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# The effects of companies' social irresponsibility on consumers' negative emotions toward the brand and their behavior

Seyyed Mohammad Tabataba'i Nasab¹ and Masoome Abikari²

Consumers' negative emotions may be the main cause of behaviors such as complaining, negative word of mouth, and brand switching. In this regard, factors other than brand can produce negative or positive emotions toward a brand. One such factor is corporate social irresponsibility (CSIR). This study seeks to extract negative emotions toward a particular brand (auto brand). The results show that consumers' negative emotions toward the auto brand are mainly characterized by anxiety, discontent, and anger. Also, the study model indicates a significant positive correlation between consumers' negative emotions and their behavioral approaches (e.g., complaining, negative word of mouth, brand switching). On the other hand, the model represents the mediating role of negative word of mouth in brand switching. Finally, this study investigates the moderating role of CSIR and shows that it can increase the possibility of brand switching in consumers up to 40%.

Keywords: negative emotions, brand, consumer behavior, corporate social irresponsibility

Emosi negatif dari konsumen dapat menjadi penyebab utama dari perilaku negatif seperti adanya keluhan, word of mouth negatif, dan perpindahan pilihan merek. Dalam kasus ini, faktor-faktor selain merek dapat menimbulkan emosi positif dan negatif terhadap sebuah merek. Salah satu faktor adalah corporate social irresponsibility (CSIR). Studi ini berusaha mengungkapkan emosi negatif terhadap sebuah merek tertentu (auto brand). Hasil menunjukkan bahwa emosi negatif konsumen terhadap auto brand dapat di cirikan dengan adanya kegelisahan, ketidakpuasan, dan kemarahan. Model dari studi ini juga mengindikasikan adanya hubungan positif yang signifikan antara emosi negatif konsumen dengan perilaku mereka (timbulnya keluhan, negatif WOM, dan perpindahan pilihan merek). Di sisi lain, model menunjukkan adanya mediasi negatif dari negatif WOM terhadap perpindahan merek. Studi ini meneliti adanya peran moderasi CSIR dan hasil menunjukkan bahwa CSIR dapat meningkatkan kemungkinan perpindahan merek konsumen hingga 40%.

Kata kunci: emosi negatif, mereka, perilaku konsumen, corporate social irresponsibility

#### Introduction

Many studies have investigated the perceived positive and negative emotions derived from the consumption of goods and services. These studies have presented interesting psychological theories regarding the strong negative emotions that consumers may feel about a brand. According to these theories, perceived emotions play a decisive role in the ongoing behavior of individuals. For example, studies suggest that people exasperated by a situation seek to find a solution. Similarly, fear motivates

individuals to take action. It provokes them to dodge the threatening factor or avoid further confrontation (Roseman et al., 1994, pp. 206-221; Romani, Grappi, & Dalli, 2012, pp. 55-67). On the other hand, fear may generate reluctance toward a brand or, if customers are loyal to a brand, direct them to a competitor's brand. In addition to the characteristics of products and services, customers are constantly exposed to a variety of brand motives, which comprise the body of controllable and uncontrollable information resources in marketing (Romani, Grappi, & Dalli, 2012, pp. 55-67). In fact,

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the verbal information and visual information about the brand are among the first elements that customers have at their disposal to identify and differentiate a brand (Keller, Apéria, & Georgson, 2008, pp. 595-600). Romani, Grappi, and Dalli (2012), in particular, examine and extract negative emotions propagated by brands.

As research indicates (Romani, Grappi, & Dalli, 2012), the negative emotions evoked in consumers is a major factor causing undesirable behaviors such as brand switching, complaining, and negative word of mouth. According to various studies that explain the high cost of losing customers versus retaining customers (Morgan & Dev, 1994, pp. 268- 269), the most bothersome behavior for business owners is brand switching. Losing customers is the direct result of disregarding the negative factors affecting customer behavior. Among the three undesirable behaviors identified for consumers, negative word of mouth and complaining about the brand may also indirectly influence brand switching. In fact, one can argue that if companies do not eliminate the causes of both these behaviors, they might eventually turn into the worst and most effective response behavior of consumers (i.e., brand switching). In this context, by asking two research questions, this study aims to examine how much the two behaviors of negative word of mouth and complaining influence brand switching. The necessity of considering consumers' negative emotions as a factor affecting their undesirable behavior is evident. Previous studies, especially those concerning consumers' emotions, have mostly overlooked the factors affecting these emotions (Laros & Steenkamp, 2005, pp. 1437-1445; Nyer, 1997, pp. 871-894; Soscia, 2007, pp. 871-894; Zeelenberg & Pieters, 2004, pp. 445-455; Dahl, Manchanda, & Argo, 2001, pp. 473-481; Yi & Baumgartner, 2004, pp. 303-317). Most studies conducted in this field have examined factors such as product, service, and brand that directly influence the arousal of positive and negative emotions in consumers and thus their behavioral approaches. These studies have paid less attention to the factors indirectly affecting consumers' One of the factors that can indirectly affect consumers' emotions and thus their behavior

is companies' social responsibility or lack thereof. The best way of describing corporate social irresponsibility (CSIR) is to study the definition of corporate social responsibility (CSR). Corporate social responsibility refers to corporate social and behavioral commitments beyond economic benefits (McWilliams & Siegel, 2001) Consumers' understanding of corporate social responsibility can directly or indirectly influence their emotions toward the company's brand and their faithful behaviors (Wagner, Bicen, & Hall, 2007, p. 126).

Although firms' social responsibility can have a positive impact on costumers' emotions, their lack of social responsibility can cause negative emotions in customers because people are sensitive about negative factors affecting society, such as damage to the environment. Considering the effect of CSIR on consumers' negative emotions and their behavioral attitudes toward the brand can lead to vague questions for business owners. Behavioral attitudes. represented by brand switching, complaining, and negative word of mouth among consumers, are in fact the most important and tangible signs for business owners. An investigation of the variables influencing these behavioral attitudes key to controlling them and guiding consumers toward the desirable path. In this regard, the current research attempts to provide answers to the following questions:

- 1. Do consumers' negative emotions toward a brand lead to negative word of mouth?
- 2. Do consumers' negative emotions toward a brand lead to complaining?
- 3. Do consumers' negative emotions toward a brand lead to brand switching?
- 4. Can negative word of mouth act as a mediator in the relationship between consumers' negative emotions and brand switching?
- 5. Can complaining act as a mediator in the relationship between consumers' negative emotions and brand switching?
- 6. Can CSIR be considered a moderating variable in brand switching?

By considering the negative emotions provoked in consumers as the key factor in their undesirable behavioral approaches, first, this study aims to identify and classify consumers' negative emotions toward a particular brand (auto) to make the subject clear. The second step is to evaluate how much these negative

emotions affect consumers' undesirable behavior, specifically brand switching, and also

Table 1. Customer emotions presented by Richies (1997)

Positive emotions	Calm, Contentment, Encouraging, Enthusiasm, Excitement, Fulfillment, Happiness, Hope, Love, Optimism, Peaceful, Pleasure, Relief, Romantic, Sentimentality, Sexy, Thrill, Warm-hearted
Negative emotions	Anger, Frustration, Depression, Sadness, Fear, Embarrassment, Jealousy, Loneliness, Discontent, Envy, Homesickness, Guilt, Hostility, Humiliation, Irritation, Nervousness, Panic, Scared, Shame, Tenseness, Unfulfilled, Worry

Table 2. Positive and negative emotions provided by Watson, Clark, and Tellegen (1988)

Positive impacts	Caring, Enthusiastic, Excited, Enthusiastic, Hopeful, Proud, Determined, Active,
Negative impacts	Distraught, Sad, Hateful, Irritable, Scared, Disappointed, Ashamed, Guilty, Anxious, Panic-stricken

to simultaneously examine how much negative word of mouth and complaining about the brand affect brand switching. Finally, after identifying the degree of impact of each variable by entering the variable lack of social responsibility of carmanufacturing companies, the study answers its original question regarding the indirect effect of this variable as the moderating variable in the relationship between consumers' negative emotions and their behavioral approaches.

The negative emotions toward brands (NEB) scale, which was developed by Romani, Grappi, and Dalli (2012) to assess consumers' negative emotions toward a brand, was used to measure consumers' negative emotions. Then, the TOPSIS technique was used to identify and rank the negative emotions toward auto brands. Finally, PLS Smart software was utilized to identify the relationship between consumers' negative emotions and their behavioral attitudes (i.e., brand switching, negative word of mouth, and complaining). Finally, by adding the variable CSIR to the research model, we examine the moderating role of this variable. The following is a review of the existing literature on negative emotions and corporate social responsibility. The paper concludes with a discussion of the study results.

#### **Literature Review**

#### **Negative emotions toward brands**

Emotions are an integral component of customer responses, which can be aroused by

advertising, the sales environment, service interactions, products consumption, evaluation of customer satisfaction. In fact, emotions have the same effect on the behavior of managers and customers (Richins, 1997, pp. 127-146). Emotion may act as a major motivational factor in the behavior of consumers, influencing their behavior by shaping their recognition. These impacts can be direct or indirect. In his customer-based value model, Keller (2003) posits that the creation of a strong brand involves a series of steps which are sequentially dependent. All stages fulfill some objective in relation to the customer. Since these four stages (1-Indentify, 2-Meaning, 3-Response, 4-Relationship) highly complicated and difficult to implement, this process is divided into six blocks with respect to customers, forming a pyramid at the top of which a strong brand is created. The fifth block of this pyramid (i.e., brand emotion) represents customers' emotional responses the brand. The brand emotion also concerns the social dimensions evoked by a certain brand. Emotions are recognized as important factors in consumers' decision-making. Since 1925, emotions have been studied in various forms. In his model, Riches (1997, pp. 127-146) presents a list of customer emotions (Table 1). Mehrabian (1996, pp. 261-292) and Russell (1980, pp. 1161-1178) discuss emotions under the three subsets of delightful/non-delightful, arousing/non-arousing, intrusive/nonand intrusive emotions. Watson, Clark, and Tellegen (1988, pp. 1063-1070) offer a list of positive and negative emotions (Table 2).

In particular, negative emotions prompted by products (Laros & Steenkamp, 2005, pp. 1437-1445; Nyer, 1997, pp. 871-894), service (Soscia, 2007, pp. 871-894; Zeelenberg & Pieters, 2004, pp. 445-455), and sales conditions (Dahl, Manchanda, & Argo, 2001, pp. 473-481; Yi & Baumgartner, 2004, pp. 303-317) have been widely studied. Finally, independently and through other people. places, or elements, customers take into account such information when evaluating a brand, which is unrelated to commercial activities and controllable in marketing activities (Laros & Steenkamp, 2005, pp. 1437-1445). To date, research on brand has provided little information on the negative emotions that customers feel toward brands.

For example, emotions like hatred, anger, sorrow, fear, and shame, which customers may feel in relation to brands, have not been investigated. In fact, the emotions incited by brands are primarily indirectly experienced. Romani, Grappi, and Dalli (2012) identify a wide range of negative emotions commonly experienced in relation to brands. They discuss the literature on consumer emotions and introduce the Consumption Emotions (CES) scale provided by Richies to measure negative emotions. As they state, Riches' model (1997) presents a set of consumption emotions. The CES scale plays an essential role in the assessment of consumer emotions. This scale includes a set of positive and negative descriptions that represent a range of emotions experienced by customers when they purchase a good/service and when they consume such good/service. Compared to other scales used in consumer research, this scale provides a variety of emotional states arising from the consumption experience, but its limitations are mainly rooted in the significant difference between negative emotions prompted by the general consumption experience and emotions uniquely associated with a specific brand. Romani, Grappi, and Dalli (2012) focus on normal emotional behaviors associated with a brand to develop an appropriate scale for measuring emotions. They assume that customer evaluation of brand-related motives is not directly associated with the features of services and goods or their performance; they

see this evaluation as the main source of customers' negative response to the brand and

use the term "negative emotions toward brands" to describe it. These motives, distinct from the features of services and goods, are a variable of both controllable and uncontrollable sources for marketers. In this study, the variables identified by Romani, Grappi, and Dalli (2012) have been used to measure consumers' negative emotion toward brands. Also, three behavioral attitudes of complaining, negative word of mouth, and brand switching are studied as consumers' most tangible behavioral demonstrating their negative emotions. Among these three behavioral attitudes, word of mouth was described succinctly by Arndt (1967, p. 3) as "oral person to person communication between a receiver and a communicator whom the receiver perceives as non-commercial, regarding a brand, a product or a service." Word of mouth can be positive, neutral, or negative (Anderson, 1998, pp. 5-17). Arndt (1967), among others, suggests that "negative information has a greater impact on beliefs."

Therefore, negative word of mouth as the latent part of consumers' behavior can significantly, but indirectly, influence the other two tangible behavioral attitudes (complaining and brand switching). Concerning complaining behaviors, business owners tend to believe that a small number of complaints reflects satisfaction among consumers. However, the frequency of complaining behavior is normally lower than other consumer behavioral responses. In addition, the number of complaints is always higher at the retail level, while manufacturers are rarely informed about complaint information. Particularly at the management level, a company's vulnerability may be underestimated based on consumers' complaining behavior and negative words of mouth, whereas brand switching influences management behavior more than the number of complaints (Richins, 1983). Approximately 30% to more than 90% of consumers shows no interest in buying a brand as a reflection of their dissatisfaction (Richins, 1983), and long-term brand success manifests in the preservation of customers (Jacoby & Chestnut, 1978, p. 1). In addition, of the three different consumer behavioral approaches, brand switching directly affects companies' sales and gains as well as management behavior to a greater extent than

the other two behavioral manifestations (Richins, 1983).

#### **CSR** and **CSIR**

The best way to describe CSIR is to identify the characteristics of social responsibility. The fundamental nature and theoretical foundations of social responsibility have been discussed extensively in ethical management literature (Carroll, 1999; Clarkson, 1995; Garriga & Mele, 2004; Schwartz, 2003; Smith, 2003; Wartick & Chochran, 1985; Wood, 1991).

CSR is not a new concept, having its origin in the management literature of the past 50 years (Bowen, 1953). Large numbers of stakeholders, including organizations, governmental organizations, non-governmental organizations (NGOs), investment companies, the general public, are interested in information about the organization's stance on the government, environmental issues, social planning, and community participation (Dawkins & Lewis, 2003, pp. 185-193). The presentation of this information diminishes the risks associated with social responsibility satisfaction with behavioral issues and standards. Khoury et al. (1999) argue that CSR covers the general relationships of a company with all its stakeholders, including customers, employees, community, investors, government, suppliers, and competitors. Elements of social responsibility community-related investment, employee creation and maintenance employment, environmental considerations, and financial performance. Van Marrewijk (2003, pp. 95-105) argues that corporate sustainability and CSR refer to corporate activities focused on social and environmental concerns in business and in interaction with stakeholders. The World **Business** Council for Sustainable Development (2000) asserts that social responsibility is an ongoing business commitment to behave ethically and contribute to economic development, while maintaining the life quality of the workforce and workers' families, local community, and society at large.

Influence of CSIR on consumer emotions and behavior

From one perspective, companies' irresponsible behaviors can be seen as ethical violations. At least two types of ethical

violations and their associated sentiments have been identified in the literature of psychology (Rozin et al., 1999, pp. 574-586; Shweder et al., 1997, pp. 119-169). A growing worry is the damage that individuals (including workers and consumers) have to suffer due to such violations, which apparently are considered violations of human dignity and freedom. A second violation is committed companies work to the detriment of society through actions such as violation of norms or expectations of the community and loyalty to the community. Such violations are known as social transgressions in the literature (Grappi, Romania, & Bagozzi, 2013, pp. 1814-1821). Psychologists have shown that ethical and social violations prompt negative emotional reactions in people and their performance (Haidt, 2001, pp. 814-834; Tangney et al., 2007). Three so-called "other condemning emotions" (i.e., contempt, anger, and disgust) have been identified in this regard (Grappi, Romania, & Bagozzi, 2013, pp. 1814-1821;

Haidt, 2003; Rozin et al., 1999, pp. 574-586). In addition to irritations or provocations experienced through commercials (Rosengren & Dahlén, 2006, pp. 263-279), customers may develop negative emotions toward a brand because of unpleasant images and their symbolic meanings (Hogg & Banister, 2001). Moreover, customers, knowing that the business owners disregard basic human rights, may hate a specific commercial brand (Kozinets & Handelman, 2004, pp. 691-704). Although most brand literature has focused on tangible aspects related to product information, in recent years research has increasingly become intangible, abstract, and mindful of public considerations (Laros & Steenkamp, 2005, pp. 1437-1445). In the early 1970s, marketing scholars discussed companies' CSR from a customer perspective (Anderson & Cunningham, 1972, pp. 23-31; Webster, 1975, pp. 188-196). In doing so, CSR as a key component of a company's image had a great impact on customer behavior (Brown & Dacin, 1997, pp. 68-84; Girod, 2003, pp. 1-6). In particular, perceived social responsibility influenced customer attitudes toward the company (Brown & Dacin, 1997, pp. 68-84;

Folkes & Kamins, 1999, pp. 243-59), brand (Klein & Dawar, 2004, pp. 203–217), and

Table 3. Research Variables

Research variables	Measures of each variable	Sources
Anger		,
Dissatisfaction		
Anxiety		
Sorrow		
Hatred		
Shame and embarrassment		
Corporate social	No-supporting the environment	
irresponsibility (CSIR)	No-supporting the society	
	Production of unsuitable products	for
	the society	

Table 4. Demographic distribution of the sample

Variable		Frequency	Frequency percentage
Gender	Male	59	0.59
	Female	41	0.41
Age	15-20	9	7.4
	21-25	38	31.1
	26-30	46	37.7
	31-40	18	14.8
	Older than 40	9	0.11
Education	High school	23	18.9
	diploma		
	Associate's degree	9	7.4
	Bachelor's degree	45	36.9
	Master's degree	36	29.5
	Doctoral degree	9	7.4

business evaluation (Lichtenstein et al., 2004, pp. 203-17). This attitude, in turn, determined customers' behavior (Klein & Dawar, 2004, pp 203-217; Salmones et al., 2005, pp. 369-85). To explain consumer negative word of mouth and protest behaviors, new theoretical insights are required (Bhattacharya et al., 2009, pp. 257–272). Grappi, Romania, and Bagvzy (2013) suggest the following:

The few theoretical mechanisms proposed to date to account for consumer responses to corporate wrong doing do not fit well the two specific issues investigated: harm done to workers and harm done to the community in which a firm operates. For example, social identity theory has been used fruitfully to explain the resistance of consumers who

identify with a company to engage in negative word of mouth or protest behaviors but does not seem adequate to explicate sufficient motives to actually perform such behaviors. Likewise, research on information and negativity biases has helped researchers understand product evaluations by consumers in the face of unethical corporate behavior but does not necessarily contribute to an explanation of how or why consumers engage in negative word of mouth or protest behaviors. Finally, research into attribution theory has done much to suggest certain bases for actions toward companies but does not go far enough to explain the emotive factors needed to actually stimulate negative word of mouth or protest behaviors (pp.1814-1821).

Table 5. The results of the TOPSIS method

Consumer' negative emotions	$\mathbf{C_{i^*}}$	S <sub>i</sub> .	$S_{i+}$
Anxiety	.,611419	.,024372	.,015489
Dissatisfaction	.,607534	.,024113	.,015577
Anger	.,350981	.,012294	.,022733
Shame	.,29378	.,010503	.,025249
Hatred	.,276814	.,010373	.,027099
Sorrow	.,26461	.,009087	.,025254

#### **Methods**

The first step in measuring the relationship between the aforementioned variables is brand selection. To facilitate measurements and increase the accuracy of calculations, the products or goods should be selected so that (1) the brand diversity will be limited so consumers can remember the brand easily, (2) the products or goods can trigger negative emotions in consumers, and (3) the manufacturing CSIR is easily understood by consumers. In this regard, automobile brands available to Iranian consumers include all three features. For research variables, Romani, Grappi, and Dalli's (2012) and Ailawadi et al.'s (2013) questionnaires were translated and tailored according to the brand under study.

In this regard, a questionnaire containing measures of study variables was designed. In this questionnaire, 16 items identified and assessed consumers' negative emotions toward auto brands, 3 items assessed the CSIR of auto manufacturers in the view of customers, and 10 items evaluated customers' behavioral attitudes. Table 3 shows the study variables and number of items associated with each variable.

#### Research population and statistical sample

This research was conducted on auto buffs because they had more detailed information about cars than other people. Auto buffs who participated in auto racing in Mashhad (a city in the northeast of Iran) were chosen as the statistical population and data were collected from this population randomly. To obtain a representative sample, first a small number of questionnaires was distributed among fans and then, based on the variance in the preliminary

sample, the sample size at the 95% confidence level and 0.05 error rate was estimated at 120. Ultimately, 200 questionnaires were distributed, but some samples were eliminated because they were incomplete. Thus, the effective sample size was 122 and the final response rate was 61% (122 of 200).

#### **Demographic description of the sample**

Based on the results, as seen in Table 4, 59% of sample was men and 41% was women. As to the age distribution, 7.4% was between 15 and 20, 30.1% between 21 and 25, 37.7% between 26 and 30, 14.8 between 31 and 40 years, and 11% older than 40 years. Also, 36.9% of the population had a bachelor's degree, 29.5% had a master's degree, 7.4% had an associate's degree, 18.9% had a high school diploma, and 7.4% had a doctoral degree.

## **Step One: Identifying and prioritizing customers' negative emotions**

Because this research investigates negative emotions toward a consumers' specific brand, ranking consumers' emotions seems significant. By ranking consumers' emotions toward automobile brands, only are consumers' negative emotions toward automobile brands identified, but also the probability of making mistakes due to consumers' impulsive emotions (e.g., sadness, anger, or other impulsive emotion associated with the specific time of completing the questionnaire) is reduced. In this regard, the TOPSIS method is used, which is among the best multi-criteria decision-making models and ideal for prioritizing options through simulation.

This technique is based on the assumption that the selected option should have the minimum distance from the positive ideal solution and the maximum distance from the negative ideal solution. Problem solving follows the process below:

- 1 Quantifying and making the decision-making matrix dimensionless (N): To this end, the norm technique is used.
- 2 Obtaining weighted dimensionless matrix (v): Dimensionless matrix (N) is multiplied by diagonal weight matrix.
- 3 Determining the ideal positive solution and the ideal negative solution: The ideal positive solution and the ideal negative solution are defined as follows:

Ideal negative solution (Vj) [worst values for each parameter of matrix vector V]

Ideal negative solution (VJ) \*[best values for each parameter of matrix vector V]

4 – Calculating the distance of each option from positive and negative ideal.

$$S_{i^*} = \sqrt{\sum_{j=1}^n (v_{ij} - v_j^*)^2} \qquad i = 1, 2, 3, \cdots, m$$

$$S_{i-}\!=\!\sqrt{\sum_{j=1}^n(v_{ij}\!-\!v_j^-)^2}\qquad i=1,2,3,\cdots,m$$

5 – Determining the relative proximity (CLi) of an option to an ideal solution:

$$C_{i^*} = \frac{S_{i^-}}{S_{i^*} + S_{i^-}} \qquad 0 < C_{i^*} < 1$$

In the present study, the average response of consumers was used to weight each of the studied variables and the weight of variables was determined using Shannon entropy. Then, considering responses as variables and consumer responses as criteria of the study, consumers' negative emotions toward the auto brand were ranked.

The results of the TOPSIS method are displayed in Table 5. The results show that the most negative emotions perceived by consumers are anxiety, dissatisfaction, and anger. In the rest of paper, these emotions are used to investigate the research assumptions.

Step two: presenting a conceptual model and analyzing research hypotheses

The second main step in measuring the relationship between variables of consumers'

negative emotions, their behavioral attitudes, and the moderator role of CSIR is creating and adjusting an appropriate model designed based on the related literature. Therefore, according to the literature review, the model outlined in Figure 1 is suggested to test and check the research hypotheses. Structural equation modeling provides researchers with tools to study the relationships among several variables. The main reason for using structural equation modeling in this study is its ability to estimate multiple relationships in models with multiple variables which act simultaneously as dependent and independent variables.

To answer the research questions, the following six hypotheses were tested using Smart PLS software. This main research model is shown in Figure 1.

Hypothesis 1: Consumers' negative emotions toward a brand (anxiety, dissatisfaction, anger) have a significantly positive effect on negative word of mouth.

Hypothesis 2: Consumers' negative emotions toward a brand (anxiety, dissatisfaction, anger) have a significantly positive effect on complaining.

Hypothesis 3: Consumers' negative emotions toward a brand (anxiety, dissatisfaction, anger) have a significantly positive effect on brand switching.

Hypothesis 4: As a mediating variable, negative emotion toward a brand increases the possibility of brand switching by customers

H5: As a mediating variable, complaints increase the possibility of brand switching by customers

Hypothesis 6: CSIR in the relationship between negative emotions and brand switching acts as a moderating variable.

#### **Step three: measurement model fitting**

According to the data analysis algorithm in the PLS model, to check the fitness of the measurement model, three criteria of reliability, convergent validity, and divergent validity were used. Table 6 shows the reliability of the model by displaying the coefficients of factor loadings, Cronbach's alpha coefficients, composite reliability, and convergent validity of the measurement model of study. Note that

we examine the model without the moderating variable and investigate the five first hypotheses.

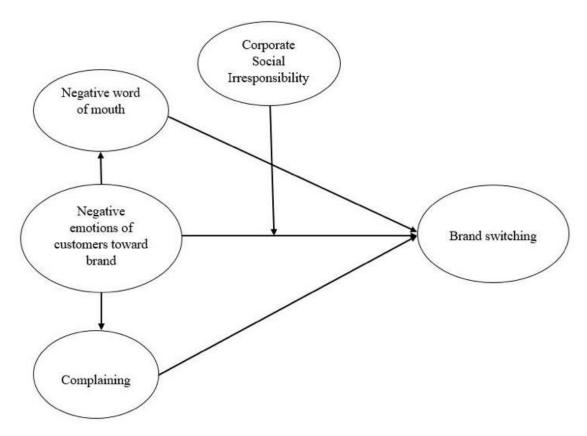


Figure 1. Conceptual model of the research

After that, we enter the mediating variable in the model; according to the fitness model and because of a reduced volume of statistical reports, we only report the final table (Table 9) of the mediating variable that shows important factors (t-test statistic and path coefficient), which supported the sixth hypothesis.

The value of criteria for fitness of factor loading coefficients is 0.4 (Hulland, 1999). As shown in Table 6 and Figure 2, all items of the research variables had factor loadings greater than 0.4. Also, the composite reliability and Cronbachs' alpha for all variables were greater than 0.7, which shows good reliability in the model. The second measure of model fitness convergent validity, which examines the correlation of each construct with its items and indices. According to Fornell and Larcker (1981), the appropriate value of the average variance extracted (AVE) is 0.5, which can be interpreted as all research variables having acceptable convergence. To examine the divergent validity of the model, Fornell and Larcker's (1981) method was used. The results are shown in Table 7.

As shown in Table 7, which is derived from Fornell and Larcker's (1981) model, the values

of the AVE square root of latent variables on the main diameter of the matrix, the correlation between items arranged in lower and right areas of the main diagonal, is stronger.

#### Overall fitness of the model

The GOF criterion, which is used to evaluate the overall fitness of the model, is calculated from the following formula:

$$GOF = \sqrt{communalities \times R^2}$$

In this study, the degree of commonalities was calculated based on mean common values of four latent variables (i.e., negative emotions toward brand, negative word of mouth, complaining, and brand switching). The value of R2 is computed from the mean of the three endogenous variables of the model (i.e., brand switching, complaining, and negative word of mouth).

$$GOF = \sqrt{communalities \times R^2}$$
$$= \sqrt{\%647 \times \%294}$$
$$= 0.436$$

Accordingly, 0.01, 0.025, and 0.36 were introduced as weak, moderate, and strong

Table 6. Measurement of model fitness

Composite reliability	Cronbach's alpha	Convergent validity (AVE)	Factor loads Items	(	Constructs
0.8974	0.8622	0.6025	0.723	1	
			0.776	2	[ega
			0.849	3	gative emoti of cutomers
			0.794	4	e en
			0.756	5	noti
			0.753	6	Negative emotions of cutomers
0.8317	0.7425	0.5538	0.804	1	δ.
			0.724	3	Bra
			0.667	3	Brand switching
0.8381	0.7137	0.6357	0.866	1	. 7
			0.675	2	Vega wor
			0.838	3	Negative word of mouth
0.9439	0.9136	0.8488	0.885	1	Q
			0.940	2	Junc
			0.938	3	Complaint

Table 7. Divergent validity of the model

Construct	Brand switching	Negative emotions toward brand	Negative word of mouth	Complaint
Complaint				0.7973
Negative word of mouth			0.9213	0.1342
Negative emotions toward brand		0.7717	0.3103	0.1106
Brand switching	0.7610	0.1945	0.7476	0.1945

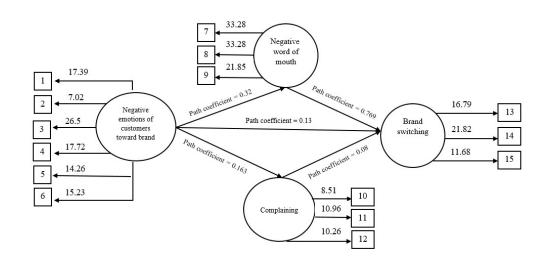




Table 8. Test of hypotheses 1 to 5

Hypotheses	t-test statistic	Path coefficient	Result
Consumers' negative emotions toward a brand (discontent, dissatisfaction, anger) have a significant positive effect on negative word of mouth.	4.609	0.32	Supported
Consumers' negative emotions toward a brand (discontent, dissatisfaction, anger) have a significant positive effect on complaining.	2.106	0.163	Supported
Consumers' negative emotions toward a brand (discontent, dissatisfaction, anger) have a significant positive effect on brand switching.	2.348	0.13	Supported
As a mediating variable, negative word of mouth increases brand switching among customers.	34.391	0.769	Supported
As a mediating variable, complaining increases customers' brand switching.	0.41	0.08	Rejected

values of GOF (Wetzels et al., 2009), yielding a value of 0.436 for GOF, which indicates strong overall fitness of the research model.

indicates that only 13% of brand switching is directly affected by negative customer emotions

#### Step four: structural model fitness

#### Path analysis

The second step in Haland's procedure is the use of path analysis, coefficient of determination, and indices of model fitness. In path analysis, the relationships between variables flow in one direction, considered to follow distinct paths. The results of path analysis are shown in Table 8 and Figure 2.

First the model associated with assumptions 1 to 5 was separately analyzed and then the variable related to the lack of social responsibility was added to the model as the intervening variable.

In Figure 2, the structural model of assumptions 1 to 5 is shown. Table 8 also examines these assumptions.

Table 8 shows that H1 (i.e., the effect of consumer negative emotions on negative word of mouth )with an impact coefficient of 0.32 at a 0.000 significance level (P <0.5), is acceptable. In fact, this indicates that the influence of negative customer emotions on complaining is around 32%. Similarly, H2 suggests that negative customer emotions influence complaining at around 16%. H3

toward the brand. The impact coefficient of H4 reveals that nearly 76% of brand switching is affected by negative word of mouth. However, H5 (i.e., the mediating role of complaining in brand switching behavior) is rejected. In fact, although complaining is significantly affected by consumers' negative emotions, it has little impact on customers' brand switching behavior, whereas negative word of mouth is greatly influenced by consumers' negative emotions, explaining a large portion of brand switching behavior in customers.

By supporting H4, which deals with the effect of negative word of mouth as a mediating variable in the relationship between consumers' negative emotions and their brand switching behavior, the intensity of this impact is calculated by multiplying the path coefficients of these two variables. The result (%32 x %769) shows that consumers' negative emotions explain 0.23% of brand switching behavior through the mediating variable of negative word of mouth.

Table 9 and Figure 3 describe the moderating role of CSIR. The different methods for analyzing the effect of moderator variables include the two-stage approach, orthogonalizing approach, and hybrid approach (Hensler & Chin, 2010). The product indicator approach was developed by Chin et al. (2003) and the Help section of the Smart PLS software contains instructions for its use. Due to less complexity in this method and its usefulness, it was employed to analyze most of the moderator variables in this research (Davari & Reza Zade, 2013). It is

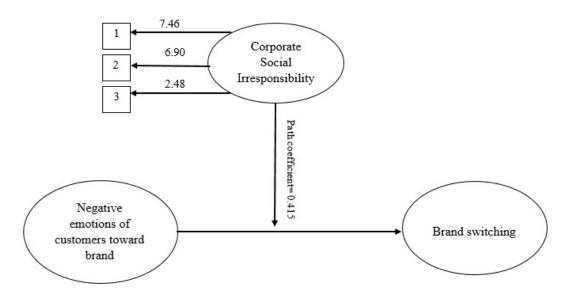


Figure 3. Structural Equation Modeling Assumption 6

Table 9. Test of Hypothesis 6 (CSIR as a mediating variable)

Hypothesis	t-test statistic	Path coefficient	Result
CSIR acts as a moderating variable in relation	2.156	0.415	Supported
to negative emotions and brand switching.			

also worth mentioning that to study the effect of companies' lack of social accountability on consumers' behavioral approaches, brand switching was examined as the end users' final behavior with regard to consumers' negative emotions. This variable was selected based on the aforementioned theoretical basics as well as the indirect effects of negative word of mouth on brand switching, complaining, and lower frequency of consumers' complaining behavior and the direct effect of brand switching on companies' sales and gains. The results indicate that the lack of social responsibility as a moderating variable in relation to consumers' negative emotions explains 41% of increases in brand switching behavior.

#### **Results and Discussions**

The present study was designed to investigate the effect of lack of corporate social responsibility on consumers' negative emotions of an auto brand using the NEB scale introduced by Romani, Grappi, and Dalli

(2012). They attempted to identify the range of customers' negative emotions. In the first step,

the information derived from questionnaires on consumers' negative emotions toward the auto brand are classified and prioritized using the TOPSIS technique. Worry, dissatisfaction, and anger are the primary negative emotions that customers have about auto brands. In the next step, using smart PL software, the relationship between consumers' negative emotions and their behavioral attitudes is examined. Negative word of mouth and complaining are considered two behavioral attitudes that can eventually lead to brand switching among customers, acting as a mediating variable. In fact, brand switching is seen as the most important behavioral attitude that can diminish sales or lead to bankruptcy, and the impact of negative emotions on this behavior, both directly and indirectly through two intervening variables of negative word of mouth and complaint, have been studied.

The results show that consumers' negative emotions toward an auto brand can lead to negative word of mouth and complaints about that brand. Negative word of mouth, as an intervening variable in relation to consumers' negative emotions and brand switching, can explain 23% of auto brand switching.

On one hand, the hypothesis about the role of complaining in brand switching has been rejected. Complaining behavior seems to be mostly seen against the inappropriateness of the product and dissatisfaction with the product or service. In other words, consumers' negative emotions toward a specific brand do not lead them to complain about it unless the negative emotion is a result of dissatisfactory products or services.

Finally, to identify the effect of CSIR of automobile manufacturing companies on customers' brand switching, it was considered a moderating variable in the model, indicating that CSIR can explain 41% of increased brand switching provoked by customers' negative emotions.

#### Conclusion

The research results show that concern (fear, insecurity), dissatisfaction (not satisfied, displeasure), and anger (rage, sadness) are the three primary and most important emotions triggered in people when they hear or remember an automobile brand.

Accordingly, the results suggest that these emotions have the highest impact on negative word of mouth, which may lead to brand switching. In fact, consumers' negative emotions do not have a significant effect on complaining and the brand switching behavior prompted by these emotions can be explained in terms of negative word of mouth. On the other hand, the inclusion of CSIR as a moderating variable suggests that this variable can stimulate brand

switching behavior up to 40%, which is a direct outcome of consumers' negative emotions. This study has three important implications for auto manufacturers. First, the most important consumers' negative emotion toward auto brands is caused by a sense of fear, discontent, and dissatisfaction.

Second, the most important behavioral attitude involved in brand switching is negative word of mouth. In fact, the effect of negative word of mouth on brand switching is much greater than the effect of complaining. Finally, marketers and managers should understand the importance of social responsibility. As the results show, CSIR can have a considerable impact on brand switching prompted by consumers' negative emotions. Social responsibility is vital not only for society but also for company One important limitation owners. identifying the behavioral attitudes of customers is reported in this study. Iran offers only two major automobile brands to the public, so information about people's behavioral attitudes was limited. Despite participants being told to consider famous international auto brands when answering the questionnaires, the findings of the present study, particularly with respect to the behavioral attitudes of customers, may have been affected by the specific structure of Iranian auto manufacturers on the one hand and the culture of Iranian customers on the other. Thus, researchers should conduct a similar study in another country with a different structure in terms of auto brand. Also, considering consumers' audio visually induced negative emotions is another topic for future research.

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