Corporate Citizenship and its Impact upon Consumer Moralization, Decision-making and Choice

Dr Morven G McEachern[1]

Salford Business School, University of Salford, Salford, Greater Manchester, England, M5 4WT, UK, E-mail: m.mceachern@salford.ac.uk

Author Biography

Dr. Morven G. McEachern is a Reader in Marketing at the University of Salford and Director of the Centre for Social Business. Her research interests lie primarily in the area of consumer behaviour within the contexts of ethical consumption and social business. She has presented related papers at a number of international conferences and has published in a wide range of academic journals such as the Journal of Agricultural & Environmental Ethics, Journal of Marketing Management and Consumption, Markets and Culture.

[1] The author would like to acknowledge the research assistance of Greg Brooks, Lancaster University Management School.

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Abstract

Businesses are increasingly embracing corporate citizenship strategies. However, the empirical literature surrounding consumer responses to such practices, features many contradictions concerning their impact. As a result, many businesses are uncertain about the extent to which they should commit resources to these activities to influence a positive response from consumers. Therefore, this paper seeks to address this gap by exploring consumers' awareness of varying levels of corporate citizenship activities and assess their moral responses to such efforts. Using a combination of qualitative methods and projective techniques with a broad cross-section of twenty consumers, the results help to shed light on the impact of corporate citizenship activities upon moral recognition, consumer decision-making and choice.

Summary Statement of Contribution

Existing research is largely normative in nature and illustrates a positive relationship between moral recognition, judgement and choice. This study adopts a descriptive approach to morality, thus helping to address the previous contradictions surrounding consumer responses to corporate citizenship strategies by identifying that morality is not an all or nothing phenomenon and that it varies between the recognition of a moral issue, the subsequent judgement of that issue and actual choice.

Keywords: Corporate citizenship**;** Consumer moral recognition; Consumer choice; Fairtrade chocolate; Moralisation; Projective techniques.

Introduction

Corporate social responsibility (CSR) is recognized as a fundamental building block of corporate citizenship. However, corporate citizenship is regarded as a more accurate term when referring to the more 'social' aspects of corporate responsibility (Waddock and Smith, 2000) and is commonly defined[1] as the "total actions of a corporation" (Mirvis and Googins, 2006, p.104). These actions refer to both commercial and philanthropic activities and encompass being profitable, going "beyond mere compliance with the law", engaging in and demonstrating leadership in ethical behaviour (i.e. "take the moral high road") and giving back through corporate philanthropy to benefit communities and stakeholders (see Carroll 1998, p.4-5), when they are not legally obliged to do so (Matten et. al., 2003). Businesses who may be considered to be progressively visionary in their citizenship activities, are regarded as being at the 'Transformative' stage of corporate citizenship (i.e. the innovators of social/market change), with the lowest stage being the 'Elementary' stage, in other words the businesses who are simply paying lip service (Mirvis and Googins, 2006).

Many businesses have implemented corporate citizenship strategies to help convey to the general public that they behave in a socially responsible manner (Maignan and Ferrell, 2003; Matten and Crane, 2005; Cronin et al., 2011; Carrigan et al., 2013). However, the benefits of citizenship-related activities are somewhat contradictory. Where some studies indicate that they bring about a positive behavioural response from consumers (Creyer and Ross, 1997; Maignan and Ferrell, 2001; Becker-Olsen et al., 2006; Nan and Heo, 2007), other studies counter-argue that consumer responses are not as clear-cut (Bhattacharya and Sen, 2004; Luo and Bhattacharya, 2006). In view of these contradictions, it is apparent that greater understanding is needed regarding how consumers respond morally to businesses who promote themselves as being 'corporate citizens' (Bhattacharya and Sen, 2004; Brunk, 2010; Cronin et al., 2011; Lee et al., 2012; Feldman and Vasquez-Parraga, 2013). Indeed, the specific relationships between moral recognition, decision-making and choice have received little attention throughout the consumer behaviour literature (O'Fallon and Butterfield, 2005). This presents a clear rationale for undertaking research to help ascertain the influence of corporate citizenship strategies upon consumers' moral sensitivity (i.e. moralization) and choice.

To ensure the study relates to real-life marketplace initiatives (i.e. as suggested by Creyer and Ross, 1997; Becker-Olsen et al., 2006; Nan and Heo, 2007), the corporate citizenship strategies of market chocolate confectionery leaders - Mondelēz International, Inc. (previously known as Kraft Foods Inc.), Nestlé, and Mars Inc., point to a useful context for this study as they all recently embraced citizenship-led mechanisms in the form of Fairtrade certification. Thus, the objectives of this study are threefold. Firstly, following Castaldo et al.'s (2009, p.12) and Cronin et al.'s (2011) calls for future studies to discriminate between socially responsible and non-socially responsible businesses, the extent to which the leading chocolate confectionery businesses are legitimately embracing corporate citizenship is assessed on the basis of public information that is available to prospective chocolate-purchasing consumers. Second, the study explores consumers' moral sensitivity towards such citizenship strategies. Finally, we seek to understand if and how corporate citizenship influences moral decision-making and choice. This research is important from both a theoretical and practical perspective. On a theoretical level, it can improve our understanding of consumer responses towards the mainstreaming of Fairtrade as well as advance our knowledge of the impact of corporate citizenship activities upon consumers' moral decision making and choice. From a practical perspective, the results will help to generate practical recommendations for both certification NGOs and businesses that intend to convert mainstream products to more ethically acceptable products and facilitate the composition of acceptable citizenship strategies that can engage consumers and gain their trust.

The paper proceeds by presenting a brief overview of the literature surrounding consumer moralization, decision-making and choice. Drawing on case study evidence from the chocolate confectionery sector, the next section assesses the extent to which the leading chocolate confectionery businesses are legitimately embracing corporate citizenship. Following an overview of the adopted methodology, the findings of the research are then presented. Finally, the paper closes with emerging conclusions, recommendations, limitations and avenues for future research.

Theoretical Background

Consumer moralization, decision-making and choice

There is significant evidence to suggest that socially responsible product attributes have become important criteria for consumers when making purchase decisions (The Co-operative Report, 2011; Memery et al., 2012; Carrigan et al., 2013). Even in the face of global recession, it is widely believed that consumers will punish businesses that are deemed as behaving unethically (Creyer and Ross, 1997; Carrigan and de Pelsmacker, 2009). Bhattacharya and Sen (2004) argue that consumers may be more sensitive to socially irresponsible behaviour than to socially responsible behaviour. Alternatively, it is believed that a business's ability to produce a good product has a much stronger effect upon consumer behaviour compared to a business's citizenship and/or societal performance (Brown and Dacin, 1997; Low and Davenport, 2006; Luo and Bhattacharya, 2006). A much stronger consensus is noted on the issue of price whereby the importance of socially responsible attributes decline as the product price increases (Carrigan and Attalla, 2001; Bhattacharya and Sen, 2004; Feldman and Vasquez-Parraga, 2013). In addition, much empirical evidence suggests that despite consumers stating their intention to buy socially responsible products, moral concerns often fail to convert into actual purchases (Carrigan and Attala, 2001; Nicholls and Lee, 2006; Chatzidakis et al., 2007; Shaw et al., 2007; Szmigin et al., 2009; Carrington et al., 2010).

The consumer responses discussed above, highlight the difficulties that researchers face when attempting to provide an insight into the moral influences upon socially-responsible decision-making. Jones' (1991) issue-contingent model is widely cited as a reliable predictor of moral decision-making and proposes that moral recognition positively influences moral judgment which then has a positive influence on moral intentions. Although Jones's (1991) proposed model does help to consider how moral perceptions relate to moral decision-making, his model does not help to understand to what extent moral recognition (i.e. moralization) takes place and whether varying levels of moralization impact upon moral decision-making and choice. Another limitation of Jones' (1991) approach is the reliance upon a normative conception of moral intensity. Conceiving morality in this way "neglects everyday life situations" (Lovett and Jordan, 2010, p.176) – especially the mundane and ordinary activities surrounding for example, the purchase of chocolate. Thus, calls for researchers to rely less on rational, decision-maker models and focus on moral forms of consumption from a descriptive approach have been mounting (Crane and Desmond, 2002; Caruana 2007a, 2007b; Lovett and Jordan, 2010; McEachern and Cheetham, 2013).

A descriptive approach involves focusing on people's subjective conceptions of the moral meanings of everyday practices, referred to by some authors in terms of their moral sensitivity (Lovett and Jordan, 2010). In contrast to a normative approach which generally refers to morality in terms of the rightness or wrongness of an individual's behaviour as guided by a code of conduct and/or a set of rules (Caruana 2007b), Lovett and Jordan's (2010) descriptive approach to moral sensitivity provides a useful framework to assess the strength of individuals' conceptions of the moral meanings of their everyday experiences, by examining the extent to which individuals cast their moral nets (i.e. whether they limit their moralizing discourses to the self or whether they extend them to include others), as well as their willingness to express their privately held moral views in public. Building on the work of Rozin (1997), Lovett and Jordan define moralization as the process whereby society and/or individuals come to view a subject that was previously considered morally neutral (e.g. consuming chocolate) as possessing moral qualities (e.g. Fairtrade chocolate) and identify four distinct stages to the moralization process. In the context of chocolate consumption and moral sensitivity, Level 0 indicates no moralization with regard to specific chocolate consumption preferences. Level 1 indicates private moralization in respect of one's own engagement with specific chocolate consumption preferences, while Level 2 refers to private moralization in relation to both one's own engagement in specific chocolate consumption preferences as well as that of others. Finally, Level 3 is the public expression of moralization. In this case, rather than quietly evaluating consumption chocolate consumption preferences in private, the individual expresses their judgments publicly in an effort to try to change what they see as the immoral actions and consumption preferences of others.

The flexibility of this sociologically informed descriptive approach to moral sensitivity suggests that it may serve as a useful theoretical framework for this study. Thus, providing a means to explore the nuances and contradictory processes within the ethical and moral meanings allied to everyday consumption preferences. An overview of the leading chocolate confectionery companies' and their socially responsible activities is now offered to help discriminate between socially responsible and non-socially responsible businesses and assess the extent to which the leading chocolate confectionery businesses embrace corporate citizenship.

Corporate citizenship and the chocolate confectionery market

Mondelēz International, Inc. (current owners of Cadbury and Green & Blacks), Nestlé and Mars are just some examples of confectionery businesses who have recently attempted to enhance their corporate citizenship credentials by re-positioning their respective chocolate brands as Fairtrade[2]. These companies have long since been regarded as brand leaders in a sector currently valued at £3.7bn (Allen, 2011). As profits are "a *sine qua non* of effective corporate citizenship" (Carroll, 1998, p.2), their ability to meet the economic face of corporate citizenship is undeniable as between them, they control 83% of the chocolate confectionery market (35%, 21% and 27% respectively). Certainly, Mondelēz International's decision to re-structure and move Cadbury's HQ to Switzerland to save corporation tax will help to maximize business profitability further (Goodley, 2010), but a current Financial Times investigation into Cadbury's shows that the company only paid an annual average of £6.4m in tax on profits of £100m (Bowers and Rankin, 2013). As "the upright corporate citizen must go beyond mere compliance with the law" (Carroll, 1998, p.4), there may be moral repercussions given the recent calls from policymakers for consumers to boycott businesses who pay little or no corporation tax. Recent consumer reactions to corporation tax avoidance already show that Google suffered a 38% decline in brand desirability and Costa (Starbucks biggest UK rival) enjoyed a 70% increase at the expense of the negative media coverage surrounding Starbucks' tax avoidance measures (Brownsell, 2013).

While there are few reservations surrounding these businesses' ability to fulfil their economic and legal responsibilities (i.e. the legal face), Allen's (2011) Chocolate Scorecard (see Table 1) and case study evidence (see Appendix 1) help to draw out some reservations in respect of their ethical and philanthropic faces of corporate citizenship (see Carroll, 1998; Matten et al., 2003), especially in comparison to the brand – Divine Chocolate Ltd, which is considered to be ‘radically mainstream’ (Doherty and Tranchell, 2007) and yet one of the most sustainable and ethical chocolate brands.

Insert Table 1 here

Allen’s (2011) Chocolate Scorecard awards Divine Chocolate Company Ltd the highest score of all of the leading chocolate companies for their commitment to sustainability in the chocolate supply chain. Their score is helped by the fact that all of their chocolate products are 100% Fairtrade (unlike Cadbury, Nestlé and Mars) and that their policies provide a significant investment to help improve producers’ livelihoods.

Cadbury announced its plans to obtain Fairtrade certification for its Cadbury Dairy Milk brand in 2009. This move was very well received by other Fairtrade companies such as Divine, who stated that “together we really have the chance to create a step change, where the very least companies should do is to pay a Fairtrade price for the ingredients they buy” (Divine Chocolate, 2009). With regard to public perceptions of these efforts, Mark Palmer (2009), director of Green & Blacks acknowledged that "Cadbury's recent partnership with the Fairtrade Foundation was less about it suddenly switching to ethical business [it has long since been there] but a further sign that Cadbury is now confidently putting ethical business at the forefront of its business and brand communications". While the combination of Cadbury and Green & Blacks gives Mondelēz International the biggest portfolio of Fairtrade and organic products amongst the top 3 chocolate confectionery companies, the fact that these sales only account for 3% and 0.7% of their overall sales respectively, leads Allen (2011) to award a lower sustainability score compared to Nestlé.

Following Cadbury's lead, Nestlé announced in December 2009 that their leading brand - 'Kit Kat' was to receive Fairtrade certification by January 2010 (Fairtrade Foundation, 2009). However, as a result of a continuing worldwide boycott of Nestlé from the 1970s (Baby Milk Action, 2010), McKibben (2006) suggests that Nestlé's actions may be interpreted as symptomatic of the insincerity and hypocrisy of some large corporations who profess to be socially and ethically responsible, without substantiating their projected values. Some consumer groups have also questioned such 'green-wash' efforts and labelled Nestlé's Fairtrade decision as no more than a public relations initiative (Doherty and Tranchell, 2007; Brady, 2010). Further criticisms were directed towards Nestlé for spending only £404,000 on Fairtrade premiums in 2010 but during that same period spent £14.4m on advertising for Kit Kat (Allen, 2011). However, due to much greater transparency of their annual reporting and commitment to future sustainable targets, Allen's (2011) Chocolate Scorecard suggests a higher sustainability score for Nestlé compared to Mondelēz International and Mars. An additional criticism that could be directed at the business is that the Kit Kat product is more accurately described as a chocolate, wafer biscuit rather than a chocolate bar, with the result that only 1% of their products are being sold as Fairtrade. A similar Fairtrade conversion for Nestlé's Aero or Yorkie bar would instead have made a much bigger societal impact upon their demand for Fairtrade chocolate and the overall percentage of their products sold as Fairtrade.

In contrast to Cadbury and Nestlé, Mars did not initially commit to Fairtrade but instead announced their commitment to sourcing 100,000 tons of cocoa per year certified by Rainforest Alliance a month after Cadbury's Fairtrade announcement. Pressure from the International Labor Rights Forum (ILRF) and The Fairtrade Foundation saw Mars launch Fairtrade Maltesers in 2012. However, a similar criticism to Nestlé's Kit Kat brand arises, in that the Maltesers brand is predominantly honeycomb with a light chocolate coating (i.e. the product requires much less cocoa compared to for example, its Galaxy range). This raises questions about the company's commitment to ethical sourcing. As a result, Allen's (2011) Chocolate Scorecard awards the same score to Mars as awarded to Mondelēz International.

The comparison between the main chocolate confectionery businesses clearly reveals the Divine Chocolate Company to be at the Transforming stage (Stage 5) of Corporate Citizenship, with a socially-responsible trading model at the heart of its business operations. Due to a more transparent reporting system, Nestlé is observed as being at the Innovative stage (Stage 3) compared to Mondelēz International and Mars who are observed as being at the Engaged stage (Stage 2), illustrating a greater emphasis upon PR. Despite the narrow differences revealed between Mondelēz International, Nestlé and Mars, it is clear that each of their corporate citizenship activities are largely limited to leading brands only and therefore, does not (i.e. as advised by Brunk, 2010; Powell, 2011) constitute a significant element of their corporate citizenship behaviour. This is despite knowing that in order to be most effective from a corporate socially responsible perspective, ethics (i.e. socially responsible initiatives such as Fairtrade) "should be integrated into all brands and products globally" (Schlegelmilch and Pollach, 2005; Polonsky and Jevons, 2009, p.335). Since Cadbury, Nestlé and Mars switched to Fairtrade, a recent investigation into the cocoa supply chain by BBC Panorama identified evidence of human trafficking and child slave labour and criticized chocolate confectionery companies for their lack of monitoring and traceability in the chocolate supply chain (Allen, 2011; Kenyon, 2010). In view of these findings plus the fact that none of the leading chocolate manufacturers have announced plans to convert any additional chocolate brands to Fairtrade, the limited citizenship efforts of Cadbury, Nestlé and Mars may more accurately be viewed as corporate citizenship 'masking' (Matten et al., 2003) and/or 'clean-washing' (see Low and Davenport, 2006).

As corporate green-wash often brings about greater scrutiny and criticism from consumers (Schlegelmilch and Pollach, 2005; Low and Davenport, 2005/2006; Polonsky and Jevons, 2009), it remains to be seen what impact the aforementioned corporate citizenship activities of the main chocolate confectionery have had upon consumers. Thus, highlighting the need for further research into the influence of corporate citizenship efforts upon consumer moralization, decision-making and choice. The next section discusses the adopted projective techniques that we used to 'drive' our focus group discussion and in-depth interviews.

Adopted methodology

As reality is socially constructed and is concerned with the uniqueness of a particular situation (Myers, 1997), this research adopts an interpretivist approach. Kaplan and Maxwell (1994) also claim that interpretivism promotes the value of qualitative data in pursuit of knowledge. Therefore, in order to utilize participants' own perspectives in order to better explore and understand how consumers respond morally to businesses who promote themselves as being 'corporate citizens', a variety of qualitative tools were adopted to expand the current state of knowledge, namely focus groups, in-depth interviews and projective techniques. Between 2010 and 2012, the exploratory focus group (*n=8)* and semi-structured, in-depth interviews *(n=12)* were conducted with shoppers from Edinburgh, Lancaster, Manchester and Birmingham. Further details of why and how these research methods were used now follows.

Focus groups & in-depth interviews

An exploratory focus group was held in Lancaster to gauge participants' initial feelings towards Fairtrade and their views on traditional chocolate manufacturers venturing into the

Fairtrade chocolate market. A key advantage of focus groups is that they enable participants to feel more at ease within a focus group (in comparison to in-depth interviews) because not every question is directed specifically to them, and they are able to build upon other participants input (Carey, 1994). The goal of sampling for the exploratory focus group was to secure a varied insight into the perceptions, attitudes and behaviours among consumers. Therefore, participants featuring a balanced mix of genders and varied age groups were sought using a purposeful open sampling process from various supermarket car parks. Contrary to previous research which identifies significant relationships between ethical purchases/heightened moral sensitivity and gender/age demographics, no meaningful relationships were identified at this stage.

A common limitation of focus groups is that participants could be influenced by other members or that participants may not wish to discuss certain topics in a group environment (Mariampolski, 2001), therefore, the focus group was followed-up with in-depth interviews. Semi-structured, in-depth interviews facilitate the use of follow-up questions to obtain deeper understanding of the respondents' meaning and explore the factors that underpin participants' answers (Mariampolski, 2001). The interviews were conducted in Edinburgh, Lancaster, Manchester and Birmingham in participants' homes. Interview participants for this stage were recruited using a 'snowball' sampling technique and began by asking focus group participants to identify possible in-depth interview participants. It is widely asserted that a snowballing approach proves to be more economical, efficient and effective in various studies (Richie and Lewis, 2003). To enable participants' to engage fully with discussions around their chocolate confectionery choices, and comment on their perceptions towards chocolate manufacturing companies, all participants were screened prior to recruitment, to ensure that they did buy and/or consume chocolate. To avoid any potential bias towards Fairtrade and/or more ethical chocolate brands, no mention was made of Fairtrade, ethics or citizenship to potential participants prior to the focus group/interview. Prior to and during the research process, a number of ethical considerations were taken into account concerning anonymity and confidentiality[3].

Projective techniques

Although often underused, the use of projective techniques allows the "exploration of private feelings" to help overcome any "limitations associated with a purely verbal medium" (Marks, 2000, p.11). An additional advantage of projective techniques is that they permit further investigation into any inconsistencies between consumers' stated preferences and their behaviour (Chandler and Owen, 2002). Consequently, both the exploratory focus group and in-depth interviews began with a word association technique, where participants were asked to spontaneously write down words they associated with images of chocolate (i.e. non-branded and branded). Additionally, sentence completion techniques were used during the in-depth interviews. Rook (2006, p.150) also recommends that researchers should increase their interpretive opportunities by including techniques that provide varying types and amounts of material.

Therefore, in addition to word association and sentence completion exercises, focus group participants were split into 2 groups, allocated a variety of visual materials (e.g. magazines, confectionery wrappers, colored pens, flip chart etc) and asked to construct a collage in response to the tasks 'What does Fairtrade mean to you' and 'illustrate how you feel about leading, conventional chocolate brands becoming Fairtrade'? Visual construction techniques such as this often provide large amounts of raw data. Therefore, it was essential to hold discussions with each group regarding their collages afterwards to ensure accurate interpretation. Dalbec (2001) states how projective techniques can provide an intervention that breaks the monotony of non-stop discussion. This was taken into account by spreading out projective techniques over the duration of the focus group and interviews, rather than completing all of them in one go. Fortunately, the interaction between the focus group participants was very positive and all participants were proactive in responding to the task in hand.

Data analysis

With the focus group lasting around 2 hours and each interview lasting around 65 minutes, the recordings were used to make "detailed and exacting renditions of the oral record" (Mariampolski, 2001, p.248). The transcriptions of the recordings were added to the collages and completed sheets from the word association and sentence completion tasks. After this, several 'passes' were made through each of the transcriptions, revealing a number of key themes and patterns (Huberman and Miles, 1994). The core themes emerging from the data included: (1) consumers' moral recognition (i.e. moralisation) of corporate citizenship within the chocolate confectionery sector and of Fairtrade in general; (2) consumers' moral judgment regarding the varying levels of citizenship practiced by these businesses; (3) and consumers' decision-making responses to the corporate citizenship strategies of the chocolate confectionery businesses'. Overall, participants were of a broad age range (i.e. 20-67 years), mixed gender (7 male, 12 female) and spoke at length about their everyday, 'routine' (i.e. usually lunchtime) purchases of chocolate and their brand likes and dislikes.

Consumers' moral recognition of corporate citizenship activities in relation to Fairtrade chocolate

As noted by previous reports (e.g. The Fairtrade Hub, 2009; The Co-operative Report, 2011), awareness of the term Fairtrade and the mainstream Fairtrade chocolate brands specifically was generally high amongst participants. The picture association exercise revealed the Fairtrade logo to be *"a household name"* (Helen, 39 yrs, FG) and *"a well-known icon"* (Andrew, 62 yrs, FG).

Despite Fairtrade labelling having been around since the late 1980s, Level 2 moralisation (i.e. refers to both private and 'other' moralizing discourses) was prevalent amongst some participants as they expected chocolate confectionery businesses to engage with and promote ethical facets of corporate citizenship as well as expect themselves and other consumers to 'buy into' the Fairtrade cause. This expectation however, was identified to be more of a recent phenomenon amongst most participants. Here, James (22 yrs, FG) felt that *"companies have now become more pressured to be more ethical as a business"*. Other participants attributed their increased moralization as a result of Cadbury, Nestlé and Mars' recent engagement strategies with Fairtrade. For example, *"I think since Cadbury's Dairy Milk went Fairtrade last year, awareness of Fairtrade has increased significantly"* (Steven, 26 yrs, FG). The recent mainstreaming of Fairtrade in larger retail outlets was also deemed to be a contributing factor. Mary (67 yrs, IDI) for example, attributed her moral recognition of the chocolate companies' recent citizenship engagement activities to the fact that *"there are more shops that specialize in selling Fairtrade stuff now and most big supermarkets have a selection of everything so there will always be some Fairtrade chocolate"*.

Similar to Low and Davenport's (2006) findings, most participants understanding of Fairtrade was generally interpreted as being about a 'fair price' as the examples show below:

- "*Fairtrade is about getting a good wage for the people who harvest the cocoa*" (Alex, 42 yrs, IDI);

- "*It means that the source of the product…wherever it came from - to the people who grew it, actually got what was considered to be a fair price for their produce"* (Jill, 44 yrs, IDI).

However, a few participants did acknowledge the more complex elements of how Fairtrade impacts on traditional models of global trade. For example, Jane (44 yrs, IDI) felt that "*people are more aware of the exploitation of the farmers in the third world, so people are wanting to help and not have it on their conscience that they are exploiting the workers in these developing nations".*

For other participants, there was some misunderstanding surrounding the term Fairtrade, with a small minority associating the Fairtrade logo with organic assurances. On revealing that this wasn't the case, some participants felt that they had been misled by marketing communications. On learning about the differences between Fairtrade and organic certification, Mary's (67 yrs, IDI) response was one of surprise - "*I'm surprised really! I don't know why I had that impression that Fairtrade was sort of tied up with organic - that's what they push to us, that they're* [the chocolate confectionery companies] *being good".* Unsurprisingly, some participants wanted to know more about the process of how businesses reached a fair price. As highlighted in the collage exercise (See Figure 1), more information was requested by participants, particularly in relation to "*who decides what's fair?"*(Fiona, 59 yrs, FG). As seen from the quotes below, the lack of knowledge amongst some participants led them to express doubts as to whether the Fairtrade accreditation system works like it is meant to:

- *"I'm not 100% sure that people who are supplying the cocoa are necessarily getting a hugely better deal than they would if they weren't Fairtrade"* (Robert, 37 yrs, FG);
- "*I have my doubts about whether it really works because there's so much corruption in some countries in Africa that it might not be working out like we think it should"* (Mary, 67 yrs, IDI).

Insert Figure 1 near here

This discussion resulted in many participants requesting greater transparency surrounding Fairtrade certification practices and subsequently, they demanded more evidence "*to see what they're* [i.e. Fairtrade Foundation] *actually doing with the money"* (Helen, 39 yrs, FG) and "*more reassurance that it actually happens* [i.e. fair prices paid to suppliers/growers]*...like when you give money to a charity, it's monitored and regulated isn't it"*? (Fiona, 59 yrs, FG). A common viewpoint held amongst most participants (including the 'informed participants) was that Fairtrade companies could also do a bit more in terms of information provision. Here, Robert (37 yrs, FG) felt that consumers "*were not educated enough about the values and reasons behind it* [i.e. Fairtrade] *and what difference it makes. So maybe the advertising they* [the chocolate confectionery companies] *do should concentrate a little bit more on what benefits the farmers get and why they're doing it".* As the latter demands for greater transparency and reassurances were all raised in relation to how NGO's such as the Fairtrade Foundation and businesses with Fairtrade products (i.e. others) communicate to consumers, Level 2 moralization is evident amongst many of the participants.

Consumers' moral judgment between socially responsible and non-socially responsible businesses

It was evident that participants' decisions and product choices were influenced by their moral judgment of the differences between businesses and their ethical/philanthropic activities. Here, Fiona (59 yrs, FG) talked about how "*Cadbury are well known for their ethical stances…I've read quite a lot about Cadbury, and* *maybe some of it isn't true, but I know they run charitable trusts and things like that, they do a lot of charitable work"*. Another common deduction made amongst participants regarding Cadbury was that "*Green & Blacks wouldn't have sold the company to someone who wasn't ethical...so presumably Cadbury must be more ethical than other chocolate brands"* (Hilda, 25 yrs, IDI). There appeared to be a significant 'national' attachment to Cadbury's citizenship activities amongst participants. However, such activities were perceived as being virtuous only up until their takeover by Kraft (now known as Mondelēz International, Inc.). For example, "*Cadbury had a good image because they were a successful British firm but I think the takeover by Kraft has damaged them"* (Mary, 67 yrs, IDI). Similarly, Jane (44 yrs, IDI) felt that "*people in the past have associated Cadbury as being part of our National heritage, but now that they've sold it, you just think of them as another company that's gone somewhere else and I don't really look at them in the same way anymore, and it's a shame"*.

Despite Cadbury, Nestlé and Mars introducing very similar, socially responsible initiatives at the same time, a clear ranking of the citizenship-related initiatives also emerged amongst participants with many believing that Fairtrade was better than Rain Forest Alliance. For example James (22 yrs, FG) felt that "*Fairtrade has got more status hasn't it"?* Steven (26 yrs, FG) followed up James's comment by saying that "*with Galaxy being only Rain Forest Certified, that's a load of c**p"*. Uninfluenced by other participants, Liz also spoke of her perceived hierarchy of ethical businesses - "*compared to Galaxy, which is only Rainforest Alliance certified, Cadbury's are making a bit more of an effort to source their chocolate fairly from the farmers"* (Liz, 29 yrs, IDI).

Although most participants spoke positively about the benefits of Fairtrade, some criticism surrounding the chocolate confectionery businesses citizenship engagement strategies was revealed. Many participants commented on why Cadbury, Nestlé and Mars' converted their traditional chocolate brands to becoming more socially responsible brands (i.e. Fairtrade). For most, these activities were ultimately about "*improving brand perceptions"* (Helen, 39 yrs, FG) and *"being able to say that they're the first major chocolate brand to have done it. If Cadbury hadn't done it, Kit Kat wouldn't have done it...companies feel they have to follow the leader"* (Steven, 26 yrs, FG). Similarly, Liz (29 yrs, IDI) felt that "*a lot of bigger brands such as Dairy Milk and Kit-Kat have just jumped onto the Fairtrade bandwagon"*. Nestlé seemed to be particularly singled out for criticism. For example, Sandra (45 yrs, IDI) spoke of her distrust towards Nestlé – "*I don't trust them and therefore, I'd be very cynical about their motivations for becoming Fairtrade".* "Martha (44 years, IDI) was *"very surprised to see a Fairtrade logo on a Nestlé product because I have a negative view of them due to their past activities with the breast milk formulae and so on*". Other reservations over the sincerity of business motivations were offered with some participants feeling that their corporate citizenship activities were about increasing profits and improving their corporate image (see Figure 2) rather than a desire to benefit communities and contribute to a fairer and just society, for example:

- *"When they get to the size of a global operation, like Mars or Nestlé, companies aim to buy their product at the absolute cheapest price they possibly can and charge the most for it, therefore increasing their profit margins. So this is all about making sure that the cocoa field owners is getting a fair price for what they're selling but you know a big company like that is always going to have buying power to get the best possible price. So I am always aware of big companies, whether they say they're ethical or whatever, they're still trying to make a profit* (Fiona, 59 yrs, FG);
- *"Because people are becoming more conscious of buying Fairtrade stuff, I guess they're* [the chocolate confectionery companies] *pushing it, perhaps trying to improve their image some more"* (Mary, 67 yrs, IDI).

Insert Figure 2 near here

Of the unaware participants who hadn't seen any media coverage of Cadbury, Nestlé or Mars' recent citizenship activities and only learned of their strategies as a result of the group discussion, there was a sense that the businesses hadn't distinctly "*shouted about it so therefore, that's quite a good thing"* (Robert, 37 yrs, FG). As this discussion developed, other participants appeared to be more accepting of Cadbury, Nestlé and Mars' citizenship efforts in that such socially responsible activities resulted in a wining situation for everyone, for example:

- *"I think it's a good way to a consumers pocket through pulling their heart strings...it's actually quite a clever marketing strategy really. If they're giving more back, but selling more because they're more socially responsible, then everyone wins"* (Robert, 37 yrs, FG);
- *"It's quite complicated knowing who is good and who is bad but it doesn't matter who you're buying it through, as long as the growers and the producers get the extra money (*Evan, 28 yrs, IDI*);*
- *"I trust the Fairtrade logo so I don't think any company should be distrusted if it bears the Fairtrade logo. It's all commercial for these companies but the outcome is good that is the positive thing" (*Martha, 44 yrs, IDI*).*

Despite the criticisms outlined above and contrary to previous research (Creyer and Ross, 1997), none of the participants expressed a desire to 'punish' the chocolate confectionery businesses in light of their limited Fairtrade activities. Neither were any accusations of irresponsibility forthcoming from the few participants who mentioned watching the BBC Panorama programme. Instead, there was more of a sense of acceptance from participants that profits, competition and brand improvement/differentiation tactics were what businesses focused on, but if fair prices were paid to suppliers, this was perceived as a positive outcome for everyone. For example, "*Obviously Fairtrade is good, it's a good idea and it has worldwide implications, but that thing on the TV about the child labour, would it stop you from buying chocolate? No…I think it's something you don't really think about that much*" (John, 45 yrs, IDI).

Are consumers' moral choices influenced by corporate citizenship strategies?

Featuring Level 1 moralization (i.e. preferences are only moralized for the self); some participants' moral choices were influenced by Fairtrade. For example, Sheila (40 yrs, IDI) "*read somewhere that Cadbury's gives farmers a fair price so always buys Cadbury's to support them"* and Sandra (45 yrs, IDI) claimed to "*pick up Green & Blacks chocolate due to being Fairtrade".* Despite this positive moralisation, Fairtrade choices did not feature highly for most participants. The least preferred Fairtrade brand choice was Divine, with some participants' asking who they were. For example, Robert (37 yrs, FG) said "*I've never heard of Divine…is there such a chocolate"?* In agreement with previous research (see Brown and Dacin, 1997; Low and Davenport, 2006; Luo and Bhattacharya, 2006), there was a general feeling amongst participants that when it came to making a choice over what chocolate bar to choose, other factors were more important than the citizenship and/or societal performance of a business. For example, Liz (29 yrs, IDI) felt that "*it's a good concept, a good thing for companies to be doing, but I think there's a lot of overriding factors that would come above Fairtrade"*. Taste was predominantly the strongest influencing characteristic amongst participants. For some participants however, Fairtrade products were chosen due to taste but also the feel-good factor obtained as a result of choosing Fairtrade over non-Fairtrade. For example, Hilda (25 yrs, IDI) regularly purchased Green & Blacks as she liked "*the taste of it as well as the fact that it's Fairtrade"*. Overall, most participants shared the view that Fairtrade wasn't "*something that people really think about when they buy chocolate, with chocolate, people just want something they like"* (John, 45 yrs, IDI). Similarly, Liz (29 yrs, IDI) felt that associations with Fairtrade coffee were stronger compared to Fairtrade chocolate – "*I think people think more about Fairtrade when they buy coffee. With chocolate, the message is only starting to get out a bit more now".* For Alan (20 yrs, IDI), buying chocolate was "*just about flavour, Fairtrade doesn't influence me at all…I'm not against it.*

For me, it's just something that's there". These are all good examples of Level 0 moralization whereby choices appear to be made as a result of personal preferences or tastes rather than informed by morality/ethics.

Similar to previous research which highlights price as a common barrier to socially responsible consumption behaviour (see Carrigan and Attalla, 2001; Feldman and Vasquez-Parraga, 2013), some participants held the view that Green & Blacks and Divine Fairtrade chocolate was more expensive and therefore, only purchased it as a one-off treat. For example, Martha (44 yrs, IDI) stated that "*the Green & Blacks chocolate is nice and it's OK to charge more for a higher cocoa content as that relates to quality, but it is much more expensive so it is more of a treat"*. Alan (20 yrs, IDI) looked to the cocoa percentage as a guide to price - "*something that shows the percentage of cocoa, I always think it must be premium".* Similarly, although Jane hadn't encountered the brand before, she felt that the Divine chocolate *"looks like an expensive brand, especially with the gold pattern - it looks good"* (44 yrs, IDI). Another rationale for lower choice preferences for Green & Blacks and Divine Fairtrade chocolate was that it was perceived as being more aligned with "*rich dark chocolate as opposed to milk chocolate"* (James, 22 yrs, FG). None of the participants acknowledged Mars or Nestlé's identical pricing strategies for their respective Maltesers and Kit-Kat products before and after switching to Fairtrade. Steven (26 yrs, FG) however, did acknowledge this from Cadbury's products - "*the price of Dairy Milk is the same price as it was before Fairtrade".*

Overall, for an everyday, routine consumption context such as chocolate, it seems that rather than responding negatively to Mondelèz International, Nestlé and Mars' limited commitment to Fairtrade, it was in most cases seen as a moral bonus for participants to be able to buy their favourite chocolate brand and for it to contribute to some social good at the same time.

Conclusions and Recommendations

This study examines the real-life market-setting of the UK chocolate confectionery marketplace which is contrary to previous studies which typically focus on imaginary marketplaces (see Creyer and Ross, 1997; Becker-Olsen et al., 2006; Nan and Heo, 2007). It also satisfies Castaldo et al.'s (2009, p.12) and Cronin et al.'s (2011) calls for future studies to discriminate between socially responsible and non-socially responsible businesses as this research set out to identify the extent to which Mondelēz International, Nestlé and Mars were seen to embrace corporate citizenship on the basis of information publically available to the chocolate purchasing consumers. With a total market share of 83% between them, and less than 5% of their total chocolate confectionery sales being Fairtrade, this research reveals Mondelēz International, Nestlé and Mars' respective citizenship engagement activities to be of a limited nature. Moreover, in view of the negative media coverage surrounding child labor and poor monitoring (see Kenyon, 2010) as well as tax evasion investigations for Mondelēz International (Bowers and Rankin, 2013), it is possible that such limited citizenship efforts may be subject to charges of 'citizenship masking' and/or corporate green-washing. This is an offence that is widely cited as being wise to avoid (see Schlegelmilch and Pollach, 2005; Low and Davenport, 2005/2006; Polonsky and Jevons, 2009; Brunk, 2010; Powell, 2011) for fear of retaliation by consumers. However, compared to previous findings (Creyer and Ross, 1997; Bhattacharya and Sen, 2004), no retaliation or increased sensitivity from consumers was identified after finding out about each company's limited foray into the Fairtrade market. In fact, consumer familiarity towards Cadbury's (as opposed to Kraft Foods Inc or Mondelēz International) previous charity work and their ownership of Green & Blacks appeared to give them slightly more 'competitive leverage' in the ethical marketplace compared to Nestlé and Mars. Furthermore, as neither Cadbury, Nestlé and Mars' had altered their pricing strategy since becoming Fairtrade, there was also a sense that their citizenship engagement efforts were not motivated purely by the lure of market premiums. In fact, there was a strong acceptance amongst most consumers "*that everyone wins*" as a result of such activities and that businesses need to make a profit and compete successfully against their competitors. As the moral responsibility comparison (Table 1) reveals the Divine Chocolate Company Ltd as being a leading visionary in its ability to "take the moral high road" and demonstrate ethical leadership (Carroll, 1998, p.5), the findings suggest that Mondelēz International, Nestlé and Mars have nonetheless successfully managed to appropriate the complex message of Fairtrade "while washing that message clean of the oppositional and transformative elements" of global trade (Low and Davenport, 2006, p323).

In light of the contradictions identified on the subject of consumer responses to corporate citizenship activities throughout the literature (see Creyer and Ross, 1997; Maignan and Ferrell, 2001; Becker-Olsen et al., 2006; Nan and Heo, 2007; versus Castaldo et al., 2009; Feldman and Vasquez-Parraga, 2013), this study set out to explore consumers' moral sensitivity to businesses who promote themselves as being corporate citizens and the extent to which moralization impacted on decision-making and choice. Using Lovett and Jordan's (2010) gradation-based descriptive model of moralization, this research supports Jones's (1991) claim that moral recognition positively influences moral judgment. However, our findings also contribute further to research in this area by challenging Jones's (1991) claim that a positive moral judgment has a positive influence on moral intentions by revealing that morality is not an all or nothing phenomenon and that there appeared to be a lower level of moralization at work when it came to actually making moral choices. While the above findings don't dispute that socially responsible product attributes have become important criteria for some consumers when making purchase decisions (The Co-operative Report, 2011; Memery et al., 2012; Carrigan et al., 2013), they are clearly not held to be the most important influencing characteristic. This may offer some explanation surrounding consumers' limited understanding of Fairtrade. More importantly, having revealed predominantly Level 1 and Level 2 moralisation amongst the majority of consumers towards Mondelēz International, Nestlé and Mars' corporate citizenship activities (i.e. they recognise some aspects of an issue as having moral implications), the lack of any Level 3 moralisation suggests that most consumers are unlikely to engage in moral purchase behaviour or become actively involved (either individually or collectively) in pressurising manufacturers and retailers to reform their global trade structures and adopt Fairtrade as a dominant business practice.

The only area whereby consumers (i.e. both the more conscious consumer and non-ethical consumer) expressed any wish to effect change, was around greater transparency and reassurances that the Fairtrade premium was 'fair' and that it did reach the cocoa producers. Therefore, as is the case with all private certification schemes (e.g. Marine Stewardship Council, RSPCA Freedom Food, Forest Stewardship Council etc.) achieving 'radical mainstreaming' (see Doherty and Tranchell, 2007) and/or an 'alternative high street' (see Low and Davenport, 2006) is largely dependent upon NGOs such as the Fairtrade Foundation and the Fairtrade Labelling Organisation adopting and implementing innovative marketing tools to educate consumers as to how the certification process works and to urge consumers to employ the collective sovereignty they hold to effect change on a global scale. Such a message will not be ignored by the likes of Mondelēz International, Nestlé and Mars – you only have to look at the relatively quick success in encouraging Starbucks to pay more corporation tax to the UK after a short revolt by UK consumers. A similar media response to encourage a call to arms from consumers would certainly help put greater pressure on manufacturers and retailers to alter their global trading practices and achieve a more just and fairer chocolate supply chain. Upon reaching a more realised co-existence between business and society, this would permit leading chocolate confectionery businesses to promote themselves as being the true, corporate citizens that Carroll (1998) envisaged.

Limitations and avenues for future research

This paper sought to ascertain the extent to which the leading chocolate confectionery businesses were legitimately embracing corporate citizenship, however, the limitations of relying on publically available information are acknowledged. Perhaps future research could engage directly with leading chocolate confectionery businesses to obtain a much deeper insight into their priorities and motivations for engaging in corporate citizenship. While the use of projective techniques demonstrates the potential to tap into the emotionally driven perceptions and attitudes that are generally problematic to achieve using direct question formats, limitations are acknowledged concerning the generalizability of these findings. Nonetheless, there is significant scope to utilize the above findings to formulate theoretical hypotheses that could be corroborated through quantitative research designs. It is also prudent to note that this study only refers to a single industry and therefore, it would be noteworthy to ascertain whether the results hold in other business environments. Given the global nature of these leading chocolate brands, another interesting research avenue to pursue could be to extend the above research towards a more cross-cultural perspective.

Notes

1. For a more in-depth overview of the criticisms surrounding the term corporate citizenship, see Matten et al. (2003) and Matten and Crane (2005). Note that this paper adopts the most common definition of corporate citizenship provided by Carroll (1998) and Mirvis and Googins (2006) rather than debate what it is and what it is not.
2. Fairtrade is regarded by many as an alternative trading system which was developed to *"*offer the most disadvantaged producers in developing countries the opportunity to move out of extreme poverty through creating market access (typically to Northern consumers) under beneficial rather than exploitative terms" (Nicholls and Opal, 2005, p.6). The

Fairtrade Foundation operates by promoting and licensing the Fairtrade mark in conjunction with the Fairtrade Labeling Organization. For a detailed overview, see Nicholls and Opal (2005).

3. Note that pseudonyms are adopted when referring to participants throughout the remainder of this paper.

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Table 1 **The Chocolate Scorecard: A Measure of Moral Responsibility**

	Nestlé UK	Mondelēz International Inc.	Mars Inc.	Divine Chocolate Co. Ltd
Transparency	**(2)** Clear commitments, targets; clear reporting	**(1)** Some commitments, some clear targets; clear reporting	**(1)** Clear commitments, targets; no annual reporting	**(2)** Clear commitments, targets; clear reporting
Tax issues	**(1)** No known issues	**(0)** Restructuring Cadbury to avoid UK tax	**(1)** No known issues	**(1)** No known issues
Traceability of cocoa	**(1)** Approx 3% or 12,000 tonnes is traceable	**(1)** Approx 5-7% or 22,000 tonnes is traceable	**(1)** Approx 2-3% is traceable	**(2)** 100% or 1,599 tonnes is traceable
Investment in producers	**(1)** Nestlé Cocoa Plan, incl. Fairtrade premiums: £6.8m or estimated 0.2% of chocolate sales	**(1)** Cadbury Cocoa Plan, incl. Fairtrade premiums: £6.4m or estimated 0.1% of chocolate sales	**(1)** £6.5m per year or estimated 0.1% of chocolate sales	**(2)** Fairtrade premiums plus producer support: £388,760 or estimated 3.3% of chocolate sales
Child labor	**(1)** Has policy, some monitoring, joined industry initiatives	**(1)** Has policy, no monitoring, joined industry initiatives	**(1)** Has policy, no monitoring, joined industry initiatives	**(2)** Has policy, monitoring and 100% traceable supply chain
Fairtrade	**(1)** 1% of cocoa purchased is Fairtrade	**(1)** 3% of cocoa purchased is Fairtrade	**(1)** Less than 1% of cocoa purchased is Fairtrade*	**(3)** 100% Fairtrade
Organic	**(0)** No organic products	**(0)** 0.7% of chocolate is organic	**(0)** Less than 1% of chocolate is organic	**(0)** No organic products
Use of GM	**(0)** Lobbies for GM but does not use in Europe; 40% GM free	**(0)** Uses GM but does not use in Europe; 38% GM free	**(0)** Uses GM but not where consumers oppose it	**(2)** No intentional use of GM
Use of Palm oil	**(0)** Uses palm oil, signed up to RSPO, 20% certified	**(0)** Uses palm oil, purchases from RSPO members	**(0)** Uses palm oil, some is RSPO certified	**(2)** No intentional use of palm oil
Total	**7**	**5**	**6**	**16**

Source: Adapted from Allen (2011, p.5).

*Note that Mars Inc. did not have any Fairtrade certified chocolate products at the time of Allen's (2011) study but in 2012, the business re-branded their Maltesers brand as Fairtrade.

Figure 1 Collage 1

Figure 2 Collage 2

Appendix 1 A Market Overview of the Main Chocolate Confectionery Companies

Divine Chocolate Ltd

Divine Chocolate Limited (formerly known as The Day Chocolate Company) was established in 1998 as a partnership between 'Kuapa Kokoo' cocoa growers collective and 'Twin Trading'. The brand has a global turnover of £12m and the trading system that the company employs is also unique in that members of Kuapa Kokoo own a 45% stake in the company and share its profits (Allen, 2011; Doherty and Meehan, 2006; Doherty and Tranchell, 2007).

Mondelēz International, Inc.

Mondelēz International now own what is considered the original 'ethical' chocolate brand 'Green & Blacks'. Green & Blacks 'Maya Gold' bar was the world's first Fairtrade mark product, but this was originally the only Fairtrade bar in their 16-strong certified organic collection. Prior to Mondelēz International's takeover, Cadbury (i.e. the previous brand owner who purchased Green & Blacks in 2005) announced in January 2010 that they were to switch Green & Blacks' entire range to Fairtrade by the end of 2011, a move which was estimated to make them the world's leading manufacturer of organic Fairtrade chocolate and help to significantly increase Fairtrade sales (Smithers, 2010). Prior to its takeover by Mondelēz International in January 2010, Cadbury also announced its plans to obtain Fairtrade certification for its Cadbury Dairy Milk brand in March 2009. Despite the cost of Fairtrade chocolate usually being higher than non-Fairtrade chocolate, Cadbury's new 'Fairtrade Dairy Milk' was offered to the consumer at exactly the same price as the non-Fairtrade Dairy Milk (Fairtrade Foundation, 2009). While the brand is commonly regarded as the UK's top selling chocolate bar and has annual sales of £1bn (Allen, 2011), this move brought Cadbury the accolade of being the first mass-market chocolate in the world to use Fairtrade cocoa, with approximately 350 million bars of 'Dairy Milk' carrying the Fairtrade mark around the world (Cadbury, 2010).

Nestlé UK

Kit Kat is Nestlé's biggest confectionary brand in the UK with annual sales of £1.1bn and accounts for 23% of UK confectionery sales (Smithers, 2009; Allen, 2011). David Rennie, managing director of Nestlé stated that "UK consumers are increasingly interested in how we source and manufacture their favorite products, and certifying our largest and most iconic brand is one of the ways in which we are committing to improving the lives of as many cocoa farming families as possible" (Rennie, 2009). Similar to Cadbury's Fairtrade pricing strategy, Nestlé did not raise the price of their Fairtrade Kit-Kat.

Mars Inc.

The second largest manufacturer in the UK chocolate confectionery market is Mars. The Galaxy brand has annual sales of £1.3 billion and was the company's first brand to be Rainforest Alliance certified in 2010 (Allen, 2011). Subsequently, both the International Labor Rights Forum (ILRF) and The Fairtrade Foundation appealed to Mars to embrace

Fairtrade and/or organic certification as they were not only “a much bigger step in terms of sustainability” (ILRF, 2009), but also added greater value for the growers involved (Fairtrade Foundation, 2009). Moreover, the ILRF (2009) went on to criticize Mars further as their commitment to the Rainforest Alliance in terms of sourcing was not expected to encompass their supply chain until 2020. At present, it is understood that its Rainforest Alliance certified cocoa represents just over 1% of its total purchases (Wallop, 2011). NGO pressure was eventually successful as the UK marketplace saw Fairtrade Maltesers (annual sales of £174m - Bainbridge, 2012), being formally launched in June 2012, and accompanied by the strap-line ‘Raising the Bar’.