Enhancing CSR communication credibility: On the use of infomercials

Catherine Janssen,
Valérie Swaen,
Louvain School of Management
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Catherine Janssen, Louvain School of Management 
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Summary

While prior research has investigated the role of content-specific and channel-specific factors in enhancing the credibility of a CSR communication, the potential influence of the communication format has been overlooked. This research investigates whether CSR infomercials may be perceived as more credible and lead to more positive consumer attitudes toward the company than standard CSR advertisements. Through an investigation of consumer responses to Unilever’s “Lipton for the Future” CSR communication campaign, this research examines how the characteristics of infomercials influence their perceived credibility. This paper thus provides valuable insights to marketers on how to design effective and credible CSR communications.

Keywords: corporate social responsibility, communication, credibility.

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Corresponding author:
Catherine Janssen
Center for Excellence CCMS
Louvain School of Management / Campus Louvain-la-Neuve
Université catholique de Louvain
1, Place des Doyens
B-1348 Louvain-la-Neuve, BELGIUM
Email: catherine.janssen@uclouvain.be
ENHANCING CSR COMMUNICATION CREDIBILITY: 
ON THE USE OF INFOMERCIALS

CATHERINE JANSSEN*
Louvain School of Management, Université catholique de Louvain  
1 place des doyens, B-1348 Louvain-la-Neuve, BELGIUM
Center of Excellence on Consumers and Marketing Strategy & Louvain CSR Network
Catherine.Janssen@uclouvain.be

VALÉRIE SWAEN
Louvain School of Management, Université catholique de Louvain  
1 place des doyens, B-1348 Louvain-la-Neuve, BELGIUM
Center of Excellence on Consumers and Marketing Strategy & Louvain CSR Network
Valerie.Swaen@uclouvain.be

Abstract

While prior research has investigated the role of content-specific and channel-specific factors in enhancing the credibility of a CSR communication, the potential influence of the communication format has been overlooked. This research investigates whether CSR infomercials may be perceived as more credible and lead to more positive consumer attitudes toward the company than standard CSR advertisements. Through an investigation of consumer responses to Unilever’s “Lipton for the Future” CSR communication campaign, this research examines how the characteristics of infomercials influence their perceived credibility. This paper thus provides valuable insights to marketers on how to design effective and credible CSR communications.

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* Corresponding author
1. Introduction

Consumers appear to be particularly sensitive to corporate social responsibility (CSR), which can be broadly conceptualized as companies’ status and activities with regards to their perceived societal obligations (Brown & Dacin, 1997; Sen & Bhattacharya, 2001). A recent survey of 10,000 consumers in 10 countries (Cone/Echo Research, 2011) reports that 81% of consumers expect companies to be more socially responsible (e.g., change the way they operate to align with greater social and environmental needs). Furthermore, the academic literature amply documents the positive effects that CSR can have on consumers’ attitudes and behavioral intentions (e.g. Brown & Dacin, 1997; Sen & Bhattacharya, 2001; Sen, Bhattacharya, & Korschun, 2006). In response, growing numbers of companies are developing CSR activities, and they are increasingly communicating them, through their annual reports and corporate websites, but also by means of more traditional marketing tools such as advertising (Bhattacharya, Sen, & Korschun, 2011).

However, one of the greatest challenges facing CSR communication is its potential to trigger consumers’ skepticism (Mohr, Webb, & Harris, 2001; Pomering & Johnson, 2009), which refers to consumer distrust or disbelief of a company’s actions, including its perceived motives, specific claims, and public relations efforts (Forehand & Grier, 2003). Finding ways to reduce consumers’ skepticism toward their CSR communication therefore is critical for companies wishing to reap the benefits of their CSR efforts (Du, Bhattacharya, & Sen, 2010). To do so, it has been suggested that companies should strive to make their CSR communication appear as credible as possible, since the perceived credibility of information underlies consumers’ confidence in a company’s claims (Erdem & Swait, 1998).

While prior research has investigated the role of content-specific and channel-specific factors in enhancing the credibility of a CSR communication (for a review, see Du, Bhattacharya, & Sen, 2010), the potential influence of the communication format has been largely overlooked. Yet, in addition to regular advertising, companies widely use infomercials - or informational commercials - to promote their products in the marketplace (Martin, Bhimy, & Agee, 2002; Donthu & Gilliland, 1996; Singh, Balasubramanian, & Chakraborty, 2000). Because the primary objective of CSR communication is precisely to inform consumers about companies’ CSR activities (Bhattacharya, Sen, & Korschun, 2011) and that advertising remains today one of the most effective channels to reach consumers with CSR messages (Cone/Echo Research, 2011), infomercials appear particularly suited for CSR communication. But infomercials are also believed to make false and misleading claims and to use deceptive formats (e.g., documentaries) in an attempt to hide the self-serving motives of the company (Speck, Elliott, & Alpert, 1997). Such beliefs may trigger perceptions of “greenwashing” in a CSR communication context, and undermine the credibility of infomercials’ claims. Existing literature, however, remains silent about the effects that an infomercial, in
comparison with more traditional forms of advertising, may have on consumers’ perceptions and attitudes in a CSR communication context.

To address this gap in the literature, this research investigates whether CSR infomercials may be perceived as more credible and lead to more positive consumer attitudes toward the company than regular CSR ads. Through an investigation of consumer responses to Unilever’s “Lipton for the Future” CSR communication campaign, this research also investigates how the different characteristics of an infomercial (i.e., the informational orientation, the presence of testimonials, the presence of a credible endorser, and the length of the ad) influence its perceived credibility. This paper thus provides valuable insights to marketers on how to design effective and credible CSR communications.

2. Hypotheses development

Ad credibility is defined as the “extent to which the consumer perceives claims made about the brand in the ad to be truthful and believable” (MacKenzie & Lutz, 1989, p. 51). Both survey results and academic literature suggest that advertising is rarely perceived as a credible source when compared to more independent sources of information. For instance, the Edelman Trust Barometer report shows that citizens from 20 countries generally expect the most credible information to come from third-party sources rather than sources controlled by companies (Edelman, 2010). This observation is particularly obvious in the case of a communication about CSR issues. For instance, only 43% of American consumers declare trusting companies to tell them the truth in environmental communications (Cone, 2011).

In this context, some companies choose to advertise their products and services, as well as their CSR activities, by means of ‘infomercials’ – i.e., long-form television advertisements promoting a company’s product or image through information (Donthu & Gilliland, 1996). Using infomercials, companies may consider that delivering a more informative message would render it more credible in the eyes of consumers compared to a more traditional, shorter ad. Indeed, infomercials have some characteristics that set them apart from regular TV ads. First, whereas TV ads typically last about 30 seconds, the duration of an infomercial may range from a few minutes to up to two hours (Belch & Belch, 1993; Donthu & Gilliland, 1996). Second, infomercials contain more detailed information than traditional TV advertisements (Elliott & Lockard, 1996) and tend to resemble regular television programs or documentaries (Singh, Balasubramanian, & Chakraborty, 2000). Infomercials also tend to use credible endorsers, such as experts, celebrities, and product users on a more regular basis than TV ads do, and they usually feature testimonials (Speck, Elliott, & Alpert, 1997). Accordingly, we formulate the following first hypothesis:

**H1:** A CSR infomercial will be perceived as more credible than a standard CSR ad.
Our second group of hypotheses aims at investigating how the different characteristics of an infomercial affect the perceived credibility of a CSR communication. Based on a survey of 878 people, Martin, Bhimy and Agee (2002) found that infomercials were more effective if they used expert comments and product users’ testimonials, among other factors. Accordingly, we expect a positive relationship between the presence of testimonials of CSR activities’ beneficiaries and the perceived infomercial’s credibility.

**H2a**: The credibility of a CSR infomercial is positively impacted by the presence of testimonials of CSR activities’ beneficiaries.

With regards to message endorsers’ impact, previous marketing literature has largely investigated how the presence of endorsers may affect consumer responses toward an ad. In a CSR communication, however, nonprofit organizations, rather than celebrities or companies’ spokespersons, appear as endorsers of the message (Bower & Grau, 2009). While CSR communication research has largely investigated the influence that the perceived congruence between the company’s core business and the social cause supported has on various consumer responses (e.g., Simmons & Becker-Olsen, 2006), the effects that endorsers such as a nonprofit may have on the perceived credibility of a CSR communication have surprisingly been seldom investigated. However, nonprofits usually enjoy high credibility when it comes to social and environmental issues (The Economist, 2010), such as those addressed in companies’ CSR communications. Accordingly, we expect a positive relationship between the presence of a credible, third-party endorser and the perceived infomercial’s credibility.

**H2b**: The credibility of a CSR infomercial is positively impacted by the presence of a credible, third-party endorser (i.e., nonprofit organization).

The more pronounced informational orientation of infomercials in comparison with standard ads also is an important factor to consider. Puto and Wells (1984, p. 638) define an informational ad as one that “provides consumers with factual (i.e., presumably verifiable), relevant brand data in a clear and logical manner”. Previous literature suggests that advertising informativeness is the aspect of an ad that most strongly contributes to its overall perceived value (Ducoffe, 1995). This effect likely is amplified in a CSR communication context given that 93% of consumers want to know what companies are doing for society (Cone/Echo Research, 2011). Thus, the ability of infomercials to provide detailed information to consumers about the company’s CSR activities should have a positive influence on its perceived credibility.

**H2c**: The credibility of a CSR infomercial is positively impacted by the degree of perceived informational orientation.

Finally, existing literature investigating the effects of advertisements’ length on consumer responses suggests that longer versus shorter ads provide consumers more opportunity to attend to and to process the message, leading to an enhancement of consumer learning (e.g., Pechmann & Stewart, 1988). Following Mick (1992)’s finding
that a deeper comprehension of an ad tends to be positively related to perceived ad credibility, we argue that the increased learning made possible by the length of the infomercial may in turn exert a positive influence on the perceived credibility of the infomercial’s message.

**H2d**: The credibility of a CSR infomercial is positively impacted by the perceived length of the infomercial.

Previous research suggests that when consumers perceive an advertisement as credible, they are more likely to hold positive attitudes toward the advertisement and the brand (Cotte, Coulter, & Moore, 2005; MacKenzie & Lutz, 1989). Along those lines, we expect a positive relationship between the perceived credibility enjoyed by an infomercial and consumer attitudes toward the ad and the brand. Furthermore, as we hypothesized that CSR infomercials will be perceived as more credible than standard CSR ads (see H1), we expect that a CSR infomercial will generate more positive attitudinal consumer responses than a standard CSR ad. Thus, we formulate the following hypotheses:

**H3a**: The perceived credibility of a CSR infomercial positively influences consumer attitudes toward the infomercial, which in turn positively influence consumer attitudes toward the brand.

**H3b**: A CSR infomercial leads to more positive consumer attitudes toward the ad than a standard CSR ad.

3. Methodology

To test our hypotheses, we developed a research design in which study participants were randomly exposed to one of four commercials developed by Unilever in the context of its “Lipton for the Future” CSR communication campaign and aired during prime-time hours on two major television channels in Belgium. Those commercials all present Lipton’s CSR achievements in its Kenyan tea plantations as well as Lipton’s partnership with the Rainforest Alliance, a nonprofit organization that militates for more sustainable farming, forestry and tourism businesses. They also mention three CSR issues tackled by Lipton: the environment, working conditions, and the living conditions of workers and of their families on the plantation. One study condition presents a standard 20-seconds ad that briefly mentions the three CSR issues addressed by Lipton as well as Lipton’s partnership with the Rainforest Alliance. The three other conditions present one of the three versions of a 2-minutes infomercial, each infomercial developing only one of the three CSR issues in-depth - through testimonials of workers and of members of their families, and by providing detailed information about the various actions taken by Lipton with regards to that issue - and briefly mentioning the two other CSR issues.

Participants were recruited among the general population through online posts and invited to participate to our online survey. Of the 196 participants who completed the
study, 70.4% were female, their average age was 42.67 years, and only 13.3% of them said they had seen the ad that was presented to them before.

After viewing one of the four commercials, participants were asked a series of questions measuring, on 7-point semantic differential scales, their attitude toward the ad (5 items adopted from Phelps & Thorson, 1991; Chronbach’s Alpha = .86), their attitude toward the brand (4 items adopted from Wagner, Lutz, & Weitz, 2009; Chronbach’s Alpha = .97), and the perceived ad credibility (5-items adopted from MacKenzie & Lutz, 1989 and Goldberg & Hartwick, 1990; Chronbach’s Alpha = .92). In addition, four items measured on a 5-point Likert scale were created to assess participants’ evaluation of Lipton’s infomercial characteristics, i.e., the infomercial length (2 minutes), the presence of a credible endorser (the Rainforest Alliance), the presence of testimonials (Lipton’s workers and families), and the informational orientation of the communication.

4. Main results

Usual checks for uni-dimensionality and reliability were carried out for multi-items scales. All Cronbach alpha were largely above .7.

With respect to H1, the ANOVA analysis did not reveal any significant effect of the CSR communication format (infomercials versus standard ad) on the perceived credibility of the CSR communication (Mean of perceived credibility for the infomercial focusing on the environment=4.18; for the infomercial focusing on working conditions =4.42; for the infomercial focusing on the living conditions=4.15; for the standard ad = 4.32 ; p=.784). H1 is thus not supported. Moreover, no significant difference appears between infomercials in terms of perceived credibility, showing that the content of the infomercial does not significantly influence the perceived credibility of the message.

As expected by H2, multiple regression analyses confirmed the positive influence of the presence of testimonials ($\beta$=.403, p=.0001), the informational orientation ($\beta$=.268, p=.001), the presence of a credible, third-party endorser ($\beta$=.200, p=.001), and the length of the infomercial ($\beta$=.129, p=.024) on consumers’ perceptions of infomercials’ credibility ($R^2$=58%). Interestingly, the presence of testimonials of CSR beneficiaries has the strongest influence on consumers’ credibility, even more than the presence of the Rainforest Alliance (i.e., the endorser).

Finally, our results confirmed H3a: the positive influence of infomercials’ perceived credibility ($\beta$=.748, p=.0001) on consumers’ attitudes toward the ad ($R^2$=56 %), and in turn the positive influence of consumers’ attitudes toward the ad ($\beta$=.561, p=.0001) on consumers’ attitude toward the brand ($R^2$=31%). However, H3b is not validated, since consumers’ attitudes toward the infomercials (Mean for the infomercial focusing on the environment=5.08; Mean for the infomercial focusing on working conditions =5.08; Mean for the infomercial focusing on the living conditions=4.99) are not significantly higher than consumers’ attitudes toward the standard ad (Mean = 4.66; p=.304).
5. Discussion and conclusion

This study highlights that the presence of testimonials, the informational orientation, the presence of a credible, third-party endorser and the length of infomercials all positively impact CSR infomercials’ perceived credibility. However, the results further suggest that the choice of an infomercial format to communicate about CSR issues is perhaps not worth the money required to air such a longer ad. Indeed, in comparison with a standard ad that contains CSR arguments, the infomercial format does not bring any additional perceived credibility to the CSR message. Based on this result, and although infomercials do not undermine the credibility of a CSR message either, we would recommend companies not to use infomercials to communicate about CSR, since they do not appear more efficient in increasing credibility perceptions compared to standard ads that cost much less to be aired on television channels. This result however contradicts our reasoning based on previous literature evoked in the first part of this paper and calls for further research to explain this surprising result.

Further research should try to replicate our results by investigating other company cases. Indeed, one of our research’s limitations is that it has been carried out with only one brand/company case, i.e. a well-known company in Belgium – Unilever – offering the Lipton brand, which is the tea market leader. Unilever’s and Lipton’s prior “good” reputation may have affected our results and further research could thus investigate the effects that infomercials may have for less known brands.

References

