



# CSR and Consumer Behavior

*A quick-read report for CEOs on the benefits of CSR*

According to new, groundbreaking research commissioned by the Satell Institute, significant statistical evidence has been found to show that Corporate Social Responsibility (CSR) initiatives, including community and philanthropic support, positively impact actual, individual consumer purchasing behavior.

## Key Findings...

- CSR efforts impact both consumers' perceptions of companies *and* their actual purchasing behavior
- *All forms* of CSR positively shape consumer buying behavior
- Conducting CSR activities related to *Community and Philanthropic Support* make a consumer 20 times more likely to purchase a product from that company
- CSR activities related to *Employee Development and Support* and *Environmental Sustainability* are most effective in promoting actual purchasing behavior
- Corporations should be aware of the importance of CSR activities in different domains when designing CSR initiatives if the goal is to impact the company's bottom line sales

## And the Research Says...

The research was designed by the University of Pennsylvania and administered by the University of Indiana. Dr. Peter Frumkin, Research Director for the Satell Institute and the Mindy and Andrew Heyer Chair in Social Policy at the University of Pennsylvania, served as the principal researcher. In an executive summary, Dr. Frumkin explains...

This research examines the effects of Corporate Social Responsibility (CSR) on consumers' perceptions of companies AND on their actual purchasing behavior. The study provides new evidence of CSR's affects across four different domains: 1. Community and Philanthropic Support; 2. Human Rights and Ethical Conduct; 3. Employee Development and Support; and 4. Environmental Sustainability.

We measure the impact of each of these forms of CSR on actual purchasing behavior through a laboratory experiment. In this study, we find evidence supporting the business case that CSR matters in driving consumers' actual purchasing behavior. We find that CSR activities in the Employee Development and Support and Environmental Sustainability domains are most effective in promoting actual purchasing behavior.

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The findings suggest important implications for the field. Specifically, corporations should be aware of the importance of CSR activities in different domains when designing CSR initiatives if their goal is to impact the company's bottom line sales.

For some companies, the business case for CSR will be more important than for others. There will always be companies that do CSR just because they believe it is the right thing to do. However, if a company does want to connect its CSR work with the sales function of the firm, evidence of the kind presented here – that this work can actually shape purchasing behavior – may be helpful in terms of generating broader and sustained support of CSR among senior leadership.

The full research study is available at [www.satellinstitute.org/think-tank](http://www.satellinstitute.org/think-tank).

