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CONSUMER PERCEPTIONS OF CSR: (HOW) IS CHINA DIFFERENT?

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International Marketing Review, forthcoming

ABSTRACT

Purpose – Most studies on consumers and CSR have focused on Western contexts. Consequently, good insight is lacking into non-Western markets where consumers may respond differently. China is a case in point, despite the popularity of the CSR concept and high societal expectations of firms. This article examines how Chinese consumers perceive the underlying components of CSR found in Western countries; whether their CSR expectations differ for local Chinese compared to foreign firms; and whether results differ across regions within China.

Design/methodology/approach – A country-wide study was done using a questionnaire to collect data in seven distinctive regional markets across China.

Findings – Findings show that the originally Western CSR construct seems generalizable to China, but consumers across all regions perceive two rather than four components: one combining economic and legal responsibilities (labelled 'required CSR') and another combining ethical and philanthropic responsibilities ('expected CSR'). Consumers expect local Chinese firms to take more responsibility than foreign firms, particularly for required CSR.

Research limitations/implications – This study focused on consumer perceptions, not on actual buying behaviour, which is a potential area for further research. Follow-up investigation to see whether our findings regarding the CSR concept also hold in other emerging and developing countries would be worthwhile. This also applies to an extension of the different expectations vis-à-vis foreign and local firms.

Practical implications – Our study gives more insight into notions of standardization and adaptation with regard to CSR, considering China compared to other countries, and China's different internal markets. This is relevant for international marketers confronted with (potential) investments and activities in China, inbound or outbound, or in need of a comparative global perspective.

Social implications – While our findings show some context-specificity for CSR in China, they also confirm the relevance of the originally Western CSR components to an emerging-market setting. These insights may be helpful for those interested in furthering CSR across countries, and locally as well as globally.

Originality/value – This study responds to calls for an improved understanding of the context-specificity of the originally Western CSR construct and of the extent to which it may be generalizable to non-Western settings such as China. We used a sample covering all regions of China and discovered two important dimensions. The results may be helpful to guide the debate on the plethora of CSR conceptualizations into a more focused direction, with clear relevance for the marketing field.

Keywords: CSR; China; consumers; local-foreign firms

Article Type: Research paper

CONSUMER PERCEPTIONS OF CSR: (HOW) IS CHINA DIFFERENT?

1. Introduction

While the marketing field has generally seen a growing interest in corporate social responsibility (CSR), especially related to consumers (Maignan and Ferrell, 2004; Vaaland *et al.*, 2008, Peloza and Shang, 2011), most consumer-related studies have focused on Western contexts (Cotte and Trudel, 2009). We therefore lack insight into markets in which consumers are likely to respond differently to the CSR notion, especially emerging and developing countries (Cotte and Trudel, 2009). A recent global consumer survey by Cone/Echo (2013), for example, showed that Chinese and Indian respondents expect most from firms in addressing social and environmental issues; those from the UK, France and the US much less (respectively 30%, 37%, 9%, 12%, 16%). Conversely, regarding a possible positive impact of consumers, Chinese respondents scored by far the lowest (11%), Brazilians as highest (57%), with other emerging and developed countries in between. Interestingly, and despite the popularity of the CSR concept in China, this country has been underexposed in the academic literature, also in comparative research (Eisingerich and Rubera (2010) is an exception).

A literature search that we carried out (and which is reported in the next section), returned only a relatively small number of academic articles on CSR and consumers in China. These studies usually operationalize CSR in terms of only one or two specific subcomponents (e.g. ethical behaviour, green products or charitable contributions) rather than CSR as a whole. The only exception is Ramasamy and Yeung (2009), who focused on CSR as a whole and its economic, legal, ethical, and philanthropic components for consumers in Hong Kong and Shanghai, following Carroll's (1991) original conceptualization of the concept and Maignan's (2001) first empirical exploration for French, German and US consumers. Moreover, studies are generally based on small samples from mostly urban settings which are not very representative of (mainland) Chinese consumers in general. We thus lack a proper understanding of how Chinese consumers across China perceive CSR, what they expect from companies, and whether that is context-specific. Another aspect left unexplored in research on consumers and CSR in China is the distinction between local and foreign firms, an aspect that has increasingly been mentioned as representing a source of different expectations.

Using a country-wide consumer questionnaire-based survey, data was collected in seven distinctive regional markets across China, to answer two related sets of questions: first, how Chinese consumers perceive CSR and its components, and whether these perceptions differ across regions; second, whether Chinese consumers expect the same from Chinese local firms compared to foreign firms in terms of CSR, and whether there are differences across regions. In this way, our study aims to make several contributions. It provides insight into how Chinese consumers perceive CSR as a whole and its underlying components found in Western countries (Maignan, 2001). This responds to calls for an improved understanding of the context-specificity of the originally Western CSR construct and of the extent to which it may be generalizable to non-Western settings such as China (Lo *et al.*, 2008; cf. Moon and Shen, 2010). We thus build on existing concepts instead of adding even more new metrics or conceptualizations to the already available plethora of ill-defined constructs (cf. Green and Peloza, 2011). Testing the generalizability of existing concepts also helps to obtain a more rigorous understanding of what CSR means in different parts of the world, and to account for local and regional variations. This applies to both the understanding of CSR and its components as well as the expectations vis-à-vis local respectively foreign firms active in China. From a managerial point of view, this research is highly relevant input for strategic CSR marketing communication decision-making: for multinational managers who must coordinate activities in different cultural and local/regional settings, and for those in charge of local firms' that face competition from others in their domestic markets as well as increasingly complex consumer expectations.

This paper is organized as follows. First, we review the insights from the literature on CSR and consumers in China in general, and on differences in Chinese consumer perceptions of CSR and of CSR expectations for local versus foreign firms in particular. This is followed by an explanation of the sample and methodology, the presentation and discussion of the results, and finally conclusions, implications and limitations.

2. Theoretical background

2.1. Consumers and CSR in China: Insights from the literature

In recent years, CSR has received much government, public and media attention in China, as also

reflected in a wave of publications by practitioners and especially academics (French 2010a, 2010b; Harper Ho, 2012; Kolk *et al.*, 2010; Lin, 2010; Marquis and Qian, 2014; Moon and Shin, 2010; Ni *et al.*, 2013; Sarkis *et al.*, 2011; Tsoi, 2010; Xu and Yang, 2010; Wong, 2009; Zhou *et al.*, 2012). While yielding a range of valuable insights, what has remained relatively unexplored is the consumer perspective of CSR, i.e., how Chinese consumers perceive CSR and what they expect from companies with respect to CSR. This importance of CSR to consumers has been noted, for example in general terms in Chinese academic literature on CSR (Zhou *et al.*, 2012). Consecutive surveys amongst Chinese managers also show that consumers consistently rank amongst the most valued corporate stakeholders in the CSR debate. In 2010, this group was even ranked as highest, which led Fortune China to announce "The dawn of consumer-driven CSR in China" (Ives *et al.*, 2010). However, empirical insights into Chinese consumers in relation to CSR are rather limited, also in English-language research.

To obtain insight into the current status of research on CSR and consumers in China we did a systematic literature search in relevant academic search engines (Web of Science, Academic Search Premier, JSTOR, Business Source Premier, EconLit, as well as those of the main publishers Science Direct, Wiley InterScience, SpringerLink and Sage journals online). We used a combination of key words relating to consumers, China, and a whole series of CSR-related terms (also including e.g. ethics, environment, responsibility, social, philanthropy). Wildcard symbols (e.g. *, ? ,#) were used to account for possible spelling difference or omitted words. Our search returned a limited number of relevant academic articles for our focus on consumers and CSR in China. Below we will discuss key characteristics of the main articles, included in Table 1.

Insert Table 1 about here

In addition to English articles, we also looked for major publications in Chinese via two popular Chinese academic search engines,[1] using the Chinese words for CSR and consumers. Although these search engines only deliver titles and abstracts, a check on these results did not seem to yield publications relevant to our topic as approaches and foci seem to differ greatly. This parallels observations by Moon and Shen (2010, p. 614), in their review paper on CSR in China, that "comparing English language CSR research in western academic and research media with Chinese

language CSR research in Chinese academic and research media will not be comparing the like with the like in terms of assumptions about the scientific norms (e.g. theoretical framework, reference, methodology), substance and refereeing of research". This large difference also comes to the fore when looking at a recent "extensive literature review" of CSR and sustainable development studies in China, if we consider the article's set-up, writing and contents (Zhong *et al.*, 2012).

In terms of contents, the English language studies included in Table 1 can generally be classified into three types. A first topic addresses the question of whether Chinese consumers support firms/products that are socially responsible (Chan, 2001; Deng, 2012; Ramasamy and Yeung, 2009; Sirieix *et al.*, 2011; Tian *et al.*, 2011). Chinese consumers are, in general, found to be supportive of firms' CSR initiatives and willing to transform a good CSR record into positive corporate evaluations, product associations and purchasing intentions. For organic products and green products, however, support level are still low, although growth can be seen. A second area of study explores drivers of Chinese consumers for supporting CSR (Chan, 2001; Deng, 2012; Eisingerich and Rubera, 2010; Liu *et al.*, 2012; Ramasamy *et al.*, 2010; Sirieix *et al.*, 2011; Tian *et al.*, 2011). Three broad sets of drivers have been mentioned: 1) psychological factors (e.g. affect, CSR awareness/consciousness/attitude, perceptions of self-responsibility, personal values, religiosity, altruism); 2) cultural factors (e.g. collectivism, man-nature orientation, power distance, long-run orientation); and 3) other factors (e.g. product categories). A third, less covered topic is how Chinese consumers' social responsible consumption behaviour can be measured (Yan and She, 2011).

If we look at location and other peculiarities of the samples, studies on consumers and CSR in China are usually based on relatively small numbers of respondents from mostly urban areas. They focus on large cities which are not very representative of Chinese consumers in general. For instance, Ramasamy and Yeung (2009) included only Shanghai and Hong Kong, two large cities with specific peculiarities that do not seem to be necessarily representative for mainland China. Hong Kong is a former British colony and later dependent territory before it became a special administrative region of China in 1997; Shanghai a rich, coastal city with a Western orientation and an individualist ideology. Also, the articles tend to treat China as if it is a homogeneous market. While this assumption may have been incited by its history of communism and centralized rule, in reality there are huge variations

between regions. This heterogeneity, which means that markets within China are segmented, has been shown for consumers in general, most notably by Cui and Liu (2000) who identified seven different regions. However, it has not been taken into account when it comes to consumers' CSR attitudes and behaviours. Especially divergent patterns in economic development and prosperity, which have influenced previously existing traditions, lifestyles and consumption patterns as well as expectations regarding the quality of life, may affect CSR, similar to differences expressed earlier in comparisons of developed and emerging countries in West and East (e.g. Auger *et al.*, 2010, see also below).

While bringing valuable insights, this 'state of the art' also suggests some aspects that have remained underexposed. In the studies included in Table 1, the CSR measure usually consists of specific subcomponents, such as ethics, charity or environment. Only Ramasamy and Yeung (2009) focused on CSR as a whole using the conceptualization as developed by Carroll (1991). Originally, it contained a pyramid with economic as "basic building block" that "undergirds all else", followed by legal, ethical and philanthropic responsibilities, in this order (Carroll, 1991, p. 42). However, in a later CSR overview article, Carroll (1999, p. 289) emphasized that the "four-part definition" was not meant to be pursued by firms "in sequential fashion but that each is to be fulfilled at all times". Even further nuances were discussed in a follow-up publication (Schwartz and Carroll, 2003). Still, despite the fact that components are not fully mutually exclusive, more recently Carroll again explained them in relation to the "fundamental importance" for firms' "existence": "the economic and legal are always there (required) but then the ethical responsibilities (expected) kick in and then the discretionary/philanthropic (desired) become important".[2]

Carroll's four conceptual CSR components, aimed at managers and firms' moral management, were first empirically explored for consumers by Maignan (2001), who operationalized them for small samples in France, Germany and the US. Her study, like the replication by Ramasamy and Yeung (2009) in Shanghai and Hong Kong, showed the relevance and applicability to consumer perception settings, as in both cases the four components were found. Remarkably, their samples only contained employees of bank and insurance firms, which "may not represent a population, but provides a good subset of the middle income populations" (Ramasamy and Yeung, 2009, p. 123).

2.2. Differences in Chinese consumer perceptions of CSR

Evidence on the way in which China may be specific or not, regarding CSR in relation to cultural aspects, is very limited, with diverse dimensions coming to the fore. In international comparative studies carried out by more practitioner-oriented agencies focused on trust dimensions, Chinese respondents score consistently high. For example, in the Edelman 2012 Trust Barometer, China ranks highest of all countries on the composite score that measures trust in business, government, NGOs, and media. Also, a 2011 Cone/Echo study found Chinese respondents to be "far more trusting" of corporate CSR communication than "citizens in other nations (95% vs. 61% globally)" (Cone/Echo, 2011, p. 59). In yet another survey, 78% of Chinese consumers (compared to 65% globally) stated to have "more trust in a brand that is ethically and socially responsible" (Edelman/Good Purpose, 2010). A recent study on female cosmetics (Chu and Lin, 2013) consumers showed a higher perceived importance and expectations of CSR for Chinese than for US respondents.

In the academic literature, differences in consumer perceptions between Western and Eastern countries have been explained by Hofstede's cultural framework. For instance, Zhang *et al.* (2014) show that collectivism, uncertainty avoidance and long-term orientation impact the importance of equity for customer loyalty perceptions. In the context of CSR, Eisingerich and Ribera (2010) show that CSR contributes to brand commitment in China which the authors explain from the collectivist, long-term oriented culture and high power distance. And although this has not been worked out yet in terms of CSR as a generic concept, Hofstede's work on cultural values (2001) also seems to shed light on potential differences in CSR perceptions between Western and Chinese consumers.

For example, China is a more collectivist society than Western countries (Verburg *et al.*, 1999). It is known that people in collectivist societies put more weight on social norms, support networks and helping each other. This community thinking might imply that Chinese consumers perceive philanthropy as more common for companies to do than Western consumers. Also the stronger long-term orientation of Chinese compared to Western people might be of influence on their CSR perceptions and expectations. CSR activities have in general a long-term focus on the welfare of the society which fits well with the cultural values of Chinese people. On the other hand, it has been argued that in high-power-distance cultures, like China, firms are not expected to contribute to the

social welfare of society, so in case they do contribute via CSR it will positively impact consumer perceptions (Eisingerich and Ribera, 2010). Finally, the higher uncertainty avoidance orientation of Chinese compared to Western consumers might impact CSR evaluations. That is, it could be that their need for stability and predictability, and low stress might make them more focused on legal compliance.

In addition to Hofstede's culture dimensions, Zhang *et al.* (2014) introduce two culture-specific values that explain the difference between Chinese and Western consumers. The first is Guanxi and refers to the importance of relationships and social links to Chinese people (Huang, 2000), which is found to be a key aspect for relationship marketing and business performance. This might explain why Chinese firms undertake philanthropic activities, as they are seen as a way to build relationships (French, 2010b). The second value is Mianzi which might be particularly of relevance to CSR as a whole. China is a strongly Mianzi-oriented society. Mianzi means "face and refers to a sense of favourable social self-worth that a person wants to maintain in relational and network contexts" (Zang *et al.*, 2014, p. 285), with a focus on social rather than private needs (Liao and Wang, 2009; Wong and Ahuvia, 1998). Companies' care for social needs to save and gain face might positively influence consumers' perceptions and expectations of CSR. The two culture-specific values relate to what Wang and Juslin (2009) call the Chinese harmony approach to CSR. They argue that the key motive for CSR "is to cultivate virtues and become a 'superior enterprise', which will contribute to the construction of a harmonious society" (p. 446).

These studies lead us to expect that Chinese consumers might have different perceptions with respect to CSR than Western consumers. Based on the cultural differences describe above, philanthropic responsibilities might be expected by Chinese consumers rather than 'just' desired. Also, given the high need for stability, preditability and low stress, Chinese consumers may put relatively great weight on the economic and legal dimensions of CSR. However, we will approach this in an exploratory manner as the specificities of the country might also imply that the Western concept of CSR cannot easily be adapted to China, as noted by Wang and Juslin (2009).

2.3. Differences in CSR expectations for local versus foreign firms

Another aspect left unexplored by research on consumers and CSR in China is the distinction between local and foreign firms. Differences in approach, communication and implementation of CSR (components) between Chinese and foreign firms have received considerable attention in the media, popular publications (e.g. French, 2010a, 2010b) and also, to a limited extent, in academic studies (Kolk *et al.*, 2010; Lam, 2002; Tsoi, 2010). They are part of a broader debate on different positions and perceptions of domestic and foreign firms in Chinese politics and society, as also reflected in often divergent treatment in the media and in government's economic and industrial policies (e.g. Kolk and Tsang, 2014). However, analyses of consumer perceptions in this regard are scarce. There has been some research in marketing on the role of Chinese consumer ethnocentrism, although not regarding CSR, that considered to what extent consumers prefer domestic over foreign products (e.g. Bi *et al.*, 2012), but the role of different expectations of companies was not considered.

Regarding CSR expectations of foreign versus domestic firms, some authors have pointed out that foreign firms do not take sufficient social responsibility in China, also considering scandals reported in the media (Lin, 2010; Zhou *et al.*, 2012), and suggestions that foreign firms use lower standards in China than in their home markets (French, 2010b). At the same time, it might well be that this impression comes from foreign firms' lower attention to philanthropic donations, as shown in rankings and publications that focus on disclosure levels in China. There is some evidence for better CSR on the part of multinationals (French, 2010b, Kolk *et al.*, 2010, Wei, 2006). A survey by a communications agency even mentioned that multinationals are seen as "the guide" in meeting increasing consumer CSR expectations given that "companies in China haven't caught up" (Cone/Echo, 2011, p. 60). However, other than this observation from a broad practitioner perspective, there is no systematic research on this topic.

The lack of research is remarkable, given that foreign direct investment (FDI) to China has seen enormous growth in the past three decades, since the market was opened. While multinationals in China have been studied extensively, also in relation to local firms, this is not the case regarding CSR. A literature review from the international business perspective mentioned this topic as important further research avenue, and specifically noted environmental and labour issues given their importance in the Chinese context (Fetscherin *et al.*, 2010). These two topics were also mentioned to be of

increasing importance to Chinese consumers and to the evaluation of domestic versus foreign firms in other publications, but left unexplored (French, 2012a, 2012b; Kolk *et al.*, 2010; Zhou *et al.*, 2012). The generic debate on CSR and impressions of local and foreign firms in China may be relevant in this regard. For example, while CSR was labelled as "necessary for Chinese companies to compete internationally" by the assistance secretary of commerce some years ago (Yi, 2005), local firms also seem to consider it "as a potential way to fight back", apparently supported by the Chinese government (French, 2010b, p. 7). As French (2010b, p. 7) subsequently explained his observation, "though many factory owners still see corporate responsibility as a Western concept they do see it as a potential method to counter criticism of China's labour and environmental practices".

Environment and labour thus appear to be relatively contentious and politicized issues in the Chinese context, also in relation to the 'imposition' of global (foreign) standards, often through export-oriented supply-chain activities by Chinese firms (cf. Kolk, 2010; Lin, 2010; Wickerham and Zadek, 2009), which is why we included them in our exploration of consumer CSR expectations for local versus foreign firms. Although studied separately sometimes (e.g. Nu *et al.*, 2014; Wu, 2013), they seem to be much less 'established' than the other components that we explore in this study as part of the overall CSR concept. Interestingly, in a reflective piece for practitioners on his pyramid in the global context, Carroll (2004) noted that expectations change over time, giving examples from different countries including China, and mentioning the natural environment and labour issues.

2.4. Research questions

Hence, based on the insights from the literature, the paper seeks to answer two related questions. The *first question* is how Chinese consumers perceive the underlying components of CSR found in Western countries, and whether perceptions differ across regions within China. Based on the literature review, we use the concept originating from Carroll as researchers have used it in empirical studies and found it suitable, also for consumers, in different contexts. Rather than adding new metrics or conceptualizations, our study centres on collecting new evidence for a large emerging-market country. It investigates to what extent the concept really applies to China in general. Also, we target a larger number of respondents, with the aim to provide a representative picture, and thus shed light on how

CSR and its components were perceived by consumers in and across China.

The *second question* is whether Chinese consumers expect the same from Chinese local firms compared to foreign firms in terms of CSR and its key components, and, here as well, whether these expectations differ across regions. We explore whether this local-foreign dimension in relation to CSR might be a topic that deserves further investigation, based on these first findings. To this end, some questions were included in the survey held amongst Chinese consumers. Our study helps to shed some further light, also on dimensions of standardization and adaptation which have hardly been addressed from the CSR perspective (cf. Kolk and Margineantu, 2009). In the next section, the sample and methodology will be explained, followed by a presentation and discussion of the results.

3. Sample and methodology

Respondents were approached by phone and email between April and August 2009, for which we involved a leading Chinese marketing research agency that has more than 600,000 panel respondents living all over China. It has developed a proprietary Panelist Management System© that systematically and scientifically manages the whole data collection procedure while assuring its data quality (considering e.g. consistency and representativeness). The selected panel respondents could easily provide answers online either via their own internet subscription at home or free Wi-Fi spots designated by the agency. Respondents were paid for their participation. China can be segmented into seven distinctive regional markets, considering specific historical, economic and consumer characteristics (Cui and Liu, 2000). Based on demographics, the agency collected data from a representative sample in each region.[3] The mean response rate across regions was 93% and the sample size per region varied between 77 and 235 to match the respective population size of each region. The high response rate and the close correspondence between the sampled respondents' age distribution and the regional population's age distribution suggest that non-response bias is not a problem. After deleting respondents with inconsistent answers and missing values, 921 respondents remained; see Table 2 for main details of the sample.

Insert Table 2 about here

The questionnaire was developed in English and then translated into Chinese by one of the co-authors

(who is a native speaker). We first pretested the Chinese version of the questionnaire on a convenience sample of 69 people living in China. After checking reliability and validity of the scales, and a discussion with respondents as well as a Chinese scholar from a Chinese university, the wording of some items was improved. They were also back-translated, except for the already established CSR evaluation item. Respondents were clearly informed about the anonymity of their participation. We measured CSR evaluation and CSR expectation, which we will explain next. In addition, we asked for basic information including age, gender, education level, income, location and working experience, which were used as control variables.

Consumers' CSR evaluation was measured through 16 items encompassing the four CSR components (economic, legal, ethical, philanthropic), as developed by Maignan (2001) and also used by Ramasamy and Yeung (2009) . In line with both studies, answers were given on a seven-point scale, ranging from 1 (no support at all) to 7 (strongly support) to statements related to business (see Appendix 1). We also included an overall responsibility item (Number 17 in Appendix 1). In this way, we carry out a proper replication in a different context (compared to Maignan, 2001) and with a more representative sample of Chinese consumers across the country (compared to Ramasamy & Yeung, 2009). To measure differences in consumers' CSR expectations for local Chinese and foreign firms, we used the same four CSR components as discussed above. For each component, we adopt the Golden (1987) Numerical Comparative Scale to explore the expectation differences, a scale found superior for contrasting multiple objects across multiple attribute dimensions.

As shown in Appendix 2, we first presented the definition of the CSR components to the respondents and they were subsequently asked to give a score for both local Chinese firms and foreign firms. In addition, we offered respondents the option to indicate that they had no idea.[4] As an exploratory extension, we included items on environmental and labour/workforce responsibility, as these have been mentioned to be of increasing importance to Chinese consumers and in the evaluation of domestic versus foreign firms (French, 2010a, 2010b; Kolk *et al.*, 2010; Lin, 2010; Zhou *et al.*, 2012; cf. Xu and Yang, 2010).

4. Presentation and discussion of results

Before presenting and discussing the results, we first consider a possible issue related to the measurement across regions. As indicated above, China consists of seven regions, each with its own characteristics. Consequently, there is potentially a measurement invariance problem, which has received much attention in cross-country marketing research. In the current study, the measurement invariance for CSR evaluation was assessed across the seven regions using the procedures developed by Steenkamp and Baumgartner (1998). In line with their approach, we tested configural invariance, metric invariance, scalar invariance, factor covariance invariance, factor variance invariance and error variance invariance. The results provide evidence of cross-region equivalence in our measurement of CSR evaluation.[5] This means that there is no measurement invariance problem for the respondents across the seven regions of China. This may not be surprising considering the fact that respondents have considerable levels of education and have thus been part of the standardized Chinese system. Moreover, the current study includes panel respondents with experience in using different kinds of rating scales. Having checked for measurement invariance, we now move to the analysis and the presentation of the results.

4.1. Consumer CSR evaluations

To test if our CSR components are the same as Maignan (2001) and Ramasamy and Yeung (2009), we conducted a principal component analysis, specifying the four underlying factors. The results are shown in Table 3 and indicate that there are many cross-loadings and low factor loadings. Moreover, the eigenvalue for the economic and ethical components are below 1. Even if we delete these cross-loading and low factor loading items (e.g. Eco2-4, Eth2-3), we encounter low eigenvalue, cross-loadings and low factor loadings when using the four-factor extraction solution. Interestingly, Maignan (2001) and Ramasmy and Yeung (2009) found four CSR components and did not report the problems as discussed above for our sample. Instead, we found that Chinese consumers perceived two, rather than four CSR components: one that combines economic and legal responsibilities, and another that combines ethical and philanthropic responsibilities. Compared with the four-factor solution, it can be seen, in Table 3, that the Cronbach's alpha scores are higher, and the eigenvalue of both factors is

above 1. Moreover, except for one ethical item, items generally have a high factor loading (0.7 or higher) on their corresponding dimension.

Insert Table 3 about here

Following Ramasamy and Yeung (2009), we subsequently tested whether consumers regard those two discovered factors as an integral part of CSR, through the following two steps. First, we carried out a correlation analysis between each factor and the overall responsibility item. As shown in Table 4, the two dimensions significantly correlate with the overall responsibility item, which means that Chinese consumers consider both dimensions as part of CSR.

Insert Table 4 about here

Second, we supplemented the finding in the first step by conducting a regression analysis, in which the overall responsibility item is put as dependent variable. Since the two dimensions are very closely correlated, we could not make a regression model that includes both CSR dimensions at the same time. Instead, we used a nested modelling procedure. Firstly, we estimated the nested model which includes only demographic variables. Secondly, we estimated the full model containing both demographic variables and one CSR dimension. This enables an analysis whether the added CSR dimension can significantly improve model fit to explain the overall responsibility item. Nested regression analysis (see Table 5) revealed that both dimensions significantly influence the overall responsibility item, with a stronger impact of the ethical/philanthropic dimension than the economic/legal dimension. This further confirms our earlier finding that Chinese consumers consider both dimensions to be part of CSR.

Insert Table 5 about here

The dimension that consists of economic and legal responsibilities can be labelled ‘required CSR’, in line with how Carroll (1991) characterized these two in explaining his four-part definition of CSR (cf. Schwartz and Carroll, 2003). We designate the second dimension, which encompasses ethical and philanthropic responsibilities, ‘expected CSR’. While Carroll identified ethical as ‘expected’ and philanthropic as ‘desired’, China offers a clear example of a context in which philanthropy can also be seen as expected CSR. As a China expert put it, “consumers want companies to give to important issues and causes, just not to expect anything back” (Cone/Echo, 2011, p. 60). Stimulated by the

government, Chinese firms have increasingly undertaken philanthropic activities to establish good relationships, and foreign firms are said to be "moving closer to this Chinese model of stressing community investment and philanthropy" (French, 2010b, p. 5). Interestingly, the two-fold division between 'required' and 'expected' CSR relates to some extent to an observation by Ethical Corporation that "most of the debate around corporate responsibility in China focuses either on legal compliance on the one hand or corporate philanthropy on the other" (French, 2010a, p. 3). Moreover, and perhaps coincidentally, Carroll (1991) included economic and legal components of CSR in one Table, and ethical and philanthropic in another.

To examine possible differences in CSR evaluations across Chinese regions, first, like above, we again tested the measurement invariance of both the 'required CSR' and 'expected CSR' dimensions across the seven regions using the procedures developed by Steenkamp and Baumgartner (1998). Results show a cross-region equivalence in our measurement of CSR evaluation.[5] We subsequently tested how consumers in the seven regions of China perceive CSR (see detailed results in Table 6). There is a consistent pattern across the regions that consumers perceive economic and legal responsibilities (labelled 'required CSR') as one single dimension, and ethical and philanthropic responsibilities ('expected CSR') as another one, after excluding a few outlier items (marked bold in Table 6). Thus, contrary to Ramasamy and Yeung (2009), we conclude that Chinese consumers in general and in the different regions of China do not distinguish between the four components as outlined by Carroll (1991), but perceive only two of them.

Insert Table 6 about here

We looked at two further aspects. First, we tested the relative importance of the two main CSR dimensions, to see which one is most important for Chinese consumers in general and for consumers in each region. Findings show that Chinese consumers put significantly greater weight on required CSR than on expected CSR, in general and for the different regions. The only exceptions are the Northeast and Northwest regions, where differences in consumer perceptions of the two dimensions are not significant (see Table 7).

Insert Table 7 about here

Second, using MANOVA, we test whether consumers across regions have the same evaluation level

for required CSR, and for expected CSR. Findings show that consumers in different regions have the same evaluation level for the two types of social responsibility and for CSR as a whole (with p-values of Pillai's trace, Wilk's Lamda and Hotelling's Trace equal to 0.413, 0.412 and 0.412 respectively). The results do not change if we add demographic covariates. Hence, consumers' evaluation of CSR overall as well as of its two dimensions, required CSR and expected CSR, are the same across the seven regions of China.

4.2. CSR expectation differences for local Chinese firms and foreign firms

To test whether Chinese consumers expect different CSR activities from local Chinese firms compared to foreign firms, we analysed these for the two CSR dimensions, required CSR and expected CSR. As shown in Table 8, overall Chinese consumers expect local Chinese firms to take more responsibility than foreign firms, particularly with respect to required CSR. This is an interesting finding in view of the debate mentioned above (see section 2.3). Our findings may reflect consumer perceptions that multinationals are indeed leading in terms of CSR and that local Chinese firms need to catch up, especially with regard to required CSR. The societal embeddedness and the importance of Mianzi in Chinese society may have played a role in these differential expectations, but that is something that deserved further study in follow-up research. We checked in our sample whether consumer expectations of CSR for local Chinese firms and foreign firms differed depending on respondents' income, education, length of employment and working experience in specific organizations, especially by foreign-owned versus domestic employers[6]. However, these aspects were not found to play a role.

Insert Table 8 about here

We subsequently tested whether these findings regarding CSR expectations for local and foreign firms differ across regions in China (Tables 9 and 10). For required CSR, consumers in two regions (i.e. North China and Southwest China) expect local Chinese firms to take the same level of responsibility as foreign firms. However, consumers in the other regions expect local Chinese firms to do more than foreign firms. For expected CSR, consumers in three regions (i.e. North China, Southwest China and East China) expect local Chinese firms to take the same level of responsibility as foreign firms. Then again, consumers in the other regions expect local Chinese firms to do more than foreign firms. We

checked other information that we collected (via the survey or from national sources) to see whether demographic or region-level factors (GDP, imports, exports, FDI) could help shed light on possible explanatory factors. However, we did not find clear consistent answers. Below we will indicate some aspects that may be considered in further research, also considering possible factors related to lifestyles and traditions as suggested by Cui and Liu (2000), and indicated in section 2.1.

Insert Tables 9 and 10 about here

We first considered North China and Southwest China, as they are different on both required and expected CSR (with consumers expecting the same level of responsibility for local and foreign firms) from other regions. Characterized by Cui and Liu (2000) as "emerging markets", our analysis of region-level information showed that, compared to other regions, they score considerably lower averages for GDP, imports, exports, and FDI (in number and monetary amounts; see Appendix 3). Compared with other much less developed and closed regions (Northwest China and Northeast China, called "untapped markets" by Cui and Liu (2000)), North China and Southwest China have a long history of small business operations and international trade (Sun, 2005; Wang, 2007; Wu, 1998). This implies relative openness and interest in economic improvement.

Concurrently, consumers may have realized that, different from other prosperous regions (e.g. East China and South China), they have benefited less as a result of considerably lower FDI in their regions. This is also shown, for example, by the fact that almost 95% of inhabitants work for local Chinese firms, a figure that is 10% lower in East and South China (calculated from China Statistics Year Book, 2011). One might suggest that they see foreign firms as drivers for welfare and growth in these regions, presumably also related to CSR, and as something from which local firms can learn, and that should be adopted to the same extent for both types. In terms of values, consumers are said to be "relatively conservative" and focused on "intrinsic satisfaction" in North China, and have a "slow pace of life" in Southwest China (Cui and Lui, 2000, p. 60), which may suggest a 'wait-and-see' attitude more generally.

The situation for East China, where expectations for local and foreign firms are the same regarding expected CSR, i.e. ethical and philanthropic responsibilities, is rather different. Even amongst the most developed regions (i.e. excluding the Northwest and Northeast), East China stands

out for being most prosperous, with much higher GDP, imports, exports, FDI, population density and education levels. East China is well-known for its openness, having attracted thousands of multinationals to start their Chinese business activities in this region (National Bureau of Statistics of China, 2011). At the same time, the region also has a tradition of local entrepreneurship (Wang, 2007). Many local firms are very profitable and have made generous philanthropic donations; examples include the Wahaha, Geely and Fosun Groups (Ministry of Civil Affairs, 2010; Research Institute of Chinese Private Economy, 2012). This may have had a positive impact on perceptions of Chinese firms, perhaps leading to views that foreign firms should to the same in terms of ethical and philanthropic responsibilities. Interestingly, regarding required CSR, consumers in East China expect local firms to do more than foreign firms. Apparently – and perhaps due to their good access to media, cosmopolitan lifestyles and trend-setting behaviour (cf. Cui and Liu, 2000) – the impression of foreign firms is much better here.

Finally, we carried out an exploratory extension regarding environmental and labour/workforce responsibility. Interestingly, while for the original four components (see Appendix 2, items 1-4), Chinese local firms are expected to take more (respectively economic, philanthropic, ethical and legal) responsibility than foreign firms, expectations are the same for both types of firms for environmental and labour/workforce responsibility.[7] This applies regardless of demographic variables, and for (almost) all regions. The only exception is that consumers in Northwest China expect foreign firms to take more environmental responsibility. One might possibly relate this to the specifics of this region, which is much less developed and suffers considerably from sandstorm and desertification problems. Only a small proportion of foreign firms is present here while local Chinese firms are not that productive and profitable. Perhaps specific issues may have played a role in raising expectations vis-à-vis foreign firms in particular, related to the composition of the population, historical and cultural traditions, and government policies to further migration from other regions and promote business development. However, at this stage this is not more than a rather tentative indication of possible aspects. As noted, this part of the analysis is preliminary in general, and might be a subject for further study, as will also be indicated in the final, concluding section of this paper that follows next.

5. Conclusions and implications

Theoretical contributions

This study responded to calls for an improved understanding of the context-specificity of the originally Western CSR construct and of the extent to which it may be generalizable to non-Western settings such as China. Despite large interest in CSR in China, this country has been underexposed in the academic literature, with empirical studies mainly focused on specific subcomponents of CSR, and based on evidence from small, urban samples. To help fill this gap, this article reports the results of a country-wide consumer survey carried out in China, with the aim to answer two related sets of questions. The first question was how Chinese consumers perceive CSR and its components, and whether these perceptions differ across regions. Secondly, we explored whether Chinese consumers expect the same from Chinese local firms compared to foreign firms in terms of CSR, and whether there are differences across regions.

We compared our findings against two earlier studies (Maignan, 2001; Ramasamy and Yeung, 2009). We replicated their work in a different context (compared to Maignan's focus on France, Germany and the US) and with a larger and more representative sample of Chinese consumers across the country (compared to Ramasamy and Yeung's research on Hong Kong and Shanghai). While their research found consumers to distinguish economic, legal, ethical, and philanthropic components of CSR, our study yielded two rather than four components. One dimension combines economic and legal responsibilities, which we call 'required CSR', following Carroll (1991). The other combines ethical and philanthropic responsibilities and is labelled 'expected CSR'. Interestingly, Chinese consumers appear to have higher CSR expectations for local firms compared to foreign firms, particularly regarding required CSR. Our findings generally hold for China as a whole, for consumers in all regions in China that we distinguished (based on Ciu and Liu (2000)). Only in a few regions were local and foreign firms expected to take similar levels of responsibility for some aspects.

Overall, our findings regarding consumer perceptions of CSR seem in line with the literature on societal expectations in Chinese culture, as applied recently to consumers (Zhang *et al.*, 2014). Based on collectivist values and the culture-specific value Guanxi, companies may be expected to

support others via philanthropy and it might be seen as a way to build relationships. Higher consumer expectations vis-à-vis local firms (compared to foreign firms) might be related to a second value noted by Zhang *et al.* (2014), Mianzi, in view of care for social needs in local relational and network settings. Furthermore, we find that Chinese consumers appear to put significantly greater weight on required CSR than on the expected CSR dimension. This might be caused by the high uncertainty avoidance orientation of Chinese consumers which leads them to emphasize economic stability, predictability and legal compliance.

Our study contributes to research on CSR in general and in China in particular by focusing on the CSR concept as a whole, and its economic, legal, ethical, and philanthropic components. We use a sample covering all regions of China, in a comprehensive approach that has not been taken before. While our findings show some context-specificity for CSR in and across China, they also confirm the relevance of the originally Western CSR components to an emerging-market setting (cf. Lo *et al.*, 2008; Moon and Shen, 2010).

Furthermore, as an empirical test of the CSR concept, our study might be helpful to guide the debate on the plethora of CSR conceptualizations into a more focused direction, centred on collecting evidence rather than adding additional concepts. In a book review, Frederick (2012) counted 29 different concepts, which led him to raise the question of whether the business and society/ethics field is "stuck in a conceptual mansion of our own making, doors locked, no windows, no mirrors, talking endlessly to each other in what amounts to a 'No Exit' hell" (2012, p. 4). To some extent, the emergence of ever new conceptualizations may also have been due to the confusion of the original CSR concept, particularly the fact that its components were not mutually exclusive and that expectations change over time, as noted by Carroll (2004) himself as well. The need to investigate the contextual and time-bound relevance and nature has also inspired this study.

Our research also adds to the literature on the diversity of Chinese consumer perceptions, as the first application to CSR of the regional distinction made by Cui and Liu (2000). We find some regional differences for the importance of CSR dimensions as well as for CSR expectations for local firms compared to foreign firms that serve as input for managerial decision-making and for possible follow-up studies, as will be indicated next.

Future research

Our results regarding 'required CSR' and 'expected CSR' as two dimensions may serve as input to follow-up research. It might, for example, be interesting to test cultural differences directly, by performing a study on consumer perceptions and CSR expectations in a Western and Eastern (non-Western) culture. Based on our study, future research might develop hypotheses and specifically test how required and expected CSR may differ between the two cultures. Regarding the diversity of Chinese consumer perceptions, the finding that, in general, Chinese consumers have higher CSR expectations for local firms compared to foreign firms, deserves further investigation, as this topic seems highly relevant but was not addressed empirically before.

With respect to the conceptualization of the CSR concept, we explored the environmental and labour dimensions, but these deserve further attention. Both have been contentious issues in China, considering its rapidly growing and increasingly internationally competitive economy accompanied by pollution, labour unrest and regulatory compliance concerns. It would also be interesting to further explore additional components of CSR in the Chinese context by using qualitative research methods. This includes a further elaboration of our initial finding related to environmental and labour/workforce responsibilities, which are highly relevant for research and practice, and have clear societal implications as well.

Furthermore, the regional differences for the importance of CSR dimensions as well as for CSR expectations for local firms compared to foreign firms offer an interesting starting point for follow-up studies. This also applies to another aspect that we explored, which is the difference between CSR perceptions vis-à-vis local and foreign firms. The finding that, in general, Chinese consumers have higher CSR expectations for local firms compared to foreign firms, deserves further investigation, as this topic seems highly relevant but was not addressed empirically before.

Finally, while our sample creates a much better understanding of how consumers in different regions of China perceive CSR, it is just one study that can be repeated and extended. This may also provide insight as to whether the seven regions found by Cui and Liu (2000) are the best suitable for segmenting the Chinese market, or whether a different (more fine-grained) distinction is necessary. Further investigation is also needed to discover drivers for regional differences, including levels of

development, economic openness, cultural and historical aspects. Finally, this study has focused on consumer perceptions only, not on their actual buying behaviour. The intention-behaviour gap is well-known in CSR studies (e.g. Carrington *et al.*, 2010; Devinney *et al.*, 2010; Eckhardt *et al.*, 2010; Kolk, 2013), and has also been noted for Chinese consumers in general (e.g. Bi *et al.*, 2012). This is thus something to be taken into account in possible follow-up research as well.

Managerial implications

Our findings have implications for policy-makers and managers in particular. To start with, it is important to keep in mind that constructs and concepts as developed for Western contexts might be somewhat different in and across China. For example, while Western multinationals may want to highlight all four CSR components in their home-country communications, in China required and expected responsibilities are the two dimensions that count, and thus deserve due consideration in this specific setting. It suggests a difference between a more issue-based approach, adopted by some Western companies, and (a Chinese) one that relies on providing assurance to consumers (by doing what is required), and contributing to a harmonious society (by doing what is expected). These dimensions were explained in earlier sections of this article, and seem relevant for all firms operating on the Chinese market, as well as for policy-makers and other stakeholders involved in CSR issues in relation to China.

Despite the existence of different regions within China, there do not seem to be large within-country differences, which allows for relatively similar approaches. Moreover, since Chinese consumers appear to put significantly greater weight on the required CSR dimension, firms may want to underscore this aspect even more. Although this implication holds for all firms, our findings show that particularly local Chinese firms should underline their required CSR activities as they are expected to take more responsibility than foreign firms in this respect and on CSR in general. Putting more emphasis on CSR might also help to prepare Chinese firms for a process of internationalization, and combat suspiscions regarding their lower CSR performance abroad (e.g. Kolk *et al.*, 2010). And as consumers are recognised as a crucial for CSR, also in other emerging markets (e.g. Park *et al.*, 2014), ensuring good communication towards this stakeholder category seems to be key.

Our study shows that it is possible to target CSR communication at the general consumer base in China as we could not find differences in expectations based on consumers' income, education, length of employment and working experience in specific types of organizations. At the same time, possible differences across regions should be considered as the Chinese market is far from homogeneous, and consumer preferences are subject to change. This appears to be relevant for firms – as part of a geographic segmentation strategy and concomitant promotion strategies – as well as policy-makers given their interest in furthering CSR. Foreign firms, both those already active in the country/region and those planning to enter, might want to monitor what Chinese firms are doing given that they likely have greater familiarity with local settings.

Finally, as CSR (standardization) is sometimes a contested issue in relations between China and other countries, more insight into perceptions of consumers/citizens from across the country seems helpful for a more profound understanding that goes beyond rhetoric and 'fact-free' generalizations. This is also relevant for those interested in furthering CSR across countries, and locally as well as globally. Our study gives more insight into notions of standardization and adaptation with regard to CSR, considering China compared to other countries, and China's different internal markets. This is useful for international marketers confronted with (potential) investments and activities in China, inbound or outbound, or in need of a comparative global perspective.

Notes

[1] http://search.cnki.net/ and http://www.wanfangdata.com.cn/.

[2] Quoted from e-mail posted by Archie Carroll to BETS-L@aomlists.pace.edu on 4 August 2012; part of discussion string forwarded to corp-ethics@yahoogroups.com on 5 August 2012.

[3] While the China map in Figure 1, that we took directly from Cui and Liu (2000), includes Hong Kong in South China, our sample excluded Hong Kong as it is rather distinct from mainland China (cf. Moon and Shen, 2010).

[4] In total, 41 people used this option; these respondents did not show differences regarding location, education, age, gender, income and working experience.

[5] Details of the analysis, which is not reported here, are available from the authors.

[6] Details of this analysis, which is not reported here, are available from the authors. In our survey, we asked respondents to tell us for what type of employer they had worked (wholly foreign-owned enterprises, Sino-foreign joint ventures; state-owned enterprises; private companies; government and public institutions; own business, or others).

[7] Details of this analysis, which is not reported here, are available from the authors.

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Tables

Table 1. CSR Research in China from consumers' perspective

Authors	*Location of Respondents*	*Method*	*CSR components*	*Research Question(s)*
Chan (2001)	Beijing, Guangzhou	Survey	Green products	What are the determinants of Chinese consumers' green purchase behaviours?
Deng (2012)	Wuhan & suburban sites (including Huangshi, Ezhou, Huanggang and Xiangfan)	Interview	Ethical behaviour	1. Do different ethical response types actually exist in reality? 2. Does the term ethical behaviour in association with an enterprise have different meanings to different consumers? 3. What are the reasons behind consumers' different responses?
Eisingerich & Rubera (2010)	Shanghai	Survey	Contribution to the society's welfare	How does culture influence the impact of four key brand management elements (i.e., brand innovativeness, brand customer orientation, brand self-relevance, and social responsibility) on customer commitment to a brand?
Liu, Wang, Shishime, & Fujitsuka (2012)	Suzhou	Survey	Green products	1. What is the current level of urban residential involvement of green product practices? 2. What are the variables affecting individuals' green product behaviours? 3. What is the relationship between the predicting variables and the level of actual green product behaviours?
Ramasamy & Yeung (2009)	Shanghai, Hongkong	Survey	Economic, legal, ethical and philanthropic	1. To what extent are Chinese consumers willing to support firms that are socially responsible in their purchasing decisions? 2. How, why and to what extent are there variations in this support among the Chinese compared to their Western counterparts? 3. Are Chinese consumers able to differentiate between the various responsibilities of businesses as laid out by Carroll? 4. How and why does the relative importance among these factors in China differ from the Western context?
Ramasamy, Yeung, & Au (2010)	Hongkong	Survey	Ethical, well-being of society	What is the influence of religiosity and values on corporate social responsibility support among consumers in Hong Kong and Singapore?
Sirieix, Kledal, & Sulitang (2011)	Shanghai	Interview	Organic food	1. How do consumers make trade-offs between three types of products: (1) locally produced organic food products, (2) products that are locally and conventionally produced, and (3) imported organic food products? 2. Are these consumers' trade-offs based on gains and losses related to individual or altruistic motives?
Tian, Wang, & Yang (2011)	Wuhan,Shanghai	Survey	Environment, charitable donations	1. What is the overall situation of consumers' CSR responses in China? 2. Do consumer responses to CSR vary across different product category or not? 3. What is the relationship between consumer demographics and their CSR responses?
Yan & She (2011)	430 undergraduate and graduate students in two large universities in a metropolitan area of central China	Interview and Survey	Man-nature oriented items, national benefit oriented items, social progress oriented items	1. How to measure socially responsible consumer behavior in the context of China? 2. Do Chinese consumers share the same ecological and social concerns with their western counterparts?

Table 2. Sample profile

Demographic Variables	Description	Values
Age	Min	24
	Mean	39
	Max	70
Gender	Male	509 (55.3%)
	Female	412 (44.7%)
Education	Primary School	3 (0.3%)
	High School	70 (7.6%)
	College	437 (47.4%)
	University Bachelor	333 (36.2%)
	University Master or Higher	78 (8.5%)
Income	<=2000 RMB	264 (28.7%)
	2001-4000 RMB	390 (42.3%)
	4001-6000 RMB	161 (17.5%)
	6001-8000 RMB	54 (5.9%)
	8001-12000 RMB	35 (3.8%)
	>12000 RMB	17 (1.8%)
Years of working experience	<1 year	12 (1.3%)
	1-≤2 years	31 (3.4%)
	2-≤3 years	33 (3.6%)
	3-≤5 years	75 (8.1%)
	5-≤8 years	88 (9.6%)
	8-≤10 years	60 (6.5%)
	>10 years	622 (67.5%)
Location	Respondents come from 7 regions of China, excluding Macau, Hong Kong and Taiwan.	

Table 3. Factor analysis

	Four Factors					Two Factors		
	Eco	Leg	Eth	Phi	Commun-ality estimates	Eco/Leg: 'Required CSR'	Phi/Eth: 'Expected CSR'	Communality Estimates
Eco1	**.848**	.293	.193	.191	.879	**.712**	.192	.544
Eco2	**.563**	.593	.082	.235	.730	**.788**	.227	.673
Eco3	**.407**	.670	.187	.352	.773	**.789**	.377	.765
Eco4	**.494**	.699	.098	.290	.826	**.841**	.290	.792
Leg1	.300	**.718**	.240	.309	.759	**.788**	.356	.748
Leg2	.242	**.770**	.226	.301	.793	**.798**	.350	.760
Leg3	.023	**.810**	.233	.238	.767	**.723**	.303	.615
Leg4	.192	**.704**	.282	.329	.721	**.730**	.392	.686
Eth1	.189	.407	**.739**	.188	.783	.586	**.369**	.479
Eth2	.059	.291	**.416**	.710	.766	.331	**.794**	.740
Eth3	.161	.377	**.344**	.684	.754	.439	**.746**	.750
Eth4	.145	.220	**.617**	.513	.713	.368	**.649**	.556
Phi1	.145	.247	.136	**.830**	.789	.273	**.832**	.766
Phi2	.131	.206	.086	**.827**	.750	.221	**.816**	.714
Phi3	.184	.189	.117	**.776**	.685	.243	**.772**	.654
Phi4	.189	.386	.148	**.765**	.792	.416	**.773**	.770
eigenvalue	0.727	1.602	0.541	9.410		9.410	1.602	
Cronbach's alpha	0.848	0.897	0.898	0.891		0.95	0.92	

Eco = Economic; Leg = Legal; Phi = Philanthropic; Eth = Ethical

Table 4. Means and correlations[a]

	Two Factors	
	Eco/Leg 'Required CSR'	Eth/Phi 'Expected CSR'
Required	1	
Expected	0.738***	1
Overall Responsibility	0.607***	0.799***
Mean	5.74	5.54

[a] *** p-value<0.001

Table 5. Nested regression model results for two CSR components[a]

	C[b]	Age	Gender	Education	Income	V[c]	R Square	Model Fit Comparison[d]
V=Required CSR	**1.630(<0.001)**	-0.0001(0.98)	**.320(<0.001)**	-.056(0.337)	-.059(0.135)	**.680(<0.001)**	0.618	6.1(0.07)
V=Expected CSR	.336(0.211)	.004(0.197)	**.131(0.045)**	-.065(0.147)	-.052(0.083)	**.958(<0.001)**	0.803	**16.5(0.015)**

Note:

a. Dependent variable is the item of overall responsibility. P-value of each independent variable is put in parentheses.

b. c is a constant in the regression model.

c. V is one CSR dimension. Its dimension name is shown in the first column of this table.

d. Full model vs reduced model comparison is done via F test and its p-value is put in parentheses.

Table 6. Factor analysis for the seven regions

	Northeast China		North China		Each China		South China		Southwest China		Central China		Northwest China	
	Required CSR	Expected CSR	Required CSR	Expected CSR	Required CSR	Expected CSR	Required CSR	Expected CSR	Required CSR	Expected CSR	Required CSR	Expected CSR	Required CSR	Expected CSR
Eco1	0.76	0.316	0.676	0.271	0.771	0.027	0.692	0.312	0.703	0.179	0.719	0.241	0.681	0.087
Eco2	0.762	0.295	0.832	0.258	0.783	0.227	0.724	0.129	0.822	0.276	0.823	0.233	0.73	0.166
Eco3	0.801	0.419	0.803	0.391	0.852	0.276	0.726	0.507	0.793	0.456	0.648	0.508	0.827	0.24
Eco4	0.843	0.317	0.862	0.294	0.876	0.166	0.839	0.339	0.85	0.344	0.806	0.326	0.862	0.237
Leg1	0.84	0.334	0.824	0.409	0.812	0.189	0.751	0.324	0.674	0.58	0.63	0.492	0.822	0.236
Leg2	0.766	0.488	0.846	0.362	0.852	0.233	0.857	0.31	0.725	0.415	0.641	0.529	0.859	0.206
Leg3	0.769	0.441	0.771	0.386	0.723	0.241	0.859	0.253	0.679	0.417	0.737	0.248	0.675	0.17
Leg4	0.746	0.452	0.773	0.378	0.766	0.351	0.616	0.564	**0.511**	0.622	0.613	0.539	0.783	0.209
Eth1	0.631	**0.26**	0.569	**0.481**	0.594	**0.385**	0.755	**0.273**	0.375	0.563	0.57	**0.459**	0.573	**0.248**
Eth2	0.599	0.681	0.4	0.804	0.143	0.799	0.427	0.75	0.333	0.784	0.397	0.758	0.166	0.827
Eth3	0.659	0.654	0.472	0.734	0.32	0.712	0.65	0.669	0.414	0.821	0.432	0.744	0.312	0.763
Eth4	0.729	**0.36**	0.493	0.69	0.07	0.712	0.448	0.638	0.348	0.672	0.359	0.724	0.263	0.582
Phi1	0.313	0.856	0.279	0.887	0.224	0.783	0.573	**0.536**	0.375	0.795	0.252	0.834	0.204	0.826
Phi2	0.245	0.843	0.327	0.83	0.158	0.758	0.533	0.659	0.184	0.867	0.265	0.772	0.083	0.814
Phi3	0.406	0.759	0.221	0.816	0.239	0.789	0.386	0.658	0.268	0.732	0.247	0.748	0.163	0.736
Phi4	0.531	0.783	0.527	0.689	0.396	0.75	0.367	0.821	0.477	0.732	0.404	0.765	0.258	0.825
Eigenvalue	7.28	4.94	6.58	5.48	5.97	4.60	6.51	4.81	5.24	6.01	5.15	5.65	5.57	4.55
Cronbach's alpha	0.96	0.94	0.96	0.94	0.94	0.89	0.92	0.94	0.93	0.93	0.92	0.93	0.92	0.88
Mean	5.78	5.64	5.61	5.44	5.83	5.49	5.85	5.55	5.76	5.59	5.82	5.49	5.66	5.61

Table 7. Relative importance of the two CSR dimensions per region

	Required CSR	Expected CSR	T-statistic(p-value)[a]
Whole China	5.7	5.5	**6.2(<0.001)**
Northeast China	5.78	5.64	1.79(0.08)
North China	5.61	5.44	**1.97(0.05)**
East China	5.83	5.49	**3.33(0.001)**
South China	5.85	5.55	**3.38(0.001)**
Southwest China	5.76	5.59	**2.23(0.028)**
Central China	5.82	5.48	**5.47(<0.001)**
Northwest China	5.66	5.61	0.42(0.67)

[a] Tests whether the evaluation of required CSR is significantly different from expected CSR

Table 8. CSR expectation differences

	Foreign firms	Local Chinese firms	T-statistic(p-value)
Required CSR	5.92	6.14	5.74(<0.001)
Expected CSR	5.88	6.05	5.35(<0.001)

Table 9. Required CSR expectation differences

	Foreign firms	Local firms	T-statics (p-values)[a,b]
South China	6	6.33	**3.29(0.002)**
Central China	5.90	6.13	**2.69(0.008)**
Northwest China	5.84	6.08	**2.54(0.012)**
Northeast China	5.96	6.26	**2.46(0.016)**
East China	5.8	6.05	**2.32(0.02)**
Southwest China	6	6.2	1.86(0.065)
North China	6	6.1	1.13(0.26)

Notes:
a. Regions are ordered by T statistic (descending order).
b. Significant ones are highlighted bold.

Table 10. Expected CSR expectation differences

	Foreign	Local	T-statics (p-values)[a,b]
Central China	5.84	6.09	**3.496(0.001)**
South China	5.63	5.95	**2.94(0.005)**
Northwest China	5.87	6.05	**2.56(0.011)**
Northeast China	5.96	6.15	**2.06(0.042)**
North China	6	6.1	1.5(0.13)
East China	5.68	5.80	1.17(0.24)
Southwest China	6	6.1	1.07(0.287)

Note: a. Regions are ordered by T statistic (descending order);
b. Significant ones are highlighted bold.

Appendix 1. Measurement of CSR evaluation

Please indicate on a 7-point Likert scale to what extent do you support the following statements, where 1=no support at all and 7=strongly support.

Businesses/companies must:	*No support at all(1) Neutral(4) Strongly support(7)*
1. Maximize profits.	1--------2--------3--------4--------5--------6--------7
2. Control their production costs strictly.	1--------2--------3--------4--------5--------6--------7
3. Plan for their long term success.	1--------2--------3--------4--------5--------6--------7
4. Always improve economic performance.	1--------2--------3--------4--------5--------6--------7
5. Ensure that their employees act within the standards defined by the law.	1--------2--------3--------4--------5--------6--------7
6. Refrain from putting aside their contractual obligations.	1--------2--------3--------4--------5--------6--------7
7. Refrain from bending the law even if this helps improve performance.	1--------2--------3--------4--------5--------6--------7
8. Always submit to the principles defined by the regulatory system.	1--------2--------3--------4--------5--------6--------7
9. Permit ethical concerns to negatively affect economic performance.	1--------2--------3--------4--------5--------6--------7
10.Ensure that the respect of ethical principles has priority over economic performance.	1--------2--------3--------4--------5--------6--------7
11.Be committed to well-defined ethics principles.	1--------2--------3--------4--------5--------6--------7
12. Avoid compromising ethical standards in order to achieve corporate goals.	1--------2--------3--------4--------5--------6--------7
13. Help solve social problems.	1--------2--------3--------4--------5--------6--------7
14. Participate in the management of public affairs.	1--------2--------3--------4--------5--------6--------7
15. Allocate some of their resource to philanthropic activities.	1--------2--------3--------4--------5--------6--------7
16. Play a role in our society that goes beyond the mere generation of profits.	1--------2--------3--------4--------5--------6--------7
17. Make efforts to behave in a socially responsible manner.	1--------2--------3--------4--------5--------6--------7

Appendix 2. Measurement of CSR expectation difference

1. Economic duties: these refer to production of goods and services as demanded by the market with an eye to maximizing profitability. No responsibility at all 1 2 3 4 5 6 7 Full responsibility	Chinese companies	Foreign companies	I have no idea about these duties.
2. Legal duties: these refer to the fulfilment of economic responsibility within the boundaries set by the legal system of the country (this e.g. implies not bending the law even if bending it would be more profitable). No responsibility at all 1 2 3 4 5 6 7 Full responsibility	Chinese companies	Foreign companies	I have no idea about these duties.
3. Ethical duties: these refer to doing what is right, just and fair and avoiding harm to nature and people (this e.g. implies that companies do not compromise on these ethical principles even if this would harm their economic performance). No responsibility at all 1 2 3 4 5 6 7 Full responsibility	Chinese companies	Foreign companies	I have no idea about these duties.
4. Philanthropic duties: these refer to broader contributions to society and the improvement of general quality of life (e.g. via philanthropic giving). No responsibility at all 1 2 3 4 5 6 7 Full responsibility	Chinese companies	Foreign companies	I have no idea about these duties.
5. Labour/workforce duties: these refer to fulfilment of social responsibility toward the welfare and rights of employees (this e.g. implies that companies pay fair wages and provide good working conditions). No responsibility at all 1 2 3 4 5 6 7 Full responsibility	Chinese companies	Foreign companies	I have no idea about these duties.
6. Environmental duties: these refer to taking all possible steps to avoid pollution and contribute to the protection of the environment (this e.g. implies that companies take measures to manage and reduce environmental impacts even if these harm their profitability). No responsibility at all 1 2 3 4 5 6 7 Full responsibility	Chinese companies	Foreign companies	I have no idea about these duties.

Appendix 3. Distribution of foreign direct investment (FDI) over China

Regions	FDI distribution in number of firms	FDI distribution in monetary amounts
Central China	8%	7%
East China	31%	40%
North China	17%	15%
Northeast China	6%	7%
Northwest China	2%	2%
South China	27%	22%
Southwest China	9%	7%

Source: Calculated from National Bureau of Statistics of China (2011)