Does Corporate Social Responsibility (CSR) matter to Vietnamese Consumers? A Qualitative Study of Modern Food Retailers

Vo Thi Mai Ha
Faculty of Business Administration, College of Economics, Hue University (Vietnam)
Email: vomaiha@gmail.com

Abstract

While most of existing research investigates links between a company’s CSR performance and customer behavior in western developed countries, our study examines the influence of CSR on consumers in an Asian developing country. Looking at CSR practices of modern food retailers (MFRs) in Vietnam, the aim of this study is to obtain first insights into the relevance of CSR for Vietnamese consumers. We follow a qualitative approach in form of an exploratory study, using both in-depth interviews with experts and a consumer survey. We find that product responsibility is perceived to be the primary concern of urban consumers in Vietnam. In contrast, animal welfare, fair trade, and child labor, the aspects which are intensively discussed in western countries, are of little relevance for Vietnamese consumers. Vietnamese consumers value firms that behave socially responsibly, but they do not react to CSR at the same manner. Results indicate that there exist segments of consumers who do not care about CSR (group 1 – indifference to CSR), who support CSR (group 2 – CSR support in terms of store perception) and who consider CSR in their buying decision and store choice (group 3 – response at product level and group 4 – response in terms of store loyalty).

1. Introduction

Business ethics and Corporate Social Responsibility (CSR) have become more essential in all aspects of today economies worldwide. In spite of growing concern for CSR in various industries, little is known about the food retail sector. Given some particular characteristics, the food retail sector deserves for further attention when food retailers play a very meaningful role with their responsible interventions in the food supply chain (Maloni & Brown, 2006). Food consumers have to make daily shopping decisions in terms based on their needs, budget, habits, and ethics (Mark-herbert, 2006). Consumers are more keenly aware that their food choices (of, say, organic or conventional foods) will have an impact on the behaviors of companies and the authorities, thus making suitable contribution to the formalization of strategies of action in order to improve environmental and social conditions (Lamberti & Lettieri, 2009).

To date, much of research into consumers and CSR has restricted to the context of EU and North America. The CSR studies looking at consumers in food retailing remain very limited in the literature. Such research for other parts of the world is much scantier, leaving a big gap in CSR literature. The CSR studies originating from the Western countries may be considered impracticable in emerging or transition economies (Prieto-Carrón, Lund-Thomsen, Chan, Muro, & Bhushan, 2006). It is still unclear whether consumers in a developing country like Vietnam are interested in CSR practices by food retailers. A lack of earlier research in the area calls for an exploratory approach seeking for a preliminary understanding of the impact of CSR issues on consumers.

Our research aims to take initial steps in examining the relevance of CSR in food retail sector in Vietnam. On one hand, we seek to understand characteristics of consumers and their responses
to CSR from the viewpoints of stakeholders. On the other hand, we explore consumers’ responses upon receiving news of good or bad cases related to CSR. In other words, in this exploratory research, the issues of interest come from a combination of views from different stakeholders and consumers, with emphasis being placed on modern food retail channel.

Our paper is structured as follows: after this introduction, we present the description of the research methodology. Then come the research findings, combined with some discussions. Finally, the conclusion will summarize the main results, suggest implications, point out limitations, and propose a few ideas for future research.

2. CSR in food retailing

Resulted from increasing efforts of academic community and various stakeholders in practice (Castaldo, Perrini, Misani, & Tencati, 2009), the concept of CSR have been developed at an accelerated pace over the past five decades. While Dahlsrud and Dahlsrud (2008) identified 37 definitions of CSR, Carroll and Shabana (2010) stated that the true number exceeds this figure. The development of CSR concept, though it has been made much progress, is a quite complicated process as different stakeholders could define CSR in different ways. In this research, we base on the definition by ISO 26000 (2010), defining that CSR “… is the responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behavior that contributes to sustainable development, including health and welfare of society, takes into account expectations of stakeholders, is in compliance with applicable law and consistent with international norms of behavior and is integrated throughout and practiced in an organization’s relationships”.

To understand CSR activities in this sector, a literature search begins with the food sector since food retailers are operating as final actors in the food supply chain. A recent important study by Hartmann (2011) indicated the relevance of CSR for the food sector by conducting a thorough review of CSR literature. Forsman-Hugg et al. (2013) identified seven key dimensions of food chain CSR: environment, product safety, corporate nutritional responsibility, occupational welfare, animal health and welfare, local market presence and economic responsibility. Before their study, Maloni and Brown (2006), proposed a framework that details CSR applications in the food supply chain including animal welfare, biotechnology, environment, fair trade, health and safety, and labor and human rights, community and procurement. Research on CSR in the food retail sector receives only limited attention, with a bias on western developed countries. The work of Piacentini, Eadie, and MacFadyen (2000), known as one of the studies that discussed CSR directly and extensively in food retailing, provided with evidence of CSR activities of food retailers in UK. Jones, Comfort, and Hillier (2007) pointed out CSR themes that UK large food retailers used to communicate with their consumers and to build retail brand awareness (value for money, support for local food producers, Fairtrade, healthy living and healthy eating, commitment to organic products, charitable donations and initiatives to support the local community).

While an expanding research body deals with links between a company’s CSR conduct and consumers responses (e.g., Brown & Dacin, 1997; Mohr & Webb, 2005; Sen & Bhatt, 2001), only few of them has a closer look at food retailers. For example, Anselmsson and Johansson (2007) came up with three general attitude-based dimensions for CSR in positioning retailers and national brands, which are important to consumers: (1) human responsibility, (2) product responsibility, and (3) environmental responsibility. Besides, several studies investigated
CSR issues in the context of food retailing in developed markets (Anselmsson & Johansson, 2007; Loussaïef, Cacho-Elizondo, Pettersen, & Tobiassen, 2014; Williams, Memery, Megicks, & Morrison, 2010). In another example, Loussaïef et al. (2014), in a cross-cultural context, explored how young consumers perceive CSR of food retailers and how these actions affect brand image, brand associations and consumer–retailer relationships.

3. Methods

We follow a qualitative approach which has been found in several previous studies on CSR (e.g., Green & Peloza, 2011; Loussaïef et al., 2014; Mohr, Webb, & Harris, 2001; Öberseder, Schlegelmilch, & Murphy, 2013). Instead of trying to measure how much and how many have been done, as quantitative researchers usually do, the main goal of a qualitative research is to explain why and how (Silverman, 2011), therefore this approach is suitable in describing and examining complicated and unexplored issues of a social system (Marshall & Rossman, 1989). This research combined expert in-depth interviewing with consumer surveying, thus being able to use the strength of each technique. Both techniques were done online, to save time and costs. The collected data was dealt with by content analysis, a classical method with sorting, categorizing and naming themes (Loussaïef et al., 2014).

First, a diverse group of ten experts in Vietnam (managers from retailers, food suppliers, producers, representatives of NGO/civil societies and media) were invited to be interview partners in order to reveal various perspectives to the issues in question. The interviews were based on a semi-structured questionnaire with a few questions being tailored for the informants in line with their expertise. The interviews, conducted by video skype calls in about 60 minutes on average, were recorded with the permission of the informants, and carefully transcribed afterwards. Some initial questions were designed to get the informants thinking about the issue in general terms and CSR in general business in Vietnam. Then, we asked specific questions directly about the issue being examined. In some cases, additional issues were taken up in the interviews to grasp more detailed information.

To reflect those findings with consumers’ own statements regarding their perception of CSR in food retailing, we employed an online survey with 354 Vietnamese consumers. This study concentrates on the open questions of the survey that require a qualitative analysis. The open questions refer to the reasons consumers give for their selection of modern food retailers (MFRs), the knowledge consumers have about CSR activities of MFRs (negative vs. positive), and the impact of CSR information on their perception of the retailer as well as on their actual shopping behavior and intention. We expressed CSR in a more consumer-friendly manner using a longer phrase instead of using the term “CSR” in the questionnaire. In the part of negative CSR, consumers were first asked if they ever heard about a MFR in Vietnam that was criticized because of irresponsible or illegal behavior or any other misdeeds. This yes-no question divided participants into two groups. To the group of consumers who answered “yes”, we further inquired them of the case and the MFR in question, and whether the bad negative information affected their buying behavior, and if yes, how. To the group of consumers who answered “no”, we asked if they got such an information, then whether their buying behavior would be affected, and if yes, how. This was followed by another question about boycotting, which aimed to see the level of response by the consumer to a negative information, and also to cross-check their earlier answers. The same sequence of questions was done regarding a positive information and its impact to consumers.
4. Results

4.1. Consumers’ concerns for CSR from stakeholders’ perspectives

In the interviews, we focused on the questions of whether consumers appreciate MFRs socially responsible conduct and what areas of responsible firm conduct in food retailing are most important for them. During the flow of interviewing process, for more valid explanation, informants provided the information from both responsible and irresponsible conduct.

All interviewees agreed that Vietnamese urban consumers are interested in and highly value business ethics. Though, their concerns for CSR focus on the aspects or elements that pivot around health safety. There exists a minority of ethical consumers who buy food and select a food store on the basic of other ethical values, but the number is still very few, limited to activists or those who are well-educated, well aware of the issues and involved in some related fields such as environment, biotechnology, animal protection, and community development. Generally, even though the tradition factors such as price, availability, wide range of products and convenience are important to their selecting a modern food retail store, CSR-related factors have influence on their decision. The extent of impacts varies greatly among different CSR aspects (product, environment, community, etc), within each of which type of information (good or bad) has influence on consumer attitude and behavior.

Product responsibility is perceived as the top CSR issue, in which product quality and safety matters Vietnamese urban consumers most. Food retailers that excel in this regard will build consumers’ confidence and attract more buyers. On the opposite, according to experts, reaction of food buyers to product irresponsibility is much stronger, once the negative information is acquired. Consumers may immediately abandon a product or a MFR that has bad reputation in this aspect due to eroded trust. They also spread the words to their relatives and friends. The informants explained:

Consumers are most responsive to what directly relate to themselves. Consequently, issues of safety, hygiene, quality, product origin, etc [product responsibility] are of most importance. If this is not ensured, the product is boycotted (producer).

Having the right information is important to grocery shoppers. Once they have the information, their reaction to food security and product transparency is very clear: switch the store and search for alternatives. Perhaps the alternative is not better than the old one, but they still switch- because they do not trust it any more. […] Many scandals of dirty food, that have been lately discovered, turned out to penetrate in the marketplace for so many years, shocking the public. […] Consumers shared bad news on Facebook to warn their friends and others (supplier).

Furthermore, looking at the issue from “the dark side” (Wagner, Bicen, & Hall, 2008), it was noted by media representative about “crisis consumers’ confidence” with respect to product safety. Diseases get worse each year, driving the public concerns over dirty food even higher in recent years. Current situation of food safety in the sector has gradually eroded consumers’ trust in supermarkets which are known as offering much better food than classical one, as stressed below.

Many people raise the question whether foods in supermarkets are really hygienic and safe. It suffices to say that the food sector [in Vietnam] is in a crisis of food safety, which leads to the “crisis of confidence” among consumers in this regards. Some consumers even completely quit traditional markets, reduce buying from supermarkets, and search for more reliable sources. For example, observations show that a new trend in reality
has happened, that is urban people grow their own vegetables, so as to meet part of their family’s demand for vegetables; some go as far as rural area to buy for themselves safe foods right from farm” (media).

The second importance of CSR-related factors to consumers, according to most of experts, is attached to some CSR-related products that are perceived safe and ecological. The high concern for food safety drives consumers to seek for better products. Two of the informants uncovered the high demand of urban grocery shoppers in products that are healthier, safer and more traceable of the origin (e.g., certified as organic or safe food). The preference of local food below illustrates the consumers’ interest in this group of food:

Being provided as clean, seasonal food, local food are preferred by consumers in big cities thanks to their better and safer quality than conventional ones, while their price is more affordable than safe foods (e.g. VietGAP certified products) and organic foods. Local foods become even more popular in small cities because of limited access to organic foods [due to geographical distance and prices], while safe foods are present in only a small number of supermarkets and stores. Unlike organic or safe foods, local foods do not have certificates, therefore, consumers’ decision to buy local foods mainly rely on the prestige of sellers, and on the easy traceability of products (e.g. the supply chain of local foods is usually a short one, allowing consumers to easily find out about the production place, the related people and the method used to make the product) (chain).

It is observed by experts that, however, consumers are much more interested in the issues of quality, safety and nutrition than the environmental friendliness of the product. This supports the work of Essoussi and Zahaf (2008) that explained consumers buy organic foods because they perceive them to be healthier and more nutritious. These safe and ecological products are effectively penetrating to the segments of better-income consumers who are willing to pay more for good foods. Environmental friendliness and other social impacts appear to be neglected. As informants commented:

Buyers usually are those who have good income or higher income, want to maintain a healthy life by eating food and safe foods. When buying those products, they mainly care about the food quality and health safety, rather than the environment and community. There are some consumers who understand the environmental friendliness of these products, but they are only a small number. Even stores rarely market their products in terms of the environmental element, because of lack of attention by consumers. […] Many consumers are mistaken between organic foods, clean foods, safe foods, and local foods (farm-to-fork chain).

When producing these foods [organic] and providing them for supermarkets, we have paid keen attention to the environmental issue. This is one of the elements of organic production, and one of the standards that we must comply with. But, to be honest, consumers rarely notice this. They only know that this product is fresh, delicious, not harmful to their health and that they trust, and they buy. Consumers do not notice that when producers use more chemicals and plant protection products to raise productivity and gain more profit, the health of not only producers and consumers is affected, but also that of the environment is harmed (producer).

Within the procurement aspect, local sourcing takes the next level of importance. As informed by retail managers, shoppers tend to prioritize Vietnamese products if the price and quality are not much different from those of imported ones. The supermarkets and stores that offer more Vietnamese products also gain more consumers’ fondness and get them buy more. Apart from their support for locally produced products, consumers have another reason for this choice, that is their concern over imported products, most of which come from China, which are notorious for poor quality.

In fact, from the viewpoint of animal raising, the production of organic meat, poultry and eggs of free range, already entails animal welfare. […] Companies may well be doing the same thing without knowing it. In Vietnam, this is a completely new concept that few people, including producers, understand. As for consumers, they do not know yet (NGO).
Lastly, experts believed that initiatives regarding environmental protection, community involvement, labor conditions as well as other good practices enhance the image and prestige of the MFR to consumers; however, remarked that it is not evident to realize the changes in consumers’ buying behavior due to these CSR efforts. Consumers may give less notice to the positive information about working conditions in food retailing, compared to environment and community. Experts explained that, for many SMEs, labor policies are seen as internal issues that are rarely communicated to the public. Meanwhile, external activities like environment and community support programs initiated by big retailing brands catch more attention from the media; consumers are thus more likely to reach the information. While many consumers have good impressions and express supportive attitude, not a few remain doubtful, indifferent, and think that those activities are only perfunctory, aimed to advertise for the company to get more profits. The media representative added that only when a good image of MFR based on frequent, proactive and strategic activities for the environment and community goes together with other core values, can the company get the actual buying behavior by consumers, i.e. their retention or loyalty.

With some communication for social issues over the past time, it has gradually improved consumers’ awareness and attitude. But, it is hard to assess whether these socially responsible behaviors have influence on the present buying behavior of consumers. […] Food buyers are now very much concerned about the safety and origin of products. If other ethical and social values can work well with what matters them more such as safety, quality, origin [product responsibility], variety, price [classical factors], I believe that retailer can gain competitive advantage (retailer).

MFR’s efforts in protecting the environment [saving energy, reducing pollution] and supporting the local community are considered as “plus point” to consumers, which may enhance the reputation of MFR as a good corporate citizen. These efforts, nevertheless, are not yet important to consumers’ purchase decision (chain).

Generally, working for the communities is always a noble cause and always gets public praise and support. Some big supermarkets do not hesitate to spare budget for charity and community programs. However, the effectiveness of such programs is still an unanswered question. Sometimes consumers think it is a kind of profit-driven PR (media).

If an enterprise provides good working conditions and gets compliments from media, then the image of the enterprise may get better in the eyes of consumers. But I am not confident to say many consumers would choose this store only because of this (producer).

On the contrary, experts warned that an illegal behavior that seriously violates e.g. the environment, labor rights or other consumer irresponsibility that enrages the public may lead to the boycotting by consumers. Experts observed that consumers’ reaction to the negatives is much stronger to the positives.

Even though a strong reaction by consumers in terms of environment is not yet witnessed in the food retail sector, the recent Vedan case reminds companies that a strong reaction may happen amidst serious violations of the environment law (civil society).

Environment-related efforts by MFRs now have brought about some positive change in terms of enterprises’ reputation to consumers, but not yet influenced their buying behavior. However, consumers’ boycotting products or boycotting producers or supermarkets are possible, if there is serious irresponsible behavior to the environment (NGO).

Weak management of a communication crisis on social irresponsibility are likely to drive public anger up, thus consumers may easily boycott the store in question, regardless of direct or indirect mistakes (retailer).

On the other hand, animal welfare, fair-trade and child labor are the concepts that seem unknown or unfamiliar to consumers while retailers have not yet considered these factors in their sourcing process.
Animal welfare? Most companies and consumers do not know this concept. […] Consumers are not aware of fair-trade products, do not have information, and consequently show no care. […] Consumers have not yet shown any protesting attitude to issue of child labor so far, as far as I am concerned (retailer).

4.2. Classification of consumers’ response to CSR

The analysis of consumer data reveals that the way consumers react to CSR is complex, once they are aware of CSR information. Given that consumers are different in their response to CSR (Loussaief et al., 2014; Mohr et al., 2001), various consumers profiles (with levels of response in increasing order) are indentified from the survey data. While examining CSR in general to provide a better understanding of why consumers do or do not consider CSR as their purchasing criteria, those authors classified consumers into four groups, namely precontemplators, contemplators, action group, and maintainers (Mohr et al., 2001). In our study, the data emerged four different patterns for the food retail sector that demonstrate consumers’ behavior changes: (1) indifference to CSR, (2) CSR support in terms of store perception, (3) response at product level, and (4) response in terms of store loyalty. For each group, consumers’ reaction is described in two parts: response to positive and negative CSR information. Positive CSR information contains the issues of environment and community and a few cases of CSR-related products and responsible behaviors in product responsibility; while negative CSR information mostly reports illegal, unethical and irresponsible actions with respect to food safety (as provided with details in above section). Also, to explore some reasons for why consumers do or do not care about CSR, we base on in-depth analysis of cases within the group (c.f. Mohr et al., 2001) by thoroughly examining each case for the answer of how CSR information influenced one’ purchase behavior, combined with the corresponding CSR information reported.

4.2.1. Indifference to CSR

The respondents of this group did not react to CSR issues, regardless of good or bad information they were aware or hypothesized to hear about. To explore the reasons for their indifference to CSR, we based on the analysis of the “why” question, in which three items were fixed (“Because I anyway did not shop at this MR”, “because I did not believe in the information”, “because I do not care about this kind of information”), and one open item (“other reasons”) was set for free answers.

For those who their explanations linked to MFR’s responsible conduct in environmental and community involvement in the previous question, CSR did not play any role in their store perception or food consumption. These consumers are partly similar to precontemplators (Mohr et al., 2001) who do not base their purchasing on CSR because environmental and social issues are not important to them. While many respondents showed no concern about CSR by reasoning that “because I do not care about this kind of information”, some of them explained that traditional elements are the most important to them to decide where to buy food: “quality of goods, price, distance of the store matter me more”. In another example, a 43-year-old housewife who knew about charity programs of her store reported: “Such philanthropy has nothing much relating to the quality and safety of foods that I care most”. This implies consumers do not consider CSR in their purchase if CSR initiatives of a MFR are not aligning with their own values or personal concern (c.f. Öberseder et al., 2013). One the other hand, Mohr et al. (2001) clarified that, for an action subgroup, in spite of more knowledge and stronger CSR belief, CSR is of little interest in purchasing behavior because of some doubts about CSR motives of a company and positive information from the media. Likewise, in the data, we found some respondents showed the distrust in the information that reached them by selecting the fixed item
“because I did not believe in the information”, whereas a few respondents perceived CSR as a marketing ploy (Loussiaïef et al., 2014; Öberseder et al., 2013). The illustration for skepticism in philanthropic and environmental activities includes “just green washing”¹ or “I do not see a sincere desire to contribute to the community. That is the way companies use to advertise for the image” (female, 28). For those who mentioned the information of product responsibility (food safety, transparency in labeling, product origin, etc) or CSR-related products (e.g., safe food), the distrust in transparency of the food supply chain and in certification hinders their interest in CSR. Having no reaction to the offer of good food perceived as positive CSR in an earlier response, these respondents explained: “No trust in safe products. The sellers can have poor/unsafe products certified. They claim safe food to cheat consumers” (female, 30), “I have very little trust on the information from the food businesses or certification in Hanoi” (male, 32).

Conversely, in the case of negative CSR, others were pessimistic about the current situations of food security, as noted: “I have little chance to have a desired food retailer. The dirty food in Vietnam is uncontrolled and unavoidable this period of time” (female, 28), “because I do not have a lot of choices” (male, 20).

4.2.2. CSR support in terms of store perception

Consumers in this group are somewhat more concerned about CSR issues. Given various CSR activities they mentioned, expressed their support in CSR efforts by showing their perceptions of those actions in the form of both positive and negative associations. Though CSR is important to them, there were no clear signals of buying behavior changes.

For the good information, favorable attitude towards those activities is found as the pattern for this group. CSR initiatives toward consumers, environment and community, which were dominantly stated, are praiseworthy from consumers’ view. Respondents indicated that CSR practices positively affected their faith in the MFR, using the short phrases such as “increased trust”, “restored trust”, “good evaluation”, “enhanced reputation”. However, they did not specify whether their good attitude leads to their purchase or other positive outcomes. This might be referred to the fact that many of them were doubtful about the motives behind supermarkets’ CSR activities, though they have stronger belief in CSR in general (Mohr et al., 2001; Öberseder et al., 2013). Some of them doubted about “blind expenses” due to these activities, as commented by a respondent: “I do support supermarkets doing the good things to community. But, those activities add up the expenses which in turn integrated in product price. More philanthropy means rising price”. Besides, consumers’ purchase decisions are hindered by traditional factors such as price (known as a central factor, see (Öberseder, Schlegelmilch, & Gruber, 2011), convenience of location, product availability, and distribution system. According to some respondents, the good foods (e.g., organic foods), is expensive, produced in limited quantity and distributed via a narrow network that made it inaccessible to consumers. Those who were supposed to know the information reported the hesitation to shop though they also showed their positive evaluation: “I first check the information. If right, I will buy food there. But it depends on other conditions like price and location of that store”, “I might drop by sometimes, if it is on my way”, “I always feel good to hear about socially responsible conduct. But I am not sure if it influences my purchase behavior”.

For the bad information of product responsibility, whether it is relating to products (e.g., unsafe food) or retailers (e.g., deceptive behaviors in labeling), the image and reputation of MFR become worse: “has less faith”, “bad evaluation”, “do not believe in certificates”, “reduce my

¹ “green washing” is originally used by the respondent
good impression in the store”, “the supermarket lost their image to me”, “I have to spend more time to check the contents and labeling of the food in these stores”, “think twice before selecting food here”. Furthermore, consumers’ trust in MFR was gradually eroded. They were skeptical about their favorite stores and sometimes even these more modern venues: “Disappointed to see that the big supermarket I regularly visit have a poor record of labeling and product origin” (male, 35), “Since the scandals became public my family and I did not feel confident in the food we are buying from supermarkets and good food stores” (female, 33). Albeit these respondents showed less confidence in the store and more caution in selecting the food, they did not mention about quitting their food shopping there. Still, we did not detect any specific examples of reasons for this.

4.2.3. Response at product level

At this level consumers moved beyond their store perception. CSR concerns convert to actions when it comes to buying decision; however limited to reactions towards products (not retailers). Data shows that respondents of this group were accessible to the negative CSR information and most of respondents reported insidious food cases in the previous question.

For a few cases of the good information, respondents expressed their priority for selecting CSR-related products which are congruent with their personal concern. They searched for products that are perceived as of good quality, safe and environmentally friendly. They shop at the store because it sells the foods they need. They notice where the safe products are sold, instead of the store reputation for other environmental, social and ethical concerns: “Not much [the influence of CSR on purchasing]. But I buy occasionally, just for a few safe foods”, “I pay attention to products. For example, I am concerned about organic foods that are safe for health and environment. I shop at many places to buy products I need”, “those initiatives are good [community support programs], but I went there to buy safe certified vegetables”.

For majority of negative cases, respondents’ actual actions aimed at the unhealthy products or irresponsible manufacturers, which were reflected by phrases such as “avoid the product”, “boycott the product”, “searching for alternative brands”, “warn others”, “say unfavorably about the product”, “bad evaluation on the producer. Boycott it”. In addition, responses collected from a question investigating consumers’ participations of boycotting behavior reveal that more than half of respondents excluded bad products. Boycotted products were mainly related to food safety issues (contaminated food) and partly environmental issues (the boycott of Vedan’s products is a prominent example of irresponsible business behavior with respect to environmental issues). On one hand, respondents expressed their sympathy with a MFR in dealing with the product responsibility: “I boycott the product or the producer, not the store. I believe a retailer will know how to do if a product/brand is involved in a scandal”, “it has little to do with retailers because manufacturers should have more responsibility”, On the other hand, though some respondents did not absolve the MFR from responsibility (e.g. “weak/improper control over the quality and procurement process”), they considered this as common in the market place; thus it is not necessary to avoid retailers but products: “I would avoid the product. If any bad information occurs, it can be the same for many retailers” (female, 24).

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2 In this question, we asked whether a consumer ever boycotted a product, a company or a retailer due to socially irresponsible actions
3 Vedan is the monosodium glutamate producer in Viet Nam that was strongly criticized for discharging untreated waste into the Thi Vai River that polluted an 11-kilometre stretch of the waterway in southern Dong Nai Province.
4.2.4. Response in terms of store loyalty

At this level consumers moved beyond their perception on store and attention to products. The influence of MFR’s CSR performance on consumers’ buying behavior or buying intention is more clear. They are the group of ethical consumers or “maintainers” who practice socially responsible consumer behavior (Mohr et al., 2001) and show the changes in their purchase behavior at the highest level.

For socially responsible conduct, these consumers are most supportive of social and ecological issues. Many of them rewarded a socially responsible MFR with repeated purchases, increased purchases (“I spent plenty and regularly there”), priority of choice (“my first choice so far, whenever I want to shop grocery in supermarkets”), and positive word of mouth (“I always recommend it whenever somebody asks me where to buy good food”). While those having the information noted explicitly that they have made a sustainable purchase from a socially responsible supermarket during the past time, some who were placed in a hypothesized situation expressed the high likelihood for the same actions or showed their quick decision to support a MFR doing the good things (e.g., “I will certainly come to buy to support the store”, “if so, I can’t wait to shop there”) (female, 29) Moreover, unlike other groups where price is a constraint that might limit the buying intention, respondents at this level are willing to pay a premium price for products from a MFR that goes green, offer good foods, or support the community (“I will buy even with a bit higher price”). Further examination of cases allowed us to explore the reasons for positive reactions. Many consumers believe that a good corporate citizen partly shapes their trust, in turn motivating them to buy products. The phrase “increased trust, increased purchase” are the most used keywords throughout responses. Further, the store choice and loyalty might be resulted from their higher CSR belief and/or greater confidence in MFR’s CSR motives, which are illustrated by the following reasoning: “[…] when a retailer is proactively engaged in activities towards the community, they tend to be more conscious of ethical actions that benefit their customers. Their socially responsible behaviors are contributing to building our confidence in consuming their products” (female, 29); “[…] I prefer to buy food in a store that has responsible activities towards the environment and the community, because I think that the more consumers buy food there, the more good things will be done by that supermarket”. “I switched to shop at this store. The quality is good and the price is not so high. This is a socially responsible retailer. I know the boss. She is a very nice person who really wants to do the good things for the community”. Second, the advocacy of consumers for MFR’ CSR activities originates from the fact that those activities align with consumers’ own value. The charity programs, for example, evoked the altruism of consumers who wish to help people and contribute to the community, as noted: “I understand that for one product I bought the poor children would have more chance to go to school. So I came to buy food there many times to support this supermarket with that campaign” (male, 33); or “I am committed to this store. I have the feeling that I am doing the good things and helping others who have a worse life than me”.

On the contrary, food buyers decrease their faithfulness and preference in a store being regarded as ethically wrong. There are two subgroups. Majority of respondents in the first subgroup stated that their loyalty was not maintained as a result of reduced trust for the negative information that mostly relates to product responsibility. They buy less in amount and/or frequently for food from the MFR in question: “trust less, buy less”, “I had less trust, so I did not shop there very often”, “not my first choice at all, I diversified my food shopping places”. In the other subgroup, respondents showed the stronger reaction to the bad information, which was demonstrated by the drastic attitudes and actions. They expressed the fear, worries and even
anger with socially irresponsible behaviors. In excoriating answers, they condemned food retailers either doing the unethically and illegally wrong things (e.g., deliberately cheating consumers), or a weak role in “a socially irresponsible supply chain” for a string of food contamination scandals. Those behaviors, according to a respondent, “have posed a massive risk to the community health”. In addition to harsh criticism, they punished MFRs engaged in the misdeeds by ‘boycotting’, ‘seeking for alternatives’, ‘switching store’. Losing trust in some supermarkets due to the scandals, some respondents wrote they had to quit their favorite store and turn to another or even searched for other forms that are more time-consuming and costly but perceived as safer. For example, in response to a store found to sell fake safe certified vegetables, a 28-year-old female respondent wrote: “I vowed to myself that I would never, never visit X4 again”. Those being supposed to have the poor record of CSR performance expressed the high likelihood to change completely to the better one if they have more choices to do so. Some respondents stated that they would conditionally avoid the retailer e.g. “probably stop shopping there until the problem is properly solved” or “switch to another retailer if the information is right”. While refusing a MFR perceived as being socially irresponsible, they are willing to call for a boycott from others: “I would announce my family, relatives, friends and others”, “If the information is right, boycott it, for sure. Also I would post it on Facebook, spread the information so that many more people know and avoid it”.

5. Conclusions

Though CSR-related factors are basically less important than other traditional factors (e.g., price, location convenience) in food shopping decision making, Vietnamese consumers are increasingly concerned about CSR issues regarding health safety. We find that product responsibility tops consumers’ concerns for CSR. This finding is consistent with (Anselmsson & Johansson, 2007) who identified that product responsibility is of highest importance for Swedish consumers. Nonetheless, while consumers in the context of Sweden pay much attention to product information and origin, Vietnamese consumers in our sample put more weight on food safety. Despite the fact that research on food safety issues have been examined in the literature for Vietnam (e.g. (Wertheim-Heck, Vellema, & Spaargaren, 2015), very little of those research has been done with consideration of the role of CSR. Meanwhile, food safety concerns in relation to social responsibilities are worldwide, from developed countries in EU (Anselmsson & Johansson, 2007; Forsman-Hugg et al., 2013; Jones et al., 2007, 2005), Australia (Cuganesan, Guthrie, & Ward, 2010) and North America (Maloni & Brown, 2006) to emerging countries such as China (Delliouss, Yang, & Yilmaz, 2009; Kolk, Hong, & Dolen, 2010; Kong, 2012). The relevance of product responsibility in our study supports those previous assertions that link issues of public health and product safety to CSR.

Since Vietnamese consumers put the greatest weight on product responsibility in terms of food safety issues and transparency, MFR managers need to underscore this aspect even more. Given the paramount significance of product responsibility, Anselmsson and Johansson (2007) suggested that retailers should invest all resources into developing and communicating this aspect, focusing on product information and origin. In Vietnam’s food retail context, we suggest, first and foremost, food safety should be tackled as a task of top priority if MFR wish to restore consumers’ confidence. Retail managers should make stronger efforts and take bolder actions in

4 Respondents usually indicated the name of MFR in the statement. Authors changed it by X to ensure confidentiality.
preventing and controlling risks in food safety. For example, one of the first things to do is to implement proper supervision and stringent management of the procurement process, rather than only relying on certificates of origin, or perfunctory, superficial checks. At the same time, stricter enforcement of professional ethics should be done, so as to avoid infringement. In parallel with fighting against food unsafety, supports should be given to the production and selling of safe and environment-friendly food. Developing a socially responsible image in terms of product responsibility could allow small MFRs, even startup companies, to be able to entice customers. In order to recommend concrete solutions and help address this burning problem in Vietnam, there is the need for additional work that further investigate into product responsibility, or CSR-related food safety. Even though retailers play a very important role, radical solutions to problems in food safety require cooperation among many stakeholders, from actors in the food chain to organizations (NGOs, civil societies, media), and especially the government, law-makers, and policy makers, who should be deeply engaged in. Future research in CSR in terms of product responsibility taken by each and every actor is desirable and necessary in the fight against dirty foods in Vietnam at the moment.

In understanding whether, how and why consumers’ behaviors are influenced by CSR activities, our study identifies four consumer groups, according to their interest in and response to CSR. Results indicate that consumers are different in their response to CSR. There exist segments of consumers who do not care about CSR (group 1 - indifference to CSR), who support CSR (group 2 - CSR support in terms of store perception) and who consider CSR in their buying decision and store choice (group 3 - response at product level and group 4 - response in terms of store loyalty). In categorizing consumers’ reaction into groups, we notice that consumers develop their behavior through a process. The movement of consumers’ behavior, reflected by levels of response, is consistent with previous researchers (e.g., Andreasen, 1995; Mohr et al., 2001) who argued that consumers advance their buying behavior in relation to CSR through a progression of stages, though our results reveal different patterns of consumers’ response. In this process, the relationships between consumers and food retailers in terms of CSR are not straightforward (Loussaïef et al., 2014). For most of cases, CSR hardly triggers a direct effect on buying decision. The attention should be paid to the potential mediating role of consumer perception factors such as trust, store image, evaluation, attitude or consumers’ personal values (Castaldo et al., 2009; Lichteinstein, 2010; Swaen & Chumpitaz, 2008; Tian, Wang, & Rang, 2011). In addition, further analysis of cases (to explore the reasons for why consumers do or do not base their purchase on CSR) uncovers that CSR effects on consumers’ outcomes can be dependent on several factors. These factors could include type of CSR information (negative vs. positive), classical buying criteria (e.g. price, distance), perception of CSR motives, CSR areas (e.g. food safety, environment, community), CSR belief/support, CSR awareness. These factors divide consumers into various consumers groups, which may moderate the influence of CSR on consumers’ behavioral consequences (Mohr & Webb, 2005; Sen & Bhattacharyya, 2001; Wagner, Lutz, & Weitz, 2009). These complicated relationships between CSR and consumers’ behavior need further quantitative research, with either survey or experimental technique.

Auger et al. (2003) believed it is obvious that some consumers could be convinced to alter their purchase patterns if relevant ethical information is presented in an adequate and effective way. Results of the study also reveal that Vietnamese consumers suffer from lack of CSR information. With access to information, a segment of consumers still show positive responses to environmental and social issues. They are the group of consumers who care about CSR, and show responses to products or display store loyalty. Retailers have opportunities to attract this
group and at the same time realize their business goal and make social contributions (Mohr et al., 2001). Therefore, CSR-oriented MFRs should intensify CSR communications to raise consumers’ awareness of CSR (Loussaief et al., 2014) and consumers’ recognition of brands via CSR. Considerable communication efforts are required to reach awareness and consumer trust into CSR claims (Loose & Remaud, 2013), especially those that many enterprises are really engaged in without much consumers’ notice (e.g. working conditions); or those that a few enterprises take seriously but consumers still have no idea about (e.g. fair trade, animal welfare). To this end, for major brands, there should be full-time CSR team. The study shows that if there is enough information, consumer behavior might go through a process of changes. Therefore, what managers should do is to convince the groups that have not yet brought the idea, and to maintain those that have. However, retailers should take very serious caution. It is not merely strengthening communication, but the right ways of communication should be chosen, so as to be effective. Becker-Olsen, Taylor, Hill, & Yalcinkaya (2011) emphasized how best to communicate with intended audiences, and when to deliver information for the most positive impact must be considered separately.

We employed multi-stakeholders (including consumers), a perspective not provided by previous research. Though we still gain interesting results from diverse perspectives, a limited number of experts (10) in two leading cities may hinder our capability in capturing the broader views or observing the trends in smaller cities. Future research interested in the same approach might consider expanding to a broader set of stakeholders or conducting focus group discussions for stakeholder groups. We also face a limitation commonly seen in other qualitative research, which is to focus on understanding the issue, rather than to generalize. More generalized conclusions, e.g. which consumer group is influenced by which CSR aspect, will require quantitative research with robust statistical tests.

Despite those limitations, our findings contribute to the existing CSR literature where little has been known about CSR practices in developing countries. To our knowledge, this study, while exploratory in nature, is the first paper examining CSR issues in the context of food retailing in Vietnam, thus presenting a starting point for further research on the topic. Practically, a more comprehensive picture of CSR practices is of importance to Vietnam, in order to take further steps for the sustainability for the sector. Practical implications for Vietnam would be also of interest to other developing countries experiencing similar CSR development.

References


