared to high fit. The opposite will be true for proselfs. As reading about a company's social initiative will evoke the question among proselfs whether the company has made a rational or intelligent decision to engage in a social alliance, they will focus mainly on the aspect of fit. As stated earlier, consumers use information about fit as a signal for corporations' altruistic versus self-centered motives to engage in social alliances. As non-cooperativeness, that is low fit, signals more independence and power, and thus intelligence to proselfs compared to cooperativeness (Van Lange and Kuhlman, 1994; Beersma and De Dreu, 2005), they will prefer a low-fit alliance to high fit. Put differently, and drawing on the concept of C-C congruence, proselfs are more likely to identify with a company if they perceive that the company's decisions resemble their own way of thinking and acting (cf. Ahearne et al., 2005). As proselfs strive for dominance in interdependent relationships, the company's non-cooperativeness, signaled by low-fit alliances, mirrors their personal preference for strategies that help them to realize individual gains, and which they hence consider as an intelligent choice.

Analogously, the company's sincere commitment to cooperation, signaled by high-fit alliances, will be evaluated as unintelligent decision by proselfs, as the company turns in

some control by giving the NPO access to its core-business related resources and capabilities. As proselves will find it difficult to identify with the company's decision to partner with a high fit cause, they are expected to punish the company in terms of evaluations and behavioral intentions. Perceived value incongruence between an individual and an organization has shown to translate into negative word of mouth (Bhattacharya and Elsbach, 2002) and negative perceptions of the organization (Maignan and Ferrell, 2004).

*H<sub>2</sub>: Company-cause fit interacts with individuals' SVO in such a way that high fit leads to more favorable responses by prosocials compared to proselves, in terms of (1) attitude towards the company, (2) trust in the company, and (3) word of mouth.*

## The Mediating Effect of Corporate Abilities

Corporate ability (CA) perceptions describe consumers' beliefs about the company's capabilities to produce and deliver high quality products and services (Brown and Dacin, 1997). In line with previous studies on CSR more generally (cf. Luo and Bhattacharya, 2006; Brown and Dacin, 1997), this study considers two specific CAs, namely product quality and innovativeness capability, which have shown to impact consumers' responses to CSR-active companies. While perceived product quality describes consumers' overall evaluation of product/service superiority or excellence (Zeithaml, 1988), innovativeness denotes a company's ability to "explore" new market possibilities in terms of developing new products" (Luo and Bhattacharya, 2006, p. 6).

Building on the literature on SVO and fit, this study asserts that consumers' perceptions of quality and innovativeness may explain why prosocials will reward the company if fit is high, while proselves will punish the firm. Whereas previous studies either treat consumers' CSR and CA associations as independent constructs (Brown and Dacin, 1997; Marin and Ruiz, 2007), or focus on the moderating role of CAs (Luo and Bhattacharya, 2006), this study proposes a mediating role. This study hence draws on Luo and Bhattacharya (2006) who propose that information about a company's CSR activity may influence and thus explain consumers' CA perceptions. Different from previous studies, this research does not make the focal company's CAs salient or manipulate them. Consumers will therefore use their knowledge about the social alliance activity and the level of

company-cause fit in particular, to draw inferences regarding the company's product quality and innovativeness.

With regard to product quality, Brown and Dacin (1997) report that consumers' perceptions of CSR influence their overall evaluation of the company and subsequently of its products. These results imply that consumers will use information regarding a company's social alliance activity to judge its offerings. In particular, the authors conclude that negative CSR associations (e.g., low financial contribution to social causes) can harm the company in terms of unfavorable product evaluations, while positive CSR associations impact consumers' product evaluations favorably. In line with these findings, our study expects proselves to evaluate high fit as negative social alliance information. It is argued that the company's cooperativeness towards the NPO is considered a weakness by proselves and does not comply with how they would act in a comparable situation. Building on Brown and Dacin (1997), such negative social alliance associations will cause negative evaluations of the company's product/service quality. To prosocials, on the other hand, the company's cooperativeness towards the NPO, signaled by high fit, will be seen as desirable behavior, and hence evaluated as positive social alliance information. Following Brown and Dacin (1997), such positive associations likely have a favorable impact on prosocials' perceptions of the focal company's product/service quality.

With regard to innovativeness, this study asserts that prosocials and proselves differ in their interpretations concerning what kind of behaviors they consider innovative, which would explain why high-fit alliances signal high corporate innovativeness to prosocials but not to proselves. Innovative or creative individuals are more likely to be proself oriented, which might explain why innovative people usually perform better in work-related tasks than in handling relationships (Helson, 1996). By contrast, consensus and harmony, which is particularly valued by prosocials, can hamper creativity and innovation according to the literature. For instance, some creative tasks, such as brainstorming, necessitate divergence rather than convergence in performance, which complies with proselves' values of independence and personal success rather than with prosocials' values of harmony and inclusiveness (Beersma and De Dreu, 2005). Therefore, a climate of competition, disagreement and independence stimulates innovation, and is hence more likely to be found among proselves (Beersma and De Dreu, 2005). However, not only proselves are innovative. Rather, whereas prosocials' innovativeness becomes visible in designing

strategies for cooperation, which are necessary to promote integrative win-win agreements, proselves appear to be relatively more innovative with regard to competition or conflict strategies, which promote their individual advantage (De Dreu and Nijstad, 2008). In line with these insights, prosocials will evaluate the cooperation strategy signaled by high-fit alliances as innovative, whereas proselves will fear that the climate of consensus and dependence on the nonprofit partner signaled by high-fit will impede the company's innovativeness capabilities.

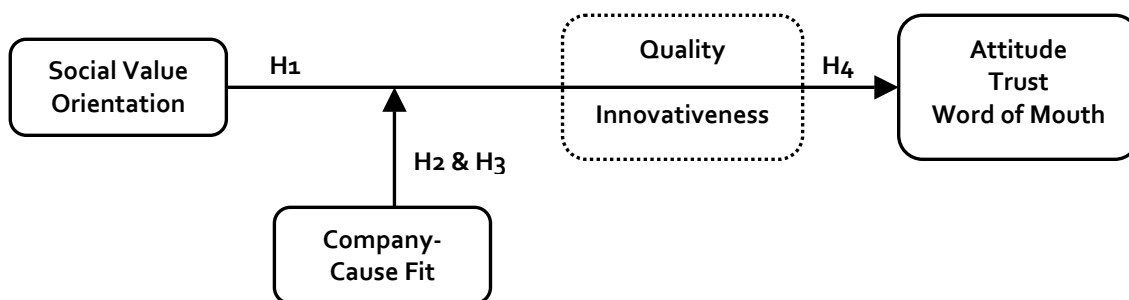
*H<sub>3</sub>: Company-cause fit interacts with individuals' SVO in such a way that prosocials evaluate the focal company's corporate abilities (i.e., product/service quality and innovativeness) more favorable than proselves when fit is high.*

Past marketing research suggests that consumers use social alliance associations, as well as performance-related CA associations, to form overall evaluations of the company in terms of attitude or trust (Marin and Ruiz, 2007; Sen and Bhattacharya, 2001). Marin and Ruiz's (2007) empirical study demonstrates that perceived CA influences consumers' corporate evaluations directly, whereas perceptions of C-C congruence mediate the impact of CSR associations. Furthermore, Luo and Bhattacharya (2006) suggest that CSR-active companies with low corporate abilities generate lower levels of customer satisfaction, which in turn may even hurt companies. In particular, past research has established a link between perceived product quality or innovativeness capabilities and market value.

Luo and Bhattacharya (2006) report that companies with low innovativeness capabilities may generate a negative market value from CSR initiatives due to decreased customer satisfaction levels. Although they find no penalizing effect for low product quality, results show that companies with high product quality can benefit from CSR (Luo and Bhattacharya, 2006). Drawing on Luo and Bhattacharya's (2006) research, Vlachos, Tsamakos, Vrechopoulos, and Avramidis (2009) identified consumer trust as an important factor that (partially) mediates the impact of service quality perceptions on consumers' intentions to recommend the company. In line with these findings, positive (negative) perceptions of product/service quality and innovativeness will lead to favorable (unfavorable) responses towards companies in terms of evaluative and behavioral consumer responses.

*H<sub>4</sub>: Consumers' perceptions of the company's corporate abilities (i.e., product/service quality and innovativeness) mediate the interaction between SVO and fit on consumers' responses towards the company in terms of a) attitudes, b) trust, and c) word of mouth.*

Figure 11: Hypothesized relationships



## Method

### Participants and Procedure

Participants were recruited at public places (airport, train station, restaurant) in the Netherlands to assure a large variety of people with different demographic and personal characteristics. A total of 216 participants completed the questionnaire. Respondents, who were assigned randomly to one of three conditions (high fit, low fit, control group), first completed a nine-item decomposed games measure to determine their SVO. Subsequently, they read one of three press articles and filled out the questionnaire. 29 participants whose SVO could not be determined based on their responses to the games measure were excluded, leaving 187 respondents for the analyses. From these 187 respondents 58% were male, and 42% female (three respondents did not answer this question). With regard to participants' age, 53% of the respondents were between 18 to 25 years old, followed by 26 to 35 year-olds (19%), 36 to 45 year-olds (12%) and 46-55 year-olds (10%). Those aged 56 to 65-plus accounted for 6%.

## Measures

### Independent variables

This study includes a 2 (prosocials/proselfs)  $\times$  3 (high fit/low fit/control group) factorial design. Respondents of the control group, whose SVO was assessed as well, were not informed about the company's social engagement. The design includes a defined minimum of 25 respondents for each of the six cells.

*Social Value Orientation.* Participants' SVO was assessed by their responses to a nine-items decomposed games measure, which has been used extensively in controlled experimental settings (e.g., Declerck and Bogaert, 2008; De Bruin and Van Lange, 2000; Van Lange and Kuhlman, 1994), as well as in real world settings (e.g., Gärling, Fujii, Gärling, and Jakobsson, 2003; Van Lange et al., 2007). The games measure, which is adopted from Van Lange et al. (2007), is known for its reliability of results and its internal validity (cf. Declerck and Bogaert, 2008). Respondents had to make choices between three combinations of outcomes, each allocating points for oneself and for a hypothetical other person. They had to imagine that this other person, whom they would never meet in the future, was also exposed to these choice combinations. This person's choice would therefore influence the respondent's outcomes as well. Each outcome-combination represents a specific type of SVO. Respondents were classified to one of them if at least six out of nine choices were consistent (Van Lange et al., 1997; Van Lange and Kuhlman, 1994; De Cremer and Van Lange, 2001). For example, if the choice is between option A (480 points for self and 80 points for other), option B (540 points for self and 280 for other) and C (480 points for self and 480 points for other), A would represent the competitive choice (maximizing the difference between one's own outcome and the other's outcome), B the individualistic option (maximizing one's own outcome), and C the prosocial or cooperative option (equal distribution of outcomes). Consistent with previous research, individualists and competitors were combined in one group called proselfs (cf. De Cremer and Van Lange, 2001; Van Lange and Liebrand, 1991a), as the group of competitors is usually relatively small (only 12 individuals in the current study). Together, individualists and competitors form a group of basically self-interested individuals (Van Lange and Liebrand, 1991a). From

the 187 respondents who could be classified and were hence included in further analyses, 96 were prosocial (51%) and 91 proself (49%).

*Company-cause fit* was manipulated by varying two nonprofit organizations in fictitious press articles, whereas the company was held constant across the three conditions. These articles, which were partly based on real press releases, informed respondents about the launch of an alliance between a NPO and the focal company, an existing provider of telephone and internet services. In a pretest two coders evaluated the actual level of fit between the company and both nonprofit organizations based on nine dimensions of fit identified by Berger et al. (2004). The alliance between the focal company and the first NPO, a telephone and internet helpline for children, was identified as high fit, scoring high on several of these dimensions. For example: both organizations share the central idea of inclusion (of society), indicating a fit among the organizations' missions. Almost no corresponding matches were found, however, between the company and the second NPO, an organization caring for the conservation of nature, which consequently served as the low-fit alliance partner. For instance, the nonprofit's mission with a focus on nature did not match with the company's social mission. Differences between both alliances were stressed in the fictitious press articles to ensure that the manipulation would be successful. The control group was assigned a general press release about the focal company, mentioning no alliance with a NPO at all. 59 out of 187 respondents were assigned to the high fit condition, 63 to the low fit condition and 65 to the control group. The manipulation texts can be found in Appendix B.

### **Dependent variables**

According to Bhattacharya and Sen (2004) internal outcomes in consumers' responses to CSR (e.g., attitudes or trust) are greater and also more easily assessable than behavioral or external outcomes (e.g., word of mouth). In order to gain a comprehensive understanding of consumer responses to social alliances, this study includes both, evaluative consumer responses and behavioral intentions.

*Evaluative responses.* Attitude towards the company (4 items, Cronbach's Alpha=0.82 after deletion of one item) and trust (4 items, Alpha=0.94) are used to measure evaluative consumer responses. Social alliance activities can build trust (cf. Vaaland, Heide,



and Grønhaug, 2008; Marin and Ruiz, 2007) and evoke positive attitudes towards companies among consumers. These attitudes are even greater if consumers perceive a high fit between the company and the cause (Bhattacharya and Sen, 2004). Attitude items are phrased as "In general my impressions of [the company] are positive", and trust items as "I can count on [the company]". In addition, this study includes constructs for product/service quality and innovativeness perceptions to investigate the hypothesized mediational role of corporate abilities. Quality items (3 items, Alpha= 0.79) are phrased as "[The company] offers products/services of high quality", and innovativeness items (3 items, Alpha=0.76) as "[The company] adapts quickly to a changing environment". Items of one construct are averaged into a single measure.

*Behavioral intentions.* Word of mouth (3 items, Alpha=0.91) is used to measure consumers' behavioral intentions toward the company. All items measuring the same construct are averaged into a single measure. According to Bhattacharya and Sen (2004) word of mouth (i.e., consumers' willingness to talk favorably about the company to others) can be seen as one of the key behavioral outcomes of CSR. This behavior can be explained by consumers' identification with a company engaging in CSR activities. Word of mouth items are phrased as "I will encourage others to purchase the products and services of [the company]".

All items in the questionnaire are measured on a 7-point scale, anchored by "totally agree" and "totally disagree", except for one item of attitude, which is anchored by the terms "extremely positive" and "extremely negative". The measures can be found in Appendix B.

## Results

In order to assess the fit manipulation participants evaluated the fit between the two allied organizations presented to them (3 items averaged into a single measure, Alpha=0.87). An exemplary item is "The link between the core business of [the company] and [the nonprofit] is clear to me". Results of a one-way ANOVA show that the manipulation is successful, as the company's cooperation with the well-fitting nonprofit

resulted in more favorable responses than an alliance with the low-fit nonprofit organization ( $M_{\text{high fit}}=4.94$ ,  $M_{\text{low fit}}=3.92$ ,  $F=12.70$ ,  $p=0.001$ ).

Hypothesis 1 proposes that in an alliance condition prosocials will respond more favorably towards the company than proselfs, relative to the control condition. The test for  $H_1$  includes a series of one-way analyses of variance (ANOVA), first for an alliance condition (regardless of high or low fit), and subsequently for the control condition. For the dependent measures attitudes, trust and word of mouth the alliance condition resulted in significant differences between prosocials and proselfs. As expected, the control condition did not show significant differences across the two groups. These findings lend full support for  $H_1$  (see Table 8).

**Table 8.** One-way ANOVA effect tests comparison of means (means, standard deviations, F-values and p-values)

	Alliance condition			Control group		
	Prosocials	Proselfs	F-value & p-value	Prosocials	Proselfs	F-value & p-value
Attitude	3.95 (1.20)	3.43 (1.11)	6.34 ( $p=0.01$ )	3.49 (1.30)	3.72 (1.17)	0.55 ( $p>0.40$ )
Trust	4.13 (1.22)	3.51 (1.23)	7.67 ( $p<0.01$ )	3.61 (1.48)	3.65 (1.23)	0.01 ( $p>0.90$ )
Word/Mouth	3.39 (1.33)	2.89 (1.37)	4.16 ( $p<0.05$ )	3.04 (1.53)	3.23 (1.28)	0.30 ( $p>0.50$ )

Hypothesis 2 proposes that the effect of SVO will be moderated by company-cause fit. A series of two-way ANOVAs was conducted to test this hypothesis. Analyses for the dependent measures attitude ( $F=3.54$ ,  $p<0.05$ ) and trust ( $F=3.10$ ,  $p<0.05$ ), but not word of mouth ( $F=1.98$ ,  $P>0.10$ ) result in significant interaction effects between fit-condition and SVO. Therefore, prosocials and proselfs differ significantly across different fit conditions with regard to the evaluative response measures (i.e., attitude and trust), but not with regard to the behavioral response measure used in this study (i.e., word of mouth) (see Figures 12, 13 and 14). The level of fit did not cause main effects with regard to the three outcome measures, meaning that the control condition and each of the partnership conditions do not differ significantly for attitudes ( $F=0.25$ ;  $p=0.78$ ), trust ( $F=0.78$ ;  $p=0.46$ ) or word of mouth ( $F=0.05$ ;  $p=0.95$ ). With regard to SVO, a significant main effect emerges only for trust ( $F=4.53$ ;  $p=0.04$ ), meaning that overall, prosocials trust the focal company more than proselfs. No main effects emerged, however, for attitudes ( $F=2.25$ ;  $p=0.11$ ) or word of

mouth ( $F=1.79$ ;  $p=0.18$ ). As the interaction between SVO and fit was non-significant for word of mouth, we conducted multiple regression analysis to detect potential indirect effects on word of mouth. Attitude ( $B=0.36$ ,  $\text{Beta}=0.32$ ,  $t=3.98$ ,  $p=0.00$ ) and trust ( $B=0.56$ ,  $\text{Beta}=0.52$ ,  $t=6.62$ ,  $p=0.00$ ), which accounted for 63% of the variation ( $R^2=0.63$ , adjusted  $R^2=0.63$ ,  $F=155.32$ ,  $p=0.00$ ), significantly impacted word of mouth, suggesting that consumers' recommendation intentions may be influenced indirectly.

Figure 12. Two-way ANOVA for Attitude

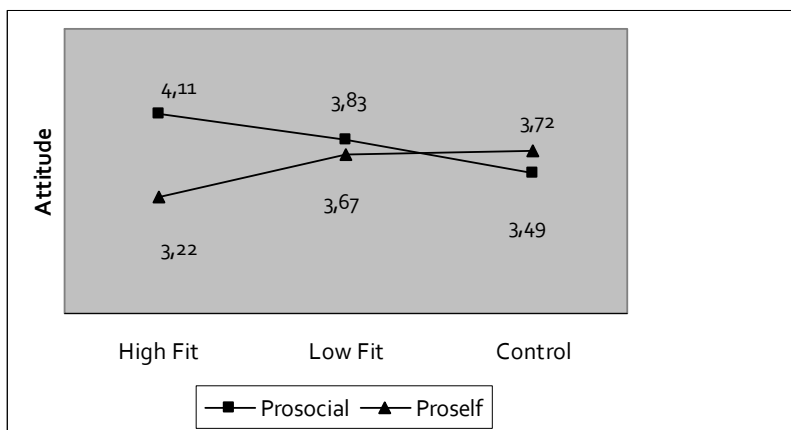


Figure 13. Two-way ANOVA for Trust

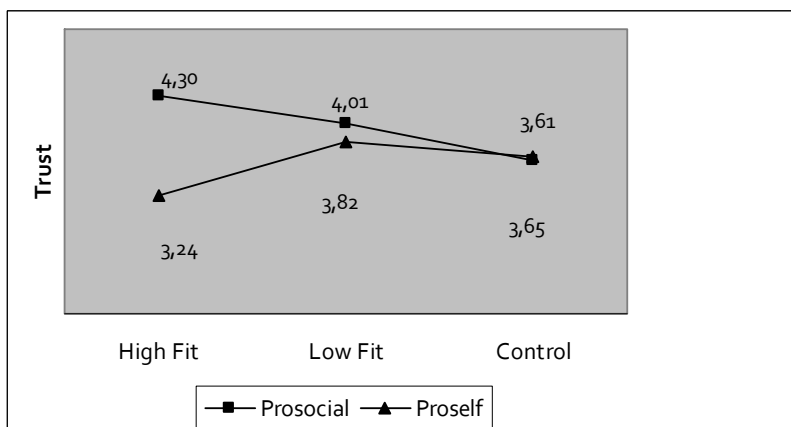
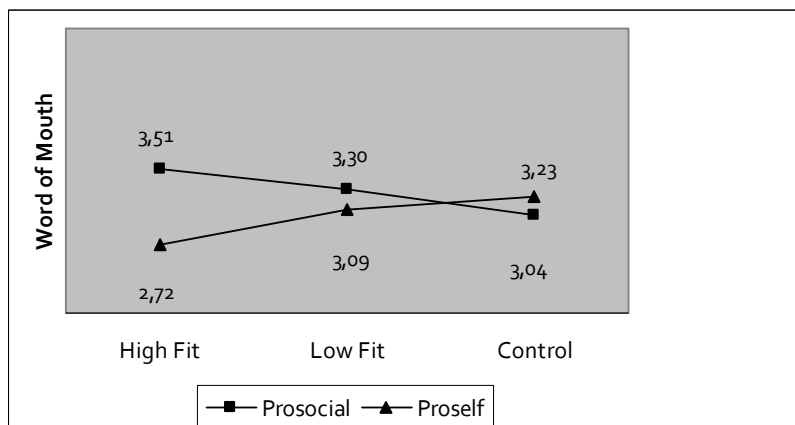


Figure 14. Two-way ANOVA for Word of Mouth



To test whether or not the nature of the observed interaction effects indeed supports  $H_2$ , we conducted a series of one-way ANOVAs. Focusing on the high fit condition only, SVO served as the independent variable and attitude, trust and subsequently word of mouth served as dependent measures. Significant differences between prosocials and proselfs emerged for attitude, trust, and word of mouth (see Table 9). Another series of one-way ANOVAs tests whether prosocials and proselfs do not respond differently towards the company in case of a low-fit alliance or the control group. For the low-fit condition as well as for the control group no significant differences emerged between prosocials and proselfs with regard to attitude, trust, or word of mouth (Table 9). These findings lend support for  $H_2$ , as prosocials respond more favorably towards the company in terms of evaluative and behavioral measures than proselfs in a high fit condition, whereas SVO does not seem to matter in the low fit or control condition.

**Table 9.** One-way ANOVA effect tests comparison of means (means, standard deviations, F-values and p-values)

	High Fit			Low Fit			Control		
	Prosocials	Proselfs	F-value & p-value	Prosocials	Proselfs	p-value	Prosocials	Proselfs	p-value
Attitude	4.11 (1.30)	3.22 (1.13)	7.97 (p<0.01)	3.83 (1.11)	3.67 (1.06)	p>0.50	3.49 (1.30)	3.72 (1.17)	p>0.40
Trust	4.30 (1.26)	3.24 (1.08)	11.77 (p=0.00)	4.01 (1.19)	3.82 (1.34)	p>0.50	3.61 (1.48)	3.65 (1.23)	p>0.90
Word/Mouth	3.51 (1.37)	2.72 (1.38)	4.87 (p<0.05)	3.30 (1.32)	3.09 (1.36)	p>0.50	3.04 (1.53)	3.23 (1.28)	p>0.50

Hypothesis 3 suggests that the interaction between SVO and fit causes prosocials to evaluate the company's corporate abilities (in terms of product/service quality and innovativeness) more favorable than proselfs when fit is high. The tests for  $H_3$  included two two-way ANOVAs (interaction effect between fit and SVO), with quality and innovativeness serving as dependent variables. The results show significant interaction effects for both, quality ( $F=3.65$ ,  $p<0.05$ ) and innovativeness ( $F=5.72$ ,  $p<0.01$ ) perceptions. In order to support or reject  $H_3$ , a subsequent series of one-way ANOVAs was conducted, first for the high fit condition, and then for the low fit condition. As hypothesized, the results demonstrate that in a high fit condition, prosocials evaluate the focal company's product/service quality and its innovativeness capabilities significantly higher than proselfs, whereas no significant differences were detected in the low fit condition, supporting  $H_3$  (Table 10). Combined with the results of past research (e.g., Marin and Ruiz, 2007), these results suggest that consumers' quality and innovativeness judgments may mediate their responses towards the company, which is tested in the next step.

**Table 10.** One-way ANOVA effect tests comparison of means (means, standard deviations, F-values and p-values)

	High Fit			Low Fit		
	Prosocials	Proselfs	F-value & p-value	Prosocials	Proselfs	F-value & p-value
Quality	4.40 (0.94)	3.61 (0.98)	9.58 ( $p<0.01$ )	4.05 (1.00)	4.25 (0.74)	0.75 ( $p>0.40$ )
Innovativeness	4.77 (1.07)	4.14 (0.90)	5.69 ( $p<0.05$ )	4.35 (1.04)	4.15 (0.82)	0.65 ( $p>0.40$ )

Hypothesis 4 suggests that the interaction between SVO and fit (i.e., independent variables) on evaluative and behavioral consumers responses (i.e., dependent variables) will be mediated by perceptions of a company's corporate abilities (i.e., proposed mediators). In line with Baron and Kenny (1986) additional analyses were conducted to test for mediation effects. The first step advocated by Baron and Kenny (1986) was met for the dependent variables attitude and trust, as our two-way ANOVA's conducted earlier to test  $H_2$  were significant for attitude ( $F=3.54$ ,  $p<0.05$ ) and trust ( $F=3.10$ ,  $p<0.05$ ), but not for word of mouth ( $F=1.98$ ,  $P>0.10$ ). Word of mouth was hence not considered in the next steps. The second criterion by Baron and Kenny (1986) requires a significant effect of the independent variables on the mediator, which has been confirmed by testing  $H_3$ , as the interaction effect of SVO and fit was significant for quality ( $F=3.65$ ,  $p<0.05$ ) and innovativeness ( $F=5.72$ ,

$p < 0.01$ ). We then ran two-way ANCOVA's and included first quality and then innovativeness as covariates. Our analyses showed significant results for these covariates for attitude (quality:  $F=119.55$ ,  $p < 0.001$ ; innovativeness:  $F=32.28$ ,  $p < 0.001$ ) and trust (quality:  $F=97.50$ ,  $p < 0.001$ ; innovativeness:  $F=30.08$ ,  $p < 0.001$ ). The previously significant interaction effects for attitude and trust became non-significant, and were co-varied out by quality and innovativeness (Table 11). We hence conclude that quality and innovativeness fully mediate the relationship between the independent variables and the dependent measures attitude and trust, lending support for  $H_4$  with regard to the evaluative measures used in this study, but not for word of mouth.

**Table 11.** Results mediation tests

Dep.var.	Interactions	Mediation tests	
	No Mediators (SVO * Fit)	Interaction effects co-varied out by:	
		Quality	Innovativeness
Attitude	3.54 ( $p < 0.05$ )	2.53 ( $p > 0.05$ )	1.66 ( $p > 0.10$ )
Trust	3.10 ( $p < 0.05$ )	1.46 ( $p > 0.20$ )	1.74 ( $p > 0.10$ )
Word/Mouth	n.s.		

## Discussion and Conclusions

Although past marketing research identified several factors that may hamper the positive effects CSR can have on consumers' responses towards firms, researchers have paid little attention to the role of consumers' stable personality traits, and their interactions with other factors in particular. The purpose of this study was to understand for which type of consumer (i.e., prosocials or proselfs) social alliances are more important, under which alliance condition (i.e., high or low company-cause fit), and whether consumers' perceptions of the company's corporate abilities (i.e., quality and innovativeness) may account for differences.

With regard to the type of consumer, overall, the results of this empirical study suggest that prosocials seem to be more sensitive to social alliances than proselfs, as they reward the company in terms of favorable evaluations (attitudes, trust) and behavioral intentions (word-of-mouth) more than proselfs. However, taking a closer look, evidence for

the effect of SVO was only found in cases with a high level of fit or congruence between the company and the cause, indicating that SVO matters only under certain alliance conditions. In fact, while prosocials reward companies for high-fit social alliances, proselfs even seem to punish them, which poses a dilemma for companies when choosing a suitable cause for an alliance. This finding is particularly intriguing given that the frequently adopted congruence theory emphasizes the importance of high-fit alliances in order to evoke favorable consumer responses.

Seemingly, consistency among one's thoughts and feelings, as suggested by congruence theory, is not established equally for all individuals. Information that may be consistent with the thoughts and feelings of prosocials, might be inconsistent with proselfs' values and ideas, and hence cause different evaluations and behaviors. Furthermore, the findings suggest that not only proselfs, but even prosocials do not seem to care about companies' engagement in low-fit alliances, or no social alliance at all, as prosocials and proselfs do not differ in their responses towards the company in both the low-fit and the control condition. Therefore, considering SVO, low-fit social alliances neither seem to help nor hurt the company.

Our investigation of factors that might explain these effects demonstrates that individuals' perceptions of a company's corporate abilities account for differences among prosocials and proselfs. In particular, perceptions of high fit prompt inferences of favorable product/service quality and innovativeness capabilities among prosocials, whereas the opposite occurs for proselfs. To them, high-fit alliances seem to be a negative indication of the company's ability to deliver high quality and innovation. The fact that the low-fit condition revealed no such differences in SVO supports our reasoning that the notion of a high-fit alliance signals different meanings to prosocials and proselfs. This finding is also supported by extant SVO research which states that prosocials and proselfs interpret identical situations differently (Van Lange and Kuhlman, 1994). Finally, perceptions of quality and innovativeness seem to mediate consumers' trust in and attitude toward the company, which consequently seem to impact their intentions to recommend the company to others.

This study responds to calls for research on SVO that is not restricted to the outcomes of controlled experimental games, but also uses SVO to predict behaviors of societal interest (Van Lange et al., 2007). It extends past investigations which demonstrate

the importance of considering SVO in an attempt to explain individuals' divergent behaviors with regard to charitable donations and pro-environmental acts (Gärling et al., 2003; Van Lange et al., 2007). While in these studies individuals were requested to make choices that could either benefit or harm themselves directly (e.g., donating money versus saving for oneself), consumers' responses in the current study reflect their opinions about decisions taken by the company, which could at most impact them personally in an indirect way.

What is striking is that consumers seem to infer personal consequences (i.e., in terms of corporate abilities) from a company's decision to support high-fit causes. In particular, the results of our study suggest that the level of fit signals different messages to prosocials and proselfs. While prosocials value cooperativeness (Van Lange et al., 1997), a notion that seems to be reflected by high-fit alliances, they appear to believe that high-fit alliances can help companies to strengthen their corporate abilities. Proselfs, on the other hand, seem to regard cooperativeness as weak and unintelligent business decision (Van Lange and Kuhlman, 1994). They thus do not seem to trust the company's abilities to produce innovative and high quality products and services if they are aware of a high-fit alliance.

## Managerial Implications

Companies face a dilemma if they decide to engage in a high-fit alliance. Our results hence suggest that managers should be cautious when selecting alliance partners. As consumers seem to infer corporate abilities from information about the level of fit, and social alliance activities more generally, managers should make sure that consumers are not only aware of the company's social alliance, but also of its strong corporate abilities. Apparently, and also in line with past research, favorable beliefs about the company's social activities *and* its corporate abilities are crucial for consumers to form positive associations (cf. Brown and Dacin, 1997).

Moreover, even though proselfs seem to punish companies that engage in a high fit alliance, relative to prosocials, it should be noted that the potential benefits or drawbacks of high fit go beyond consumers' responses towards the company and relate to a successful collaboration among the alliance partners more broadly. A high level of congruence among the organizations' missions or cultures, for instance, is likely to reduce potential conflicts of



interest or power (Berger et al., 2004), and might thus ensure a more fruitful and effective collaboration.

## Limitations and Future Research

First, to assess whether or not the results of this study are replicable in other settings, extending research to companies from other industries and to other (non-profit) causes than the two used in the present study might be worthwhile. Second, while this study focuses primarily on a high-fit condition, researchers could also give some further attention to alliances with a low fit, particularly since these appear to hardly differ from a situation in which the company had no social alliance at all. A more detailed investigation of why particular (types of) consumers value high-fit only, and whether specific fit dimensions are crucial in this regard, could add further insight to the findings of the present study. Third, while the findings suggest that proselves even punish companies for high-fit alliances, the practical recommendations of this study for alliance managers are limited mainly to calling for caution during the partner selection procedure and when communicating alliances. Follow-up research, however, might identify ways to overcome such negative responses by proselves with regard to high-fit alliances. More specifically, despite the fact that value orientations are relatively stable personality traits, situational characteristics, such as incentives or payment contingent on collective performance, may promote prosocial behavior among proselves (Beersma and De Dreu, 2005). Cooperation might become a rational choice for proselves if self-interest is made salient at the collective level (De Cremer and Van Vugt, 1999). Taking these aspects into account in follow-up research seems worthwhile to explore ways of turning a high-fit alliance into a seemingly rational and intelligent choice for proselves as well, by tying personal interest to the collective one, or by focusing more explicitly on the link to the improvement of corporate abilities. These are next steps to consider on the basis of the findings here.