

THE RELATIONSHIP BETWEEN CONSUMERS' CSR PARTICIPATION AND  
THEIR INTENTION TO PURCHASE: A CASE STUDY ON INNER MONGOLIA  
YILI INDUSTRIAL GROUP CO., LTD.

Wendi Zhong



This Independent Study Manuscript Presented to  
The Graduate School of Bangkok University  
in Partial Fulfillment  
of the Requirements for the Degree  
Master of Communication Arts

2016

THE RELATIONSHIP BETWEEN CONSUMERS' CSR PARTICIPATION AND  
THEIR INTENTION TO PURCHASE: A CASE STUDY ON INNER MONGOLIA  
YILI INDUSTRIAL GROUP CO., LTD.





© 2016

Wendi Zhong

All Rights Reserved

**This Independent Study has been approved by  
the Graduate School  
Bangkok University**

Title: THE RELATIONSHIP BETWEEN CONSUMERS' CSR PARTICIPATION AND  
THEIR INTENTION TO PURCHASE: A CASE STUDY ON INNER MONGOLIA  
YILI INDUSTRIAL GROUP CO., LTD.

Author: Miss Wendi Zhong

Independent Study Committee:

Advisor



(Asst. Prof. Dr. Pacharaporn Kesaparakorn)

Field Specialist



(Assoc. Prof. Dr. Boonlert Supadhiloke)



(Dr. Sansanee Thebpanya)

Dean of the Graduate School

March 29, 2016

Zhong., W. Master of Communication Arts, April 2016, Graduate School,

Bangkok University.

The Relationship between Consumers' CSR Participation and their Intention to Purchase: A Case Study on Inner Mongolia Yili Industrial Group Co., Ltd. (84 pp.)

Advisor: Asst. Prof. Pacharaporn Kesaporn, Ph.D.

## **ABSTRACT**

This survey research aims to investigate the relationship between consumers' CSR participation and their purchasing intention towards the products and service of Inner Mongolia Yili Industrial Group Co., Ltd. The sample was selected using non-probability purposive sampling and convenience sampling to participate in the survey research, two hundred samples are analyzed by descriptive statistics and hypothesis testing by Chi-square analysis, MANOVA analysis and Spearman Correlation with Alpha .05. The findings revealed the following results: (1) The samples' demographic characteristics in respect to age are significantly correlated with their CSRI participation, including corporate social marketing, corporate philanthropy and socially responsible business practices. Samples' demographic characteristics in respect to gender are significantly correlated with their CSRI participation, including corporate social marketing and corporate philanthropy, but yield no significant relationship with social responsible business practices. Samples' demographic characteristics in respect to the educational level are no significant relationship with their CSRI participation, including corporate social marketing and corporate philanthropy. But it's significant correlated with their participation in socially responsible business practices. Samples' demographic characteristics in respect to personal income per month are significantly correlated with their CSRI participation, including corporate social marketing, corporate philanthropy and socially responsible business practices. (2) The samples' CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices) significantly influenced their self-perceived identification with the Company. (3) There is significant positive relationship between consumers

participated in Yili CSRI, including corporate social marketing, corporate philanthropy and socially responsible business practices, and their intention to purchase the products or services of Yili. (4) There is significantly positive relationship between the consumers' self-perceived identification and their intention to purchase products or services of Yili Company.

*Keywords: Corporate Social Responsibility initiatives (CSRI), consumers' demographic characteristics, purchase intention, consumers' self-perceived identification.*

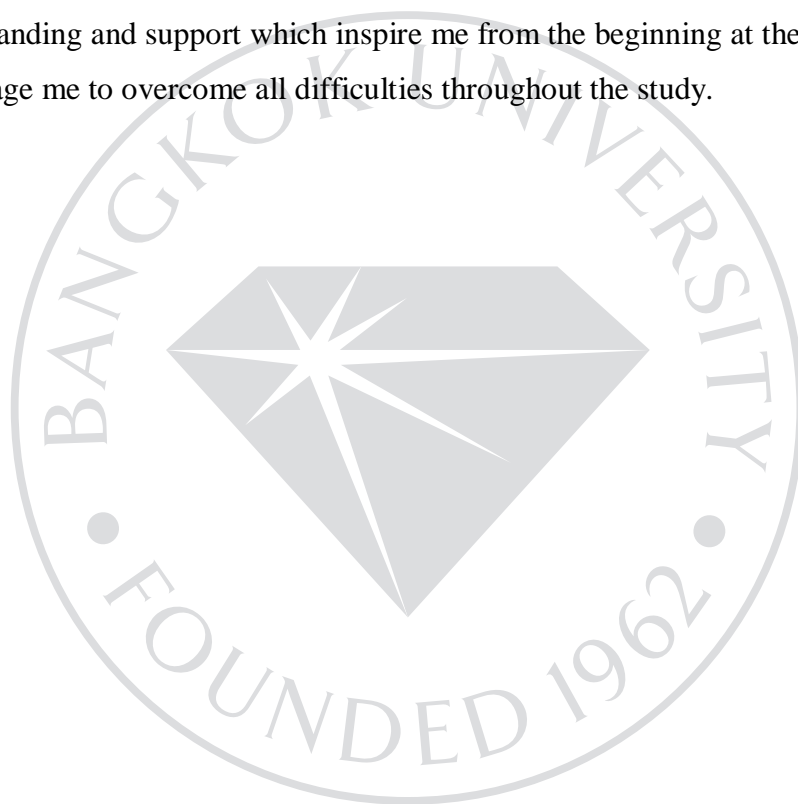


## ACKNOWLEDGEMENT

I wish to acknowledge the greatest gratitude to my advisor, Asst. Prof. Dr. Pacharaporn Kesaparakorn for her suggestions, supervisions, guidance and valuable comments throughout this study.

A sincere gratitude to Yili consumers who participated in the survey. Special appreciation to the Graduate School, Bangkok University.

Finally, I deeply wish to express my deepest thank to my family for their love, understanding and support which inspire me from the beginning at the university and encourage me to overcome all difficulties throughout the study.



## TABLE OF CONTENTS

	Page
ABSTRACT.....	iv
ACKNOWLEDGMENT.....	vi
LIST OF TABLES.....	ix
LIST OF FIGURES.....	x
CHAPTER 1: INTRODUCTION.....	1
1.1 Rationale and Problem Statement.....	1
1.2 Objectives of Study.....	6
1.3 Scope of Study.....	6
1.4 Research Questions .....	7
1.5 Significance of the Study.....	7
1.6 Definition of Terms.....	8
CHAPTER 2: LITERATURE REVIEW.....	13
2.1 A Summary and Synthesis of Past Studies .....	14
2.1.1 The Relationship between CSR and Consumers' Purchase Intention...14	
2.1.2 The Mediating Variables of Corporate Social Responsibility influence Consumers' Purchase Intention .....	16
2.1.3 Consumers' Identification .....	16
2.2 Concepts of Corporate Social Responsibility (CSR).....	17
2.3 Concepts of Consumers' Identification and Its Implication on their Purchasing Intention.....	21
2.4 Concepts of Consumers' Purchase Intention.....	23
2.4.1 Definition of Consumers' Purchase Intention.....	23
2.4.2 Dimensions of Consumers' Purchase Intention.....	23
2.4.3 The Role of CSR in Consumers' Purchase Intention.....	24
2.5 CSR in China .....	26
2.6 Inner Mongolia Yili Industrial Group Co., Ltd. ....	26
2.7 Assumptions of Theory of Reasoned Action.....	29
2.8 Assumptions of Social Identity Theory.....	31
2.9 Knowledge Gap in the Past Studies and Literature Review.....	31



## TABLE OF CONTENTS (Continued)

	Page
CHAPTER 2: LITERATURE REVIEW (Continued)	
2.10 Hypothesis.....	32
CHAPTER 3: METHODOLOGY.....	35
3.1 Research Design.....	35
3.2 Population and Sample Selection.....	36
3.3 Research Instrument.....	36
3.4 Instrument Pretest.....	38
3.5 Data Collection Procedure.....	38
3.6 Data Analysis.....	39
3.7 Demographic Data of Samples.....	44
CHAPTER 4: DATA ANALYSIS.....	47
4.1 Summary on Finding of Descriptive Analysis .....	47
4.2 Summary on the Findings and of Hypothesis Testing.....	50
4.3 Summary of the Findings .....	56
CHAPTER 5: DISCUSSION.....	58
5.1 Hypotheses Summary and Discussion .....	58
5.1.1 Summary and Discussion of Descriptive Findings.....	58
5.1.2 Summary and Discussion of Hypothesis Testing Findings.....	59
5.2 Conclusion of the Research .....	64
5.3 Limitations.....	65
5.4 Recommendation for Further Application.....	66
5.5 Recommendation for Further Research .....	67
BIBLIOPGRAPHY.....	68
APPENDIX.....	76
BIODATA.....	85
LICENSE AGREEMENT.....	86

## LIST OF TABLES

	Page
Table 3.1: The scales of consumers' identification.....	37
Table 3.2: The scale of consumers' purchase intention.....	38
Table 3.3: The Reliability of Instrument .....	38
Table 3.4: Data Analysis for Consumers' Participation with Various CSR initiatives.....	39
Table 3.5: Data Analysis for Consumers' Identification.....	40
Table 3.6: Data Analysis for Consumers' Intention to Purchase.....	40
Table 3.7: The frequency and percentage of the demographic information of the samples.....	44
Table 4.1: The Frequency and Percentage of the participation to various CSR initiatives of Yili Company.....	47
Table 4.2: Means, standard deviation, and interpretation on the samples' identification with Yili.....	48
Table 4.3: Means, standard deviation, and interpretation on the samples' intention to purchase.....	49
Table 4.4: Chi-Square Analysis on the relationship between consumers' demographic characteristics and their participation on CSR initiatives of Yili Company.....	50
Table 4.5: Test of Between-Subjects Effects of the samples' participation on CSRI participation of Yili Company and their self-perceived identification with the company.....	52
Table 4.6: Tests of Between-Subjects Effects of of the relationship of samples' CSRI initiatives participation of Yili Company and their intention to purchase with the brand.....	53
Table 4.7 Correlations between consumers' self-perceived identification and their intention to purchase products or services of Yili.....	55

**LIST OF FIGURES**

	Page
Figure1: Theory of Reasoned Action (TRA). Fishbein, M. & Ajzen, I. (1975).....	30
Figure 2: Theoretical Framework.....	32



# **CHAPTER 1**

## **INTRODUCTION**

### **1.1 Rationale and Problem Statement**

Corporate Social Responsibility (CSR) is the corporate in the pursuit of their own interests while maximizing their social benefits, even for the interests of society. The corporate have to give up some of own interests. (Carroll, 1999).

With the industrial revolution expanded, corporate events and social development had tremendous impact on human life. Despite the consistency of corporate interest maximization and social interests did not suffer a complete subversion, but corporate's profit-driven nature of capital make them release a strong negative impulse, and this impulse is difficult to be restrict by the imperfect market economy. So the corporate interests and social responsibility become apparent departure increasingly, more and more seriously and intolerable. The public began to question the nature of business and realized that the importance of corporate social responsibility. Since the late 1900s, the voice of requirements for corporate social responsibility rising, especially in the early 2000s, Enron, Arthur Andersen, Merrill Lynch and WorldCom scandals, so that the integrity of the enterprise once again questioned by the public, corporate social responsibility once again become a hot topic, the relationship between business and society are being redefined.

Wegiet and Camerer (1988) defined corporate reputation as "the sum of the economic and derived attribute and a series of non-economic characteristics that were judged from the past behavior of enterprises" (p.443). Fombrun (1996) summarized variety features of corporate reputation that the reputation mainly transformed information to the outside world from the five aspects: corporate brand in the market influence, a reference to future behavior, good reputation in the financial aspects of the enterprise, helps to reflect the corporate identity, and form barriers to market entry. Gotsi, Wilson (2001) are clearly identified sources of the formation of corporate reputation as "company's past behavior, direct experience of stakeholders, and any information or symbols that businesses can provide competitors with distinction" (p.24). Many CSR studies indicated that when companies become a respected employer, a good corporate citizen, the companies will win the good corporate

reputation. For the consumers, it means higher potential value, consumers are more willing to buy the company's products and with the establishment of long-term stable relationship. Zinkhan, Ganesh, Jaju and Hayes (2001) from the perspective of information asymmetry revealed the role of corporate reputation. They noted consumers lack the ability to gather business information in the process of purchasing the product, at this time corporate reputation is precisely the product or service quality alternative information, so consumers in the purchase decision process will largely affect by corporate reputation. Keh and Xie (2009) found that consumers' trust, and consumers identification are the mediators of corporate reputation and consumers' purchase intention. Xie Ping, Zhou Zucheng's empirical study (2009) demonstrated that consumers' self-perceived positive corporate reputation has a direct positive influence on consumer purchase intention in the Chinese context.

Bhattacharya and Sen's study (2003) showed that the corporate, that can meet consumer demand for self-positioning, consumers tend to produce the corporate identity, this sense of identity is beyond the "consumer satisfaction" of consumer psychological satisfaction unilaterally status. It's a more profound and lasting deep emotional connection and the real foundation for the formation of long-term stability between consumers and corporate (King, 2006). An important way of consumers' internal response to corporate social responsibility is to increase consumers' understanding of the enterprise (Brown & Dacin, 1997; Drumwright, 1996; Sen & Bhattacharya, 2001), and produces emotional identity. Consumers' identification is the key driving force for consumers to have a positive response to corporate social responsibility, so increasing consumers' identification is a way to create more effective while fulfill the social responsibility of enterprises (Mohr & Webb 2005; Sen & Bhattacharya, 2001).

In 2004, "China Business News" launched a "Social Responsibility Survey" to the public, to understand the public attention to social responsibility, the understanding of the connotation of social responsibility and the relationship between social responsibility and corporate profits. The results found that 81.13% of people are very concerned about social responsibility, and with the income level and age increased the public attention on the issue of social responsibility will increase. Moonlight Chinese media, Beijing 100 digital marketing consulting firm and Sohu Finance Channel

online examined the public understanding about the issues of social responsibility and examined the public perception of social responsibility. The survey found that the public believes the most urgent needs of the Chinese enterprises to fulfill social responsibility are product safety, environmental protection, public security, taxation and welfare. Fortune annual survey of corporate social responsibility results showed that corporate social responsibility has become increasingly prominent and recognized in corporate strategic (Simon & Joshua, 2009).

But more and more cases exposed the level of corporate social responsibility is not only lagging behind the economic reform process in China, even with serious mismatch. Tax evasion to deceive fraud, adding melamine to milk etc., all indicate that the depravation of corporate social responsibility to alarming proportions. And in business interest relation, consumer as demanders of corporate products or services are directly related to the business, the consumer is the source of enterprise value, only to meet the needs of consumers, enterprises can survive and develop. Ella Joseph (2002) pointed out that the behavior of corporate social responsibility driven by the economic, ethical and other factors, and economic factors is undoubtedly the most fundamental intrinsic motivation. Consumer buying behavior produced the most direct impact on business performance, if consumers buy product or service while consider corporate social responsibility, then the corporate will actively committed to social responsibility in order to maximize the economic benefits achieved, so consumers focus on corporate social responsibility will become the economic driving power for corporate social responsibility.

In the entire field of corporate social responsibility, most studies are based on the context of the developed countries, especially the United States as the largest (Matten & Moon, 2004; Morsing & Beckmann, 2006; Ramasamy & Yeung, 2009), the academic study in the developing countries center corporate social responsibility and consumer relations is relatively not a lot. Currently, in china the research on the effects of corporate social responsibility on consumer purchase intention has a lot of space. For example, will corporate social responsibility affect consumer's purchase intention? How much the impact? What is the reasons consumer's purchase intention impact or not impact by corporate social responsibility? If CSR influence consumer's purchase intention, then what's approach and how is the way of the impact? Which

consumer's purchase intention is more significant influence by corporate social responsibility? The research on the impact of corporate social responsibility from consumer's perspective is still limited. Although foreign research related to these issues, but the conclusions are not consistent.

In recent years, China's dairy industry product quality issues are emerging, which severely reduced the consumer's trust in the dairy business, reducing consumers buying behavior. On June 12, 2012, National food safety testing discovered that the Mercury content of 2.3.4 milk powder produced by Inner Mongolia Yili Industrial Group was tampered according to the comprehensive health indicators. Although the company investigated and inspected all products instantly, the panic of society and consumers would be lasted for a long time, and also influenced consumers' purchase intention. Thus, the corporate social responsibility of dairy product enterprises should be improved immediately. Substandard quality of dairy products will not only affect the health of the consumer, but also affect consumer trust in dairy companies and reduce consumers buying behavior of dairy products. Throughout the domestic and foreign dairy CSR literature, the focus of attention of scholars mainly about dairy corporate social responsibility affects corporate performance, and the lack of in-depth study of corporate social responsibility for dairy particular stakeholder.

In order to examine different impacts of corporate social responsibility on consumers, more and more research began to focus on individual characteristics of consumers (Mohr, Webb & Harris, 2004), including the moderating and mediating variables which impact the relationship between corporate social responsibility and consumers' purchase intention (Sen & Bhattacharya, 2001; Cone, 2004; Francois-Lecompte & Roberts, 2006; Mohr, Webb & Harris, 2004; Yoon, Gurhan-Canli & Swartz, 2003). In the research of Domestic and foreign scholars on the mediating variables of corporate social responsibility and consumer purchase intention, the consumers' identification is the most studied objects. This is because the consumers' identification is the key driving force of consumers generates a positive response to corporate social responsibility. An important way of consumers' internal response to corporate social responsibility is to increase consumers' understanding of the enterprise (Brown & Dacin, 1997; Drumwright, 1996; Sen & Bhattacharya, 2001). Scholars believe that the impact of corporate social responsibility to consumers'

purchase intention, depending on the consumers' perception on how enterprises fulfill their social responsibility, not how they do objectively. At the same time there are differences between consumers, so when they face the same level of corporate social responsibility, and the same type of corporate social responsibility activities, the feeling they have will be different. For example Chang Yaping, Yan Jun, and Fang Qi (2008) research found that consumers' demographic variables influenced on consumer purchase intention.

In past the past few years, several studies examined the relationship between customers' demographic characteristics and their CSR participation, and found a direct link between CSR participation and customers' identification (Bhattacharya & Sen, 2004), but few studies examined how different CSR initiatives influence the customers' intention to purchase is still very limited. Few studies indicated that the customers' identification to the company an intervening variable to their intention to purchase. Do demographics characteristics of customers influence their CSRI participation? Do CSRI participation affect their identification for the company, leading to their intention to purchase or not. This question is genesis of this survey research. The research examining the customer's identification as a result of their CSRI participation is still few in China and other countries. Thus, this research will examine the Inner Mongolia Yili Industrial Group Limited-which is the largest and has the most robust enterprise product line of China's dairy industry. The study will explore the relationship between Chinese consumers' CSR participation, their self-perceived identification, and their intention to purchase the company's products. The study will provide knowledge about how corporate social responsibility influence consumer buying behavior, as well as how corporate social responsibility may correlate with other intervening variable such as their identification to the product, which indirectly affect consumer purchase intention. Due to the following rationale, the research develops the following problem statements:

1. Is there a relationship between different demographic factors in respect to age, gender, educational level, and personal income per monthly and their corporate social responsibility initiatives (CSRI) participation?
2. Do consumers with different CSRI participation organized Inner Mongolia



Yili Industrial Group Co., Ltd. significantly influence their identification with the company?

3. Do consumers with different CSRI participation has significantly different intention to purchase Inner Mongolia Yili Industrial Group Co., Ltd. products or services?

4. Is there a correlation between consumers' self-perceived identification to the company and their intention to purchase Inner Mongolia Yili Industrial Group Co., Ltd. products or services?

## **1.2 Objectives of the Study**

1.2.1 To examine the relationship between consumers' demographic factors of consumers respect to age, gender, education level, and personal salary per month and their CSRI participation.

1.2.2 To examine the influence of consumers' CSR participation organized by Inner Mongolia Yili Industrial Group Co., Ltd. on their self-perceived identification with the company.

1.2.3 To examine the influence of consumers' CSRI participation organized by the Inner Mongolia Yili Industrial Group Co., Ltd. on their intention to purchase Inner Mongolia Yili Industrial Group Co., Ltd. products.

1.2.4 To examine the correlation between consumers' self-identification to the company and their intention to purchase Inner Mongolia Yili Industrial Group Co., Ltd. products.

## **1.3 Scope of Study**

This study examines the consumers who have purchased Inner Mongolia Yili Industrial Group Co., Ltd. Products during the last two years period. The independent variable is consumers' demographic characteristics, includes age, gender, education level and personal salary per month. The intervening variables are CSRI participation organized by Inner Mongolia Yili Industrial Group Co., Ltd. during the past one year and their self-perceived identification with the company. And, the dependent variable

is consumers' intention to purchase products. Survey will be used for this research. Data were collected via a survey of 200 consumers that used to purchase the products of Inner Mongolia Yili Industrial Group Co., Ltd.

This survey research was participated by 200 consumers in China whose age is from age 18 to 60 years old with different education level and personal salary per month.

#### **1.4 Research Question**

1.4.1 Is there a relationship between different demographic factors in respect to age, gender, educational level, and personal income per monthly and their CSRI participation?

1.4.2 Do consumers with different CSRI participation organized Inner Mongolia Yili Industrial Group Co., Ltd. significantly influence their identification with the company?

1.4.3 Do consumers with different CSRI participation have significantly different intention to purchase Inner Mongolia Yili Industrial Group Co., Ltd. products or services?

1.4.4 Is there a correlation between consumers' self-perceived identification to the company and their intention to purchase Inner Mongolia Yili Industrial Group Co., Ltd. products or services?

#### **1.5 Significance of the Study**

1.5.1 This study will benefit the academicians in the field of public relations and marketing. This research study the consumers' demographic characteristics, consumers' CSRI participation, consumers' self-perceived identification and consumers' intention to purchase, which can provide examples for other researchers.

1.5.2 This study will benefit the corporation in managing effective CSR communication planning. Research will be significant to understand the relationship among consumers' demographic characteristics, consumers' CSRI participation, consumers' self-perceived identification and consumers' intention to purchase. The

knowledge about the relationship between CSR participation and identification as intervening variables for the sale volume will be increased in the academic scholarship.

1.5.3 This study will provide a guideline for Inner Mongolia Yili Industrial Group Co., Ltd. practitioner to manage corporate responsibility strategically for business purpose. Only the “what” question have a thorough study, will be able to solve the “how to do” problem, after study the relationship between CSR and consumers’ purchasing behavior, help the practitioner to seek ways and means to combine fulfill corporate social responsibility and their own development, make the enterprise make targeted marketing strategy, constantly improve the quality of products and services, and further protect consumers' rights and interests.

1.5.4 This study will benefit to the practitioners in field of strategic communication planning. One part of CSR effort is CSR communication or how companies present their CSR principles and practices to the public and investors (Basil & Basil, 2008; Podnar, 2008). The successful CSRI provides the rich experience for the practitioners to do the strategic communication planning.

1.5.5 This research may enrich corporate social responsibility and contributes to the field of consumer behavior theory. The findings will certainly increase knowledge about consumers’ perspective on CSRI participation, which highlights the consumer’s identification as a intervening variable shaping consumers’ intention to purchase. This research will invest the relationship among consumers’ CSRI participation, consumers’ self-perceived identification and consumers’ intention to purchase.

1.5.6 This study will benefit to the society. Chakraborty (2010) pointed out Corporate Social Responsibility (CSR) is about how companies manage the business processes to produce an overall positive impact on society. Researcher seek ways and means to combine fulfill corporate social responsibility and their own development, make the enterprise make targeted marketing strategy, constantly improve the quality of products and services, and further protect consumers’ rights and interests.

## **1.6 Definition of Terms**

1.6.1 A consumer is a person who purchases goods and services for personal use during the past one year period.

1.6.2 Demographic characteristics of consumers are the age, gender, occupation, income per month and level of education of the consumers who purchased goods and services for personal use.

1.6.3 Corporate social responsibility (CSR) is defined as “CSR is a commitment to improve community well-being through discretionary business practice and contributions of corporate resources” (Kotler & Lee 2005, p. 3). Corporate social responsibility initiatives (CSRIs) can be divided into 6 categories:

(1) Cause promotions refers to “a corporation provides funds, or other resources of corporate to make people aware a social cause (Kotler & Lee, 2005. P.27). The study examines the campaign called “Love Being Delivered-2012 Growth and Study Action of Yili QQ Star” launched from the year 2012 in Hohhot until the present. This campaign promoted “Love Donation Stations” at more than 300 supermarkets in 12 regions such as Beijing, Zhengzhou, Qingdao, Shenzhen, Guangzhou, Suzhou, Fuzhou, Chengdu, Ningbo, Shanghai, Chongqing and Hohhot, and donating the collected books to establish libraries in the poor primary schools.

(2) Cause-related marketing refers to “a corporation making contributing or donating some revenues to a specific cause based on product sales” (Kotler & Lee, 2005, p. 24). By the end of 2014, more than RMB 100 billion Yuan has been given to the dairy farmers totally. Over RMB 30 billion Yuan has been spent buying cows from the farmers in an accumulated way, leading 5 million dairy farmers to overcome poverty and achieve prosperity.

(3) Corporate social marketing refers to a corporation supports “the development and / or implementation of a behavior change campaign intended to improve public health, safety, the environment, or community well-being” (Kotler & Lee, 2005, p. 23). Yili's Ark Project is a large-scale public welfare program jointly sponsored by Yili and Western China Human Resources Development Foundation focusing on children's safe growth. The project was conducted through a series of expert training, case studies, field visits and safety training, and at last an investigation report about children's safety was formed to offer the proper solutions and help every region to establish an adaptable and sustainable construction model of children's safety. The responsibility, prevalence and warmth are the social images and labels of the largest public welfare program focusing on children's safe growth-Yili's Ark. By 2014, Yili's

Ark Project had been implemented for three years, covering 24 provinces (districts, cities) including Sichuan, Inner Mongolia, Gansu, Qinghai, Ningxia, Guangxi and Guangdong, benefiting more than 200,000 children, and providing over 50 safety trainings concerning earthquake, fire prevention, drowning prevention, sexual assault prevention, outdoor safety and vacation safety.

(4) Corporate philanthropy refers to a corporation makes direct contribution to a charity or cause, such as cash grants, donations or inkind services (Kotler & Lee, 2005, p. 24). The 7.0-magnitude earthquake hit Lushan county, Ya' an city, Sichuan province at 8:02 on April 20th, 2013. After the earthquake, Yili coordinated with local factories to prepare 5,000 boxes of materials, 20,000 pairs of gloves, some one thousand tents and rain gears, which were sent to the disaster area at once. Besides, Yili also put up many maternal and child service stations to provide services and distributed the emergency-donated infant formulas costing about RMB 2 million Yuan to the mothers and children in the disaster area. At the same time, the employees of Yili spontaneously organized blood donation and collected altogether RMB 1.26 million Yuan, which was directly used for students' safety education and construction in the disaster area.

(5) Community volunteering refers to "a corporation supports and encourages employees, retail partners, and/or franchise members to volunteer their time to support local community organizations and causes" (Kotler & Lee, 2005, p. 24). For the outdated hardware facilities of rural primary schools and a lack of relevant teachers, Yili launched "Yili Interest Classroom". In Yili Interest Class, the volunteers regularly taught painting, PE, dancing, handwork and music to the children in rural poor schools, all of which were warmly welcomed by the teachers and students.

(6) Socially responsible business practices refers to a "corporation supports social cause to improves community well-being and protect through operate business practices and investment" (Kotler & Lee, 2005, p. 24). As the first company to advocate the "Green Industry Chain" in Chinese dairy industry, Yili insists on the development concept of "Green production, green consumption and green development" and fulfills the social responsibilities with practical actions throughout the company's development. Yili had a deep understanding that saving energy and

reducing emissions have a profound influence for a country, the earth and the future, and carefully put the work of saving energy and reducing emissions into implementation. While energetically introducing foreign advanced technology, Yili also encouraged its employees to innovate energy-saving technology, and actively reform energy-saving technology, such as frequency conversion control of dynamos, recycle of smoke and gas waste heat, indirect cooling water and boiler condensate. In 2014, the subordinate factories of Yili altogether implemented 206 energy-saving and technological upgrading projects concerning water, electricity, coal, gas, and achieved an annual income of RMB 23,520,000. By the end of 2014, Yili accumulatively saved 41,000 tons of standard coal, and reduced the emission of 100,500 tons of CO<sub>2</sub>. In 2013, the subordinate factories of Yili altogether implemented 229 energy-saving and technological upgrading projects concerning water, electricity, coal, gas and so on with a total investment of RMB 5,390,000 and an annual income of RMB 28,830,000. By 2014, Yili independently carried out carbon examination of the greenhouse gas emission produced in the production of the national factories comprehensively calculated the greenhouse gas emission in the production process, and actively sought for the opportunities of carbon emission reduction on an annual basis for four consecutive years. During four years, all the production divisions totally reduced the emission of 282,600 tons (carbon dioxide equivalence). It became the only enterprise in the industry conducting comprehensive carbon examination of all the subordinate enterprises, laying good foundation for control of emission of greenhouse gas.

1.6.4 Consumers' self-perceived identification to the company refers to "the process wherein a person purchases goods and services for his/her own personal use, his sense of identity with company or brand" (Bhattacharya & Sen, 2003, p.76). When consumers understand the companies more the more frequency they would buy the products. Consumers and companies will establish and develop a close business relationship, and when these companies to provide them with "special charm or special social self-image," consumers identified with the enterprise. This identity goes beyond the "consumer's satisfaction" which is consumers unilateral psychological satisfaction state, a more profound and lasting deep emotional ties between consumer and corporate. This research will examine the intermediating effect of consumer's identification between the corporate social responsibility of Inner Mongolia Yili

Industrial Group Co., Ltd. and consumer's purchase intention by analyzing the age, gender, occupation, income per month and level of education of the consumers. Bhattacharya and Sen (2004) research found that consumers' loyalty, consumer satisfaction, and organization's reputation are important factors that influence their consumers' self-perceived identification. Consumer satisfaction refers to "a post-choice, cognitive judgment connected to a particular purchase decision" (Oliver, 1980). Consumer loyalty is defined as a "deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future despite marketing efforts having the potential to cause switching behavior" (Oliver, 1989).

1.6.5 Consumers' purchase intention can be divided into unplanned buying, partially planned buying and fully planned buying. Unplanned buying means that consumers make all decisions to buy a product category and a brand in a store. It can be regarded as an impulse buying behavior. Partially planned buying means that consumers only decided a product category and the specification before buying a product, and brands and types will decide in the shop later. Fully planned buying means that consumers decide which product and brand to buy before entering the shop (Engel, Blackwell & Miniard, 1995; Farr & Hollis, 1997). This research will examine the frequency of consumers' purchase the products of Yili Industrial Group Co., Ltd. divided into "never drink", "occasionally drink" and "often drink" within the last one year.

1.6.6 China's dairy industry has become increasingly important to the rest of the world. It has thrived in recent decades, China's biggest dairy makers, including China Mengniu Dairy Co., Inner Mongolia Yili Industrial Group and Shanghai Guangming Dairy and Food Co.



## **CHAPTER 2**

### **LITERATURE REVIEW**

This chapter aims to provide a synthesis of the past studies on corporate social responsibility (CSR), consumers' identification, and their purchasing behavior. The chapter explores the concepts, principles, and the related theories to develop the theoretical framework and hypothesis. The chapter summarizes the following topics:

#### **2.1 A Summary and Synthesis of Past Studies.**

##### **2.1.1 The Relationship between CSR and Consumers' Purchase Intention**

##### **2.1.2 The Mediating Variables of Corporate Social Responsibility influence Consumers' Purchase Intention**

##### **2.1.3 Consumers Identification**

#### **2.2 Concepts of Corporate Social Responsibility (CSR)**

#### **2.3 Concept of Consumers' Identification and its Implication on their Purchasing Intention**

#### **2.4 Concepts of Consumers' Purchase Intention**

##### **2.4.1. Definition of Consumers' Purchase Intention**

##### **2.4.2. Dimensions of Consumers' Purchase Intention**

##### **2.4.3. The Role of CSR in Consumers' Purchase Intention**

#### **2.5 CSR in China**

#### **2.6 Inner Mongolia Yili Industrial Group Co., Ltd.**

#### **2.7 Assumptions of Theory of Reasoned Action**

#### **2.8 Assumptions of Social Identity Theory**

#### **2.9 Knowledge Gap of the Past Studies and Literature Review**

#### **2.10 Hypothesis**



## **2.1 A Summary and Synthesis of Past Studies.**

### **2.1.1 The Relationship between CSR and Consumers' Purchase Intention**

The stakeholder theory shows that corporate business activities cannot be separated with stakeholder's participation, and corporate must be responsible for these stakeholders. In these stakeholders, consumers' purchase intentions and behaviors directly affects the company's financial performance and even the survival condition (Bhattacharya & Sen, 2004; Podnar & Jancic, 2006), consumer is the most important stakeholder of business interests; consumers and enterprise has a very close relationship (Mitchell, Agle & Wood, 1997; Schuler & Cording, 2006; Friedman & Mile, 2006). Therefore, an important perspective of study the relationship between corporate social responsibility and enterprise financial performance is from the consumers' point of view, to study consumers' responses to corporate social responsibility. With the development of society and further economic globalization, consumers' values, attitudes, investment outlook and social development have undergone changes. Price and quality of product-related factor are not the only factor that significantly influenced consumers buying decisions. Currently, consumers care about corporate social responsibility performance and corporate social responsibility as an important factor to consider in their purchase decision (Dawkins & Lewis, 2003).

The most direct way to make the social responsibility of businesses to get financial rewards performance is to make corporate social responsibility, which can influence consumers' purchase intentions, so that consumers can exercise their "economic vote." It plays a direct role to increase sales of their products and increase corporate profits. Over the last decade, the related social survey institutions and the domestic and foreign scholars examined the impact of CSR on consumers' purchase intentions.

Smith and Alcorn (1991) in a national telephone survey found that almost half of the respondents (46 percent) say they are likely to switch brands to support those corporate donations to non-profit organizations, with nearly one-third (30%) of respondents said they sometimes buy products just because the company supports charities. Roper Organization (1992) research found that 18% of consumers are always or most of the time purchase or use a socially responsible company's products

or services, 3% of consumers are often or frequently buy or use has socially responsible company's products or services. 2000 survey of Europe's leading research institutions of social responsibility (CSR Europe) released, said more than 12,000 consumers in 12 European countries they visit, 70% of respondents said their purchasing decisions impact by the corporate social responsibility; 66% of respondents said they have had since the companies failed to fulfill their social responsibilities refuse to buy their products (csreurope.org, n. d.). Hill & Knowlton 2001 American Consumer Opinion polls show that 79 percent of respondents will consider the performance of corporate social responsibility as a factor when they decide whether to buy a particular brand of product, 36 percent of respondents said the performance of corporate social responsibility is an important consideration. In summary, the majority of consumers said they would use CSR performance as a routine consideration in purchasing decisions, and support those corporate who are willing to follow the ethical, do charitable donations and environmental protection to fulfill the corporate social responsibility through their purchasing behavior.

Lafferty (1996) found that the experimental study, subjects did not differ significantly in response to the commitment to charity donations advertising and such information does not involve advertising. If the ad involved more charity, compared to those charity involved fewer ads, subjects respond to former more positive. Mohr and Webb's (2005) experimental study hypothesis subjects participating in the experiment are the consumers hesitate buy a sneaker, before making a purchasing decision, he received the authority issued about the corporate social responsibility information. CSR test will be broken down into environmental responsibility and philanthropic responsibilities the two variables, by adjusting the level of these two variables to control different levels of social responsibility. The results showed a positive corporate social responsibility will forward positively influence consumers' purchase intention, and negative corporate social responsibility will greatly undermine consumers' purchase intention. In summary, the various types of market research and academic studies confirm that corporate social responsibility in many cases help consumers have good evaluation of the enterprise, and improve purchase intentions of this enterprise products (Sen & Bhattacharya, 2001). In addition, experimental results show that unethical or does not fulfill corporate social

responsibility will give a negative impact on consumers, greatly weakened consumers' purchase intention, even at this time the negative corporate social responsibility in a dominant position in consumers' buying decisions.

#### 2.1.2 The Mediating Variables of Corporate Social Responsibility influence Consumers' Purchase Intention

Many surveys and studies have found that corporate social responsibility have a certain extent effect on consumers' purchase intention. For corporate, the more the effect of social responsibility can improve the consumers' purchase intentions the better. Therefore, to further explore the impact of corporate social responsibility in addition the direct impact on consumers' purchase intention whether is also by other factors, to indirectly affect consumers' purchase intention, which is very favorable to improve the influence of the corporate social responsibility to consumers' purchase intention. Exploring how CSR is indirectly affect consumers' purchase intention is to seek the mediating variables that influence the relationship between both. According to Baron and Kenny (1986) explained, mediating variables (Mediator) is the intermediary when independent variable affect the dependent variable, and the substantive and underlying causes of the impact on the dependent variable, which is the independent variable have an effect on the dependent variable through an intermediary variables. Over the last decade, domestic and foreign scholars did some researches on the mediating variables of corporate social responsibility and consumers' purchase intention.

#### 2.1.3 Consumers' Identification

Through literature review found that domestic and foreign scholars in the study of the mediating variables of corporate social responsibility and consumers' purchase intention, the consumers identification is the most studied objects.

Discussion of identification concept began in the late 50s of 20th century Western scholars in the field of social psychology research. The theory of consumers' identification is based on the theory of organizational identification. According to social identity and organizational identification theory, Bhattacharya and Sen (2003) study showed that, the corporate, which can meet consumers demand for self-positioning, consumers tend to produce the corporate identity. This sense of identity extends beyond the "consumer satisfaction" of consumers psychological

satisfaction unilaterally status. Identification is a more profound and lasting deep emotional connection and the real foundation for the formation of long-term stability between consumers and corporate, and this sense of identity is not limited to the company's existing consumer groups, but has been extended to the majority of consumers (King, 2006).

If the behaviors of corporate social responsibility make consumers believe that organizational characteristic of the enterprise is meaningful, attractive, and similar to their own characteristic or the characteristic they desire to have, which would enhance their corporate identification. When consumers generate higher corporate identification, also it means that they give the company more attention and preference, so to some extent, by consumers' identification of intermediary role, consumers supporting degree for this enterprise will increase (Mohr & Webb, 2005).

Sen and Bhattacharya (2001) found that enterprise corporate social responsibility behavior through consumers' identification increased the consumers' purchase intentions. King (2006) study found that the corporate visibility and reputation and corporate social responsibility have a positive influence on consumers' identification. The company will have a higher rating and purchase intention, and consumers will willing to spread favorable company information to others.

Lichtenstein, Drumwright and Braig (2004) study selected the actual shopper for the survey, observe the relationship between corporate social responsibility shoppers perceived and their actual purchase behaviors, the study found the same result as King's study, consumers have a higher evaluation and purchase intention for their identity enterprise's products, more willing to spread favorable information of this enterprise to others and avoidance unfavorable information. The study also obtained more extensive result than previous studies concluded that in addition corporate and individuals will benefit from consumers' identification, non-profit organizations also will benefit. If the corporate has been donated to a non-profit organization that the consumers identified as a good citizen, then the possibility of consumers to participate and support this corporate donated to non-profit organizations will be higher.

## **2.2 Concepts of Corporate Social Responsibility (CSR)**

For decades, researchers have yet to define the social responsibility of the identity consistent (Carrigan & Attalla, 2001; McWilliams, Donald, Siegel & Patrick, 2006), any reference to the definition of corporate social responsibility of all parties mentioned that should be concerned about the interests of stakeholders. At first, the traditional view is that corporate social responsibility is an enterprise provide products and services to the community and improve people's living standards, although it reveals the companies have obligations to help improve the social welfare, but these early definition of corporate social responsibility only emphasis on economic and legal responsibility of enterprises. Academia and business community through ongoing research and discussion, the meaning of corporate social responsibility has been further expanded, from the original scope of the laws and economics expended to the business owners in order to the whole benefit society voluntarily assume moral responsibility. Therefore, corporate social responsibility is a cross integrated interdisciplinary, broad concept, its synthesis makes the definition of social responsibility in the long term controversy maintain a certain degree of "fuzziness", and wherefore its corresponding practice have "diversity", "individuality", "artistic" and "innovation".

Howard R. Bowen published his "Social Responsibilities of the Businessman" in 1953, it was the original study of corporate social responsibility. Bowen has been called the father of corporate social responsibility. Bowen believed goals and values of the society is particularly important to the enterprise, the development of enterprises built a social contract with society, companies can only survive when have social recognition. Bowen (1953) defines the concept of corporate social responsibility as corporate has responsibilities to make decision and manage according to social values and objectives. After that 50s and 60s of 20th century, corporate social responsibility attracted widespread attention, scholars have different definition on corporate social responsibility. Davis (1960) defined corporate social responsibility as corporate's decision-making and business activities at least have a portion is not considered for the economic and technological benefits. He believes the equality relationship between the responsibility and rights, companies do not fulfill their social responsibilities will gradually lose the social rights.

The concept of corporate social responsibility through proposed and preliminary

defined, in 1970s it's been discussed in the broader context, appeared whether companies should fulfill their social responsibility debate, the concept of corporate social responsibility is more abundant in debate process, covering more comprehensive and specific content. US Committee for Economic Development (CED) 1971 on corporate social responsibility proposed "three concentric circles" responsibility, inner ring is the basic economic responsibility, middle ring is in accordance with the social values to fulfill the economic responsibility function, the outer ring is some responsibility not yet determined. The three concentric circles concept of corporate social responsibility proposed, symbolizes a milestone of the corporate social responsibility concept (Carroll, 1999). CED points out that the relationship between enterprise management behavior and social has changed in many important aspects of substance. CED believes that business activities of enterprises rely on the public in order to work, and the most basic goal of business is to meet the needs of all sectors of society, enterprises were asked by the public to take on more social responsibility and to benefit more people, and not just to provide the material or satisfactory service. The development of enterprise in the future will depend on the quality of the enterprise manager's response actions when facing changing expectation of community.

Manne (1972) pointed out that corporate social responsibility is a spontaneous act, which beyond economic responsibility and legal responsibility. Farmer, Hogue (1973) views has a strong sense to clear corporate social responsibility's debate, they believe that corporate social responsibility is bound to spend a lot of money on the groups outside shareholders and employees, and this will lead to benefits reduced.

Carroll (1979) pointed out that corporate social responsibility is divided into four levels, in a subsequent study, he had a certain amount of improvement, ultimately determine the corporate social responsibility divided into economic responsibility, legal responsibility, ethical responsibility and philanthropic responsibility, these four levels from low to high form the corporate social responsibility. This pyramid form hierarchical theory comprehensively covers the content of corporate social responsibility. Bottom of the pyramid is the economic responsibility, represents companies free competition pursuit of profit, which is the basis of other levels. Legal responsibility represents companies operational process compliance with laws,



according to the “rules of the game” to participate the social activities. Ethical responsibility is enterprise to do the right and the justice thing, avoid the damage to other groups. Philanthropic responsibility is the highest level of corporate responsibility, which represents companies fulfill charitable contributions, attention to vulnerable groups and so on. Carroll believes in the process of corporate social responsibility, to select the appropriate responsible behavior (firm size, management style, strategic objectives, industry characteristics, economic conditions, etc.) based on their characteristics. The level four dimensions of corporate social responsibility theory become the classical theory in the field of corporate social responsibility for decades.

In 1997, the president of Britain Sustainability, John Elkington in “Cannibals With Forks: The Triple Bottom Line of 21st Century Business”, proposed a “Triple Bottom-line” concept. The theory posited that enterprises should fully consider the stakeholders and the expectations of society, that is, to ensure that companies have the financial strength to survive, while must pay attention to environmental protection and social justice. The triple bottom line theory becoming the common foundation for understands the concept of corporate social responsibility.

Archie (2004) made a reasons more fully set forth, he believes that if the company can conscious commitment social responsibility and be perseverance, the companies will be access to social rewards in the long run, will win more and the various categories stakeholders’ loyalty and support.

Kotler and Lee defined CSR as “a commitment to improve community well-being through discretionary business practice and contributions of corporate resources” (2005,p. 3). The corporate social initiatives (CSRI) can be divided into 6 categories:

(1) Cause promotions refers to a corporation provides funds, or other resources of corporate to make people aware a social cause (Kotler & Lee, 2005, p. 24).

(2) Cause-related marketing refers to a corporation making contributing or donating some revenues to a specific cause based on product sales (Kotler & Lee, 2005, p. 24).

(3) Corporate social marketing refers to “a corporation supports the development and / or implementation of a behavior change campaign intended to improve public health, safety, the environment, or community well-being” (Kotler & Lee, 2005, p.

23).

(4) Corporate philanthropy refers to “a corporation makes direct contribution to a charity or cause, such as cash grants, donations or inkind services” (Kotler & Lee, 2005, p. 24).

(5) Community volunteering refers to a” corporation supports and encourage employees, retail partners, and/or franchise members to volunteer their time to support local community organizations and causes” (Kotler & Lee, 2005, p 24).

(6) Socially responsible business practices refers to “a corporation support social cause to improves community well-being and protect through operate business practices and investment” (Kotler & Lee, 2005, p. 24).

China Business Council for Sustainable Development (CBCSD) stated that enterprises are not only responsible to shareholders but should also be responsible to other stakeholders who contribute to enterprise or affected by business activities. At the level of these responsibilities include economic, legal, ethical and other aspects of the discretionary requirements.

### **2.3 Concept of Consumers’ Identification and its Implication on their Purchasing Intention**

The theory of consumers’ identification is based on the theory of organizational identification. Ashforth and Mael (1989) defined organizational identification as “the perception of oneness with or belongingness’ to the organization.” Similarly, Dutton, Dukerich and Harquail (1994) defined organizational identification as “the degree to which a member defines him or herself by the same attributes that he or she believes define the organization.” Organizational identity is an individual’s beliefs around the central, enduring and distinctive characteristics of an organization (Dutton et al. 1994). These characteristics are shaped by a company’s culture, operating mission, values, product, employee as well as other demographic characteristics (Bhattacharya & Sen 2003). The concept of identification from official members expand to other people, one of the important interests of the party that exists outside the enterprise stakeholders are consumers (Bhattacharya & Sen, 2003; Sen & Bhattacharya, 2001). With the continuous expansion of corporate influence, consumers are not only just focus on the product itself, while pay more attention on the various types of behavior



of the enterprises. When consumers understand more and more about the companies of their buying products. Consumers and companies will establish and develop a close business relationship, and when these companies provided them with “special charm or special social self-image,” consumers in the case of absence of formal organization membership can also identify with the enterprise, this is the process of consumers’ identification form. An important way of consumers’ internal response to corporate social responsibility is to increase consumers’ understanding of the enterprise (Brown and Dacin, 1997; Drumwright, 1996; Sen & Bhattacharya, 2001), and produces emotional identity, which is consumers’ identification.

An important way of consumers’ internal response to corporate social responsibility is to increase consumers’ understanding of the enterprise (Brown and Dacin, 1997; Drumwright, 1996; Sen & Bhattacharya, 2001), and to produce emotional identity – Consumers’ identification (Bhattacharya & Sen, 2003; Sen & Bhattacharya, 2001). Consumers integrate their personality with the characteristics of corporate which they identify, this promote consumers generate the target company’s emotional identification (Bergaml & Bagozz, 2000). Consumers believe, or they are willing to believe these corporate social responsibility actions are consistent with their expectations that they and these companies have common characteristics, and these companies provide them self-enhancement awareness (Ashforth, 1998; Bhattacharya, Rao & Glynn, 1995; Elsbach, 1998; Sen & Bhattacharya, 2001). On this point, consumers’ identification is the key driving force of consumers have a positive response for corporate social responsibility, and improve the corporate identification of consumers also is a way for corporate social responsibility to create more efficiency.

The consumers’ identification towards enterprises is a spontaneous, positive, selective process. It decides that the consumers’ identification depend on the attraction of the method that the enterprises use to appeal consumers identification. It is the basic reason that the relationship of consumers and enterprises can form and continue. In today’s increasingly mature product market, the difference between product is becoming smaller and smaller. The times that using product’s characteristic to make enterprise’s character prominent has past. The main facts that make consumers identify a corporate is the attractive enterprise organization’s identify rather than other

characters related to product. Herpen, Pennings and Meulenber (2003) believes that consumers as the important stakeholders of corporate's operation, they hold high expectations towards the corporate social responsible business activities, the corporate social responsibility they perceived will directly influence their evaluation towards the enterprise. Corporate social responsible behavior can strength and convey the corporate social responsibility this which is everlasting, heterogeneous and more unique organization's identity (Charles, Jennifer Chatman & David 1991).

Social identity theory predicts human behavior, when the individual becomes one with the group and the goals and successes of the group become the goals and successes of the individual (Tajfel & Turner, 1985). For example, consumers' identification has been found to positively affect loyalty, product utilization (Aherne et al. 2005), increase intention to purchase enterprise products (Homburg et al. 2009), actively recommend the enterprise to new consumers (Lichtenstein, Netemeyer, and Maxham 2010), and have also been found to be more forgiving when exposed to negative information about the company (Einwiller et al. 2006) and more supportive of causes sponsored by the company (Lichtenstein, Drumwright & Braig, 2004). Consumers' these behaviors have a positive impact on corporate financial performance and help increase their competitive advantage.

## **2.4 Concepts of Consumers' Purchase Intention**

### **2.4.1 Definition of Consumers' Purchase Intention**

Dodds (1991) indicated that consumers' purchase intention is the possibilities of consumers to purchase specific goods and services. Bruce (1996) pointed out that consumers' purchase intention as an important predictive indicator of consumers whether or not to buy again, have a direct impact between them. Mullet (2002) believed consumers' attitude toward the product combined with some external factors affecting formed the consumers' purchase intention, and the consumers' purchase intention can be used to predict consumers' buying behavior.

### **2.4.2 Dimensions of Consumers' Purchase Intention**

Different scholars have proposed different dimensions of consumers' purchase intention. Hawkins (2012) and some scholars believe that the method can be used to measure directly is by asking the consumers' purchase intention. The survey

asked questions such as “how much the probabilities are you going to buy the company’s products?” The consumers answer may be: 80% possibility, 60% possibility, 20% possibility or would never buy. Xiaoping Chen (2002) examined the consumers’ brand switching matrix, trying to quantify consumers’ purchase intention. Both ways are through direct inquiry way to ask consumers’ purchase intention. Direct questions about the consumer’s possibility of buying product next time may exist these questions, such a Consumer’s purchasing possibilities are their subconscious content, although each consumer’s mind has a steelyard, but the consumer does not clearly recognize what kind of product they want to buy in the future, thus the answer about the possibility of buying this enterprises’ product or other product is always unreliable in a large part. Therefore, it’s not scientific to ask consumers directly.

Consumers’ behavior research believe consumers’ buying behavior is determined by consumers’ attitude toward the product (Ajzen & Fishbein, 1980). Gensch assumes consumers’ purchase inclination for different brands depends on the consumers’ evaluation of products, which is determined by the cognitive attitude (Gensch, 1984). Gensch developed a Choice Based model to measure consumers’ purchase intention. He believes that the consumers’ purchase intention determined by consumers’ evaluation of product, for ABB companies transformer products, determine the contract price, energy loss, product quality, parts supply, service and maintenance conditions, ease of installation and ensure eight attributes index, determine the weight of each indicator, then the consumers score these eight indicator, the final calculation of the consumers’ purchase intention of this product based on the weight and score.

#### 2.4.3 The Role of CSR in Consumers’ Purchase Intention

Over the last decade, the related social survey institutions and the domestic and foreign scholars on the impact of CSR on consumers’ purchase intentions conducted a survey and research. US consulting firm Cone Inc. for many years tracking and study consumers’ attitudes and reactions of enterprises participate in social welfare, and give the report (Cone Communications Press Release 1999). Since 1993, every year at least 80% of the respondents said that if the enterprise provides support the certain public utilities what they are concerned, they will have a more

positive impression on this enterprise; if price and quality are the same, two-thirds of respondents said they are willing to buy those involved in good cause-related marketing enterprise products. Especially in socially and politically active respondents, the 94% of them easier have a positive impression for the enterprise which participate in good cause-related marketing, three-quarters of respondents said they would through buy products express support for these enterprises brand. 2002 corporate citizen poll found that 84 percent of respondents said in the case of the equivalence with the quality, they willing to switch brands for charity purposes, in the 2004 survey, this figure rises to 86%; 2004, 1033 US consumers telephone survey found 90% of respondents were opposed to those who do not abide the law and not bear social responsibility enterprise. Ipsos Public Affairs in 2009 to 23,237 consumers worldwide online survey found that 77 percent of respondents said the performance of corporate social responsibility is an important consideration in their purchase, and only 20 percent of respondents said corporate social responsibility does not affect the performance of their purchasing decisions.

Sen and Bhattacharya (2001) found that corporate social responsibility and consumers' purchase intention positive correlation only established under certain conditions. For example, consumers need to support the gist of corporate social responsibility, the main business and socially responsible behavior be highly fit, the enterprise has high-quality products, and consumers do not need to pay extra for corporate social responsibility behavior. In most cases, consumers said that if corporate social responsibility will affect their buying behavior, this effect is only marginal impact, even if they have a positive attitude toward corporate social responsibility. They would not have to sacrifice quality or price support behavior of corporate social responsibility, which is in real life, one of the main reasons corporate social responsibility cannot bring buy increment immediately. However, especially when consumers do not believe that these socially responsible behaviors of enterprises can promote the improvement of the quality of their products, they will generate resentment and other negative effects, such negative effects will significantly affect sales. On the other hand, relative socially responsible corporate behavior, consumers often more sensitive to the corporate who do not socially responsible behavior, relative to change habits to buy commitment to social responsibility

corporate' products, consumers will be more concerned about as far as possible to avoid buying irresponsible enterprise products.

## **2.5 CSR in China**

For a critical period of social transformation in China, public enterprises not only need to follow the rules of market economy and the market order, pursue profit, promote overall economic development through its own development, but also need to form corporate citizenship which includes economic interests transcends economic interests, and become a conscious corporate citizen, use its own resources, in a broader social level to promote an ethical and conducive to social stability progress social environment and the social atmosphere formation, provide protection and more powerful boost power for Chinese economic development.

March 2011, "Fortune" published CSR rankings selected the top 50 Chinese corporate social responsibility companies. The top three were China COSCO Holdings Company Limited, China Mobile Limited, and Lenovo Group Limited. Similarly, a number of influential companies have joined the ranks of corporate social responsibility indicators, not just economic indicators. 2006 only 18 mainland enterprises publishing CSR reports, in 2010 has more than 600 companies publish corporate social responsibility report.

Chinese government has highlighted the importance of corporate social responsibility. For example, early 2008 State-owned Assets Supervision and Administration Commission of the State Council (SASAC) issued "The Guideline on Fulfilling Social Responsibility by Central Enterprises" notification, by asking the central enterprises to increase efforts to fulfill their social responsibility and by stressing the importance of corporate social responsibility for state-owned enterprises.-

## **2.6 Inner Mongolia Yili Industrial Group Co., Ltd.**

In recent years, China's dairy industry product quality issues are emerging, which severely reduced the consumer's trust in the dairy business, reducing consumers buying behavior. On June 12, 2012, National food safety testing discovered that the Mercury content of 2.3.4 milk powder produced by Inner Mongolia Yili Industrial Group was tampered according to the comprehensive health indicators. Although the company investigated and inspected all products instantly, the panic of society and

consumers would be lasted for a long time, and also influenced consumers' purchase intention.

Inner Mongolia Yili Industrial Group Co., Ltd (hereinafter referred to as Yili) is the enterprise in China's dairy industry with the largest scale and most robust product line, which has been included in the national 520 key industrial enterprises, as well as one of the first batch of 151 champion enterprises of national agricultural industrialization identified by eight ministries including Ministry of Agriculture. Yili has been always leading Chinese dairy industry. Yili is the first dairy enterprise in China with full line of products passing FSSC22000 Global Food Safety System Authentication. In recent years, Yili increased investment, constructed milk base, implemented food safety throughout the entire process of production and management, strengthened security measures, and enhanced service awareness. They have constantly self-developed new products, and offer a range of new nutritional products with Chinese characteristics. In recent years, Yili continuously increased investment in the quality, strengthened the safety measures, established a series of high-standard milk source base, penetrate the food safety through the production and operation, independently developed new products and provided a series of new healthy food with Chinese characteristics. At the end of 2014, Yili upgraded the enterprise vision of "becoming a world-class health food group" to "becoming the trustworthy healthy food provider in the world". The upgraded vision inherits the core spirits of the former vision. It is not only healthy food provider, but also advocator for healthy lifestyles, and leader of healthy development of the industry. In 2014, it realized an operating income of RMB 54.436 billion, continuing to lead China's dairy industry.

As the Chinese leader of dairy industry company, Yili also pay attention to CSR, and carry on various CSRI. According to Kotler and Lee (2005) study, Yili's CSRI divided into 6 categories. First is cause promotions, in 2012, Yili conducted "Love Being Delivered-2012 Growth and Study Action of Yili QQ Star", setting up "Love Donation Stations" at more than 300 supermarkets in 12 regions such as Beijing, Zhengzhou, Qingdao, Shenzhen, Guangzhou, Suzhou, Fuzhou, Chengdu, Ningbo, Shanghai, Chongqing and Hohhot, and donating the collected books to establish libraries in the poor primary schools. Second is cause-related marketing, by the end of 2014, more than RMB 100 billion Yuan has been given to the dairy farmers totally.



Over RMB 30 billion Yuan has been spent buying cows from the farmers in an accumulated way, leading 5 million dairy farmers to overcome poverty and achieve prosperity. Third is corporate social marketing, Yili's Ark Project is a large-scale public welfare program jointly sponsored by Yili and Western China Human Resources Development Foundation focusing on children's safe growth. The project was conducted through a series of expert training, case studies, field visits and safety training, and at last an investigation report about children's safety was formed to offer the proper solutions and help every region to establish an adaptable and sustainable construction model of children's safety. Yili Ark realized continuous innovation in practice, cultivated teachers for children's safety, sowed the seed of children's safety, innovate in the courseware of children's safety according to actual situations, and organized the exchange on the education of children's safety through training activities and interesting safety knowledge courses, following the public welfare concept of "Dream comes after safety"; cooperated with the musician and singer Chang Shilei to write the first children's safety public welfare song, and popularized the children's safety career with the help of music and stars; cooperated with partners of industry chain to conduct trans-boundary public welfare cooperation, set a good example in protecting the safe growth of children, and explored to establish the continuous and effective children safety mechanism. By 2014, Yili's Ark Project had been implemented for three years, covering 24 provinces (districts, cities) including Sichuan, Inner Mongolia, Gansu, Qinghai, Ningxia, Guangxi and Guangdong, benefiting more than 200,000 children, and providing over 50 safety trainings concerning earthquake, fire prevention, drowning prevention, sexual assault prevention, outdoor safety and vacation safety. Fourth is corporate philanthropy, The 7.0-magnitude earthquake hit Lushan county, Ya'an city, Sichuan province at 8:02 on April 20th, 2013. After the earthquake, Yili coordinated with local factories to prepare 5,000 boxes of materials, 20,000 pairs of gloves, some one thousand tents and rain gears, which were sent to the disaster area at once. Besides, Yili also put up many maternal and child service stations to provide services and distributed the emergency-donated infant formulas costing about RMB 2 million Yuan to the mothers and children in the disaster area. At the same time, the employees of Yili spontaneously organized blood donation and collected altogether RMB 1.26 million

Yuan, which was directly used for students' safety education and construction in the disaster area. Fifth is community volunteering, for the outdated hardware facilities of rural primary schools and a lack of relevant teachers, Yili launched "Yili Interest Classroom". In Yili Interest Class, the volunteers regularly taught painting, PE, dancing, handwork and music to the children in rural poor schools, all of which were warmly welcomed by the teachers and students. Sixth is socially responsible business practices, as the first company to advocate the "Green Industry Chain" in Chinese dairy industry, Yili insists on the development concept of "Green production, green consumption and green development" and fulfills the social responsibilities with practical actions throughout the company's development. From 2011 to 2014, Yili won the Carbon-Value Award for four consecutive years for its green production chain and was entitled with "Best performers of the social value with the low-carbon idea" by United Nations and the international professional organization.

From 2012 to 2014, Yili was recognized and trusted by consumers in several consumers' satisfaction awards. In the National Liquid Milk Consumer Satisfaction Evaluations held by CAQ and National Consumer Committee in 2012 and 2013, Yili liquid milk ranked the top in the national liquid milk consumers' satisfaction and reputation; in the 2011-2012 Top 10 Award Presentation Ceremony of China Food Industry, Yili was awarded "Consumer Satisfaction Brand", which was the only one dairy company on the list; in "2012 Benchmarking Food Brand Selection", Yili was awarded "the Most Popular Dairy Brand"; in the 4th China's Food Safety Senior Dialogue, Yili won "the Most Reliable Food Brand of Netizens".

## **2.7 Assumptions of Theory of Reasoned Action**

Fishbein and Ajzen (1975) defined intention as the possibility of individual engage in a certain behavior, and through behavioral intention can more accurately predict the possibility of a particular individual behavior. About the ability to predict behavior, Koballa (1988) pointed out through intention can be able to determine whether an individual will engage in certain conduct. Dodds, Monroe and Grewal (1991) indicated that consumers' purchase intention is the possibility of the consumers to purchase a specific product or service. Mullet (1985) believes consumers' attitudes toward products, combined with some external factors effects



form consumers' purchase intention, and consumers' purchase intention can be used to predict consumers' purchase behavior.

Fishbein and Ajzen proposed theory of Reasoned Action (TRA) divided from the field of social psychology, in 1975. The three general constructs of TRA are behavioral intention (BI), attitude (A), and subjective norm (SN). Fishbein and Ajzen use the attitude of the individual and the individual compliance subjective norm to elaborate the formation of the behavioral intention, to study the mechanism of the influence on behavior. TRA theory suggests that individual attitudes and subjective norm determines behavioral intention, and behavioral intention determines the behavior, that means individual would choose the behavior which benefits own at the same time meet the others expectations. The TRA can be expressed as the following equation:

$$BI = (AB)W_1 + (SN)W_2$$

Where B(Behavior) refers to behavior, that the individual be able to conduct under their control; BI (Behavioral Intention) expressed individuals behavior intention; AB (Attitude Toward the Behavior) is the attitude of the individual to this behavior; SN (Subject Norm) refers to subject norm, that individual feel the pressure from how subordinate groups or society expect this behavior;  $W_1$  and  $W_2$  is measured standard coefficients of the obtained (Hale, 2002). Consistent with the meaning of the function equation, the graphic below shows further interpretation of the TRA theory,

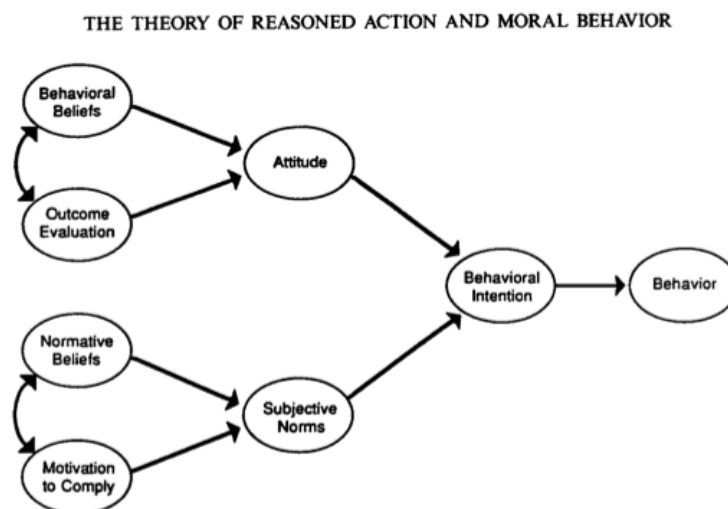


Figure1: Theory of Reasoned Action (TRA).

Source : Fishbein, M. & Ajzen, I. (1975). *Belief, Attitude, Intention and Behavior: an Introduction to Theory and Research Reading*. MA: Addison-Wesley

From the beginning of the 1980s, TRA theory has been widely used in a variety of research of human behavior. For example, Lee (1991) studied the consumer product choice behavior; Bagozzi (1992) examined the coupon usage behavior; Valler (1992) examined the ethical behavior in sports. Many scholars in the study of consumers' purchase intention problem use TRA theory to predict behavior (Miniard, 1983; Lee, 2001).

## **2.8 Assumptions of Social Identity Theory**

Social identity theory formulated by Henri Tajfel and John Turner in the 1970s and 1980s. The theory posited that membership will influence individual's self-concept in a relevant social group, including the company which the individual works in (Ashforth & Mael, 1989; Dutton, Dukerich, & Harquail, 1994). Social identity theory proposes that an individual's self-image is influenced by image, groups and organizations recognized reputation for social involvement and responsibility (Gond et al., 2010). Social identity theory has been used to analyze and study intergroup relations, intergroup behavior, intergroup discrimination, judgments of social categorization, self-conception (Tajfel, 1959, Tajfel, Billig, Bundy, & Flament, 1971; Tajfel & Turner, 1986) and more recently, organizational behavior (Abrams, Ando, & Hinkle, 1998; Ashforth & Mael, 1989; Hogg & Terry, 2000; Mael & Ashforth; 1992). Cornwell and Coote (2005) study found that consumers' identification is positively associated with purchase intention. In accordance with the predictions of social identity theory consumers are likely to support a company that supports a non-profit organization with which they are identified. Madrigal (2000) also suggests that consumers' identification is positively associated with intention to purchase company products, which they are identified.

## **2.9 Knowledge gap in the past studies and literature review**

Most studies are directly based on the level of social responsibility in a virtual enterprise, to study how corporate social responsibility through affect consumers' identification, and then affect the purchase intention of consumers. Previous studies rarely mentioned the factors, which may affect consumer identification from

consumers' subjective point. Because of this difference among the consumer, even if face the same level of corporate social responsibility behavior, the same type of corporate social responsibility activities, feelings of consumers are also likely to be different. Although demographic characteristics as important factors in individual study (Karande, Rao, Singhapakdi, & Vetell, 2001; Singhapakdi, Kraft, Vitell, & Rallapalli, 1995), but still not come to a unified conclusion. The object of study, the range of products, different situations and other factors may influence the conclusion.

This study intends to extend the previous study, adopt a real corporate's socially responsible behavior as the object, emphasizing the subjective perception of consumers, from consumers' subjective feelings of corporate social responsibility, tries to reach a conclusion about the correlation between consumers' demographic characteristics and their participation in CSRI.

## 2.10 Hypothesis

The justifications for hypotheses were made based on the preceding literature review, and the hypotheses concerning the direction and strength of the relationship were statistically tested. Therefore, based on the objective and research questions, it asks the following tests a related hypothesis.

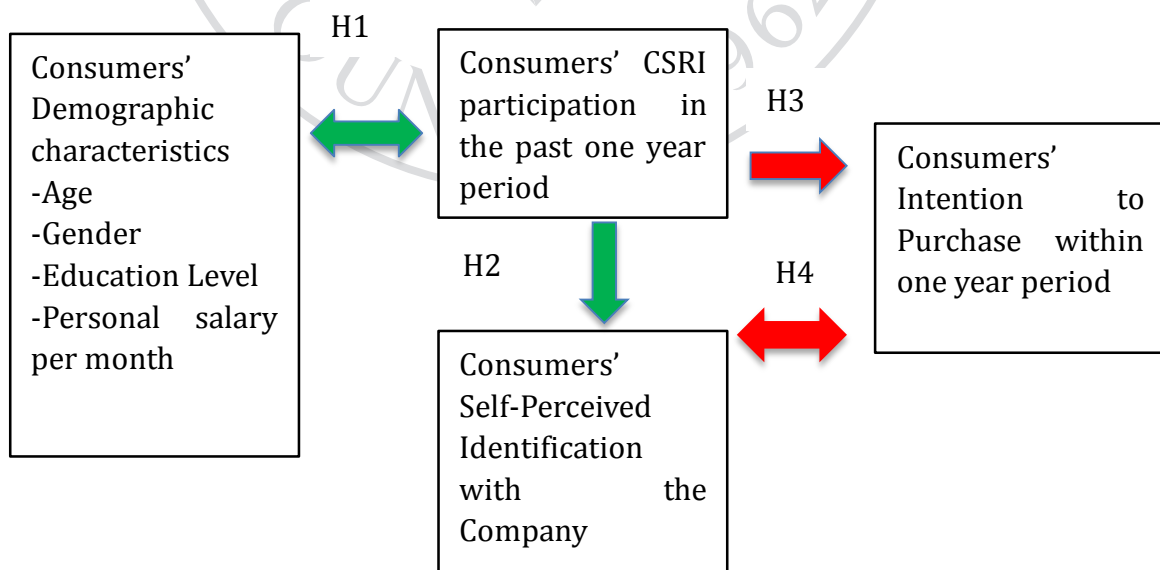


Figure 2: Theoretical Framework

Hypothesis 1: Consumers' demographic characteristics in respect to age, gender, education level, and personal salary significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Hypothesis 1.1: Consumers' demographic characteristics in respect to age significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Hypothesis 1.2: Consumers' demographic characteristics in respect to gender significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Hypothesis 1.3: Consumers' demographic characteristics in respect to the educational level significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Hypothesis 1.4: Consumers' demographic characteristics in respect to the personal income per month significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Hypothesis 2: Consumers who participated in different CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices) will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 2.1: Consumers who participated in *corporate social marketing* will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 2.2: Consumers who participated in *corporate philanthropy* will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 2.3: Consumers who participated in *socially responsible business practices* will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3: Consumers with different CSRI participations (corporate social

marketing, corporate philanthropy, and socially responsible business practices) have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3.1: Consumers with different CSRI participations (corporate social marketing) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3.2: Consumers with different CSRI participations (corporate philanthropy) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3.3: Consumers with different CSRI participations (socially responsible business practices) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 4: Consumers' self-perceived identification is positively correlated with their intention to purchase products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

## **CHAPTER 3**

### **METHODOLOGY**

This chapter involves the research methodology and the sampling method to examine the relationships between consumers' participation of CSR initiatives and their intention to purchase for the Inner Mongolia Yili Industrial Group Co., Ltd.. This chapter is composed of the following sections:

- 3.1 Research Design
- 3.2 Population and Sample Selection
- 3.3 Research Instrument
- 3.4 Instrument Pretest
- 3.5 Data Collection Procedure
- 3.6 Data Analysis
- 3.7 Demographic Data of the Samples

#### **3.1 Research Design**

The primary focus of the study is on the correlations between consumers' participation in corporate social responsibility initiatives, their identification to the company, and their purchase intention. This study will extend the research of three scales. The first one examines the consumers self-perceived of three initiatives CSR of organized by Inner Mongolia Yili Industrial Group. The second one was taken from Bhattacharya and Sen (2003) scale. Research on the empirical correlates of this scale will also help to establish the measure. The last scale is the Lafferty, Goldsmith and Newell's (2002) Dual Credibility Model, which aim to examine the influence and role of consumers' identification as a mediator between corporate social responsibility initiatives and behavioral intention.

This research would be applied with the quantitative research approach by using the survey as a specific method to gather the data information in order to see the correlation between consumers' demographic characteristics, participation, identification and their behavioral intentions.

### 3.2 Population and Sample Selection

Every day, there are nearly 1.1 billion pieces of Yili's products reaching to Yili's consumers. Every year, there are nearly 1.1 billion consumers in China enjoying nutritious and delicious Yili's products. To enable the duration of the course Independent Study which last for only one semester, the researcher selected only 200-sample size, which is not including 50 of pretest and use Simple Random Sampling method to launch the survey.

### 3.3 Research Instrument

The questionnaire with 4 sections was employed in this study.

#### Section 1: Personal Demographic Data

The first part consists the basic demographic data questions, which were included gender, age, level of education and monthly income. The demographic items can be found in Part 1 of Appendix A.

#### Section 2: Consumers Participation and exposure to various CSR initiatives of Yili

This part designed to explore the consumers' participation in three CSR initiatives of Yili. The researcher defined the three CSR initiatives of Yili, and provides the appropriate answers that can be represent the responder. There are three types of response of this scale. The statements include: (1) I attended this CSR initiative, (2) I have heard about this CSR initiative from the media publicity but never attend it before, and (3) I have never heard about this CSR initiative from the media publicity and never attend it before. The six CSR initiatives of Yili are founded in section 2 of Appendix A.

#### Section 3: Consumers' Identification Scale

The third section of questionnaire consisted of eight questions designed to measure consumers' identification with Yili company. Among seven questions, there are six questions based on the organizational identification, the organizational identification scale consisted of six items taken from Mael and Ashforth's short scale (1992). Meta-analytic findings suggest it has the highest predictive validity of existing scales (Riketta, 2005). Sample items include "When someone criticizes [name of business school], it feels like a personal insult", and "I am very interested in what

others think about [name of business school]”. The last questions based on measures of consumers’ identification developed by Bhattacharya and Sen in 2006 and refined in 2007. The instrument utilized a five-point Liker-type response format ranging from strongly disagree (1) to strongly agree (5). The cronbach alpha of both scales were reported originally to be 0.77. The consumers’ identification items are founded in section 3 of Appendix A.

Table 3.1: The scales of consumers’ identification

Mael & Ashforth, 1992	1. When someone criticizes (name of school), it feels like a personal insult. 2. I am very interested in what others think about (name of school). 3. When I talk about this school, I usually say ‘we’ rather than ‘they’ 4. This school’s successes are my successes. 5. When someone praises this school, it feels like a personal compliment. 6. If a story in the media criticized the school, I would feel embarrassed.	Strongly disagree-----Strongly Agree
Bhattacharya & Sen (2006)	My sense of who I am (i.e. my personal identity) overlaps with my sense of what this company represents.	Strongly disagree-----Strongly Agree
Bhattacharya & Sen (2007)	My sense of this brand matches my sense of who I am.	Strongly disagree-----Strongly Agree

#### Section 4: Purchasing Behavior Scale

The fourth section of questionnaire consisted of questions designed to measure the behavioral intention base on Berens, Van Rile and Van Bruggen’s research in 2005. The instrument utilized a five-point Liker-type response format ranging from very unwilling (1) to very willing (5). All of these items are founded in section 4 of



## Appendix A.

Table 3.2: The scale of consumers' purchase intention

Guido, Cees & Gerrit (2005)	1.If you were planning to buy a product of this type, would you choose this product? 2.Would you purchase this product? 3.If a friend were looking for a product of this type, would you advise him or her to purchase this product?	Very unwilling -----Very willing
-----------------------------	--	-------------------------------------

### 3.4 Instrument Pretest

Firstly, the questionnaire was translated into Chinese, the translation was checked by the translator and corrected mistakes base on the method of back translation. Then the questionnaires were randomly distributed to 50 consumers as a pretest to ensure that all instruments, questions, which are used in this research, are clear to understand and respond. Cronbach's  $\alpha$  coefficient to assess the reliability of the instrument was presented as follow:

Table 3.3 The Reliability of instrument

	Cronbach's $\alpha$	N of Items
Consumers' identification	.950	7
Consumers' purchase intention	.922	3

The results are acceptable because Cronbach's Alpha (the level of reliability) is bigger than 0.7 level set of the reliability test. Which means the overall scales and each dimension of the level of reliability test are possibly acceptable.

### 3. 5 Data Collection Procedure

All questions of scales are developed originally in the English language. Before distributing the questionnaire to the respondents, the researcher had it translated into Chinese, and the statements of all instruments were translated into Chinese and then translated back into English by Chinese person who is professional translator. The two

version of the original were crosschecked for adequacy in translation. After check and correct the meaning, when there are no discrepancies between the two versions, questionnaires were random sent to 50 customers of Yili Company.

After check the reliability and modified the questionnaire, the researcher contacted Yili acting sales staffs, get their help to collect data from Yili consumers. The staffs give the questionnaire to consumers when they buy Yili products, then consumers take a few minutes finish the questionnaire and give back to the staffs. The 200 completed questionnaires took about one week to collect.

### 3.6 Data Analysis

The 200 completed questionnaires were coded and processed to obtain the total scores of each measuring instrument and its sub-scales. Social Science Program (SPSS /PC for Mac version 21) was used to analysis the data. Descriptive statistics were used to describe demographic characteristics of the subjects. The level of significance at 0.05 was applied to determine the acceptance or rejection of each hypothesis. In addition, the following inferential statistics were used to explain the results of hypotheses.

Table 3.4: Data Analysis for Consumers' Participation with Various CSR initiatives

Level of participation in CSR Initiatives	Group	Meaning
1. I have attended this CSR initiative.	1	Have attended
2. I have heard or exposed to this CSR initiative from the media publicity but never attend it before.	2	Have heard or Exposed but Never Attend
3. I have never heard or being exposed to the media publicity and have never attends this CSR initiative before.	3	Never heard and never being exposed

Table 3.5: Data Analysis for Consumers' Identification

Opinion toward the statement	Score	Criteria	Meaning
Strongly agree with the statement	5	4.51-5.00	Strongly agree
Agree with the statement	4	3.51- 4.50	Agree
Neutral with the statement	3	2.51- 3.50	Neutral
Disagree with the statement	2	1.51- 2.50	Disagree
Strongly Disagree with the statement	1	1.00- 1.50	Strongly Disagree

The mean will be recoded from 5 scales to 3 scales.

3 Levels	Perceived Corporate Reputation
3.67- 5.00	Positive Identification
2.34- 3.66	Neutral Identification
1.00- 2.33	Negative Identification

- Range  $(5 - 1) / 3 = 1.33$

Table 3.6: Data Analysis for Consumers' Intention to Purchase

Opinion toward the statement	Score	Criteria	Meaning
Very willing	5	4.51- 5.00	Very willing
Willing	4	3.51- 4.50	Willing
Neutral—Neither willing or Unwilling	3	3.51- 3.50	Neutral
Unwilling	2	1.51- 2.50	Unwilling
Very Unwilling	1	1.00- 1.50	Very willing

The mean will be recoded from 5 scales to 3 scales.

3 Levels	Intention to Purchase
3.67- 5.00	High Intention
2.34- 3.66	Middle Intention
1.00- 2.33	Low Intention

- Range  $(5 - 1) / 3 = 1.33$

Statistical Analysis for each hypothesis are as follows:

Hypothesis 1: Consumers' demographic characteristics in respect to age, gender, education level, and personal salary significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Hypothesis 1.1: Consumers' demographic characteristics in respect to *age* significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Independent variable: Consumers' age (Nominal scale)

Dependent variable: Consumers' CSRI participation (including corporate social marketing, corporate philanthropy and socially responsible)(Nominal scale)

Statistical analysis: Chi-square analysis

Hypothesis 1.2: Consumers' demographic characteristics in respect to *gender* significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Independent variable: Consumers' gender (Nominal Scale)

Dependent variable: Consumers' CSRI participation (including corporate social marketing, corporate philanthropy and socially responsible) (Nominal Scale)

Statistical analysis: Chi-Square analysis

Hypothesis 1.3: Consumers' demographic characteristics in respect to the educational level significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Independent variable: Consumers' educational level

(Nominal scale)

Dependent variable: Consumers' CSRI participation

(including corporate social marketing, corporate philanthropy and socially responsible)

(Nominal scale)

Statistical analysis: Chi-Square analysis

Hypothesis 1.4: Consumers' demographic characteristics in respect to the personal income per month significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Independent variable: Consumers' personal income per month (Nominal scale)

Dependent variable: consumers' CSRI participation

(including corporate social marketing, corporate philanthropy and socially responsible)

(Nominal scale)

Statistical analysis: Chi-square analysis

Hypothesis 2: Consumers who participated in different CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices) will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 2.1: Consumers who participated in *corporate social marketing* will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 2.2: Consumers who participated in *corporate philanthropy* will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 2.3: Consumers who participated in *socially responsible business practices* will exhibit different levels of self-perceived identification with the Inner

Mongolia Yili Industrial Group Co., Ltd.

Independent variable: Consumers' CSRI participation  
(including corporate social marketing, corporate philanthropy and socially responsible business practices) (Nominal scale)

Dependent variable: Consumers self-perceived identification  
with the Inner Mongolia Yili Industrial Group Co., Ltd. (Interval scale)

Statistical analysis: MANOVA analysis

Hypothesis 3: Consumers with different CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices) have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3.1: Consumers with different CSRI participations (corporate social marketing) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3.2: Consumers with different CSRI participations (corporate philanthropy) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3.3: Consumers with different CSRI participations (socially responsible business practices) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Independent variable: Consumers' CSRI participation  
(including corporate social marketing, corporate philanthropy and socially responsible business practices) (Nominal scale)

Dependent variable: Consumers' intention to purchase the  
products or services of Inner Mongolia Yili Industrial Group Co., Ltd. (Interval scale)

Statistical analysis: MANOVA analysis

Hypothesis 4: Consumers' self-perceived identification is positively correlated with their intention to purchase products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Independent variable: consumers' self-perceived

identification (Interval scale)

Dependent variable: consumers' intention to purchase products or services of Inner Mongolia Yili Industrial Group Co., Ltd. (Interval scale)

Statistical analysis: Spearman Correlation analysis

### 3.7 Demographic Data of the Samples

This part focuses on the demographic information of the 200 customers responding to the questionnaire questions: sex, age, level of education and personal monthly income. Table 3.7 summarized and presented the frequency and percentage of demographic profile of the sample.

Table 3.7: The frequency and percentage of the demographic information of the samples

Demographic Information	Frequency (persons)	Percent
<b>Sex:</b>		
Male	86	43
Female	114	57
Total	200	100.0
<b>Age:</b>		
18-24 years	53	26.5
25-34 years	105	52.5
35-44 years	35	17.5
45-55 years	7	3.5
Over 56 years	0	0
Total	200	100.0
<b>Level of education:</b>		
Senior High School	5	2.5
Bachelor degree	121	60.5

(Continued)

Table 3.7(Continued): The frequency and percentage of the demographic information of the samples

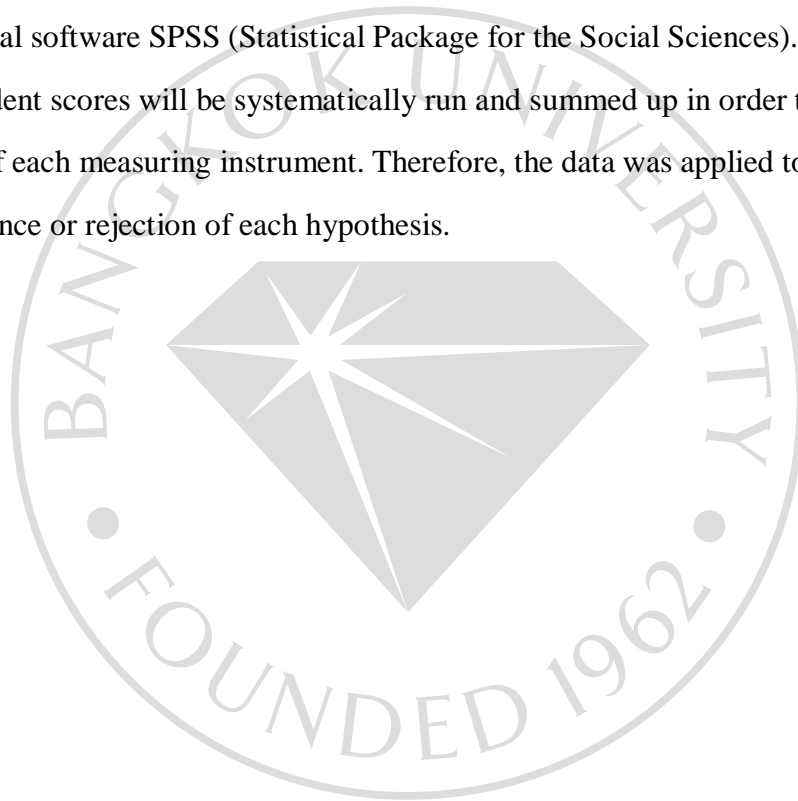
Master degree	72	36
Above master degree	2	1
Total	200	100.0
<b>Occupation:</b>		
Student	109	54.5
Government officers	35	17.5
Governmental enterprise	29	14.5
Employees of private enterprises	15	7.5
Freelance and entrepreneurs	12	6
Others	0	0
Total	200	100.0
<b>Monthly income:</b>		
Less than 5,000 RMB	0	0
5,001-15,000 RMB	66	33
15.001-30,000 RMB	100	50
30.001- 50,000 RMB	34	17
More than 50,001 RMB	0	0
Total	200	100.0

As shown in Table 3.7, the descriptive analysis on the demographic profile of the sample revealed that 43 percent of the samples are male (N = 86) and 57 percent of the samples are female (N= 114). 52.5% of the samples are aged 25-34 years old (52.5%, N= 105), followed by samples aged 18- 24 years old (26.5%, N= 53) and 35-44 years old (17.5%, N=35), respectively. In respect to their educational level,



60.5% of the samples completed bachelor's degree level, followed by Master's degree (72%, N=36). In respect to their occupation, 54.5% of the samples are student (N=109), followed by government officers (17.5%, N=35) and governmental enterprise (14.5%, N=15), respectively. In respect to their personal monthly income, 50% of the samples (N= 100) earned 15,001-30,000 RMB per month, followed by those who earned 50,001-15,000 RMB (33%, N= 66) and 30,001- 50,000 RMB (17%, N= 34).

After finishing with the data collection, all collected data will be put into the statistical software SPSS (Statistical Package for the Social Sciences). Then the respondent scores will be systematically run and summed up in order to show the total score of each measuring instrument. Therefore, the data was applied to determine the acceptance or rejection of each hypothesis.



## CHAPTER 4

### DATA ANALYSIS

This chapter presents the data analysis covering all research objectives into four main parts respectively as follows:

- 4.1: Summary on Findings of Descriptive Analysis
- 4.2: Summary on the Findings of Hypothesis Testing
- 4.3: Conclusion of the Findings

#### 4.1. Summary on Findings of Descriptive Analysis

Table 4.1: The Frequency and Percentage of the participation to various CSR initiatives of Yili Company

Yili's CSR Initiatives	Frequency (%)		
	1	2	3
1. Cause-related marketing	13(6.5%)	147(73.5%)	40(20%)
2. Corporate philanthropy	7(3.5%)	148(74%)	45(22.5%)
3. Socially responsible business practices	32(16%)	107(53.5%)	61(30.5%)

**Note:**

1= I Have attended this CSR initiative.

2= I Have heard or exposed to this CSR initiative from the media publicity but never attend it before.

3= I Have never heard or being exposed to the media publicity and have never attends this CSR initiative before.

**\*\*Note:**

Yili CSR Initiatives	Name of the Project
1. Cause-related marketing	“Yili Art Project”
2. Corporate philanthropy	“Yili Ya'an earthquake relief”
3. Socially responsible business practices	“Green Industry Chain”

As shown in Table 4.1, the descriptive analysis on the frequency and percentage of the participation to various CSR initiatives of the sample revealed that the majority of respondents have heard or exposed to “Green Industry Chain ” (16%,

N= 32) from the media publicity but never attend it before. Examining each CSR initiative, the findings revealed that nearly three-quarters of the respondent have heard or exposed to **cause-related marketing (i.e., Yili Ark Project)** (73.5%, N=147) from the media publicity but never attend it before, only 6.5% of the sample (6.5%, N=13) have attend “Yili Ark Project” before, and 20% of the sample (20%, N=40) have never heard or being exposed to the media publicity and have never attends “Yili Ark Project” before. The majority of respondents have heard or exposed to **corporate philanthropy** (i.e., Yili Ya’an earthquake relief) (74.0%, N=148) from the media publicity but never attend it, only 3.5% of the sample (3.5%, N= 7) have attend “Yili Ya’an earthquake relief”, and 22.5% of the sample (45%, N= 22.5%) have never heard or being exposed to the media publicity and have never attends “Yili Ya’an earthquake relief” before. The majority of respondents have heard or exposed to **socially responsible business practices** (i.e., Green Industry Chain) (53.3% N=107) from the media publicity but never attend it before; and 30.5% of sample (30.5%, N=61) never heard or being exposed to the media publicity and have never attends this CSR initiative before, only 16% of sample (16%, N= 32) have attend “Green Industry Chain”.

Table 4.2: Means, standard deviation, and interpretation on the samples’ identification with Yili

Consumers’ identification with Yili	$\bar{x}$	SD	Interpretation
1. When someone criticizes Yili, you feel like a personal insult.	3.72	0.898	Positive Identification
2. I am very interested in what others think about Yili.	3.66	0.949	Neutral Identification
3. When I talk about Yili, I usually say ‘we’ rather than ‘they.’	3.90	1.019	Positive Identification
4. Yili’s successes are my successes.	3.96	0.992	Positive Identification
5. When someone praises Yili, I feel like a personal compliment.	3.83	0.863	Positive Identification
6. If a story in the media criticized Yili, I would feel embarrassed.	3.63	1.081	Neutral Identification
7. My sense of who I am overlaps with my sense of what Yili represents.	4.03	0.879	Positive Identification
Total mean of consumers’ identification	3.82	0.954	Positive Identification

As shown in Table 4.2, the descriptive analysis of means, standard deviation, and interpretation on the samples' identification with Yili revealed that the overall mean is 3.82 ( $\bar{x}=3.82$ ). According to the criteria, if the mean value between 3.67 to 5.00, it means the samples' identification with Yili is "positive". Among these questions, the highest mean is "My sense of who I am overlaps with my sense of what Yili represents" ( $\bar{x}=4.03$ ). The second highest mean is "Yili's successes are my successes" ( $\bar{x}=3.96$ ). The third highest mean is "When I talk about Yili, I usually say 'we' rather than 'they'" (3.90). The lowest mean of them is "If a story in the media criticized Yili, I would feel embarrassed" ( $\bar{x}=3.63$ ).

Table 4.3: Means, standard deviation, and interpretation on the samples' intention to purchase

Customers' Intention to Purchase	$\bar{x}$	SD	Interpretation
1. If you were planning to buy a product of dairy, would you choose Yili's products?	3.76	0.852	High Intention
2. Would you purchase Yili's products within this month?	3.90	0.91	High Intention
3. If a friend was looking for a product of dairy, would you advise him or her to purchase Yili's products?	3.73	1.155	High Intention
Total mean for intention to purchase	3.80	0.972	High Intention

As shown in Table 4.3, the descriptive analysis of means, standard deviation, and interpretation on the samples' intention to purchase revealed that the total mean for the sample's intention to purchase of respondents is 3.80 ( $\bar{x}=3.80$ ). If the mean value between 3.67 to 5.00, it means the samples have "High Intention" to purchase the product or service of Yili. Among these questions, the highest mean is "Would you purchase Yili's products within this month?" ( $\bar{x}=3.90$ ). The second highest mean is "If you were planning to buy a product of dairy, would you choose Yili's products?" ( $\bar{x}=3.76$ ). The lowest mean of them is "If a friend was looking for a product of dairy, would you advise him or her to purchase Yili's products?" ( $\bar{x}=3.73$ ).

## 4.2 Summary on the Findings of Hypothesis Testing

Hypothesis 1: Consumers' demographic characteristics in respect to age, gender, education level, and personal salary significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices). The result of hypothesis 1 was showed in table 4.4.

Table 4.4: Chi-Square Analysis on the relationship between consumers' demographic characteristics and their participation on CSR initiatives of Yili Company

Customers' Demographic characteristics	Corporate social marketing		Corporate philanthropy		Socially responsible business practices	
	x <sup>2</sup>	Sig.	x <sup>2</sup>	Sig.	x <sup>2</sup>	Sig.
<b>Gender</b>	12.996	.000	31.421	.000	0.322	.851
<b>Age</b>	56.944	.000	206.707	.000	56.583	.000
<b>Education Level</b>	4.691	.584	18.134	.006	59.132	.000
<b>Monthly Income</b>	46.297	.000	45.194	.000	52.636	.000

\*The mean difference is significant at the .05 level

Table 4.4 showed, the findings of the Chi-square analysis revealed the relationship between the consumers' demographic characteristics in respect to their age, gender, education level, and personal salary and their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices). The results are detailed below.

Hypothesis 1: Consumers' demographic characteristics in respect to age, gender, education level, and personal salary significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

Hypothesis 1.1: Consumers' demographic characteristics in respect to age significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

As shown in Table 4.4, the analysis of Chi-square statistic revealed that the

consumers' age is significantly correlated with their CSRI participation, including corporate social marketing (Chi-square=56.944,  $p<0.05$ ), corporate philanthropy (Chi-square=206.707,  $p<0.05$ ) and socially responsible business practices (Chi-square=56.583,  $p<0.05$ ). Thus, the findings accept hypothesis 1.1.

Hypothesis 1.2: Consumers' demographic characteristics in respect to gender significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

As shown in Table 4.4, the analysis of Chi-square statistic revealed that the consumers' gender is significantly correlated with their CSRI participation, including corporate social marketing (Chi-square=12.996,  $p<0.05$ ) and corporate philanthropy (Chi-square=31.421,  $p<0.05$ ), but yield no significant relationship with social responsible business practices (Chi-square=0.322,  $p>0.05$ ). The hypothesis is partially accepted.

Hypothesis 1.3: Consumers' demographic characteristics in respect to the educational level significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

As shown in table 4.4, the findings confirmed that consumers' educational level is significantly correlated with their participation in socially responsible business practices (Chi-square=59.132,  $p<0.05$ ), but yields not correlation with their CSRI participation, including corporate social marketing (Chi-square=4.691,  $p>0.05$ ) and corporate philanthropy (Chi-square=18.134,  $p>0.05$ ).

Hypothesis 1.4: Consumers' demographic characteristics in respect to the personal income per month significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

As shown in table 4.4, the analysis of Chi-square statistic revealed that the consumers' personal income per month is significantly correlated with their CSRI participation, including corporate social marketing (Chi-square=46.297,  $p<0.05$ ), corporate philanthropy (Chi-square=45.194,  $p<0.05$ ) and socially responsible business practices (Chi-square=52.636,  $p<0.05$ ). Thus, the findings accept hypothesis 1.4.

Hypothesis 2: Consumers who participated in different CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business

practices) will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd. The result of hypothesis 2 was showed in Table 4.5.

Table 4.5: Test of Between-Subjects Effects of the samples' participation on CSRI participation of Yili Company and their self-perceived identification with the company

	Mean Square	F	df	Sig.
Corporate social marketing	9.048	16.397	2	.000
Corporate philanthropy	3.215	5.893	2	.000
Socially responsible business practices	9.555	16.875	2	.000
Corporate social marketing & Corporate philanthropy	.	.a	0	.
Corporate social marketing & Socially responsible business practices	14.134	25.996	3	.000
Corporate philanthropy & Socially responsible business practices	2.77	4.721	2	.000
Corporate social marketing & Corporate philanthropy & Socially responsible business practices	.	.a	0	.

a. Exact statistic

\*The mean difference is significant at the .05 level

Hypothesis 2.1: Consumers who participated in corporate social marketing will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

The findings in Table 4.5 shown that consumers who participated in corporate social marketing ( $F_{(2,200)}=16.397$ ,  $p<.05$ ) are significant effect on their self-perceived identification with Yili. Thus, the findings accept the hypothesis 2.1.

Hypothesis 2.2: Consumers who participated in corporate philanthropy will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

The finding of table 4.5 shown that consumers who participated in corporate philanthropy ( $F_{(2,200)}=5.893$ ,  $p<0.05$ ) are significant effect on their self-perceived identification with Yili. Thus, the findings accept the hypothesis 2.2.

Hypothesis 2.3: Consumers who participated in socially responsible business practices will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

The finding of Table 4.5 shown that consumers who participated in socially responsible business practices ( $F_{(2,200)}=16.875$ ,  $p<0.05$ ) are significant effect on their self-perceived identification with Yili. Thus, the findings accept the hypothesis 2.3.

Hypothesis 3: Consumers with different CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices) have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd. The result of hypothesis 3 was showed in Table 4.6.

Table 4.6: Tests of Between-Subjects Effects of of the relationship of samples' CSRI initiatives participation of Yili Company and their intent to purchase with the brand

Effect	Mean Square	F	df	Sig.
Corporate social marketing	12.05	25.666	2	.000
Corporate philanthropy	3.388	7.098	2	.000

(Continued)



Table 4.6(Continued): Tests of Between-Subjects Effects of of the relationship of samples' CSRI initiatives participation of Yili Company and their intent to purchase with the brand

Socially responsible business practices	12.161	24.888	2	.000
Corporate social marketing & Corporate philanthropy	.	.a	0	.
Corporate social marketing & Socially responsible business practices	17.586	37.782	3	.000
Corporate philanthropy & Socially responsible business practices	2.650	6.095	2	.000
Corporate social marketing & Corporate philanthropy & Socially responsible business practices	.	.a	0	.

a. Exact statistic

\*The mean difference is significant at the .05 level

Hypothesis 3.1: Consumers with different CSRI participations (corporate social marketing) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

The findings in Table 4.6 showed that there is significant positive relationship between consumers participated in corporate social marketing ( $F_{(2,200)}=25.666, p<0.05$ ) and their intention to purchase the products or services of Yili. Thus, the findings accept the hypothesis 3.1.

Hypothesis 3.2: Consumers with different CSRI participations (corporate philanthropy) will have significantly different intention to purchase the products or

services of Inner Mongolia Yili Industrial Group Co., Ltd.

The findings in Table 4.6 showed that there is significant positive relationship between consumers participated in corporate philanthropy ( $F_{(2,200)}=7.098, p<0.05$ ) and their intention to purchase the products or services of Yili. Thus, the findings accept the hypothesis 3.2.

Hypothesis 3.3: Consumers with different CSRI participations (socially responsible business practices) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

The findings in Table 4.6 showed that there is significantly positive relationship between consumers participated in socially responsible business practices ( $F_{(2,200)}=24.888, p<0.05$ ) and their intention to purchase the products or services of Yili. Thus, the findings accept the hypothesis 3.3.

Table 4.7: Correlations between consumers' self-perceived identification and their intention to purchase products or services of Yili

			MEAN Identification	MEAN Purchase intention
Spearman's rho	MEAN Identification	Correlation Coefficient	1.000	.828**
		Sig. (2-tailed)	.	.000
		N	200	200
	MEAN Purchase intention	Correlation Coefficient	.828**	1.000
		Sig. (2-tailed)	.000	.
		N	200	200

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Hypothesis 4: Consumers' self-perceived identification is positively correlated with their intention to purchase products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Spearman Correlation analysis in Table 4.7 revealed that there is significantly positive relationship between consumers' self-perceived identification and their intention to purchase products or services of Yili Company. When analyzing their overall self-perceived identification ( $r=0.828^{**}, p<0.01$ ) and their overall intention to purchase products or services of Yili Company ( $r=0.828^{**}, p<0.01$ ). Thus, the

findings accept hypothesis 4.

### 4.3 Summary of the Findings

The data was tabulated and analyzed by using Chi-square, MANOVA and Spearman correlation analysis.

Testing hypothesis 1, the Chi-Square analysis showed that samples' demographic characteristics in respect to age are significantly correlated with their CSRI participation, including corporate social marketing, corporate philanthropy and socially responsible business practices. Samples' demographic characteristics in respect to gender are significantly correlated with their CSRI participation, including corporate social marketing and corporate philanthropy, but yield no significant relationship with social responsible business practices. Samples' demographic characteristics in respect to the educational level are no significant relationship with their CSRI participation, including corporate social marketing and corporate philanthropy. But it's significant correlated with their participation in socially responsible business practices. Samples' demographic characteristics in respect to personal income per month are significantly correlated with their CSRI participation, including corporate social marketing, corporate philanthropy and socially responsible business practices (See Table 4.4).

For testing hypothesis 2, the analysis of MANOVA revealed that consumers' CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices), significantly influenced customers' self-perceived identification with the Company. Thus, the findings accept the hypothesis 2 (See Table 4.5).

For testing hypothesis 3, the analysis of MANOVA revealed that there is significant positive relationship between consumers participated in Yili CSRI, including corporate social marketing, corporate philanthropy and socially responsible business practices, and their intention to purchase the products or services of Yili. Thus, the findings accept the hypothesis 3 (See Table 4.6).

For testing hypothesis 4, the Spearman Correlation analysis showed that there is significantly positive relationship between the consumers' self-perceived identification and their intention to purchase products or services of Yili Company.

Thus, the findings accept hypothesis 4 (See Table 4.7).



## **CHAPTER 5**

### **DISCUSSION**

This chapter presents the summary and discussion about the findings found from this survey research along with the theoretical explanation. This chapter aims to summarize and do discussion on the implication of the quantitative findings of the hypothesis 1, hypothesis 2, hypothesis 3 and hypothesis 4, as well as summarizing the limitations of the study and offering recommendations for the research and recommendations for the further application.

#### **5.1. Hypotheses Summary and Discussion**

##### **5.1.1 Summary and Discussion of Descriptive Findings**

In the first study is an analysis on the demographic profile of 200 samples, which include gender, age, level of education and personal monthly income. The descriptive analysis on the demographic profile of the sample revealed that 43 percent of the samples are male ( $N = 86$ ) and 57 percent of the samples are female ( $N= 114$ ). 52.5% of the samples are aged 25-34 years old (52.5%,  $N= 105$ ), followed by samples aged 18- 24 years old (26.5%,  $N= 53$ ) and 35-44 years old (17.5%,  $N=35$ ), respectively. In respect to their educational level, 60.5% of the samples completed bachelor's degree level, followed by Master's degree (72%,  $N=36$ ). In respect to their occupation, 54.5% of the samples are student ( $N= 109$ ), followed by government officers (17.5%,  $N=35$ ) and governmental enterprise (14.5%,  $N=15$ ), respectively. In respect to their personal monthly income, 50% of the samples ( $N= 100$ ) earned 15,001-30,000 RMB per month, followed by those who earned 50,001-15,000 RMB (33%,  $N= 66$ ) and 30,001- 50,000 RMB (17%,  $N= 34$ ).

According to the study, the descriptive analysis on the frequency and percentage of the participation to various CSR initiatives of the sample revealed that the majority of respondents have heard or exposed to "Green Industry Chain " (16%,  $N= 32$ ) from the media publicity but never attend it before. Examining each CSR initiative, the findings revealed that nearly three-quarters of the respondent have heard

or exposed to cause-related marketing (i.e., Yili Ark Project) (73.5%, N=147) from the media publicity but never attend it before, only 6.5% of the sample (6.5%, N=13) have attend “Yili Ark Project” before, and 20% of the sample (20%, N=40) have never heard or being exposed to the media publicity and have never attends “Yili Ark Project” before. The majority of respondents have heard or exposed to corporate philanthropy (i.e., Yili Ya’an earthquake relief) (74.0%, N=148) from the media publicity but never attend it, only 3.5% of the sample (3.5%, N= 7) have attend “Yili Ya’an earthquake relief”, and 22.5% of the sample (22.5%, N= 22.5%) have never heard or being exposed to the media publicity and have never attends “Yili Ya’an earthquake relief” before. The majority of respondents have heard or exposed to socially responsible business practices (i.e., Green Industry Chain) (53.3% N=107) from the media publicity but never attend it before; and 30.5% of sample (30.5%, N=61) never heard or being exposed to the media publicity and have never attends this CSR initiative before, only 16% of sample (16%, N= 32) have attend “Green Industry Chain”.

The descriptive findings revealed that the overall means of samples’ identification with Yili is 3.82 ( $\bar{x}$ =3.82). Among these questions, the highest mean is “My sense of who I am overlaps with my sense of what Yili represents”( $\bar{x}$ =4.03). The second highest mean is “Yili’s successes are my successes”( $\bar{x}$ =3.96). The third highest mean is “When I talk about Yili, I usually say ‘we’ rather than ‘they’”(3.90). The lowest mean of them is “If a story in the media criticized Yili, I would feel embarrassed”( $\bar{x}$ =3.63).

The descriptive finding revealed that the overall means of samples’ intention to purchase of respondents is 3.80 ( $\bar{x}$ =3.80). it means the samples have “High Intention” to purchase the product or service of Yili. Among these questions, the highest mean is “Would you purchase Yili’s products within this month?” ( $\bar{x}$ =3.90). The second highest mean is “If you were planning to buy a product of dairy, would you choose Yili’s products?” ( $\bar{x}$ =3.76). The lowest mean of them is “If a friend was looking for a product of dairy, would you advise him or her to purchase Yili’s products?” ( $\bar{x}$ =3.73).

### 5.1.2 Summary and Discussion of Hypothesis Testing Findings

The Hypothesis testing results can be summarized and discussed as follows:

Hypothesis 1: Consumers' demographic characteristics in respect to age, gender, education level, and personal salary significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices). The significant level was set at Alpha 0.05.

Hypothesis 1.1: Consumers' demographic characteristics in respect to age significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

The findings of Chi-square analysis revealed that the consumers' age is significantly correlated with their CSRI participation, including corporate social marketing (Chi-square=56.944,  $p<0.05$ ), corporate philanthropy (Chi-square=206.707,  $p<0.05$ ) and socially responsible business practices (Chi-square=56.583,  $p<0.05$ ). Thus, the findings accept hypothesis 1.1. The findings coincided with the previous study of the relationship between CSRI and age (Aikaterini, Siomkos, & Mylonakis, 2005; Prior, Rogerson & Fairweather, 2002), which found that consumers in different ages has different awareness of CSR, with consumers' age changed, their attention to CSR also changed, which will influence their CSRI participation. The findings confirmed that samples' age is significantly correlated with their CSRI participation. Therefore, when Yili Company wants to carry on some CSRI, consumers' age should be attention.

Hypothesis 1.2: Consumers' demographic characteristics in respect to gender significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

The findings of Chi-square analysis revealed that the consumers' gender is significantly correlated with their CSRI participation, including corporate social marketing (Chi-square=12.996,  $p<0.05$ ) and corporate philanthropy (Chi-square=31.421,  $p<0.05$ ). The findings coincided with the previous study of the relationship between CSRI and gender (Singhapakdi, Vitell & Franke, 1999), it indicate that female are more sensitive and exquisite, they often have responsible to take care the family, they are the protagonist of family shopping. Therefore, female may pay more attention than male on CSRI. But yield no significant relationship with social responsible business practices (Chi-square=0.322,  $p>0.05$ ). This findings

coincided with some previous study (Aikaterini, Siomkos & Mylonakis, 2005; Robin & Hunt, 1997; Singhapakdi, Kraft, Vitell, & Tallapalli, 1995), which found that there is no difference between male and female's opinion on CSRI. The hypothesis is partially accepted.

Hypothesis 1.3: Consumers' demographic characteristics in respect to the educational level significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

The findings confirmed that consumers' educational level is significantly correlated with their participation in socially responsible business practices (Chi-square=59.132,  $p < 0.05$ ), but yields not correlation with their CSRI participation, including corporate social marketing (Chi-square=4.691,  $p > 0.05$ ) and corporate philanthropy (Chi-square=18.134,  $p > 0.05$ ).

Hypothesis 1.4: Consumers' demographic characteristics in respect to the personal income per month significantly correlate with their CSRI participation (corporate social marketing, corporate philanthropy, and socially responsible business practices).

As shown in table 4.4, the analysis of Chi-square statistic revealed that the consumers' personal income per month is significantly correlated with their CSRI participation, including corporate social marketing (Chi-square=46.297,  $p < 0.05$ ), corporate philanthropy (Chi-square=45.194,  $p < 0.05$ ) and socially responsible business practices (Chi-square=52.636,  $p < 0.05$ ). Thus, the findings accept hypothesis 1.4. The findings coincided with the previous study of the relationship between CSRI and personal income per month (Aikaterini, Siomkos, & Mylonakis, 2005), which found that consumers who have higher income, will pay more attention to CSRI.

These results support some attributes of independent variables and dependent variables, but not support them fully. Therefore, the results of this study show portion support for hypothesis 1.

Hypothesis 2: Consumers who participated in different CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices) will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.



Hypothesis 2.1: Consumers who participated in corporate social marketing will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 2.2: Consumers who participated in corporate philanthropy will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 2.3: Consumers who participated in socially responsible business practices will exhibit different levels of self-perceived identification with the Inner Mongolia Yili Industrial Group Co., Ltd.

For testing hypothesis 2, the analysis of MANOVA revealed that consumers' CSRI participations, including corporate social marketing ( $F_{(2,200)}=16.397, p<0.05$ ), corporate philanthropy ( $F_{(2,200)}=5.893, p<0.05$ ), and socially responsible business practices ( $F_{(2,200)}=16.875, p<0.05$ ), are significantly influenced consumers' self-perceived identification with the Company. Thus, the findings accept the hypothesis 2. The findings coincided with the previous study of the relationship between CSRI and consumers' self-perceived identification (Mohr & Webb, 2005), when the behaviors of corporate social responsibility make consumers believe that organizational characteristic of the enterprise is meaningful, attractive, and similar to their own characteristic or the characteristic they desire to have, which would enhance their corporate identification. When consumers generate higher corporate identification, also it means that they give the company more attention and preference, so to some extent, by consumers' identification of intermediary role, consumers supporting degree for this enterprise will increase.

Therefore, these results fully support attributes of Independent variables and dependent variables. The results of this study show fully support for hypothesis 2.

Hypothesis 3: Consumers with different CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices) have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3.1: Consumers with different CSRI participations (corporate social marketing) will have significantly different intention to purchase the products

or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3.2: Consumers with different CSRI participations (corporate philanthropy) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

Hypothesis 3.3: Consumers with different CSRI participations (socially responsible business practices) will have significantly different intention to purchase the products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

For testing hypothesis 3, the analysis of MANOVA revealed that there is significant positive relationship between consumers participated in Yili CSRI, including corporate social marketing ( $F_{(2,200)}=25.666, p<0.05$ ), corporate philanthropy ( $F_{(2,200)}=7.098, p<0.05$ ) and socially responsible business practices ( $F_{(2,200)}=24.888, p<0.05$ ), and their intention to purchase the products or services of Yili. Thus, the findings accept the hypothesis 3. The findings also coincided with the previous study of relationship between CSR and purchasing behavior of Bhattacharya and Sen (2004), which found that many consumers take CSR information into account for purchasing. Thus, CSR can be a viable promotion strategy that bring benefits to company, like purchase behavior (Lichtenstein, Drumwright, & Braig, 2004).

Therefore, these results fully support attributes of Independent variables and dependent variables. The results of this study show fully support for hypothesis 3.

Hypothesis 4: Consumers' self-perceived identification is positively correlated with their intention to purchase products or services of Inner Mongolia Yili Industrial Group Co., Ltd.

For testing hypothesis 4, Spearman Correlation analysis revealed that there is significantly positive relationship between consumers' self-perceived identification and their intention to purchase products or services of Yili Company. When analyzing their overall self-perceived identification ( $r=0.828^{**}, p<0.01$ ) and their overall intention to purchase products or services of Yili Company ( $r=0.828^{**}, p<0.01$ ). Thus, the findings accept hypothesis 4. This findings support the previous study of Sen and Bhattacharya (2001), which found that enterprise corporate social responsibility behavior through consumers' identification increased the consumers' purchase intentions. The findings also coincided with King (2006), the study found that the corporate visibility and reputation and corporate social responsibility have a positive

influence on consumers' identification. The company will have a higher rating and purchase intention, and consumers will willing to spread favorable company information to others. It also attribute to strategy communication plan of organization.

Therefore, these results fully support attributes of independent variables and dependent variables. The results of this study show fully support for hypothesis 4.

## **5.2 Conclusion of the Research**

Through the findings and discussion parts of this study, it showed there was a relationship between consumers' CSRI participation and their intention to purchase of YILI Company. This study sought to contribute to the current body of knowledge about the influence of corporate social responsibility initiatives on receiver variables as well as further current theory-driven strategic communications research by using an experimental design to test corporate social responsibility initiative influence on consumers' purchase intentions. This study sought to extend the research of Bhattacharya and Sen (2004) that examined the effects of CSR initiatives identified by Kotler and Lee (2005) on purchase intention using Fishbein and Ajzen's (1975) theory of reasoned action. These findings also contribute to the CSR literature and support the views of researchers, such as the relationship between consumers' self-identification and their purchase intention (Madrigan, 2000). The findings of this study support the Social Identity Theory (Gond, et al., 2010) and explain consumers' self-identification is positively associated with intention to purchase company products, which they are identified.

The findings of hypothesis 1 confirmed that the there is consumers' demographic characteristics in respect to age are significantly correlated with their CSRI participation, including corporate social marketing, corporate philanthropy and socially responsible business practices. Consumers' demographic characteristics in respect to gender are significantly correlated with their CSRI participation, including corporate social marketing and corporate philanthropy, but yield no significant relationship with social responsible business practices. Consumers' demographic characteristics in respect to the educational level are no significant relationship with their CSRI participation, including corporate social marketing and corporate philanthropy. But it's significant correlated with their participation in socially responsible business practices. Consumers' demographic characteristics in respect to

personal income per month are significantly correlated with their CSRI participation, including corporate social marketing, corporate philanthropy and socially responsible business practices. These findings expand the research of Karande et al., (2001), which highly regarded consumers' demographic characteristics as a consumer individual factor when study the relationship between CSRI and consumers' purchase intention, and help to find out the correlation between consumers' demographic characteristics and their participation in CSRI of YILI Company. According hypothesis 2, the analysis of MANOVA revealed that consumers' CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices), significantly influenced consumers' self-perceived identification with the Company. The findings supported the Social Identity Theory (Gond, et al., 2010), which proposes that an individual's self-image is influenced by image, groups and organizations recognized reputation for social involvement and responsibility. The findings of hypothesis 3 confirmed that there is significant positive relationship between consumers participated in Yili CSRI, including corporate social marketing, corporate philanthropy and socially responsible business practices, and their intention to purchase the products or services of Yili. This finding supported the previous study of Bhattacharya and Sen (2004), which found that many consumers take CSR information into account for purchasing. YILI Company can use CSRI as a viable promotion strategy that bring benefits to company (Lichtenstein, Drumwright, & Braig, 2004). The findings of hypothesis 4, the Spearman Correlation analysis showed that there is significantly positive relationship between the consumers' self-perceived identification and their intention to purchase products or services of Yili Company. This finding supported the Social Identity Theory (Gond, et al., 2010), which stated that self-image of individuals can be influenced by the image and reputation of groups and organizations in terms of their social engagement and responsibility. And Cornwell and Coote (2005) study found that consumers' self-identification is positively associated with purchase intention.

### **5.3 Limitations**

1. Limitation in sampling procedure, the data only collected in Beijing, and the samples only live in Beijing. Thus, the findings may not represent consumers in other

province since the China is very large the life-style factors might be different.

2. The limitation of using different languages in the research instruments, which is developed in English and later on, was translated into Chinese. Therefore, there might be discrepancy between English and Chinese, which can affect the accuracy of the results. However, researcher has reduced this translation discrepancy by conducting back translation to verify the face validity of the research.

#### **5.4 Recommendation for Future Application**

1. Findings from hypothesis 1 suggest that consumers' demographic characteristics in respect to age are significantly correlated with their CSRI participation, including corporate social marketing, corporate philanthropy and socially responsible business practices. Consumers' demographic characteristics in respect to gender are significantly correlated with their CSRI participation, including corporate social marketing and corporate philanthropy, but yield no significant relationship with social responsible business practices. Consumers' demographic characteristics in respect to the educational level are no significant relationship with their CSRI participation, including corporate social marketing and corporate philanthropy. But it's significant correlated with their participation in socially responsible business practices. The finding also suggests that consumers' demographic characteristics in respect to personal income per month are significantly correlated with their CSRI participation, including corporate social marketing, corporate philanthropy and socially responsible business practices. Therefore, it is necessary that company should consider consumers' demographic characteristics when they want to carry on a CSRI.

2. Findings from hypothesis 2 suggest that consumers' CSRI participations (corporate social marketing, corporate philanthropy, and socially responsible business practices), significantly influenced consumers' self-perceived identification with the Company. The company, which is in the Dairy Industry, can use this finding by focusing some effectiveness CSR initiatives to influence the perceptions of customer towards organization, such as use CSR initiative to build consumers' self-perceived

identification.

3. Findings from hypothesis 3 suggest that there is significant positive relationship between consumers participated in Yili CSRI, including corporate social marketing, corporate philanthropy and socially responsible business practices, and their intention to purchase the products or services of Yili. The company, which is in the Dairy Industry, can use this finding by focusing some effectiveness CSRI to influence the consumers' behavioral intention towards the products and services of organization.

4. Findings from hypothesis 4 suggest that there is significantly positive relationship between the consumers' self-perceived identification and their intention to purchase products or services of Yili Company. The company, which is in the Dairy Industry, can use this finding by focusing some effectiveness dimensions of consumers' self-perceived identification to influence the consumers' behavioral intention towards the products and services of organization.

### **5.5 Recommendation for Future Research**

These are some recommendations for the future research and study as follows:

1. A similar study can be conducted in other places in China, because China is very large, and people live in different area may have different cultural values. Therefore, the result may be different when studying in other areas.

2. The researchers who want to conduct this topic of research need to make sure that they certainly have enough information about CSR initiatives topic because CSR is quite new of local company in China. Therefore, there is lack of information sources and limit the sample to guide and support their studies.

3. Future research can introduce dynamic observation method, which means continuous observe consumers' purchase intention in response to CSRI. It may be get more theoretical and practical conclusions.



## BIBLIOGRAPHY

- Abrams, D., Ando, K., & Hinkle, S. W. (1998). Psychological attachment to the group: Cross-cultural differences in organizational identification and subjective norms as predictors of workers' turnover intentions. *Personality and Social Psychology Bulletin*, 24, 1027-1039.
- Aikaterini, I. V., Siomkos, G. J., & Mylonakis, J. (2005). Clustering consumers according to their attitudes on corporate social responsibility, *International Journal of Business Governance and Ethics*, 1(4), 317-328.
- Ahearne, M., Bhattacharya, C. B., & Gruen, T. (2005). Antecedents and consequences of customer-company identification: Expanding the role of relationship marketing. *Journal of Applied Psychology*, 90(3), 574-585.
- Ajzen, I., & Fishbein, M. (1980). *Understanding attitudes and predicting social behavior*. Englewood Cliffs, NJ: Prentice-Hall.
- Archie, B. (2004). *Corporate and society - ethics and stakeholder management*. BeiJing: Machinery Industry.
- Ashforth, B. E. (1998). Identification in organizations: An Examination of Four Fundamental Questions. In David A., Whetten, Paul C., & Godfrey (Eds.), *Thousand Oaks* (pp.213-222), CA: Sage.
- Ashforth, B. E., & Mael, F. (1989). Social identity theory and the organization. *Academy of Management Review*, 14(1), 20-39.
- Basil, D. Z. (2008). Corporate Social Responsibility website representations: A longitudinal study of internal and external self-presentations. *Journal of Marketing Communications*, 14(2), 125-137.
- Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: strategic, and statistical consideration. *Journal of Personality and Social Psychology*, 51, 1173–1182.
- Bagozzi, R., & Baumgartner, H. (1992). State versus action orientation and the theory of reasoned action: An application to coupon usage. *Journal of Consumer Research*, 8(4), 505-518.
- Berens, G., Van Riel, B. M. C, & Van Bruggen, H. G. (2005), Corporate Associations and Consumer Product Responses: The Moderating Role of Corporate Brand

- Dominance. *Journal of Marketing*, 69(3), 35-48.
- Bergami, M., & Bagozzi, R. P. (2000). Self-categorization, affective commitment and group self-esteem as distinct aspects of social identity in the organization. *British Journal of Social Psychology*, 9(4), 555-577.
- Bhattacharya, C. B., Rao, H., & Glynn, M. A. (1995). Understanding the bond of identification: An investigation of its correlates among art museum members. *The Journal of Marketing*, 59(4), 46-57.
- Bhattacharya, C. B., & Sen, S. (2004). Doing better at doing good: when, why, and how consumer's respond to corporate social initiatives. *California management review*, 47(1), 9-24.
- Bhattacharya, C. B., & Sen, S. (2003). Consumer-company identification: a framework for 144 understanding of consumer's relationships with companies. *Journal of Marketing*, 67(2), 76-88.
- Brown, T. J., & Dacin, P. A. (1997). The company and the product: corporate associations and consumer product responses. *The Journal of Marketing*, 61(1), 68 – 84.
- Bowen, H. R. (1953). *Social Responsibility of the businessman*. NY: Harper.
- Bruce, A., & Junjie, W. (1996). Contract design for the purchase of environmental goods from agriculture. *American Journal of Agricultural Economics*, 78(4), 935-945.
- Carrigan, M., & Attalla, A. (2001). The myth of the ethical consumer-do ethics matter in purchase behaviour? *Journal of Consumer Marketing*, 18 (7), 560-577.
- Carroll, A. B. (1999). Corporate social responsibility. *Business & Society*, 38 (1), 268-295.
- Carroll, A. B. (1979). A three-dimensional conceptual model of corporate social performance. *Academy of Management Review*, 4(4), 497-505.
- Charles, O., Jennifer, C., & David, C. (1991). People and organization culture. *Academy of Management Journal*, 34, 805-825.
- Chakraborty, S. (2010). *Corporate social responsibility and the society*. Retrieved from <http://businessthatcares.blogspot.com/2010/08/corporate-social-responsibility-and.html>



- Chang, Y., Yan, J., & Fang, Q. (2008). The research on corporate social responsibility behavior, influence of price on consumer's purchase intention. *The Journal of Management*, 5 (1), 110-117.
- Chen, P. (2001). Customers assets share research. *Economic Management · New Management*. 12, 31-35.
- Cone, I. (2004, December 8). *Cone Corporate Citizenship Study*. Boston: Cone.
- Cornwell, T. B., & Coote, L. V. (2005). Corporate sponsorship of a cause: The role of identification in purchase intent. *Journal of Business Research*, 58(3), 268-276.
- Dawkins, J., & Lewis, S. (2003). CSR in stakeholder expectations and their implication for company strategy. *Journal of Business Ethics*, 44 (2-3), 185-93.
- Davis, K. (1960). Can Business Afford to Ignore Social Responsibilities? *California Management Review*, 2 (3), 70-76.
- Dodds, B., Monroe, B., & Grewal, D. (1991). The effects of price and store information on buyers' product evaluations. *Journal of Marketing Research*, 29,307-319.
- Dutton, J. E., Dukerich, J. M., & Harquail, C. V. (1994). Organizational images and member identification. *Administrative Science Quarterly*, 39(2), 239-263.
- Drumwright, M. E. (1996). Company advertising with a social dimension: The role of non - economic criteria. *Journal of Marketing*, 60 (4), 71-87.
- Einwiller, S. A., Fedorikhin, A., Johnson, A. R., & Kamins, M. A. (2006). Enough is enough! When identification no longer prevents negative corporate associations. *Journal of the Academy of Marketing Science*, 34(2), 185-194.
- Elkington, J. (1997). *Cannibals with Forks: The Triple Bottom Line of 21st Century Business*. CT: New Society.
- Engel, J. F. Blackwell, R. D., & Miniard, P. W. (1995). *Consumer Behavior* (8th ed.). NY: Dryden.
- Elsbach, K. D. (1998). *The process of social identification: with what do we identify in identity in organizations*. In David A. Whetten and Paul C. & Godfrey (Eds.), Thousand Oaks, CA: Sage.
- Farr, A., & Hollis, N. (1997). What do you want your brand to be when it grows up? Big and strong? *Journal of Advertising Research*, 37(6), 23-36.

- Fishbein, M., & Ajzen, I. (1975) *Belief, Attitude, Intention and Behavior: an Introduction to Theory and Research Reading*. MA: Addison-Wesley
- Fombrun, C. J. (1996). *Reputation: Realizing Value from the Corporate Image*. Boston: Harvard Business School.
- Francois-Lecompte, A., & Roberts, J. A. (2006). Developing a measure of socially responsible consumption in France. *Marketing Management Journal*, 16(2), 50–66.
- Friedman, A. L., & Miles, S. (2006). *Stakeholders: Theory and Practice*. Oxford: University.
- Farmer, R. N., & Hogue, W. D. (1973). *Corporate Social Responsibility*. Chicago: Science Research Associates.
- Fishbein, M. A. (1975). *Belief, attitude, intention and behavior: A introduction to Theory and Research Reading*. MA: Addison-Wesley.
- Gensch, H. (1984). Targeting the switchable industrial customer. *Marketing science*, 3, 41-54.
- Gotsi, M., & Wilson, A. M. (2001). Corporate reputation: seeking a definition corporate communications. *International Journal*, 1, 24-30.
- Gond, J. P., El-Akreimi, A., Igalens, J., & Swaen, V. (2010). Corporate social responsibility influence on employees. *Research Paper Series*, 6, 54-89.
- Guylain, V. (2005). What is corporate social responsibility: The case of Canada. *Managerial Law*, 47(5), 20-46.
- Hale, J. L., Householder, B. J., & Greene, K. L. (2002). The theory of reasoned action. In J.P. Dillard & M. Pfau (Eds.), *The persuasion handbook: Developments in theory and practice* (pp. 259–286). Thousand Oaks, CA: Sage.
- Hawkins, D., Best, R., & Coney, K. (2012). *Consumer Behavior: Building Marketing Strategy*. D.C.: McGraw-Hill.
- Hogg, M. A., & Terry, D. J. (2000). Social identity and self categorization processes in organizational contexts. *Academy of Management Review*, 25, 121-140.
- Herpen, E. V., Pennings, J. M., & Meulenbergh, M. (2003). *Consumers' Evaluations of Socially Responsible Activities in Retailing*. Maastricht Graduate School.
- Homburg, C., Wieseke, J., & Hoyer, W. D. (2009). Social identity and the Service–Profit chain. *Journal of Marketing*, 73(2), 38-54.

- Joseph, E. (2002). Promoting corporate social responsibility. *New Economy*, 9, 96–101.
- Jin, L. (2006). An empirical study of corporate social responsibility evaluating system. *China Industrial Economy*, 6, 114-120.
- Karande, K., Rao, Singhapakdi, A., C.P., Vetell, S.J. (2001). How important are ethics and social responsibility: A multinational study of marketing professionals. *European Journal of Marketing*, 35(1-2), 133-152
- Keh, H. T. & Xie, Y. (2009). Corporate reputation and customer behavioral intention: The roles of trust, identification and commitment. *Industrial Marketing Management*, 38, 732-742.
- Koballa, R. (1998). The determinants of female junior high-school students' intentions to enroll in elective physical science course in high-school: Testing the applicability of the theory of reasoned action. *Journal of Research in Science*, 25,479-492.
- Kotler, P., & Lee, N. (2005). *Corporate Social Responsibility: Doing the most good for your company and your cause*. New Jersey: John Wiley and Sons.
- Lafferty, B. A. (1996). *Cause-related marketing: does the cause make a difference in consumers' attitudes and purchase intentions toward the product?* FL: Florida State University.
- Lee, H., & Kim, J. (2001). Critiques and alternative suggestions on the theory of reasoned action and the theory of planned behavior: In the context of consumer purchasing behavior. *Journal of Consumer Studies*, 12, 21-48.
- Lee, C., & Green, R. T. (1991). Cross cultural examination of the Fishbein behavioral intentions model. *Journal of International Business Studies*, 22, 289-305.
- Lichtenstein, D. R., Drumwright, M. E., & Braig, B. M. (2004). The effect of corporate social responsibility on customer donations to corporate-supported nonprofits. *Journal of Marketing*, 68(4),16-32.
- Lichtenstein, D. R., Netemeyer, R. G., & Maxham III, J. G. (2010). The relationships among manager-, employee-, and customer-company identification: Implications for retail store financial performance. *Journal of Retailing*, 86(1), 85-93.

- Madrigal, R. (2000). The influence of social alliances with sports teams on intentions to purchase corporate sponsors' products. *Journal of Advertising*, 29(4), 13-24.
- Matten, D., Moon, J. (2004). *A conceptual framework for understanding CSR*. In: Habisch, A., Jonker, J., Wegner, M. & Schmidpeter, R. (Eds.), *Corporate Social Responsibility Across Europe*, p. 335-356.
- Manne, H., & Wallich, H.C. (1972). *The Modern Corporation and Social Responsibility*. Washington D.C.: American Enterprise Institute for Public Policy Research.
- Mael, F., & Ashforth, B. E. (1992). Alumni and their alma mater: A partial test of the reformulated model of organizational identification. *Journal of Organizational Behavior*, 13 (2), 103-123.
- McWilliams, A., Donald, S., Siegel, Y., & Patrick, M. (2006). Wright, Corporate social responsibility: strategic implications. *Journal of Management Studies*, 43(1), 1-18.
- Miniard, P. W., & Choen, J. B. (1983). Modeling personal and normative influence on behavior. *Journal of Consumer Behavior*, 9, 169-180.
- Mitchell, R. K., Agle, B. R., & Wood, D. J. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *Academy of Management Review*, 22 (4), 853-886.
- Mohr, L. A., & Webb, D. J. (2005). The effects of corporate social responsibility and price on consumer responses. *Journal of Consumer Affairs*, 39(1), 121-132.
- Mohr, L. A., Webb, D. J., & Harris, K. E. (2004). Do consumers expect companies to be socially responsible? The impact of corporate social responsibility on buying behaviour. *Journal of Consumer Affairs*, 35, 45-72.
- Morsing, M., & Beckmann, S. C. (2006). *Strategic CSR Communication*, Copenhagen: DJOF.
- Mullet, G. M., & Karson, M. J. (1985). Analysis of purchase intent scales weighted by probability of actual purchase. *Journal of Marketing Research*, 22 (1), 93-96.
- Oliver, R. L. & Swan, J. E. (1989). Consumer perceptions of interpersonal equity and satisfaction in transactions: A field survey approach. *Journal of Marketing*, 53(2), 21-35.

- Oliver, R. L. (1980). A cognitive model of the antecedents and consequences of satisfaction decisions. *Journal of Marketing Research*, 17, 460-469.
- Riketta, M. (2005). Organizational identification: A meta-analysis. *Journal of Vocational Behavior*, 66, 358-384.
- Podnar, K., & Jancic, Z. (2006). Towards a categorization of stakeholder groups: An empirical verification of a three-level model. *Journal of Marketing Communications*, 12(4), 297-308.
- Podnar, K. (2008). Communicating corporate social responsibility. *Journal of Marketing Communications*, 14(2), 75-81.
- Robin, D. P., & Hunt, S. (1997). Making sense of the research in gender and ethics in business. *Business Ethics Quarterly*, 7(4), 61-90.
- Roper Organization (1992). *Environmental Behavior North America: Canada, Mexico, United States*. WI: Roper Organization.
- Prior, M., Rogerson, S., & Fairweather, B. (2002). The ethical attitudes of information systems professionals: outcomes of initial survey. *Telematics and Informatics*, 19(1), 21-36.
- Ramasamy, B., & Yeung, M. (2009). Chinese consumers' perception of corporate social responsibility (CSR). *Journal of Business Ethics*, 88(1), 119-132.
- Sen, S., & Bhattacharya, C. B. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *Journal of Marketing Research*, 38 (2), 225-243.
- Schuler, D. A., & Cording, M. (2006). A corporate social performance-corporate financial performance behavioral model for consumers. *Academy of Management Review*, 31, 540-558.
- Singhapakdi, A., Vitell, S. J., & Frank, G. R. (1999). Antecedents, consequences and mediating effects of perceived moral intensity and personal philosophies. *Journal of Academy of Marketing Science*, 27, 19-35.
- Singhapakdi, A., Kraft, K. L., Vitell, S. J., & Rallapalli, K. C. (1995). The perceived importance of ethics and social responsibility on organizational effectiveness: A survey of marketers. *Journal of the Academy of Marketing Science*, 3(1), 49-56.

- Smith, A. (1863). *An Inquiry into the Nature and Causes of the Wealth of Nations*.  
Edinburgh: Adam and Charles Black.
- Smith, S. M., & Alcorn, D. S. (1991). Cause marketing: A new direction in the marketing of corporate responsibility. *Journal of Consumer Marketing*, 8(3), 19-35.
- Tajfel, H., & Turner, J. C. (1985). The social identity theory of intergroup behavior. In S. Worchel, & W. G. Austin (Eds.), *Psychology of Intergroup Relations*. Chicago: Nelson-Hall.
- Tajfel, H. (1959). Quantitative judgment in social perception. *British Journal of Psychology*, 50, 16-29.
- Tajfel, H., Billig, M. G., Bundy, R. P., & Flament, C. (1971). Social categorization and intergroup behavior. *European Journal of Psychology*, 1(2), 149-178.
- Tajfel, H. & Turner, J. C. (1986). The social identity theory of intergroup behavior. In Worchel, S., & Austin, W. G. (Eds.), *Psychology of intergroup relations*.
- Valler, R. J., & Deshaies, P., Cuerrier, J., & Pelletier, L. (1992). Theory of reasoned action as applied to moral behavior: A confirmatory analysis. *Journal of Personality and Social Psychology*, 62(1), 98-109.
- Weigelt, K., & Cameer, C. (1988). Reputation and corporate strategy: a review of recent theory and applications. *Strategic Management Journal*, 9, 443-454.
- Xie, P. & Zhou, Z (2009). Empirical research on the relationship between CSR and consumer purchase intention in Chinese background. *Nankai Business Review*, 1, 64-70.
- Yoon, Y., Zeynep, G., & Norbert, S. (2003). *Negative consequences of doing good: The effects of corporate social responsibility (CSR)*, TX: Rice University.
- Zinkhan, G. M., Ganesh, J., Jaju, A., & Hayes, L. (2001) *Corporate Image: A Conceptual Framework for Strategic Planning*. Chicago, IL: American Marketing Association.
- Zheng, W. (2006). The creation of wealth to change the world: WTO. *Economic Guide*, 12, 90-91.





### Questionnaire in English

This questionnaire is a partially fulfillment for the course ICA 600 Independent Study, Master's Degree in Global Communication, Bangkok University. This survey aims to examine the relationship between customers' participation in various corporate social responsibility initiatives of Inner Mongolia Yili Industrial Group Co., Ltd. and their identification with the company and their behavioral intention to purchase Yili's products. Please choose the answer that can best represent your opinion. Your responses will remain anonymous. Thank you in advance for your time and effort. Your answers will be treated confidentially for the researcher will be using the results of the surveys for educational purpose only.

Respectfully yours,

.....  
(Ms..... )  
Email:

#### Part I: Data about demographic profile of the sample.

Please place a cross mark (✓) next the appropriate answer that can best represent your demographic profile.

1. Sex:

- ☐ 1. Male      ☐ 2. Female

2. Age:

- ☐ 1. 18-24 years  
☐ 2. 25-34 years  
☐ 3. 35-44 years  
☐ 4. 45-55 years  
☐ 5. Over 56 years

3. Level of Education

- ☐ 1. Senior High School  
☐ 2. Bachelor degree  
☐ 3. Master degree  
☐ 4. Higher than master degree

4. What is your current occupation?

- ☐ 1. Student



- ☐ 2. Government officer
- ☐ 3. Governmental enterprise
- ☐ 4. Employees of private enterprises
- ☐ 5. Freelance and entrepreneurs
- ☐ 6. Others (please specify): .....

5. Monthly income

- ☐ 1. Less than 5,000 RMB
- ☐ 2. 5,001-15,000 RMB
- ☐ 3. 15,001-30,000 RMB
- ☐ 4. 30,001- 50,000 RMB
- ☐ 5. More than 50,001 RMB

**Part II: This part of questionnaire would like to ask about your participation and exposure to various CSR initiatives of Yili. Place a check mark (✓) on the table provided. You can select the following choices to describe your participation and exposure.**

1. I have attended this CSR initiative.
2. I have heard or exposed to this CSR initiative from the media publicity but never attend it before.
3. I have never heard or being exposed to the media publicity and have never attends this CSR initiative before.

Yili's CSR Initiatives	Description of the activities (What? How? Where? Benefits?)	1	2	3
1. Corporate social marketing	Yili's Ark Project is a large-scale public welfare program jointly sponsored by Yili and Western China Human Resources Development Foundation focusing on children's safe growth. The project was conducted through a series of expert training, case studies, field visits and safety training, and at last an investigation report about children's safety was formed to offer the proper solutions and help every region to establish an adaptable and sustainable construction model of children's safety. The responsibility, prevalence, and warmth are the social images and labels of the largest public welfare program focusing on children's safe growth-Yili's Ark. By 2014, Yili's Ark Project had been implemented for three years, covering 24			

	provinces (districts, cities) including Sichuan, Inner Mongolia, Gansu, Qinghai, Ningxia, Guangxi and Guangdong, benefiting more than 200,000 children, and providing over 50 safety trainings concerning earthquake, fire prevention, drowning prevention, sexual assault prevention, outdoor safety and vacation safety.			
2. Corporate philanthropy	The 7.0-magnitude earthquake hit Lushan county, Ya'an city, Sichuan province at 8:02 on April 20th, 2013. After the earthquake, Yili coordinated with local factories to prepare 5,000 boxes of materials, 20,000 pairs of gloves, some one thousand tents and rain gears, which were sent to the disaster area at once. Besides, Yili also put up many maternal and child service stations to provide services and distributed the emergency-donated infant formulas costing about RMB 2 million Yuan to the mothers and children in the disaster area. At the same time, the employees of Yili spontaneously organized blood donation and collected altogether RMB 1.26 million Yuan, which was directly used for students' safety education and construction in the disaster area.			
3. Socially responsible business practices	As the first company to advocate the "Green Industry Chain" in Chinese dairy industry, Yili insisted on the development concept of "Green production, green consumption and green development" and fulfills the social responsibilities with practical actions throughout the company's development.			

**Part III: This part of questionnaire would like to ask about your identification with Yili based on your perception of Yili's CSR initiatives. Place a check mark (✓) on the table provided. Use the following choices to describe your answer:**

**5. Strongly agree with the statement**

**4. Agree with the statement**

**3. Neutral – Not supporting any options of agree and disagree**

**2. Disagree with the statement**

**1. Strongly disagree with the statement**

<b>What is your identification with Yili?</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
1. When someone criticizes Yili, you feel like a personal insult.					
2. I am very interested in what others think about Yili.					
3. When I talk about Yili, I usually say 'we' rather than 'they.'					
4. Yili's successes are my successes.					

5. When someone praises Yili, I feel like a personal compliment.					
6. If a story in the media criticized Yili, I would feel embarrassed.					
7. My sense of who I am overlaps with my sense of what Yili represents.					

**Part IV: This part of questionnaire would like to ask about behavioral intention for purchasing decision of Yili products or services. Place a check mark (✓) on the table provided. Use the following choices to describe your answer:**

**5. Very willing**

**4. Willing**

**3. Neutral – Neither Willing or Unwilling**

**2. Unwilling**

**1. Very Unwilling**

<b>Behavioral Intention</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
1.If you were planning to buy a product of dairy, would you choose Yili's products?					
2. Would you purchase Yili's products within this month?					
3. If a friend was looking for a product of dairy, would you advise him or her to purchase Yili's products?					

**Thanks very much for your genuine cooperation!**

### **Questionnaire in Chinese**

此问卷是曼谷大学硕士学位全球沟通 ICA 600 独立研究课题。此调查问卷用于调查内蒙古伊利实业集团股份有限公司的社会责任(CSR)以及消费者对内蒙古伊利实业集团股份有限公司的认识和消费者的购买行为。请如实回答下列问题,选出最能代表你个人情况的答案。答案没有正确或错误之分,所以请尽可能的诚实回答。我们将对您的回答严格保密。提前感谢您的宝贵时间参与我们的调查。

\*你的答案都将被视为机密, 并且只作为一个整体用于本研究

尊敬的,

邮箱: \_\_\_\_\_

### 第一部分: 人口数据

请在最能代表你的人口状况下标志 (✓)

1. 性别:

☐ 1. 男      ☐ 2. 女

2. 年龄:

☐ 1. 18-24   ☐ 2. 25-34   ☐ 3. 35-44   ☐ 4. 45-55   ☐ 5. 56以上

3. 教育程度

☐ 1. 高中  
☐ 2. 本科  
☐ 3. 研究生  
☐ 4. 研究生以上

4. 您的职业?

☐ 1. 学生  
☐ 2. 公务员  
☐ 3. 国企职员  
☐ 4. 私企员工  
☐ 5. 自由职业者  
☐ 6. 其它 (请详细说明) \_\_\_\_\_

5. 月收入

☐ 1. 少于 5000RMB  
☐ 2. 5001-15000RMB  
☐ 3. 15001-30000RMB  
☐ 4. 30001-50000 RMB  
☐ 5. 50001 RMB 以上

第二部分：这部分问卷想问关于你的参与和接触各种伊利举办的CSR活动。您可以选择以下选项来描述您的参与性和了解程度。

伊利三大CSR活动

1=我参加了这个CSR活动

2=从媒体的宣传中我听说过这个CSR活动,但从来没有参加过。

3=我从来没有从媒体的宣传中听说过,同时也从来没有参加过这个CSR活动。

请在表格空白处标记 (✓)

伊利企业社会责任活动	活动说明(什么? 如何? 在哪里? 好处?)	1	2	3
1. Corporate social marketing	伊利方舟工程,是由伊利与中国西部人才开发基金会共同发起的目前国内规模最大的关注儿童成长安全的大型公益项目。该项目通过一系列的专家培训、案例分析、实地考察、安全演练,最终形成儿童安全问题的全景调研报告并提出因地制宜的解决方案,从而帮助全国地区建立起适应性、可持续的儿童安全建设模式。重责任、领风尚、有温度,正是伊利方舟成为国内最大规模关注儿童安全公益项目的社会印象和标签。截止到2014年,伊利推行方舟工程已走过三个年头,足迹已遍布四川、内蒙古、甘肃、青海、宁夏、广西、广东等24个省(市、区)开展,惠及20万余名儿童,带去50余场有关地震、防火、防溺水、防性侵、户外安全、假期安全等为主题内容的安全培训。			
2. Corporate philanthropy	2013年4月20日8时02分四川省雅安市芦山县发生7.0级地震。地震发生后,伊利立即协调四川当地工厂资源将5000箱的物资、2万双手套、近千顶帐篷和雨具送往一线;还组织搭建多个流动母婴服务站为灾区母婴提供服务,将紧急捐赠200万元的婴幼儿奶粉分发到灾民手中。同时,伊利员工第一时间自发组织了献血及捐款,捐助共计126万			

	元,在灾后直接用于 灾区学生安全教育和建设。			
6. Socially responsible business practices	作为中国乳业首倡“绿色产业链”的企业,伊利 坚持“绿色生产、绿色消费、绿色发展”三位一 体的发展理念,以对社会履责的实际行动贯穿 企业发展始终。			

第三部分:这部分问卷想问您对伊利的认识, 通过参加这些美联臣的 CSR 活动。  
使用下列选项来形容你的答案:

1=强烈反对的声明

2=反对的声明

3=中立-不支持任何同意和不同意的选项

4=同意的声明

5=强烈同意的声明

请在表格空白处标记 (✓)

您对伊利的认识	5	4	3	2	1
感性诉求					
1. 当有人批评伊利时, 感觉就像是一种个人侮辱					
2. 我对其他人对伊利的看法很感兴趣					
3. 当我谈论伊利的时候, 我通常说我们, 而不是他们					
4. 伊利的成功就是我的成功					
5. 当有人称赞伊利时, 感觉就像时一种个人恭维					
6. 如果媒体的报道批评伊利, 我会感到尴尬					
7. 我对我自身的理解与我对伊利的理解是相重叠的。					

第四部分：这部分问卷想问您对伊利的产品或服务的购买决策行为意向，通过参加这些伊利的CSR活动。使用下列选项来形容你的答案：

1=非常不愿意

2=不愿意

3=中立-不表示愿意或不愿意

4=愿意

5=非常愿意

请在表格空白处标记（✓）

行为意向					
1. 如果你打算购买乳制产品，你愿意选择购买伊利的产品					
2. 你将会这个月中购买伊利的产品					
3. 如果一个朋友正在寻找一种乳制产品，您会建议他或她购买伊利的产品					

非常感谢您的合作！

## BIODATA

Name-Surname: Wendi Zhong

Address: Ganzhou, Jiangxi province, China

E-mail: zhwendiz@gmail.com

Contact Number: 0850877882

Education:

2013—2016 Master Degree of Communicaiton Arts at Bangkok University, Bangkok, Thailand

2009-2013 Bachelor of Chinese Language and Literature at Gannan Normal University, China

Work Experience:

2012-2013 Teacher to Bandung Witaya School, Udon Thani, Thailand

2014-2015 Teacher to Kitti Colleage, Bankok, Thailand



**Bangkok University**  
**License Agreement of Dissertation/Thesis/ Report of Senior Project**

Day 28 Month June Year 2016

Mr./ Mrs./ Ms wendi Zhong now living at Thailand  
Soi Phum Chit Street Rama 4rd.  
Sub-district Phrakhanong District Klong Toei  
Province Bangkok Postal Code 10110 being a Bangkok  
University student, student ID 7560300480

Degree level ☐ Bachelor ☒ Master ☐ Doctorate

Program M.Com. Arts Department - School Graduate School  
hereafter referred to as "the licensor"

Bangkok University 119 Rama 4 Road, Klong-Toey, Bangkok 10110 hereafter referred to as "the licensee"

Both parties have agreed on the following terms and conditions:

1. The licensor certifies that he/she is the author and possesses the exclusive rights of dissertation/thesis/report of senior project entitled

The Relationship between Consumers' CSR Participation and their Intention to Purchase: A Case Study on Inner Mongolia Yili Industrial Group Co., Ltd.

submitted in partial fulfillment of the requirement for M. Com. Arts of Bangkok University (hereafter referred to as "dissertation/thesis/ report of senior project").

2. The licensor grants to the licensee an indefinite and royalty free license of his/her dissertation/thesis/report of senior project to reproduce, adapt, distribute, rent out the original or copy of the manuscript.

3. In case of any dispute in the copyright of the dissertation/thesis/report of senior project between the licensor and others, or between the licensee and others, or any other inconveniences in regard to the copyright that prevent the licensee from reproducing, adapting or distributing the manuscript, the licensor agrees to indemnify the licensee against any damage incurred.