MANAGING CORPORATE SOCIAL RESPONSIBILITY (CSR) TOGETHER
THE EFFECT OF STAKEHOLDER PARTICIPATION AND THIRD-PARTY ENDORSEMENTS ON THE EFFECTIVENESS OF CSR INITIATIVES
Abstract

Engaging in strategic corporate social responsibility (CSR) initiatives, in which organizations voluntarily allocate resources (e.g., financial assets, human capital) to positively contribute towards societal or environmental challenges and issues, is one of the strategies firms employ to positively influence stakeholder perceptions and engender preferable business outcomes. However, emerging from the extant academic literature is the notion that merely employing a CSR initiative is not a guarantee for success, as a poorly executed and managed CSR strategy may in fact prove counterproductive and even inhibit organizations from reaping its theorized benefits. From a CSR management perspective, literature suggests that stakeholder participation and third-party endorsements are effective approaches, yet little scholarly attention has been devoted to investigating the claims empirically.

To that extent, a $3 \times 2$ between-respondents factorial experimental design (participation strategy: “information” vs “response” vs “involvement” and third-party endorsement: “endorsed” vs “not endorsed”) was conducted to examine the effect of the approaches on individuals’ intention to engage with the initiative, and related it to key determinants of CSR effectiveness, namely CSR fit, company motives, and skepticism. Results demonstrate that only stakeholder participation positively affects individuals’ intention to engage with the initiative, and that this effect is mediated by increased perceptions of fit and company motives, and reduced perceptions of skepticism. All in all, organizations that employ CSR initiatives may benefit in numerous respects from letting its customers participate in the development and maintenance of such initiatives. Additionally, scientific implications, as well as recommendations for future research, are discussed.

Keywords:

Corporate Social Responsibility (CSR), stakeholder participation, third-party endorsements, fit, motives, skepticism.
1. Introduction

Engaging in strategic corporate social responsibility (CSR) initiatives, in which organizations voluntarily allocate resources (e.g., financial assets, human capital) to positively contribute towards societal or environmental challenges and issues (European Commission, 2001), is one of the strategies firms employ to positively influence stakeholder perceptions and engender preferable business outcomes. Indeed, as prior research has identified positive relationships between CSR initiatives and various constructs such as purchase intention (Bhattacharya & Sen, 2004; Du, Bhattacharya, & Sen, 2007), customer loyalty (Bhattacharya & Sen, 2004; Du et al., 2007), word of mouth (Bhattacharya & Sen, 2004), and reputation (Fombrun, Gardberg, & Sever, 2000; Fombrun, Ponzi, & Newburry, 2015; Walsh & Beatty, 2007), organizations are clearly incentivized to act in a socially responsible manner and engage in CSR activities. This potential is further reiterated by findings that individuals increasingly expect organizations to engage in CSR (Nielsen, 2014, 2015), and may additionally be reflected in the observed rise in ethical consumerism (Sociaal en Cultureel Planbureau, 2016).

Notwithstanding that organizations clearly acknowledge and prioritize CSR on its strategic agenda (PwC, 2016), emerging from the extant academic literature is the notion that merely employing a CSR initiative is not a guarantee for success, as a poorly executed and managed CSR strategy may in fact proof counterproductive and even inhibit organizations from reaping its theorized benefits (Du, Bhattacharya, & Sen, 2010). For example, somewhat paradoxically, increasing communication about CSR may lead to increased stakeholder scrutiny (Ashforth & Gibbs, 1990; Morsing & Schultz, 2006) and could trigger feelings of skepticism towards the motivational underpinnings of the organization employing it (Ashforth & Gibbs, 1990; Du et al., 2010).
Furthermore, other researchers have found individuals’ perceptions of the congruence between a firm and their CSR activities (i.e., CSR fit) to be a factor of vital importance (Du et al., 2010). These findings highlight the complex nature of CSR, and effectively managing stakeholders’ perceptions of an organization’s CSR initiative therefore comprises a key strategic priority for organizations that aim to capitalize on the range of potential benefits that CSR offers. In fact, Carroll and Shabana (2010, p. 102) posit that “only when firms are able to pursue CSR activities with the support of their stakeholders can there be a market for virtue and a business case for CSR”.

Prior research has suggested that one approach towards effectively managing the complexity of CSR and stakeholders’ perceptions lies in actively involving stakeholders in CSR, as, according to Morsing and Schultz (2006), actively engaging stakeholders in the development and execution of CSR, allows an organization not only to remain attuned with stakeholder expectations, but also to shape and influence them. Similarly, taking a human resource management perspective, Bhattacharya, Sen, and Korschun (2008) contended that CSR initiatives benefit from bottom-up management, in which employees become actively involved in its development, effectively transitioning their role towards being “participants rather than onlookers” (Bhattacharya et al., 2008, p. 43), the latter being a characteristic of more traditional and top-down managed CSR initiatives. These sentiments are echoed by Bhattacharya, Sen, and Korschun (2011) who advocated a stakeholder-focused approach towards CSR, which naturally fits well within the underpinnings of Stakeholder Theory (Freeman, 1984). However, little is known empirically about the effects of stakeholder participation on consumers, which thus warrants research attention in this direction.

Another potential approach towards managing CSR and stakeholder perceptions recognized in the CSR literature relates to the use of third-party endorsements as, for example, Morsing and Schultz (2006) claimed that CSR communication benefits from third
parties expressing support for a firm’s CSR activities. Supporting this notion, Doh, Howton, Howton, and Siegel (2010) found that obtaining an endorsement may raise the legitimacy of an initiative, which in turn may also positively affect stakeholders’ perceptions.

Notwithstanding the apparent theoretical support for the potential of stakeholder participation and third-party endorsements as CSR management approaches, there is a lack of empirical research that investigated these in relationship to the effectiveness of CSR initiatives. Therefore, acknowledging the increased strategic importance of CSR for organizations, the main objectives of this study are to investigate the potential merits of stakeholder participation and third-party endorsements, both independently as well as in combination, as effective management approaches towards CSR. Furthermore, this study contextualizes the effects by linking it to key determinants, as identified by prior research, on which CSR’s efficacy is thought to be contingent, specifically individuals’ perceptions of CSR fit, company motives, and skepticism. As such, inclusion of these determinants is aimed at providing a detailed and deeper insight into the matter. All in all, this leads to the following research questions:

**Research question 1**

*To what extent do stakeholder participation and third-party endorsements affect individuals’ intention to engage with a CSR initiative?*

**Research question 2**

*To what extent is the potential effect of stakeholder participation and third-party endorsements on individuals’ intention to engage with a CSR initiative mediated by individuals’ perceptions of CSR fit, company motives, and skepticism?*
To address the research questions, an experimental study was conducted in the context of a Dutch health care insurer employing a fictional CSR initiative called HealthyLife (in Dutch: GezondLeven), pertaining to the promotion of a healthy lifestyle, which is a practical and realistic context considering that large Dutch health care insurers employ online initiatives that aim to guide insureds and other individuals towards eating healthily, getting sufficient physical exercise, and improving sleep quality. Naturally, in order for such an initiative to be effective, individuals first need to be willing to engage with it by, for example, visiting and signing up for the initiative’s website. Hence, CSR effectiveness in this study is evaluated in terms of individuals’ willingness to engage with the HealthyLife initiative.

Furthermore, the research context is especially interesting as the initiative can be considered a special type of CSR, as it is aimed at effectuating behavioral change among all of the organizations’ stakeholders, while initiatives typically have a more limited scope in terms of the group that is targeted or affected by the CSR activity. In addition, as taking out a standard health care insurance is mandatory for Dutch citizens (Government of the Netherlands, n.d.), all individuals have some sort of practical experience with the subject matter and should be able to relate to it more easily. However, it should be noted that this research specifically focuses on consumers, as they are often considered a crucial stakeholder group (Du et al., 2007, 2010; Walsh & Beatty, 2007) that is thought to be particularly important for CSR effectiveness (Bhattacharya et al., 2011, p. 154).
2. Theoretical Framework

2.1 Corporate Social Responsibility (CSR)

2.1.1 Defining CSR

The definition of CSR adopted in this study is given by the European Commission (2001, p. 6), that defined it as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”. Embedded in this definition are the five global dimensions of CSR, namely environmental, social, economic, stakeholder, and voluntariness, that Dahlsrud (2008) identified and delineated through an extensive literature review, and that are consistently used, both separately and in combination, by scholars to characterize the concept.

Firstly, the environmental dimension refers to the positive impact on the natural and physical environment CSR aims to achieve. Secondly, the social dimension recognizes how CSR strives to contribute to the social environment and society at large. Thirdly, the economic dimension relates to the business side of CSR and, for example, recognizes strategic and financial aspects. Fourthly, the stakeholder dimension refers to acknowledging and addressing the interests of stakeholders in CSR. Lastly, the voluntariness dimension relates to the notion that CSR constitutes actions on a voluntary and discretionary basis, thus that are not enforced or required by law. All in all, these dimensions collectively illustrate the multifaceted nature of the concept.

Furthermore, in considering that the competitive environment in which organizations operate constantly evolve and advance, and similarly, as stakeholders’ expectations and demands change dynamically, it is important to note that CSR is often considered a moving target (Churchill, 1974; Lougee & Wallace, 2008; Morsing & Schultz, 2006). As such, what is considered today as an innovative and voluntary CSR initiative, may become the de-facto
standard in an industry or the subject of governmental legislation tomorrow. Therefore, in addition to being a multifaceted concept, CSR is also characterized by its dynamic and evolving nature, demanding organizations to constantly assess their CSR efforts in relationship to their changing environments.

2.1.2 Effects of CSR

Prior research has established that a wide range of potential benefits can be achieved by organizations that pursue CSR initiatives. According to Mohr and Webb (2005), CSR positively affects consumers’ evaluation of an organization and their purchase intention. In fact, they found CSR to be a stronger determinant of the latter outcome than price. Furthermore, Salmones, Crespo, and Bosque (2005) found that individuals’ positive perceptions of CSR affect the overall valuation of an organizations’ services, which, in turn increases loyalty towards a firm. Besides the effects from a consumer-centered perspective, other research has also shown preferable outcomes pertaining to other stakeholder groups, as CSR performance may attract potential employees (Sen, Bhattacharya, & Korschun, 2006), positively influence employee motivation and retention (Bhattacharya et al., 2008), investors’ estimations of a firm’s fundamental value (Elliott, Jackson, Peecher, & White, 2014), and willingness to invest in a firm (Alniacik, Alniacik, & Genc, 2011; Sen et al., 2006). Viewed collectively, the effects discussed may also enhance an organization’s overall reputation, a notion well-supported considering that various validated and widely popular reputation measurement models, such as the reputation quotient (RQ) (Fombrun et al., 2000), customer-based corporate reputation (CBR) (Walsh & Beatty, 2007), and RepTrak (Fombrun et al., 2015), all acknowledge and incorporate dimensions that gauge stakeholders’ perceptions of a firm’s CSR efforts.
2.1.3 Determinants of CSR efficacy

In order for CSR initiatives to be effective, an important and first challenge that needs to be overcome pertains to stakeholders’ perceptions of those initiatives. According to previous research, consumers are often unaware of organizations’ CSR initiatives (Du et al., 2007; Sen et al., 2006), although the positive effects of CSR are considered to be largely contingent upon this awareness (Du et al., 2007, 2010; McWilliams & Siegel, 2001). Furthermore, prior research has suggested that individuals’ perceptions of fit, company motives and skepticism play a large role. Therefore, this study will incorporate measurements of these important determinants and link them to the two CSR management approaches of stakeholder participation and third-party endorsements, that constitute the primary focus of the study.

2.1.3.1 Perceptions of fit

CSR fit can be broadly defined as the “similarity between the characteristics of an organization and the characteristics of its CSR activities” (de Jong & Van der Meer, 2017, p. 75), and has consistently emerged as an important factor that influences the efficacy of initiatives. According to Du et al. (2010), in considering the two-step inference model posited by Gilbert (1989), CSR fit is important as it affects individuals’ degree of cognitive elaboration about the initiative. Specifically, the model posits that individuals initially attribute an organization’s CSR initiative to intrinsic motives and that, if individuals engage in a more elaborate consideration of the initiative, this attribution may be corrected. In that sense, Du et al. (2010) argued that an initiative that is perceived to have a low level of fit may trigger increased elaboration, thereby making extrinsic motivations on the part of the organization more salient.
Alternatively, CSR fit can also be explained through research on processing fluency, defined as the “subjective experience of ease with which people process information” (Alter & Oppenheimer, 2009, p. 219), that has been linked to increased perceptions of confidence and trust. As such, individuals that perceive a CSR initiative to have a high fit may more easily process that information, thereby engendering more positive perceptions and attributions, a notion empirically supported by Torelli, Monga, and Kaikati (2012).

However, prior research remains somewhat inconclusive as to whether a high versus low fit should be attained, as there are both studies that suggest a high fit (see Nan & Heo, 2007; Pracejus & Olsen, 2004; Samu & Wymer, 2009), as well as a low fit (see Bloom, Hoeffler, Keller, & Meza, 2006; Menon & Kahn, 2003) to produce better results. These contradictory findings suggest that fit is a rather complex concept. A study by de Jong and Van der Meer (2017) provided more clarity by offering a distinction between means-level and ends-level fit. Whereas the former is concerned with whether the means an organization employs for its initiative are fitting, the latter relates to whether the goal of the initiative relates to the organization in a congruent manner. Similarly, Yuan, Bao, and Verbeke (2011) also recognized the complex nature of CSR and suggested that fit can be explored in relationship to stakeholder demands (i.e., external consistency), the core business of an organization (i.e., internal consistency), and with other CSR activities the organization employs (i.e., coherence). Furthermore, they ultimately concluded that organizations should aspire perceptions of a unified fit among the three dimensions discerned. All in all, notwithstanding that prior research on fit remains somewhat equivocal, it seems that a lack of fit is generally undesirable.
2.1.3.2 Perceptions of company motives

According to Attribution Theory (Weiner, 1985), individuals seek to explain others’ behavior by attributing it to either dispositional (intrinsic) or situational (extrinsic) motives. Similarly, in an organizational context, individuals may assess whether a firm’s actions are the result of self-centered or other-centered motivated reasons (Webb & Mohr, 1998). This two type distinction resonates with those posited by others, for example between egoistic and altruistic (Handelman & Arnold, 1999), and firm-serving and public-serving (Foreh & Grier, 2003). In the domain of strategic CSR, the two types of motives are at an apparent tension as the strategic aspect emphasizes firm interests while simultaneously aiming to benefit society at large, indicating why perceived motives behind CSR initiatives play a crucial role in determining its success. However, self-centered and other-centered motives may exist in harmony and do not necessarily lead to perceptional conflict (Ellen, Webb, & Mohr, 2006; Sen et al., 2006).

In fact, Foreh and Grier (2003) posit that organizations should, in their CSR communications, highlight the initiative’s advantages for both the firm as well as society in general; while Kim and Lee (2012) demonstrated that individuals do not dismiss a CSR initiative solely because it perceives firm-serving motives as a driver. Rather, firm-serving motives pose a problem only when the contributions towards society are perceived as ingenuine and insincere. This resonates with studies that demonstrated that organizations engaging in and communicating about CSR efforts after being confronted with an organizational crisis, for example as a trust repair strategy (see Gillespie & Dietz, 2009), may be faced with skepticism and counterproductive outcomes (Becker-Olsen, Cudmore, & Hill, 2006; Groza, Pronschinske, & Walker, 2011; Wagner, Lutz, & Weitz, 2009).
In the specific context of CSR, Ellen et al. (2006) further dissected the two types of motives, claiming that there are four types that can be delineated, namely strategic-driven and egoistic-driven motives (i.e., forms of self-centered motives), and values-driven and stakeholder-driven motives (i.e., forms of other-centered motives). Firstly, regarding the two self-centered motives, strategic motives recognize organizations’ self-interest in engaging in CSR, whereas egoistic motives relates to organizations that purely engage in CSR for their own gains. Secondly, regarding other-centered motives, value-driven motives pertain to organizations’ intrinsic willingness to engage in CSR, whereas stakeholder-driven motives revolve around organizations that engage in CSR due to stakeholder pressure. Their research further linked strategic and value-driven motives to increases in purchase intention, while egoistic and stakeholder-driven motives were linked to decreases in purchase intention.

However, the added value of the egoistic-driven motive type is debatable, as the content of the items that Ellen et al. (2006) employed to measure this type is very similar to those measuring strategic-driven type. For example, the item “They want to get publicity” (p. 153) could easily be categorized as a strategic-driven motive. As such, the differentiation between the two types remains ambiguous and does not seem to have much added relevance. In addition, following the earlier discussion that established that stakeholders do not necessarily have a negative stance towards organizations that employ initiatives that also serve their own interests, the contention of Ellen et al. (2006) that stakeholder-driven motives are associated with negative outcomes (e.g., lower purchase intention) seems unjustified. For example, one could argue that organizations that engage in CSR mainly due to stakeholder expectations are simply stakeholder oriented, which could be regarded a virtue instead of a vice. Hence, this research will investigate two types of company motives, namely value-driven motives and strategic-driven motives, as this is expected to be the most parsimonious model in this context, while having the added benefit of being consistent with other two type
distinctions of motives posited by others, which should increase the comparability of the research findings.

2.1.3.3 Perceptions of skepticism among individuals

Skepticism, or the “tendency toward disbelief” (Obermiller & Spangenberg, 1998, p. 160) is considered an outcome of distrust (Lewicki, McAllister, & Bies, 1998) and is frequently considered an important factor in the efficacy of CSR. According to Foreh and Grier (2003, p. 349), individuals’ skepticism can be evaluated from two distinct perspectives, namely situational skepticism, defined as “a momentary state of distrust of an actor’s motivations”, and dispositional skepticism, defined as “an individual’s ongoing tendency to be suspicious of other people’s motives”. As such, whereas the former is situational and context dependent, the latter is a reasonably stable within-person trait. This study focuses on investigating situational skepticism, as organizations are reasonably expected to be able to influence these perceptions by their CSR communication efforts. Furthermore, as prior research has found skepticism to negatively impact individuals’ attitudes and behaviors (Leonidou & Skarmeas, 2017; Skarmeas & Leonidou, 2013; Vanhamme & Grobben, 2008), organizations should naturally attempt to reduce these perceptions to the best of their ability.

Individuals’ perceptions of skepticism may arise due to a variety of reasons, some of which will be discussed now. For example, as discussed in section 2.1.3.2, firms that solely communicate other-centered motives behind their CSR efforts may induce feelings of skepticism as individuals expect organizations to also focus on their own interests. Furthermore, organizations that overly promote their own CSR efforts may, due to the self-promotor’s paradox (Jones & Pittman, 1982), also be faced with increased skepticism (Ashforth & Gibbs, 1990). Indeed, research suggests that CSR communication benefits from being conveyed by a party that has no clear self-interest, as organizations that promote their
own efforts are considered a less genuine and credible source of such information (Du et al., 2010; Yoon, Gürhan–Canli, & Schwarz, 2006).

Alternatively, perceptions of skepticism may also arise in case CSR efforts are perceived to be predominantly employed as a mitigation strategy, for example in the case of organizational crises. Vanhamme and Grobben (2008) found that companies with a longer CSR history are evaluated more positively when communicating about CSR efforts in a crisis situation than their counterparts with a short CSR history while, similarly, Groza et al. (2011) claims that reactive CSR leads to more perceptions of skepticism than proactive CSR.

2.2 Managing CSR

2.2.1 Managing CSR through stakeholder participation

Stakeholder participation entails activities that allow stakeholders to become “consulted about or have the opportunity to become actively involved in a project or programme of activity” (Wilcox, 1994, p. 50) and fits well within the core foundations of Stakeholder Theory. Furthermore, stakeholder participation is complimentary to an interactive management approach, in which a firm’s business processes allow them to shape their future operating environment, and should allow organizations to obtain a competitive edge over their counterparts that employ an inactive, reactive, or preactive approach (Ackoff, 1999).

In considering that there are many forms of participation, Arnstein (1969, p. 217) developed a typology of participation and recognizes eight types of participatory activities that fall into a three-level ordinal categorization, namely nonparticipation, tokenism, and citizen power. The first category, nonparticipation, entails activities that do not seek genuine participation and are, from the organization’s perspective, focused mainly on maintaining the status quo. For example, a meeting inviting stakeholders to provide feedback about a CSR initiative may in fact turn out to be a façade when the organization does not engage in a real
conversation but merely aims to defend its current policy. Secondly, activities falling in the
tokenism category are intended to obtain genuine participation but are characterized by its
discretionary nature: stakeholders participate on an invitational basis, but do not hold actual
power to enforce. Lastly, citizen power shifts the power balance in favor of stakeholders,
reducing the discretionary nature of participation, for example by assigning forms of
delegated power. This typology resonates with those of Pretty (1995) and Rowe and Frewer
(2000), and supports the idea that the many possible forms of participatory activities can be
categorized alongside a continuum that exhibit increases in actual stakeholder influence.

In the context of CSR, Morsing and Schultz (2006) discussed three communication
strategies that vary in their level stakeholder participation. Firstly, in the information strategy,
organizations’ focus lies on providing information about their initiative and how stakeholders
should interpret that information. Secondly, in the response strategy, organizations evaluate
whether their initiative corresponds with stakeholder concerns, for example through
conducting surveys and polls, and make adjustments accordingly. Thirdly, in the involvement
strategy, stakeholders are actively involved in the development and execution of the initiative
that is more the result of co-construction.

The potential effectiveness of stakeholder participation may be explained in various
ways. For example, in considering that stakeholder participation activities facilitate
stakeholders in communicating and integrating their thoughts, feelings, and interests towards
their ideal composition of a firm’s CSR program, it is likely that CSR initiatives that involve
their stakeholders are considered to be more legitimate. Indeed, prior research has suggested
that participatory activities may serve to increase the legitimation of an organization’s actions
(Dwyer, 1989; Heath et al., 2006). Furthermore, it is also likely that organizations that
include participatory activities in their CSR efforts are thought to be better equipped to meet
stakeholder expectations and to manage their initiatives accordingly.
Therefore, organizations that recognize and harness the value of stakeholder participation enable themselves to become truly attuned to and in harmony with their stakeholder’s interests, resulting in a stakeholder embedded CSR policy that is likely to positively influence individuals’ perceptions of fit, value-driven motives, and strategic-driven motives, while simultaneously lowering perceptions of skepticism. Indeed, Lauritsen and Perks (2015) found that an interactive approach, in which stakeholders are involved in CSR communication, is associated with more favorable outcomes in terms of an organization’s image and reputation, than a non-interactive approach.

Furthermore, as incorporating stakeholder participation processes in managing CSR requires considerable commitment from the organization (Green & Hunton–Clarke, 2003), individuals may perceive the presence of such processes as a positive indication of an organization’s overall commitment to its CSR efforts, which in turn engenders positive attitudes. Indeed, prior research has suggested that perceived commitment is an important factor in the outcomes of CSR (Du et al., 2010; Ellen et al., 2006; Stanaland, Lwin, & Murphy, 2011). Although it should be noted that CSR commitment is often expressed in quantifiable economic terms (e.g., amount of money donated to a social cause), participation processes can also be confidently recognized as a form of commitment, more specifically as a form of communicative input-commitment (see Dwyer, Schurr, & Oh, 1987). Additionally, as higher forms of stakeholder participation requires increased organizational commitment (Green & Hunton–Clarke, 2003), it is expected that the strength of its positive effect is amplified accordingly.

Another reason that may explain the effectiveness of stakeholder participation lies in the consumer-company identification framework (Bhattacharya & Sen, 2003), that posits that the perceived similarity between the identity of an individual and a firm leads to more favorable attitudes. Specifically, participation allows individuals to better identify themselves
with a firm which, in turn, engenders more positive attitudes. Indeed, Schervish and Havens (1997, p. 256) suggested that such identification processes are “amalgamated with and/or triggered by active involvement and participation”. Additionally, research on self-anchoring processes suggest that it is also possible that increased involvement, for example by means of participation, may lead to more favorable attitudes as one’s self-image is projected positively onto an object, in this case the CSR initiative (see Cadinu & Rothbart, 1996; Gawronski, Bodenhausen, & Becker, 2007).

Another potential explanation relates to individuals’ perceptions of psychological ownership, defined by Pierce, Kostova, and Dirks (2003, p. 86) as “the state in which individuals feel as though the target of ownership or a piece of that target is ‘theirs’” and the consequent effects of feelings of ownership. For example, Beggan (1992) demonstrated that individuals more positively evaluate objects merely because they own them, a phenomenon termed the mere ownership effect. Therefore, albeit being a more abstract form of ownership, it is plausible that involving stakeholders in CSR evokes and enhances feelings of ownership, which may positively influence individuals’ attitudes towards the initiative and consequently influence behavioral intention. All in all, this leads to the following hypothesis:

**Hypothesis 1**

*Incorporating stakeholder participation activities in a CSR initiative positively influences individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).

*Note: It is expected that individuals’ perceived skepticism is reduced as a result of stakeholder participation.*
Furthermore, as discussed, it is also expected that higher degrees of stakeholder participation, as discussed through the three communication strategies (i.e., information, response, and involvement) by Ellen et al. (2006), will produce the strongest effects. This is expressed in the following hypothesis:

**Hypothesis 2**

The higher the degree of stakeholder participation in a CSR initiative, the stronger the positive influence on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E), as posited in hypothesis 1.

*Note:* It is expected that individuals’ perceived skepticism is reduced as a result of stakeholder participation.

**2.2.2 Managing CSR through third-party endorsements**

A third-party endorsement is an “expression of support” (Hurd & Singletary, 1984, p. 332), that transfers from the endorser (i.e., sending party) to the endorsee (i.e., receiving party), and is a widely used approach in a variety of domains nowadays, such as product marketing, health communication, and politics (Knoll & Matthes, 2017). Notwithstanding that endorsements have typically been studied in the context of using well-known and popular individuals as the designated third-party endorser, a concept referred to as celebrity endorsements, scholars also investigated the effects of another type of endorsement, namely in which a third-party organization (TPO) is the endorser.

Dean and Biswas (2001, p. 42) defined a TPO endorsement as “advertising that incorporates the name of a TPO and a positive evaluation of the advertised product [or
service] that is attributed to the TPO”. Furthermore, they argue that such an endorsement is typically communicated in one of three ways, namely comparative, noncomparative, or through awarding an approval seal. In the comparative mode, the product or service “is ranked against competing products [or services] in its class on one or more criteria”. In contrast, in the noncomparative form, a “subjective, noncomparative statement is made about one or more product [or service] attributes”. Thirdly, a product or service endorsement may also come in the form of a seal of approval from the TPO.

Notwithstanding that research on the effects of TPO endorsements is sparse, there is support for the assumption that they positively contribute to consumer outcomes. For example, a study by Dean (1999) found that a third-party endorsement positively affects a product’s perceived quality and uniqueness, as well as manufacturer esteem. Furthermore, Dean and Biswas (2001) compared the effects between a celebrity endorsement and a TPO endorsement in advertising, and found that perceived product quality and information value of the advertisement was evaluated more positively in the latter. However, they did find that these effects were more pronounced in case of a tangible product as opposed to a service. Additionally, a study by Daneshvary and Schwer (2000) investigated the effects of an endorsement in which the TPO was an association, and found positive relationships with purchase intentions.

Similarly, in the CSR literature, several researchers indicated that obtaining an endorsement can improve the success of CSR. For example, Morsing and Schultz (2006) theorized that organizations that aim to communicate an accurate representation of their CSR activities benefit from endorsement of their CSR initiative. Indeed, Doh et al. (2010) found that endorsements could serve to legitimize an initiative and thereby positively affect perceptions and attributions. Similarly, Morsing, Schultz, and Nielsen (2008, p. 107) suggested that, when organizations communicate about CSR to a general public,
incorporating a third-party endorsement may prevent and shield the organization from being perceived as “self-complacent and self-serving”, perceptions that may be deleterious to the desired outcomes of CSR.

A possible mechanism that may underlie the apparent effectiveness of TPO endorsements in positively changing perceptions, attitudes, and consequent outcomes, relates to the source credibility model (Hovland, Janis, & Kelley, 1953). According to the model, the potential effectiveness of an endorsement is a result of the perceived credibility of the endorser. According to Hovland et al. (1953, p. 21), credibility is comprised of two factors, namely expertness or “the extent to which a communicator is perceived to be a source of valid assertions”, and trustworthiness or “the degree of confidence in the communicator’s intent to communicate the assertions he considers most valid”. Therefore, the effectiveness of an endorsement is contingent upon the extent to which the endorser is successful in conveying its expertise and trustworthiness.

In support of this assumption, Feng, Wang, and Peracchio (2008, p. 616) found that a TPO endorsement serves as a signal of quality in case it is “perceived as honest and endorses few high quality products”. In contrast, when the TPO seems to be indiscriminate and endorses both products of low and high quality, the value of the endorsement as a signal of quality vanishes, which intuitively makes sense. Additionally, a study by Wakefield and Whitten (2007) demonstrated that the credibility of a TPO positively affects the value of a seal of approval, trust in an e-retailer, while reducing the perceived risk of purchase. All in all, this resonates with research originating from the trust domain, as a trusted party may act as a “proof source” for an unfamiliar party Doney, Cannon, and Mullen (1998) and, additionally, as the dimensions of credibility are incorporated in the widely recognized model of trust by Mayer, Davis, and Schoorman (1995).
Furthermore, the potential effects of TPO endorsements can also be linked to Signaling Theory (Spence, 1973), originally developed in the context of job markets, that explains how applicants can provide signals to hiring organizations that accordingly reduce uncertainty for the latter in the face of information asymmetry. Translating it to the context of TPO endorsements, an organization that obtained a credible TPO endorsement of its CSR initiative, potentially sends the signal that its CSR policy is genuine and wholehearted. All in all, this leads to the following hypothesis:

**Hypothesis 3**

*A third-party endorsement of an organization’s CSR initiative positively influences individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).

* Note: It is expected that individuals’ perceived skepticism is reduced as a result of the presence of a third-party endorsement.

### 2.2.3 The interaction between stakeholder participation and third-party endorsements

In addition to the hypothesized direct and separate effects of stakeholder participation and third-party endorsements, it is plausible that combining the two approaches leads to interaction effects that affect the subsequent outcomes. For example, Skowronski and Carlston (1987), in taking a cue diagnosticity approach, claim that individuals’ perceptions and attributions are formed through a cue categorization process, in which available cues are combined to make an evaluative assessment.
Indeed, prior research suggests that cues are likely to be interpreted in unison as opposed to separately. For example, Miyazaki, Grewal, and Goodstein (2005) found that consistency between a multitude of cues enhances consumers’ quality perception; while Das, Guha, Biswas, and Krishnan (2016) similarly found that converging cues (as opposed to diverging cues) lead to higher purchase intentions. In that sense, the consistency and convergence between cues may constitute a cue in itself, and thus potentially lead to the emergence of interaction effects. In the context of this study, for example, it is expected that the combination between a higher level of stakeholder participation (i.e., involvement strategy) and the presence of a third-party endorsement sends an additional positive signal of its own. All in all, this leads to the following hypothesis:

**Hypothesis 4**

The combination between higher levels of stakeholder participation and a third-party endorsement interact in a synergistic manner, and positively influences individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).

*Note: It is expected that individuals’ perceived skepticism is reduced as a result of the presence of a third-party endorsement.

In addition to the expectation that the combination between the level of stakeholder participation and the presence of a third-party endorsement produces a synergetic effect, it is plausible that the two approaches compensate for each other in certain cases. For example, a higher level of stakeholder participation may compensate for the lack of an endorsement while, vice versa, the presence of an endorsement may compensate for a lower level of
stakeholder participation. Furthermore, it is expected that these compensation effects exhibit diminishing returns. Therefore, the presence of a third-party endorsement may have little incremental value in combination with the involvement stakeholder participation strategy, while, in contrast, having substantial incremental value in combination with the information stakeholder participation strategy. All in all, this leads to several additional expectations that can be observed in Table 1, and results in the following hypotheses:

**Hypothesis 5**

*Lower levels of stakeholder participation may be compensated for by a third-party endorsement for its positive influence on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).*

**Hypothesis 6**

*Higher levels of stakeholder participation may compensate for the absence of a third-party endorsement for its positive influence on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).*

*Note: It is expected that individuals’ perceived skepticism is reduced as a result of the presence of a third-party endorsement.*
Table 1

Expected Interaction Effects per Combination

<table>
<thead>
<tr>
<th>Endorsement</th>
<th>Participation strategy</th>
<th>Interaction effect</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absent</td>
<td>Information</td>
<td>Weak</td>
<td>participation strategy compensates for absence of endorsement.</td>
</tr>
<tr>
<td>Absent</td>
<td>Response</td>
<td>Moderate</td>
<td></td>
</tr>
<tr>
<td>Absent</td>
<td>Involvement</td>
<td>Strong</td>
<td></td>
</tr>
<tr>
<td>Present</td>
<td>Information</td>
<td>Weak</td>
<td>presence of endorsement compensates for level of participation strategy.</td>
</tr>
<tr>
<td>Present</td>
<td>Response</td>
<td>Moderate</td>
<td></td>
</tr>
<tr>
<td>Present</td>
<td>Involvement</td>
<td>Strong</td>
<td></td>
</tr>
</tbody>
</table>

2.3 The relationship between the determinants of CSR efficacy and individuals’ intention to engage with the initiative

In the previous sections, the expected effects of stakeholder participation and third-party endorsements on individuals’ perceptions of CSR fit, company motives, and skepticism, were discussed. However, as the effectiveness of the two management approaches is also expressed and measured in terms of individuals’ intention to engage with the initiative, it is important to discuss the specific relationship between these determinants and individuals’ intention to engage with the initiative.

According to the Theory of Planned Behavior (Ajzen, 1991), the interplay between an individual’s attitude, normative beliefs, and perceived behavioral control determines one’s behavioral intention which, in turn, relates to the actual performance of that behavior. As individuals attitudes are formed on the basis of their perceptions, it is clear that individuals’ perceptions of CSR fit, company motives, and skepticism shape their attitude towards the CSR initiative. This attitude, in turn, influences individuals’ intention to engage with the initiative. Therefore, the following hypotheses are formulated:
Hypothesis 7

The effect of stakeholder participation on individuals’ intention to engage with the initiative, as posited in hypotheses 1E and 2E, is mediated by perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and skepticism (D).

Hypothesis 8

The effect of third-party endorsements on individuals’ intention to engage with the initiative, as posited in hypotheses 3E, is mediated by perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and skepticism (D).

Hypothesis 9

The interaction effect of the combination between stakeholder participation and third-party endorsements on individuals’ intention to engage with the initiative, as posited in hypotheses H4, H5, and H6, is mediated by perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and skepticism (D).

2.4 The moderating role of issue involvement

Prior research has indicated that issue involvement, defined by Petty and Cacioppo (1979, p. 1915) as “the extent to which the attitudinal issue [italics in original] under consideration is of personal importance”, plays an important role in how individuals process communication messages and consequently affects its related outcomes. For example, individuals that are involved with an issue process a message more elaborately as opposed to those that are less or not involved (Petty & Cacioppo, 1979; Petty, Cacioppo, & Schumann, 1983). Similarly, in health communication, Kreuter and Wray (2003) found that perceived personal relevance increases individuals’ elaboration, allowing the communication efforts to
become more effective. These findings resonate with later studies by Rimer and Kreuter (2006) and Petty, Barden, and Wheeler (2009). All in all, these studies provide support for the contention that higher levels of issue involvement positively affect individuals’ motivation to process a message which is in consonance with the earlier discussed ELM model.

In the domain of CSR, the importance of issue involvement as a factor influencing individuals’ responses to CSR initiatives has also been recognized and subjected to empirical investigation. For example, a survey by Schmeltz (2012), in which issue involvement was relabeled as personal fit, found that individuals attach most importance to initiatives that are close to them on a personal or physical level. In similar vein, but investigated experimentally, Russell and Russell (2010) found that organizations that employ CSR initiatives that are physically proximate to individuals, and thus have greater personal relevance, are associated with higher purchase intentions and actual behavior. Furthermore, Villagra, Cárdaba, and Ruiz San Román (2016) found that, when CSR communication addresses and highlights issues that individuals perceive to be personally relevant, individuals’ perceptions of sincerity of that organization, and individuals’ intention to sign a declaration favorable to that same organization, are increased. All in all, these findings provide support for the expectation that individuals will respond more positively towards initiatives that they deem personally important.

Therefore, and in considering that the experimental context of this study entails a health care insurer that employs a CSR initiative that advocates a healthy lifestyle by focusing on providing guidance towards eating healthier, getting sufficient physical exercise, and improve sleep quality, issue involvement is operationalized and measured as health valuation, defined as “the extent to which individuals view their health and wellness to merit substantial attention and priority when compared to other individual needs and concerns” (Beldad & Hegner, 2017, p. 3). Specifically, it is expected that the previously hypothesized
effects of stakeholder participation and a third-party endorsement are stronger among individuals that highly value their health, which all in all leads to the following hypotheses.

**Hypotheses 10**

*Individuals’ valuation of their health positively moderates the hypothesized effects of stakeholder participation on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and intention to engage with the initiative (D), while individuals’ valuation of their health negatively moderates the hypothesized effects of stakeholder participation on individuals’ perceptions of skepticism (E).*

**Hypotheses 11**

*Individuals’ valuation of their health positively moderates the hypothesized effects of third-party endorsements on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and intention to engage with the initiative (D), while individuals’ valuation of their health negatively moderates the hypothesized effects of third-party endorsements on individuals’ perceptions of skepticism (E).*

**Hypotheses 12**

*Individuals’ valuation of their health positively moderates the hypothesized interaction effects between stakeholder participation and third-party endorsements on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and intention to engage with the initiative (D), while individuals’ valuation of their health negatively moderates the hypothesized interaction effects between stakeholder participation and third-party endorsements on individuals’ perceptions of skepticism (E).*
2.5 Research model

Based on the hypothesized relationships discussed in the previous sections, a visual representation of the conceptual research model is presented in Figure 1 below.

**Figure 1**

*Conceptual Research Model*

*Note:* Issue involvement is operationalized and measured as health valuation in this study (see section 2.4).
3. Methods

3.1 Research design

A 3×2 between-respondents factorial experimental design was implemented by means of an online survey. The manipulations entail: participation strategy (“information” vs “response” vs “involvement”) and endorsement (“endorsed” vs “not endorsed”).

3.2 Procedure

3.2.1 Preliminary study

A preliminary study was conducted to obtain feedback about the quality of the stimulus material, the language and formulation of the statements, and the overall survey. Following the preliminary study, several areas of improvement have been identified and addressed accordingly.

Firstly, several respondents indicated that they felt that the text about the CSR initiative was quite lengthy. Therefore, the text length was reduced by removing a paragraph. Secondly, as some respondents did not correctly observe the endorsement manipulation, a ‘seal of approval’ logo was created and added to the respective conditions. This logo was colored green, as this is often the practical scenario in real life, and additionally because previous research has indicated that individuals respond more positively to the color green in these types of contexts (Schuldt, 2013). Thirdly, the general health interest scale developed by Roininen, Lähteenmäki, and Tuorila (1999), that was included initially to measure health valuation, was substituted for the scale developed by Beldad and Hegner (2017), as closer inspection revealed that the initial scale measured both attitudinal and behavioral aspects, and was thus less suitable in this study’s context. Lastly, some items that respondents indicated to be unclear were reformulated, several spelling errors were corrected, and some minor adjustments to the overall look and feel were implemented.
3.2.2 Main study

The online survey experiment was conducted in 5 parts on the Qualtrics Experience Management Platform. Firstly, participants were briefed and consent was obtained, after which general demographic information (e.g., age, gender and education level) was collected. Secondly, participants were requested to respond to statements measuring the moderator variable issue involvement (i.e., health valuation). In the third part, based on random assignment to one of six conditions, participants were presented with a mock webpage presenting the CSR initiative and instructed to read and observe the material carefully. Fourthly, participants were requested to respond to several manipulation check questions. In the fifth and last part, statements measuring the mediating variables (i.e., CSR fit, company motives, and skepticism) and the dependent variable intention to engage with the HealthyLife initiative were presented, after which participants debriefed and thanked for their participation.

All respondents were required to complete the survey on either a desktop or laptop computer, as previous research has suggested that differences in, for example, screen size may affect respondents’ perception of stimulus materials, and thereby influence their responses and complicate subsequent interpretation (Dillman & Bowker).

3.3 Stimulus materials

A total of six mock webpages, of which the content varied according to the experimental condition, were developed. All webpages started with an identical paragraph that provided respondents with a general introduction of the HealthyLife (in Dutch: GezondLeven) initiative. Following this introduction, respondents were provided with a paragraph that included the manipulation of participation strategy.

In the “information” participation strategy paragraph, the initiative was explained as being developed, maintained and improved solely by the health care insurer itself, without
seeking any form of indirect or direct consumer involvement. In the “response” involvement strategy paragraph, the initiative was explained as being developed, maintained and improved on the basis of indirect consumer feedback (e.g. surveys and polls) that were subsequently analyzed by the health care insurer itself. Lastly, in the “involvement” participation strategy paragraph, the initiative was explained as being developed, maintained and improved through co-creation with its users, for example by inviting them to brainstorm sessions at the insurer’s headquarters and by actively involving them in the interpretation of the outcomes of surveys and polls aimed to improve the initiative on a mutual basis.

Furthermore, a paragraph regarding the endorsement type conditions was developed. In the “endorsement” condition, it was mentioned that the Healthy Lifestyle Federation (in Dutch: Gezonde Leefstijl Federatie), consisting of experts such as nutritionists, movement experts, and sleep experts, endorsed the HealthyLife initiative and its underlying principles. Alongside this paragraph, the green seal of approval as discussed in section 3.2.1, was presented. In the “no endorsement” condition, this paragraph as well as the seal of approval was absent.

As previous researchers have suggested that the mere length of a paragraph may affect the way respondents respond to subsequent measures, for example because the length may act as a heuristic cue for strength, the paragraph lengths were held constant. As such, the introductory paragraph consisted of 134 words, the participation strategy paragraphs of 126 words, and the endorsement type paragraph of 41 words. Therefore, respondents in the “information, endorsed”, “response, endorsed”, and “involvement, endorsed” conditions were presented with a 301-word text, while respondents in the “information, not endorsed”, “response, not endorsed”, and “involvement, not endorsed” conditions were presented with a 260-word text.
In order to achieve a realistic look and feel to the stimulus material, the mock webpages were developed within Wordpress, a popular open source web content management system. In addition to the text paragraphs just discussed, the pages included several images (originally published under the “No rights reserved” CC0 creative commons license). Finally, after creating the pages, screenshots were captured from within the popular web browser Google Chrome, and were accordingly presented in the survey. Please refer to Figure 2 for an impression of the stimulus material employed.
Figure 2

**Stimulus Material Employed in the Study**

Note:
Top row from left to right: Information, response, and involvement participation strategy without an endorsement. Bottom row from left to right: Information, response and involvement participation strategy with endorsement.
3.5 Manipulation check

3.5.1 Participation strategy

In order to be able to verify that the manipulation of participation strategy was successful, the employed survey included 7 items to that purpose. Specifically, two items per participation strategy, measured on a 5-point Likert scale, were included and it was intended that respondents would strongly agree with the two questions corresponding to their assigned condition, while strongly disagreeing with the four other questions belonging to the other conditions. One additional item, measured on a 10-point rating scale, requested respondents to indicate the extent to which they felt that insureds and users were involved in developing and improving the initiative.

Prior to calculating the mean scores per participation strategy of this last item, a total of ten respondents from the initial dataset (n=255) were removed as it was found that eight respondents assigned to the information strategy gave a score of 9 or 10, and two respondents assigned to the involvement strategy gave a score of 1, on the 10-point rating scale item measuring perceived participation level. After removal of those respondents, to verify the manipulation, the mean scores for perceived involvement per strategy were calculated for the dataset containing 245 respondents (M_{information}=6.17, SD=1.79 vs. M_{response}=7.35, SD=1.41 vs. M_{involvement}=7.51, SD=1.38), and a one-way ANOVA (F(2,242) = 18.092, p < 0.001) revealed that a statistically significant difference between the three groups was found. A Bonferonni post-hoc test indicated that the difference between the information and response (p < 0.001), as well as information and involvement strategies (p < 0.001), were significant. However, no significant difference was found between the response and involvement strategies (p=1.000).
Following this result, as it was not possible to verify three distinct groups, the decision was made to split the participants into two groups based on their indicated perceived participation level. As, based on their indicated perceived participation level, 15 respondents originally assigned to the information condition would be grouped into the high perceived involvement group, and 17 respondents assigned to the involvement strategy would be grouped into the low perceived involvement group, these 32 respondents were additionally removed from the dataset as they also seem to have failed the manipulation check, and keeping them would obfuscate further interpretation.

In order to verify the suitability of this newly created two-level categorization (“low” vs “high”), several checks were conducted. Firstly, an independent samples t-test revealed that there was a statistically significant difference between the scores of the two groups (M<sub>low</sub>=5.96, SD=1.49 vs. M<sub>high</sub>=8.21, SD=.83; t(162,37)=-13.58, p < .0001) on the item that requested participants to indicate the perceived participation level on a scale from one to ten. Secondly, it was investigated whether participants’ scores on the Likert-type manipulation check questions differed significantly along with their categorization. As such, after having verified that a factor analysis was a suitable method, a factor analysis on the six items revealed that only the two questions pertaining to information and the two questions pertaining to involvement loaded into separate components. As such, only these were merged into two constructs after which the reliability was assessed and found to be acceptable. Subsequently, the scores of the two groups on the merged manipulation check constructs for the information strategy and the involvement strategy were compared. Two independent samples t-tests revealed that there was a statistically significant difference between the scores of the two groups on both the information strategy construct (M<sub>low</sub>=2.72, SD=.96 vs. M<sub>high</sub>=2.17, SD=1.02; t(211)=4.04, p < .001), as well as on the involvement strategy construct.
(M_{low}=3.33, SD=.76 vs. M_{high}=3.94, SD=.72; t(211)=-6.01, p < .001). These results provide support in using this new categorization in the further analysis.

All in all, the necessary decision to create a new two-level categorization essentially changed the experimental design from a 3×2 experiment to a 2×2 experiment. Furthermore, this also means that the earlier adopted distinction by Morsing and Schultz (2006) is no longer maintained. Therefore, the new two level-categorization is relabeled, and will be referred to as perceived participation level hereafter.

3.5.2 Endorsement type

As the survey panel service was instructed to screen out any participant that incorrectly answered the manipulation check question for endorsement type, all respondents should have correctly responded to the binary manipulation check question that requested them to indicate whether an endorsement was present. Likewise, and to rule out any errors in that regard, analysis revealed that indeed all respondents selected the correct answer based on their assigned condition and the manipulation could thus be considered successful.

As respondents were instructed to carefully read and study the stimulus material for at least one minute, the choice to exclude participants that incorrectly answered that particular manipulation check question was justified. This is especially true considering that the manipulated endorsement types could be identified objectively and were not interpretive in nature. Additionally, as a panel service was employed to recruit participants, a benefit of the approach of excluding participants at that stage was that they could be replaced by other participants, thus effectively preserving a larger dataset.

3.6 Participants

A total of 258 respondents, corresponding to 43 respondents per manipulation condition, were acquired on the basis of a non-probability convenience sampling method through the Qualtrics Panel Service. Although it is sometimes suggested that employing panels may increase
vulnerability to data quality issues caused by “professional respondents”, such as self-selection bias and participants that are purely incentive driven (Hillygus, Jackson, & Young, 2014). Researchers have investigated these concerns and found little support for the notion that it would negatively affect data quality (Hillygus et al., 2014; Matthijsse, Leeuw, & Hox, 2015). Furthermore, as several measures (e.g., hidden timing questions, negatively formulated questions) were implemented in the survey instrument to detect and mitigate participants that completed the survey absent-mindedly, further precautions were taken in that regard.

An initial inspection of the dataset revealed three problematic respondents, in that they were either found to be straight lining the survey or to provide untruthful answers about their current health insurer, these were subsequently removed. Furthermore, and according to the discussion in section 3.5.1, another 42 respondents were removed for failing the manipulation check for participation strategy. As such, the data of 213 respondents was consequently subjected to further statistical analysis. Please refer to Table 2 for an overview of participants’ demographic information.

Table 2

Complete Respondents’ Demographic Information

<table>
<thead>
<tr>
<th></th>
<th>Overall</th>
<th>Group 1</th>
<th>Group 2</th>
<th>Group 3</th>
<th>Group 4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N  %</td>
<td>M</td>
<td>SD</td>
<td>N  %</td>
<td>M</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>103 48.4</td>
<td>22</td>
<td>44.0</td>
<td>25 45.5</td>
<td>26</td>
</tr>
<tr>
<td>Female</td>
<td>110 51.6</td>
<td>28</td>
<td>56.0</td>
<td>30 54.5</td>
<td>25</td>
</tr>
<tr>
<td>Education level</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower</td>
<td>60 28.2</td>
<td>14</td>
<td>28.0</td>
<td>17 30.9</td>
<td>13</td>
</tr>
<tr>
<td>Middle</td>
<td>42 19.7</td>
<td>4</td>
<td>8.0</td>
<td>15 27.3</td>
<td>9</td>
</tr>
<tr>
<td>Higher</td>
<td>111 52.1</td>
<td>32</td>
<td>64.0</td>
<td>23 41.8</td>
<td>29</td>
</tr>
<tr>
<td>Age</td>
<td>49.0 17.2</td>
<td>46.0</td>
<td>16.4</td>
<td>46.5 16.5</td>
<td>46.6</td>
</tr>
<tr>
<td>Total</td>
<td>213 100</td>
<td>50</td>
<td>100</td>
<td>55 100</td>
<td>51</td>
</tr>
</tbody>
</table>

Note: M – Mean value, SD – Standard deviation.
Group 1 – Low perceived participation level, not endorsed; Group 2 – Low perceived participation level, endorsed.
Group 3 – High perceived participation level, not endorsed; Group 4 – High perceived participation level, endorsed.
3.7 Measurements

In order to measure the various constructs of interest in this study, namely health valuation, CSR fit, value-driven motives, strategic-driven motives, skepticism, and intention to engage with the HealthyLife initiative, a combination of scales validated by prior research, as well as several original scale items, were employed. While a concise overview of the measurements will be presented in this section, Table 3 (see section 3.8) includes a complete overview of all measurement items employed.

In order to measure health valuation, three items originating from the scale developed by Beldad and Hegner (2017), and two originally formulated items were employed. An example item is “Staying healthy is very important for me”.

To measure CSR fit, two items derived from Berens, van Riel, and van Bruggen (2005), and three items from Rifon, Choi, Trimble, and Li (2004) were combined. An example statement is “I think that the HealthyLife initiative fits with my health care insurer”.

To measure the two types of company motives, namely value-driven and strategic-driven motives, items derived from the scale developed by Ellen et al. (2006) were employed. An example statement measuring value-driven motives is “I think that my health care insurer feels morally obligated to help people obtain a healthy lifestyle”, while an example statement measuring strategic-driven motives is “I think that my health care insurer will retain more of their customers by employing the HealthyLife initiative”.

In order to measure skepticism, an adaptation of the four-item scale developed by Skarmeas and Leonidou (2013) was employed. An example statement is “I doubt that my health care insurer acts socially responsible.”

To measure intention to engage with the HealthyLife initiative, the behavioral intention scale researched by Bruner II (2009) was adapted. An example statement is: “I would definitely use the HealthyLife website.”
3.8 Validity and reliability of the measurements

Prior to conducting a factor analysis to establish the validity of the measurements, a preliminary investigation revealed the overall sampling adequacy to be meritorious (KMO=.861), the sampling adequacy of the individual variables, through the anti-image correlation matrix, to yield acceptable KMO scores ranging between .693 and .961, and Bartlett’s Test of Sphericity to be significant ($X^2 (276) = 3155.17, p < 0.001$), providing confidence in the factorability of the items and thus the outcome of a factor analysis (Dziuban & Shirkey, 1974; Kaiser & Rice, 1974).

After performing a factor analysis with varimax rotation on 24 items, six components with sufficient eigenvalues of above 1 emerged, explaining a total of 71.64% of the variance. All items loaded cleanly into the constructs they were intended to measure with the exception of one item measuring value-driven motives, and one item measuring strategic-driven motives. Furthermore, two items, one intending to measure health valuation and one intending to measure CSR fit, were identified as problematic due to a low loading on their respective constructs, especially in comparison with the other items intended to measure the same. Therefore, and following this analysis, a total of four problematic items were discarded, while the remaining and viable 20 items were merged into their respective constructs. Following the outcome of the factor analysis and after merging the items into their respective constructs, the internal consistency of the measures was assessed by conducting a reliability analysis in which Cronbach’s Alpha values were calculated. Please refer to Table 3 for the overview of results of the factor analysis, that also includes the values for Cronbach’s Alpha, performed.
### Table 3

**Results of Factor Analysis with Varimax Rotation and Follow-Up Reliability Analysis**

<table>
<thead>
<tr>
<th>Construct</th>
<th>α</th>
<th>Item</th>
<th>Components</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Health valuation</td>
<td>.87</td>
<td>My health is my highest priority.</td>
<td>.86</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Staying healthy is very important to me.</td>
<td>.84</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I attach great value to my health.</td>
<td>.87</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I think my health is more important than anything else.</td>
<td>.81</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(DEL) I do not think it is important to have a healthy lifestyle.*</td>
<td>.56</td>
</tr>
<tr>
<td>CSR fit</td>
<td>.89</td>
<td>I think that the HealthyLife initiative fits with my health care insurer.</td>
<td>.81</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(DEL) I think that HealthyLife is a logical initiative to employ for my health care insurer.</td>
<td>.54</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I think that the HealthyLife initiative is not a good fit with my health care insurer.*</td>
<td>.75</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I think that the HealthyLife initiative is well compatible with my health care insurer.</td>
<td>.86</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I think that the HealthyLife initiative is congruent with my health care insurer.</td>
<td>.86</td>
</tr>
<tr>
<td>Value-driven motives</td>
<td>.67</td>
<td>I think that my health care insurer feels morally obligated to help people obtain a healthy lifestyle.</td>
<td>.58</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(DEL) I think that the management and employees of my health care insurer believe in the HealthyLife initiative.</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I think that my health care insurer is trying to give something back to society.</td>
<td>.68</td>
</tr>
<tr>
<td>Strategic-driven motives</td>
<td>.87</td>
<td>I think that my health care insurer will get more customers by employing the HealthyLife initiative.</td>
<td>.86</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I think that my health care insurer will retain more of their customers by employing the HealthyLife initiative.</td>
<td>.86</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(DEL) I think that my health care insurer hopes to increase profits by employing the HealthyLife initiative.</td>
<td>-.77</td>
</tr>
<tr>
<td>Skepticism</td>
<td>.84</td>
<td>I doubt that my health care insurer acts socially responsible.</td>
<td>.83</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I doubt that my health care insurer follows high ethical standards.</td>
<td>.80</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I do not think that my health care insurer acts in a socially responsible way.</td>
<td>.80</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I do not think that my health care insurer is concerned to improve the well-being of society.</td>
<td>.74</td>
</tr>
<tr>
<td>Intention to engage with</td>
<td>.95</td>
<td>I would probably visit and use the HealthyLife website.</td>
<td>.87</td>
</tr>
<tr>
<td>the HealthyLife initiative</td>
<td></td>
<td>I would definitely use the HealthyLife website.</td>
<td>.86</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I think I would definitely not use the HealthyLife website.*</td>
<td>.86</td>
</tr>
<tr>
<td></td>
<td></td>
<td>There is a big chance I would register myself for the HealthyLife website.</td>
<td>.86</td>
</tr>
</tbody>
</table>

*Note:*  
DEL - Deleted from scale.  
* Recoded item. ** Item did not load above .5 threshold.
4. Results

In the following section, the results of the statistical analyses performed will be discussed. First of all, a Multivariate Analysis of Variance (MANOVA), of which the results can be observed in Table 4, was employed to investigate the potential linkages between the overall set of manipulated and dependent variables. The MANOVA revealed a statistically significant main effect of perceived participation level on the set of dependent variables while, in contrast, no statistically significant main effect on the dependent variables emerged for the endorsement manipulation. In addition, no statistically significant interaction effect between participation level and endorsement on the dependent variables, was found.

In order to follow up with the MANOVA results that revealed that only the manipulation of perceived participation level had a statistically significant effect on the overall set of dependent variables, several Univariate Analyses of Variance (ANOVA) were conducted to investigate the relationships on an individual basis. The results of the various ANOVA tests can also be observed in Table 4.

Table 4

Results of Multivariate Analysis of Variance and Analysis of Variance

<table>
<thead>
<tr>
<th></th>
<th>MANOVA</th>
<th>ANOVA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Wilk's Lambda</td>
<td>df</td>
</tr>
<tr>
<td>Participation level</td>
<td>.908</td>
<td>5, 205</td>
</tr>
<tr>
<td>(PL)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Endorsement type</td>
<td>.987</td>
<td>5, 205</td>
</tr>
<tr>
<td>(EN)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL × EN</td>
<td>.980</td>
<td>5, 205</td>
</tr>
</tbody>
</table>

Note:
MANOVA – Multivariate analysis of variance; ANOVA – Univariate analysis of variance.
FIT – CSR fit, VAL – Value-driven motives, STR – Strategic-driven motives, SKE – Skepticism, INT – Intention to engage with the initiative.
* Significant at .05. ** Significant at 0.1. *** Significant at .001.
4.1 Main effects

4.1.1 Participation level

The ANOVA revealed that CSR fit, value-driven motives, strategic-driven motives, and intention to engage with the initiative are significantly higher for respondents that had higher levels of perceived participation than respondents with lower levels of perceived participation. Additionally, and in contrast, skepticism levels were significantly lower for respondents that perceived higher levels of involvement. As such, the perceived level of involvement had a statistically significant effect in the expected directions for all of the dependent variables employed in this study. Based on this result, hypotheses H1 and H2 are supported. Please refer to Table 5 for an overview of the observed mean and standard deviation values for the dependent variables for the manipulation of perceived participation level.

Table 5

*Mean and Standard Deviation Values for the Main Effects of Participation Level*

<table>
<thead>
<tr>
<th>Participation level</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR fit</td>
<td>3.75 (0.70)</td>
<td>3.97 (0.65)</td>
</tr>
<tr>
<td>Value-driven motives</td>
<td>3.26 (0.74)</td>
<td>3.56 (0.78)</td>
</tr>
<tr>
<td>Strategic-driven motives</td>
<td>3.30 (0.85)</td>
<td>3.61 (0.87)</td>
</tr>
<tr>
<td>Skepticism</td>
<td>2.42 (0.73)</td>
<td>2.15 (0.68)</td>
</tr>
<tr>
<td>Intention to engage with the initiative</td>
<td>3.08 (1.03)</td>
<td>3.62 (0.89)</td>
</tr>
</tbody>
</table>

*Note:*
Standard deviation in brackets.
4.1.2 Endorsement type

In contrast with the statistically significant effects on all of the dependent variables of perceived participation level, a different picture emerged for endorsement type. In addition to the MANOVA results that already indicated that no statistically significant effect was found between endorsement type and the overall set of dependent variables, separate ANOVA tests (see Table 4) also found no statistically significant effects. Therefore, hypothesis H3 is not supported. For completeness reasons, Table 6 provides an overview of the observed mean and standard deviation values for the dependent variables for the manipulation of endorsement type.

Table 6

| Mean and Standard Deviation Values for the Main Effects of Endorsement Type |
|---------------------------|---------------------|---------------------|
| Endorsement type          | Not endorsed        | Endorsed            |
| CSR fit                   | 3.80 (0.74)         | 3.92 (0.63)         |
| Value-driven motives      | 3.40 (0.79)         | 3.43 (0.77)         |
| Strategic-driven motives  | 3.43 (0.92)         | 3.48 (0.82)         |
| Skepticism                | 2.33 (0.68)         | 2.25 (0.74)         |
| Intention to engage with  | 3.37 (1.02)         | 3.33 (0.97)         |

Note: Standard deviation in brackets.

4.2 Interaction effects: participation level × endorsement type

In addition to the MANOVA results that already indicated that no statistically significant interaction effect was found between perceived participation level and endorsement type in regards to the overall set of dependent variables, separate ANOVA tests (see Table 4) also found no statistically significant effects. Therefore, hypotheses H4, H5, and H6 are not supported.
4.3 Mediating effects

As depicted in Figure 1 (see section 2.5), the effect of participation strategy on the outcome variable, namely intention to engage with the initiative, is hypothesized to be mediated by the four other variables, specifically CSR fit, value-driven motives, strategic-driven motives, and skepticism. To investigate the potential mediating effects, the approach by Preacher and Hayes (2004), that is considered superior to the popular and traditional four criteria approach of Baron and Kenny (1986) (cf. Preacher & Hayes, 2004; Zhao, Lynch, & Chen, 2010) was adopted. In order to conduct the analysis, version 2.16.3 of the PROCESS macro extension for SPSS developed by Hayes (n.d.) was employed.

For reasons of completeness, it should be noted that mediation effects were also hypothesized to emerge for the separate effect of endorsement type, as well as for the interaction effects between perceived participation level and endorsement type. However, as the MANOVA and ANOVA results showed no statistically significant effects, it is concluded that hypotheses H8 and H9 cannot be supported: there is no effect to be mediated. Therefore, the following mediation analyses are limited to the manipulation of perceived participation level.

4.3.1 The mediating effect of CSR fit

Perceived participation level was hypothesized to positively influence intention to engage with the initiative through higher perceived levels of CSR fit. The mediation analysis revealed a significant indirect effect of perceived participation level on intention to engage with the initiative through CSR fit, \( b = 0.141, \text{BCa CI } [0.027, 0.285] \). Additionally, a Sobel test also indicated the effect of perceived participation level on intention to engage with the initiative to be statistically significantly mediated by CSR fit (\( z = 2.21, p < 0.05 \)). A more detailed insight into the mediation effect and the individual path coefficients, which supports hypothesis H7A, can be seen in Figure 3.
4.3.2 The mediating effect of company motives

4.3.2.1 Value-driven motives

Perceived participation level was hypothesized to positively influence intention to engage with the initiative through higher perceived levels of value-driven motives. The mediation analysis revealed a significant indirect effect of perceived participation level on intention to engage with the initiative through value-driven motives, $b = 0.181$, BCa CI [0.061, 0.334]. Additionally, a Sobel test also indicated the effect of perceived participation level on intention to engage with the initiative to be statistically significantly mediated by value-driven motives ($z = 2.70$, $p < 0.01$).

A more detailed insight into the mediation effect and the individual path coefficients, which supports hypothesis H7B, can be seen in Figure 4.
4.3.2.2 Strategic-driven motives

Perceived participation level was hypothesized to positively influence intention to engage with the initiative through higher perceived levels of strategic-driven motives. The mediation analysis revealed a significant indirect effect of perceived participation level on intention to engage with the initiative through strategic-driven motives, $b = 0.142$, BCa CI [0.038, 0.278]. Additionally, a Sobel test also indicated the effect of perceived participation level on intention to engage with the initiative to be statistically significantly mediated by strategic-driven motives ($z = 2.40$, $p < 0.05$).

A more detailed insight into the mediation effect and the individual path coefficients, which supports hypothesis H7C, can be seen in Figure 5.

Figure 4

*Mediating Effect of Value-Driven Motives on Intention to Engage with the Initiative*

4.3.2.2 Strategic-driven motives

Perceived participation level was hypothesized to positively influence intention to engage with the initiative through higher perceived levels of strategic-driven motives. The mediation analysis revealed a significant indirect effect of perceived participation level on intention to engage with the initiative through strategic-driven motives, $b = 0.142$, BCa CI [0.038, 0.278]. Additionally, a Sobel test also indicated the effect of perceived participation level on intention to engage with the initiative to be statistically significantly mediated by strategic-driven motives ($z = 2.40$, $p < 0.05$).

A more detailed insight into the mediation effect and the individual path coefficients, which supports hypothesis H7C, can be seen in Figure 5.

Figure 5

*Mediating Effect of Strategic-Driven Motives on Intention to Engage with the Initiative*
4.3.3 The mediating effect of skepticism

Perceived participation level was hypothesized to positively influence intention to engage with the initiative through lower perceived levels of skepticism. The mediation analysis revealed a significant indirect effect of perceived participation level on intention to engage with the initiative through skepticism, $b = 0.091$, BCa CI [0.027, 0.198]. Additionally, a Sobel test also indicated the effect of perceived participation level on intention to engage with the initiative to be statistically significantly mediated by skepticism ($z = 2.18, p < 0.05$). A more detailed insight into the mediation effect and the individual path coefficients, which supports for hypothesis H7D, can be seen in Figure 6.

Figure 6

Mediating Effect of Skepticism on Intention to Engage with the Initiative

4.4 Moderating variable: issue involvement

In this study, issue involvement, that was operationalized as health valuation, was expected to moderate the strength of the relationships between the independent variables and the dependent variables. However, as endorsement type has not been found to have any significant main, nor any significant interaction effect when coupled with perceived participation level on the dependent variables, it is concluded that hypotheses H11 and H12 is not supported. Therefore, the following moderation analyses are logically limited to
perceived participation level. In order to conduct the analysis, version 2.16.3 of the PROCESS macro extension for SPSS developed by Hayes (n.d.) was employed.

As depicted in the research model, health valuation was hypothesized to moderate the relationship between perceived participation level and CSR fit, value-driven motives, strategic-driven motives, and skepticism. Prior to investigating the potential moderating effects, the health valuation variable was centered. Moderation analysis indicated that there is no statistically significant interaction effect between perceived participation level and health valuation on CSR fit ($b = 0.120$, 95% CI [−0.235, 0.475], $t = 0.67$, $p = 0.51$), strategic-driven motives ($b = 0.232$, 95% CI [−0.159, 0.623], $t = 1.17$, $p = 0.24$), or skepticism ($b = -0.262$, 95% CI [−0.579, 0.056], $t = -1.63$, $p = 0.11$). Therefore, this study did not found health valuation to act as a moderator for those variables, and hypotheses H10A, H10C, and H10E are thus not supported.

However, a statistically significant interaction effect emerged between perceived participation level and value-driven motives ($b = 0.412$, 95% CI [0.085, 0.739], $t = 2.48$, $p = 0.01$), and intention to engage with the initiative ($b = 0.665$, 95% CI [0.185, 1.144], $t = 2.73$, $p = 0.01$), indicating that the relationship between perceived participation level and value-driven motives and intention to engage with the initiative respectively is moderated by health valuation. All in all, these findings lead to the conclusion that hypotheses H10B and H10D are supported.

4.5 Overview of results of the tested hypotheses

Following the previous discussions of results, an overview of the tested hypotheses and the conclusion based on the statistical analyses performed is provided in Table 7.
Table 7

Summary of Results of the Tested Hypotheses

<table>
<thead>
<tr>
<th>No</th>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Incorporating stakeholder participation activities in a CSR initiative positively influences individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).</td>
<td>Supported.</td>
</tr>
<tr>
<td>H2</td>
<td>The higher the degree of stakeholder participation in a CSR initiative, the stronger the positive influence on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E), as posited in hypothesis 1.</td>
<td>Supported.</td>
</tr>
<tr>
<td>H3</td>
<td>A third-party endorsement of an organization’s CSR initiative positively influences individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).</td>
<td>Not supported.</td>
</tr>
<tr>
<td>H4</td>
<td>The combination between higher levels of stakeholder participation and a third-party endorsement interact in a synergistic manner, and positively influences individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).</td>
<td>Not supported.</td>
</tr>
<tr>
<td>H5</td>
<td>Lower levels of stakeholder participation may be compensated for by a third-party endorsement for its positive influence on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).</td>
<td>Not supported.</td>
</tr>
<tr>
<td>H6</td>
<td>Higher levels of stakeholder participation may compensate for the absence of a third-party endorsement for its positive influence on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), skepticism* (D), and intention to engage with the initiative (E).</td>
<td>Not supported.</td>
</tr>
<tr>
<td>H7</td>
<td>The effect of stakeholder participation on individuals’ intention to engage with the initiative, as posited in hypotheses 1E and 2E, is mediated by perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and skepticism (D).</td>
<td>Supported.</td>
</tr>
<tr>
<td>H8</td>
<td>The effect of third-party endorsements on individuals’ intention to engage with the initiative, as posited in hypotheses 3E, is mediated by perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and skepticism (D).</td>
<td>Not supported.</td>
</tr>
<tr>
<td>H9</td>
<td>The interaction effect of the combination between stakeholder participation and third-party endorsements on individuals’ intention to engage with the initiative, as posited in hypotheses 4E, 5E, and 6E, is mediated by perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and skepticism (D).</td>
<td>Not supported.</td>
</tr>
<tr>
<td>H10</td>
<td>Individuals’ valuation of their health positively moderates the hypothesized effects of stakeholder participation on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and intention to engage with the initiative (D), while individuals’ valuation of their health negatively moderates the hypothesized effects of stakeholder participation on individuals’ perceptions of skepticism (E).</td>
<td>Supported: H10B, H10D, Not supported: H10A, H10C, H10E.</td>
</tr>
</tbody>
</table>
H11 Individuals’ valuation of their health positively moderates the hypothesized effects of third-party endorsements on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and intention to engage with the initiative (D), while individuals’ valuation of their health negatively moderates the hypothesized effects of third-party endorsements on individuals’ perceptions of skepticism (E).

H12 Individuals’ valuation of their health positively moderates the hypothesized interaction effects between stakeholder participation and third-party endorsements on individuals’ perceptions of CSR fit (A), value-driven motives (B), strategic-driven motives (C), and intention to engage with the initiative (D), while individuals’ valuation of their health negatively moderates the hypothesized interaction effects between stakeholder participation and third-party endorsements on individuals’ perceptions of skepticism (E).

Note:
It is expected that individuals’ perceived skepticism is reduced as a result of the “positive influence” mentioned in the hypothesis.
5. Discussion

5.1 Discussion of results

The main objective of this study was to investigate the potential effects of stakeholder participation and third-party endorsements on the success of such an initiative, expressed in terms of intention to engage with such an initiative, and more specifically to provide a more detailed insight by relating it to individuals’ perceptions of CSR fit, company motives, and skepticism.

5.1.1 Stakeholder participation

The results of this study show that involving consumers has a statistically significant effect on all of the factors under investigation in this study. Firstly, CSR fit, or the perceived congruence between the initiative and the organization, increases with perceived participation. As employing participatory activities incurs costs, the incorporation of such activities may lead individuals to deduce that the organization assigns real importance to the CSR initiative. Therefore, consumer participation may bring about perceptions among individuals that the CSR initiative is positioned closer to the core activities of an organization, thus raising its internal consistency, which supports earlier work by Yuan et al. (2011) that suggested higher internal consistency to be beneficial. Furthermore, this study demonstrates that organizations can increase the internal consistency dimension by focusing on external consistency, showing the interrelated nature of the three-dimensional model of Yuan et al. (2011).

Secondly, higher levels of perceived participation increase individuals’ perceptions of the two subtypes of company motives included in this study, namely value-driven and strategic-driven motives. This suggests that participatory activities could serve as a demonstration of firm’ genuine and sincere motivations underlying their CSR efforts, while simultaneously serving the strategic goal of managing the relationship with stakeholders.
Hence, these findings provide further support for the notion that individuals can simultaneously appreciate self-centered and other-centered motives, as posited earlier by Ellen et al. (2006) and Sen et al. (2006).

Thirdly, perceived levels of skepticism towards insurers’ social responsible behavior are reduced when consumers feel that they are involved in the CSR initiative. As such, the presence of stakeholder participation processes could be seen as a demonstration of an organization’s trustworthiness and its sincere commitment towards the initiative, which in turn reduces perceptions of skepticism (Lewicki et al., 1998). Furthermore, as increasing involvement allows individuals to obtain information about how an organization actually behaves, this removes some of the uncertainty that could otherwise turn into skepticism. Additionally, CSR initiatives that are managed with the participation of stakeholders are likely to be perceived as more transparent. This, in turn, resonates with Kang and Hustvedt (2014), that found transparency to be an important factor that influence important consumer outcomes.

Lastly, as stakeholder participation also positively influences individuals’ intention to engage with the initiative, an overall positive effect has emerged. All in all, the positive outcomes of stakeholder participation on individuals’ perceptions of fit, motives, skepticism, and intention to engage with the initiative highlight the substantial value of engaging “stakeholders directly in a mutual construction of CSR” (Morsing & Schultz, 2006, p. 336).

5.1.2 Third-party endorsements

This study did not find a statistically significant effect of a third-party endorsement on the dependent variables, which seems to suggest that organizations do not benefit from obtaining and communicating those in relationship to their CSR efforts. In the following discussion, several potential explanations are given.
First of all, it is possible that third-party endorsements are ineffective in the specific context of CSR. In considering that CSR, practically by definition, aims to provide a positive contribution to society, individuals may simply perceive an endorsement for such efforts as unnecessary. This, in turn, may have lead individuals to simply discount the endorsement.

Another possible explanation is provided through the Persuasion Knowledge Model (Friestad & Wright, 1994), that poses that individuals may resort to persuasion coping behaviors when they recognize and become aware of attempts of being persuaded. These coping behaviors, for example, may entail individuals’ decision to ignore a persuasion tactic altogether, to selectively discount the object towards which the persuasion tactic is employed, or engage in a more deliberate and balanced consideration of the object. Therefore, individuals may have considered the third-party endorsement as a persuasion attempt that, in turn, could have lead individuals to disregard or more carefully scrutinize the endorsement. As research by Bee, Jones, and Bogash (2007) demonstrated that individuals could employ coping strategies in the context of endorsements, this provides a plausible explanation for the absence of the hypothesized effects.

In addition, as the usage of endorsements is becoming more commonplace (see Ecolabel Index, n.d.; Erdogan, 1999; Pringle & Binet, 2005), it is increasingly likely that individuals successfully recognize these approaches and adjust their responses accordingly. Indeed, Evans and Park (2015) conceptualized that individuals’ persuasion knowledge is based on the depth and breadth of their experience with specific persuasion approaches. Whereas the depth of experience entails “the quantifiable amount of or exposure to persuasive tactics, third-party observations, or folk knowledge for a specific advertising format” (p. 162), the breadth of experience concerns “the recognition of differences in advertising and marketing executions that exist across a variety of advertising formats” (p. 162).
Therefore, as individuals increasingly encounter various types of endorsements in various contexts, the effectiveness of endorsements may decline.

Another possible explanation relates to the apparent relationship quality between health care insurers and health care providers. For example, as the Dutch Council for Health and Society noted that conflicts between health care insurers and health care providers are increasingly fought out in the media (Raad voor Volksgezondheid en Samenleving, 2017), tensions between the two parties are frequently highlighted and emphasized in public and might indicate a poor relationship quality. As a consequence, individuals may have difficulties in evaluating an endorsement that concerns parties that often find themselves in conflict. Of course, on the one hand, one could argue that obtaining an endorsement from an endorser that is often in conflict with the endorsee is especially valuable. However, on the other hand, individuals may simply be unable to process such an endorsement or feel that it lacks credibility.

Additionally, closer examination of the stimulus material employed also revealed some flaws that may provide several alternative and additional explanations for the absence of a significant effect. Firstly, considering that the third-party endorser was fictional, it is possible that individuals did not perceive the endorsement to be credible or realistic. In fact, Dean and Biswas (2001) provided a similar explanation in interpreting the lack of an effect of TPO endorsements in a previous study by Peterson, Wilson, and Brown (1992). Moreover, as individuals were instructed to imagine their current insurer to employ the initiative, the fictional nature of the context may became apparent, potentially discounting the endorsement altogether.

Secondly, the third-party endorsement as employed in the stimulus material focused on endorsing “HealthyLife and the underlying philosophy”. However, it is plausible that individuals interpreted this as a general endorsement towards a healthy lifestyle, instead of an
endorsement that also focuses on the way the initiative was managed. Therefore, if instead the text would emphasize that the endorsement applied to the way the initiative was managed, other results may have emerged.

5.1.3 Issue involvement: health valuation

According to this study, health valuation does not play an important role in terms of CSR fit, strategic-driven motives, or skepticism. However, health valuation was found to positively moderate the relationship between perceived participation level and value-driven motives and intention to engage with the initiative. This suggests that individuals that value their health are more inclined to infer that a company is driven by sincerity and intrinsic values when it incorporates stakeholder participation activities. Furthermore, the results suggest that individuals that value their health are more likely to engage in an initiative that revolves around that topic.

5.2 Implications and future research recommendations

5.2.1 Managerial implications

Based on the insights gathered in the current study, organizations that employ CSR initiatives may benefit in numerous respects from letting its customers participate in the development and maintenance of such initiatives. Therefore, instead of internally managing and maintaining an initiative figuratively “behind closed doors”, involving individuals and allowing them to help shape and (re)define a program in an active manner may positively influence their perceptions of CSR fit, company motives and skepticism, that can consequently determine the success of the initiative. As such, taking steps towards implementing a continuous and systematic iterative process, in which individuals’ feedback is collected and utilized, seems to be a worthwhile investment that allows organizations to keep their initiative aligned with their stakeholders. Furthermore, although it is likely that all forms of genuine stakeholder participation are likely to generate positive effects, organizations
should try and implement the methods that engender the highest levels of perceived participation among their stakeholders. However, organizations should be aware that communicating stakeholder participation processes comes with responsibility, as they need to be genuinely adopted and incorporated. Failing to do so could result in negative effects, for example through an expectation-performance gap. Indeed, Crane and Livesey (2003) identified that efforts that are viewed as superficial may lead to skepticism. Therefore, organizations should carefully relate their choice for particular participatory activities to the resources they have available to ensure a good implementation.

Additionally, organizations should be cognizant of the fact that individuals or customer segments may differ in their extent to which they feel involved by specific types of participatory activities. For example, whereas some individuals may feel that they highly participate when asked to complete a survey, others may only perceive the same level of participation when engaged in focus group discussions. Therefore, organizations are advised to devote attention to this matter, for example by collecting information about individuals’ participation preferences. In turn, organizations could use this information to tailor their participation processes towards specific groups or individuals.

Another important implication for organizations originates from the finding that issue involvement (i.e., health valuation) plays an important role in the context of CSR initiatives as, in this study, it was found that individuals that highly valued their health responded more positively to certain aspects of the initiative. Therefore, organizations should attempt to identify the issues that matter for their stakeholders and, where reasonable and viable, attempt to incorporate them into their initiative. Naturally, engaging with consumers is one such way to gather that type of information. Additionally, and taking a somewhat different approach, organizations could also attempt to influence individuals’ issue support. For example, individuals with lower levels of health valuation may lack knowledge about the benefits
associated with living a healthy life. Therefore, providing information and educating those individuals may raise their health valuation and their subsequent interest in the initiative.

Finally, by linking stakeholder participation to CSR fit, company motives, skepticism, and finally intention to engage with the initiative, another implication of this study is that organizations should be aware of the complex underlying processes that shape the outcomes of CSR. In other words, organizations that monitor and evaluate individuals’ perceptions of their CSR initiatives are much more capable at effectively managing their overall CSR than organizations that only focus on the input and output of their CSR efforts, and treating all the intermediate processes as a “black box”.

5.2.2 Scientific implications

The current study suggests that researchers in the field of CSR communication should carefully consider the relationship between a CSR initiative and the CSR management approaches adopted by the organization. For example, the value of studies that compare the effectiveness of various CSR initiatives is enhanced when it takes the presence or absence of stakeholder participation processes into consideration. In fact, one could argue that including such measures is a prerequisite for a sensible comparison.

Furthermore, although the framework of CSR communication by Du et al. (2010) considers several stakeholder characteristics (i.e., stakeholder types, issue support, and social value orientation), these factors may not fully encapsulate the prominent and influencing role that individuals play themselves in shaping the outcomes of CSR. As such, instead of viewing the organization employing the CSR initiative as the sole source of CSR communication, researchers should be cognizant to the fact that CSR communication could in fact be a collaborative process. Additionally, as this study found that perceptions of CSR fit, company motives, and skepticism can be influenced by stakeholder participation, researchers should
acknowledge the dynamic nature of these factors and not treat them as fixed or static elements that can be objectively measured.

**5.2.3 Recommendations for future research**

As this study is not without its limitations, several recommendations for future research are discussed next. Firstly, the decision to ultimately utilize two groups for perceived participation for the analysis of the effect of stakeholder participation, instead of the originally intended three-level categorization as proposed in the research of Morsing and Schultz (2006), led the consequent analyses to be somewhat limited, as the effects of specific variants of participatory activities remain unclear. However, having established that participation indeed affects individuals’ CSR perceptions, a future study may investigate the effects of different types of participatory activities in CSR contexts.

Furthermore, as this study incorporated the fictional HealthyLife CSR initiative, and respondents were instructed to imagine that their current health care insurer operated such an initiative when responding to the measurements, the study’s context was hypothetical in nature. Therefore, future studies could be conducted in a more practical and applied context, which may lead to better interpretability. For example, as the participants of the current study were insured at different health care insurers, it is possible that this had an effect on the outcomes of this study. As this current study, even despite this limitation, was able to identify statistically significant effects and thus demonstrate its potential, a future study that utilizes respondents that are all insured at the same health care insurer could mitigate this concern and may benefit the interpretation of outcomes.

Additionally, as the way in which the third-party endorsement was manipulated in this study had several flaws, a more careful approach to designing the stimulus material should be adopted. For example, a preliminary test that assesses whether individuals perceive the third-party endorser to be credible, thus to be trustworthy and possessing expertise in the relevant
domain, should be conducted to verify that the endorsement indeed meets the requirements.
In such a way, one could also determine whether the use of a fictional or existing organization
as the endorsing body is preferable in future studies.

A final recommendation pertains to the fact that this study investigated the effects of
*communicated* stakeholder participation and third-party endorsements, while it is also
important to investigate how these factors materialize in a situation in which individuals are
*actually* involved in a real world scenario, as the expectations raised should be followed
through.
References


