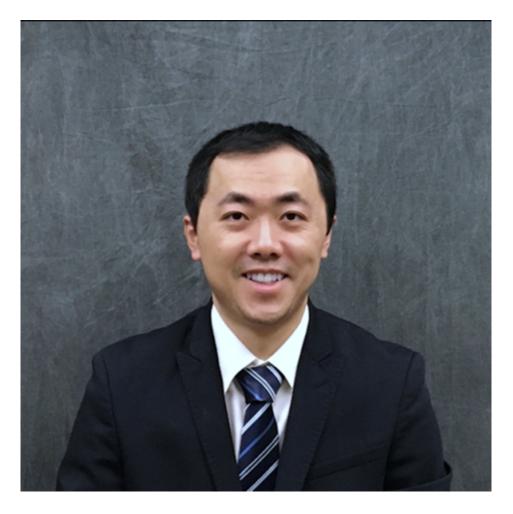


SEMINAR SERIES



Dr. Junhao (Vincent) Yu

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Postdoctoral Research Scholar, Department of Business Management

(NC State University)

jyu37@ncsu.edu



SEMINAR SERIES

GRADUATE PROGRAM

The Effects of CSR Performance and Price on Consumer Purchase **Decisions: A Moderated Mediation Analysis**

Abstract

The dysfunctional state of global apparel supply chains has led to modern slavery conditions for workers, opportunity loss for manufacturers, reputational risk for retailers sourcing from these manufacturers, and confusion among consumers demanding ethically-produced products. Advocates are increasingly calling for greater transparency in apparel supply chains to better inform consumers' purchase decisions and leverage market forces to motivate positive change. While the impact of disclosing corporate social responsibility (CSR) activities on consumers' purchase decisions is well studied, there is insufficient research on how price dimensions such as historical price paid and retail price influence the mechanisms behind consumers' evaluations of such disclosures. We use a controlled experiment in an online purchase context to examine how consumers' willingness to buy is influenced by a retailer's disclosure of a manufacturer's CSR performance (both positive and negative). We hypothesize and test two mediators: price fairness and product desirability. We then explore how two dimensions of price moderate these mediation effects: consumers' historical price paid and current retail price. Our findings support the proposed mediation paths for both positive and negative CSR performance. Regarding moderators, we find that consumers' historical price paid moderates the link between CSR performance and price fairness, with the negative (positive) indirect effect driven by consumers with a higher (lower) historical price paid. Moreover, current retail price moderates the influence of price fairness on product desirability and thus amplifies the moderating effect of historical price paid.

Biography

Dr. Yu is a postdoctoral research scholar at Poole College of Management, North Carolina State University. His research interests include using behavioral angles to understand and improve supply chain and operations management decisions. He is currently working on the Ethical Apparel Index (EAI) project and investigating effective strategies firms can use to communicate their ethical manufacturing practices to consumers. Before joining NC State University, he received his Ph.D. from the University of Minnesota in 2021.