



Consumers response to different certifications in social enterprises – the mediating role of brand credibility

Catarina Santos Paiva

Dissertation written under the supervision of Marta Bicho

Dissertation submitted in partial fulfilment of requirements for the MSc in Management with Specialization in Strategy and Entrepreneurship, at the Universidade Católica Portuguesa, January 2021.

Abstract

The objective of this dissertation is to understand the impact of certification type (awarded certification - symbolic certification) on consumer response, namely perceived trustworthiness and perceived expertise, taking into consideration the mediating role of brand credibility. An online survey containing a between-group factorial experiment design was used to test our hypothesis on a convenience sample of Portuguese consumers using a high-involvement product. Data was analysed through independent samples t-tests and the SPSS PROCESS macro to test for mediation. The findings displayed that, mediated by brand credibility, consumer response was higher for the awarded certification scenario. This study contributes to theory as it expands scientific knowledge in the field of social entrepreneurship along with consumer behaviour and marketing theories. While introducing a refresh view on certifications and their differences, proving that consumers perceive certifications types differently.

Title: Consumers response to different certifications in social enterprises – the mediating role of brand credibility

Author: Catarina Santos Paiva

Keywords: social enterprises, certifications, brand credibility, consumer perception.

Resumo

O objetivo desta tese é estudar o impacto das diferenças entre certificações (certificação premiada - certificação simbólica) nos consumidores, nomeadamente a perceção de confiança e perícia, tendo em consideração o papel mediador de credibilidade da marca. Usou-se um questionário online com uma análise experimental quantitativa fatorial entre grupos para testar as hipóteses propostas, através de uma amostra de conveniência de consumidores portugueses e um produto de envolvimento elevado. Os dados recolhidos foram analisados através de t-tests para amostras independentes e a mediação testada com a macro SPSS PROCESS. Os resultados mostram que a resposta dos consumidores, mediada pela credibilidade da marca, foi mais significativa para a certificação premiada. Este estudo contribui teoricamente para a área de empreendedorismo social, expandido o conhecimento relativo ao comportamento dos consumidores e teorias de marketing. Além disso, introduz uma nova visão relativa a certificações e as suas diferenças, provando que incitam a diferentes perceções por parte dos consumidores.

Acknowledgements

First, to my thesis advisor, Marta Bicho, thank you for challenging me since day one. I would not have lived this experience in the same way without your feedback, ideas and kind words when everything seemed to fail.

To my parents, the real heroes, who paid the tuitions but also gave me unconditional love.

My dad, the man who taught me that hard work is always rewarded and how you should not miss an opportunity to celebrate life. Thank you for all the teachings, travelling and a place to call home.

My mom, the woman who taught me resilience and that giving up is no way to live a full life. Thank you for always having my best interest in mind, keeping me on my toes and for reminding me that I can succeed.

To all the big brothers out there who believe in making the world a better place, but specially mine. Thank you for the love.

To my friends. Thank you for all the beers and laughs, and all the laughs and beers. You kept me safe and sane.

To Fred, even if by some unfair chance of fate our paths don't remain together, thank you.

Contents

Abstract I

Resumo I

Acknowledgements II

Tables IV

Figures V

1. Introduction 1

 1.1. Topic presentation 1

 1.2. Problem statement 3

 1.3. Academic and Managerial Relevance 4

 1.4. Methodology..... 5

 1.5. Thesis organization..... 5

2. Literature Review 6

 2.1. The concept of Social Entrepreneurship and Social Enterprises 6

 2.1.1. Certifications in Social Enterprises 7

 2.2. Consumer behaviour..... 9

 2.2.1. Characteristics 10

 2.2.2. Consumer Perception 11

 2.2.3. Brand Credibility..... 12

 2.3. Conceptual Framework..... 13

3. Methodology 14

 3.1. Research Approach..... 14

 3.2. Pilot testing..... 15

 3.3. Data Collection & Sampling..... 15

 3.4. Research Design 16

 3.5. Stimuli 17

 3.6. Measurements..... 18

3.7. Data Analysis.....	18
4. Results	19
4.1. Sample Characterization.....	19
4.2. Manipulation Check	20
4.3. Measure Reliability.....	20
4.4. Hypothesis Testing	21
4.4.1. Effect of Certification Type on Perceived Trustworthiness & Expertise.....	21
4.4.2. Effect of Certification Type on Brand Credibility	22
4.4.3. Mediating Effect of Brand Credibility	22
4.4.4. Summary of Hypothesis Testing	23
5. Conclusions	25
5.1. Discussion.....	25
5.2. Contributions	26
5.3. Limitations and Future Research	28
References	i
Appendix	viii
A. Certifications	viii
B. Survey (English version)	viii
C. P-P Plots	xii
D. Process SPSS Outputs	xii

Tables

Table 1 - Constructs and Scales.....	18
Table 2 - Demographics	19
Table 3 - Scale Reliability Measures.....	20
Table 4 - Summary of Hypothesis Testing.....	24

Figures

Figure 1 - Model of buyer behaviour (Kotler & Armstrong, 2016)	10
Figure 2 - Factors influencing consumer behaviour (Kotler & Armstrong, 2016)	11
Figure 3 - Conceptual model	13
Figure 4 - Statistical Models	22

1. Introduction

1.1. Topic presentation

Social entrepreneurship defines a new way of doing old things. Social entrepreneurship aims to create social value by providing solutions to societal problems (Dacin et al., 2011), through constituting social enterprises, which span the boundaries between the private, public and non-profit sector (Doherty et al., 2014). They sometimes adopt commercial vehicles, not for profit, but to generate a positive social and environmental impact (Santos, 2012). Social enterprises have been praised as a popular tool to address societal and environmental issues (Wry & York, 2017). One mechanism these enterprises use to signal their organizational identity and as reassurance for the more sceptical are certifications. However, some academics have started questioning the negative externalities of certifications (Parker et al., 2019). A certification, as an act of certify something, is used to state officially that something is true (“Certification”, 2005). Social enterprises seek this act of officially state the truth (Crow & Danks, 2010) to publicly signal their organizational identity and help individuals to easily identify it (Kim et al., 2016). So far, we have already identified two players and one element of this equation: social enterprises, individuals who interact with social enterprises, and certifications. The question remains on how they interrelate within the environment. Research has already studied and concluded that certifications have a saying in the association between social enterprises and consumers. Nonetheless, one cannot go without questioning if there is something else missing that can be added to previous research.

Meanwhile, looking deeper into consumers, we know that consumer behaviour is strongly influenced by psychological factors, they cannot be controlled or changed by third parties, but they can be studied and understood on how they react under different scenarios. The psychological factors are divided between motivation, perception, learning, beliefs and attitudes. Perception is the process used to construct an idea of something by selecting information, organizing and interpret it (Kotler & Armstrong, 2016, p.148). Perceptions happen fast, they help us assemble a somewhat opinion in a matter of seconds, when we first meet someone or when we are shopping and see a new product on the shelf. This process is different for everyone, hence the difficulty in controlling it. In general, one false step and a positive public perception can crumble as fast as it was first formed (Gabay, 2015). Thus, brands are terrified of perceptions and constantly look for new ways of increasing their brand credibility.

The concept of consumers perceiving a brand as credible is a sign of the firm's plausibility in delivering what promised according to its intentions (Erdem & Swait, 2004). Brand credibility as a concept becomes even more relevant in social enterprises, since we are no longer talking exclusively about product quality, fair prices or misleading promotions. Social enterprises in order to survive and succeed, besides having to achieve and deliver the same milestones of traditional enterprises, need to go the extra mile and comply with their social mission. Certifications have become a way of increasing the consumer perception of brand credibility and they seem to work to some extent. The question is if all certifications have the same strength in consumer perception.

To the extent of the author's knowledge, literature lacks comparison of consumer behaviour between different types of certification emitted by different organizations, traditionally accounts for labels given by corporate or governmental entities (Atkinson & Rosenthal, 2014). The most popular organization in certifying social enterprises is B-Labs (Parker et al. 2019), a North American non-profit organization, which gives life to B-Corporations. Besides providing us with a B-Lab, the Portuguese market seems to be quite rich in matter of certifications (European Commission, 2020), it also has a variety of non-traditional certifications. Even though there are no official certifications, awards and prizes for social enterprises as such, since Portugal lacks a legal framework for these, there are numerous initiatives who work towards recognition. Public and private institutions distribute labels, prizes and acknowledgements, as an attempt to raise awareness for projects, products and initiatives in the third sector of social economy, innovation and entrepreneurship. Such as the labels ES+, CORES, and Animar.com; the Permanent Database of Social Economy and the Database of Trainers for the Social Economy; the Prize Cooperation and Solidarity António Sergio and the Manuel António da Mota Prize, both with a monetary reward, and the prize of a course in social entrepreneurship from the INSEAD institute (Ferreira, 2019).

In view of the challenges faced by social enterprises in signalling their mission to consumers and make them perceived it as believable and attainable some scenarios have been explored in understanding the impact of certified social enterprises. This dissertation will go deeper and seek to understand the differences in consumer perception according to different certifications. In a controlled experiment the goal will be to see how consumers perceive two representative types of certifications. In order to examine differences between certifications and how impactful will they be, and how can managers leverage that impact.

1.2. Problem statement

The aim of this dissertation is to evaluate how consumers change their perceptions according to different types of certification. It will seek to study different social initiatives and projects, and respective rewards. The types of certification are divided in two groups, symbolic and awarded. Perceptions can become powerful tools to both parts when they are understood. In social enterprises, perceptions of trustworthiness and expertise by the consumers are extremely relevant because it signals that they believe in the brand. Thus, the following research question is proposed:

***RQ_1:** What are the differences in consumer perception (Perceived Trustworthiness and Perceived Expertise) towards social enterprises with awarded certification vs. symbolic certification?*

Additionally, research defines brand credibility as a complex concept. It involves trust and knowledge but not only, and to reduce it to two simple aspects would be wrong. As a way of positioning, brand credibility is its most important characteristic (Erdem & Swait, 2004). It revolves around quality, risk, information, and even cumulative impacts of both past and present marketing strategies, its reputation. If brands fail to deliver what was promised their credibility will erode as well as all the aspects that constitute it. Therefore, to analyse trust and expertise without brand credibility, or credibility without trust and expertise, would be neglectful of us. The highlighted importance they all have to the success of social enterprises and understand of consumer perceptions makes it justifiable to study them all, consequently we introduce our second research question:

***RQ_2:** What level of perceived brand credibility is induced in consumers with each certification type?*

Summing up, with these questions the goal is to understand what type of certification has a higher impact on consumer perception of brand credibility in social enterprises, symbolic certification or awarded certification. Also, which one evokes more trustworthiness and expertise within the audience. With the information achieved social enterprises will have the knowledge to better leverage their certifications according to their goals in the market.

1.3. Academic and Managerial Relevance

Social enterprises are players in the market along with traditional profit-driven enterprises thus should be of interest to consumers researchers (Ridley-Duff & Bull, 2015). Yet research on exploring promotional methods for social enterprises is scarce (Shaw, 2004; Sutton et al., 2018). As already seen, certifications are commonly used in social enterprises to signal to others their identity. In addition, certifications can also be desired and used by social enterprises to communicate a unique selling point, a competitive advantage in the market (Stride & Lee, 2007; Davenport & Low, 2013). Even though social enterprises recognize the importance and desire to be certified, some struggle with what to do with certifications and some even choose to not publicize them in order to avoid backlashes (Carlos and Lewis, 2018). All this uncertainty is supported by the lack of research on applied marketing theories to the field of social entrepreneurship (Shaw, 2004; Bull & Crompton, 2006).

Hopefully, this dissertation will contribute to the development of theoretical approaches used in explaining the impact of certifications in social enterprises. Consequently, it will add to the field of social enterprises managerially as it will help managers understand consumer perception of their business relatively to certifications and how they can address this topic. The importance of this topic relates to the fact that social enterprises are implementing mainstream business practices to find solutions as to how to compete in the market (Bull & Crompton, 2006). Non-profit organizations have also been doing this, specially by investing in branding and internal marketing strategies (Stride & Lee, 2007; Pelozo et al., 2009). However, research suggest that such activities lack a costumer orientation (Pope et al., 2009). Thus, it is a good opportunity to explore promotional ways of certifications in order to apply them to the social entrepreneurship context (Bonar & Karson, 2019).

In conclusion, by going deeper into the effect of certifications in consumer behaviour we are hoping to help social enterprises and respective managers better navigate the market. On the other hand, the necessary literature review will sum up our knowledge on the topic and define our starting point so that those who came after us will be able to clearly identify what as being study and what is necessary to carry on the research. More specific to our context, the Portuguese market, a place with no specific legislation on social entrepreneurship, we believe this dissertation can be of great usefulness not only to managers who want to leverage their certification as a unique selling point, but also to anyone who is interested in the area. To build

simple, yet significant knowledge to the field of social entrepreneurship is the most relevant aspect of this dissertation.

1.4. Methodology

The objective of this dissertation is to understand the impact of certification type on brand credibility through consumer response. In order to explain causal relationships, a quantitative method will be put into practice and the conceptual framework developed in the literature review will be used to represent relations among the variables. The variables of this study will be the independent variable, certification type, the dependent variable, consumer response (perceived trustworthiness and perceived expertise), and the mediator variable, brand credibility. There will be a between-group factorial experiment design allowing us to examine the independent variable and simultaneous effect on the treatment variables, by collecting primary data through an online survey.

1.5. Thesis organization

The dissertation is structured in four parts. The first chapter introduces the topic, problem statement and respective research questions. The second chapter is dedicated to the literature review where there will be a sum up of existing academic literature on social enterprises and certification, and consumer perception of brand credibility since these are topics at the core of our problem statement. Furthermore, the methodology and data analysis chapters will present the building of the study and consequent results. Lastly, we will dedicate the fifth chapter to highlight conclusions, managerial implications as well as limitations and future research suggestions.

2. Literature Review

2.1. The concept of Social Entrepreneurship and Social Enterprises

For the last decades, social entrepreneurship has emerged as a dynamic field for both practice and research. Individuals and private initiative have been contributing daily for the development of social enterprises, and governments started supporting the field through new organizational frameworks. Nonetheless, besides its growing popularity it lacks a consensus for its definition (Choi & Majumdar, 2014). Scholars and academics seem to be having difficulties in explicitly define what does social entrepreneurship means. For some academics, social entrepreneurship are businesses to better serve societal problems related to the poor (Seelos & Mair, 2005). A second group of researchers' views this concept as social innovations that aim at solving neglected social problems provoking positive externalities (Santos, 2012). Others believe social entrepreneurship to be non-profit organizations searching for different funding strategies via business activities (Boschee & McClurg, 2003).

Partially, as a result of this lack of consensus, social entrepreneurship remains poorly understood (Choi & Majumdar, 2014). Some researchers are starting to look pass the definitional debate and move towards social entrepreneurship itself with antecedents and outcomes (Grimes et al., 2018). Nonetheless, scholars have pointed out the low number of studies investigating possible marketing contributions and consumer behaviour theories to social enterprises (Shaw 2004; Bull & Crompton, 2006; Sutton et al., 2018), such as branding and positioning. On the other hand, the hybridity of social enterprises and their increasing commonness in the society as solvers of societal problems excites many scholars into the field of social entrepreneurship.

Even though social enterprises have no clear definition, many researchers would agree on the achievement of a social innovation by using commercial channels (Pache & Santos, 2013; Wry & York, 2017). This idea can be translated into the balance between social mission and financial sustainability (Battilana & Lee, 2014). Social enterprises are normally used to serve both customers and beneficiaries (Battilana et al., 2015), and it can happen that costumers and beneficiaries are the same (Mair et al., 2012). The most common case of social enterprises uses customers as a mean to ensure financial sustainability, while achieving their social mission for benefit of the beneficiaries (Battilana et al., 2015; Doherty et al., 2014). One of the many challenges social enterprises face is the balance between the needs of these two stakeholders,

where an imbalance can lead to social mission drift (Ramus & Vaccaro, 2017). Being able to fairly serve customers and beneficiaries is a critical ability for social enterprises.

Research has found that consumers look behind the utilitarian value when purchasing an item or service. Consumers value the helping dimension of the exchange and the feeling of personal reward for having done a good deed (Hibbert et al., 2005). In fact, this is consistent with Maslow's (1945) hierarchy of needs, which claims that individuals after fulfilling basic needs are frequently driven by the need for approval and self-actualisation. Even though, consumers have been showing desire to consider ethical factors when constructing opinions on products and translating them into purchase decisions, there has been a gap between intention and actual behaviour (Bray et al., 2011). Information regarding factors influencing ethical consumption and the gap are yet limited, however, some have already been identified such as scepticism towards ethical symbols (Nicholls & Lee, 2006).

Consumer trust and credibility have always been in the centre of issues related to conscious consumption (Darbi & Karne, 1973). Therefore, one can consider fundamental to understand a consumer perception of brand credibility in social enterprises. In the next chapters we will be narrowing down the scope of brand credibility in social enterprises by studying a way of signal credibility, certifications, and how does brand credibility and consumer perception interact with consumer behaviour. This information will be used to build a conceptual framework that will help us formulate a methodology for our problem statement.

2.1.1. Certifications in Social Enterprises

Certifications are a mechanism commonly used by social enterprises in order to signal an identity and their values to the public, which can be considered extremely beneficial when a firm is trying to differentiate from the rest of the industry (Kim et al., 2016). Social entrepreneurs are drawn into certifying their enterprises for several motives and desired outcomes, such as relationships, public image, avoidance of mission drift and feedback on management (Crow & Danks, 2010). This mechanism can be used to internally signal a social enterprise' mission, however, its most common adoption is for external users. With external exposure, social enterprises in order to increase consumer response should provide information about their mission, while maintain high quality and ethical standards to be perceived as trustworthiness (Ferdousi & Sabah, 2017).

Consumer purchase decisions are not commonly defined by prior knowledge on a social enterprise. Nevertheless, ethical perception and attitude towards the brand is highly influenced by the information immediately available on the product (Ferdousi & Sabah, 2017). The information displayed on the product can be as simple as the “made in” label, if the consumer is conscious about the environment, economic factors and labour rights, or it can be a certification if the consumer is looking into some official proof that they are doing a good deed. Some researches point to a positive influence on consumer behaviour of displaying a social certification (Choi & Kim, 2016). Nonetheless, some social enterprises still decide to withhold prestigious certifications to avoid being perceived as hypocritical once the certification does not fulfil its external purpose (Carlos & Lewis, 2018). Tendency to certify increases in environments where norms are weak and pressure to obtain certification is low (Grimes et al., 2018). The threat of certification failing amplifies when firms have strong reputations in the same field of the certification and when consumers understand and value the certification (Carlos & Lewis, 2018).

Research regarding certification has focused mainly on the credibility benefits by using it to signal a message to the audience (King et al, 2005; Terlaak & King, 2006). Nevertheless, it can happen that certification itself might suffer from limited legitimacy (Grimes et al., 2018). A certification is more valued when it comes from a third-party, meaning that it is an independent organization that evaluated the brand (Deaton, 2004). The trustworthiness issue is as real as one could possibly imagine. Social enterprises have been using non-profit certification and labelling initiatives to gesture credibility since non-profit status signals integrity. This act represents almost as a share of trustworthiness between non-profit organization and social enterprise businesses (Child, 2015). The Social Exchange Theory offers the framework to understand the definition of trust and how can be initiated: trust is generally accepted as the “*psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another*” (Rousseau et al., 1998, p.395). With certifications we are in the presence of a trust transfer process, the consumer (the one that trusts) attributes trustworthiness to a brand (an unfamiliar partner) based on their association with a trusted third-party (third-party certification logo). In the absence of prior experience, the third-party certification assures the consumer that is safe to accept the risk (Jiang et al., 2008). The benefits of third-party certification for consumers results from their ability of providing market signals when information about a product is uncertain and asymmetrically distributed, facilitating transactions (Deaton, 2004).

In the last years, literature on certifications in social enterprises has been growing. However, it seems to lack research on type of certification choosing to focus mostly on different sources (Atkinson & Rosenthal, 2014; Choi & Kim, 2016; Grimes et al., 2018; Brach et al., 2018). As seen in the introductory moment of this dissertation, in environments where the rules of the game are not legally defined, the variety of certifications is only limited by the organization's imagination, since its only attachment is to its definition: an act of certify something used to state officially that something is true ("Certification", 2005). By simpler words, a certification can be anything we want to officially recognize something or somebody.

Therefore, to expand research into different variables of certifications this dissertation will treat certification type as an independent variable, in order to understand its effect on consumer perception. The types used in the study were categorized into groups according to their characteristics and respective definitions of the symbolic and awarded concepts. Therefore, a symbolic certification involves a certification containing symbols or being used as a symbol ("Symbolic", 2005), i.e., a label or an acknowledgement. An awarded certification comprises a certification translating the decision of giving something to somebody ("Awarded", 2005), i.e., a prize, monetary or non-monetary. This categorization can be found in the Appendix A.

In order to understand and build a model that will help us study our variables' relationships, we need to dig deeper into consumer behaviour, perceptions and brand credibility.

2.2. Consumer behaviour

Consumer behaviour can be defined as the study of the process of selecting, purchasing, use and dispose of products and services, by groups or individuals, in order to satisfy needs and desires (Solomon, 2010). Constantly changing behaviour influences continuous and growing research in the area of marketing and consumer behaviour (Wright, 2006). Since businesses have been reacting to these changes in consumer behaviour and trying to adapt to more responsible marketing action, management must too have a clear understanding of this changes (Webster, 1975). Changing behaviour has the power to create new trends and markets, such as the green and ethical consumerism, where consumers consider a variety of social and environmental issues and go beyond credentials when it comes to make a choice (Wright, 2006). With regards to the increasing wave of conscious consumers, the two main aspects conducting this phenomenon are an external stimulus and a need to esteem and self-actualization (Hibbert et al., 2005). Due to the context in which we want to discuss consumer behaviour, it is important to refer that consumers in Fairtrade seem more motivated to buy

through branding and knowledge on the topic (Wright & Heaton, 2006). This could be enough of a justification for social enterprises to look for ways in which they could increase consumer engagement through promotion using certification, as consumers seem to be influenced by branding and knowledge (Bonar & Karson, 2019).

2.2.1. Characteristics

Decisions on how, when and what to buy are made every day by consumers, therefore, their behaviour and choices are a constant focus of marketers. However, understanding the patterns and factors behind consumer behaviour is not a linear task (Kotler & Armstrong, 2016). A starting point is the *stimulus-response model*, this model shows us that an external stimulus enters the consumer's black box and provokes a response. The goal here is for marketers to understand what is inside the black box in order to find how consumers respond (Kotler & Armstrong, 2016). The most common procedure for this is to expose consumers to controlled stimulus and measure differences in responses, through experiments or real-life situations.

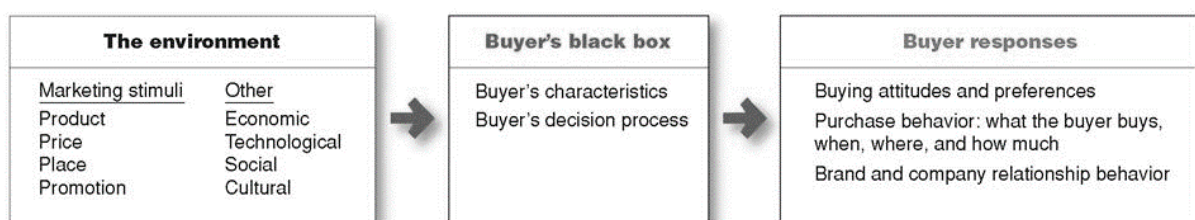


Figure 1 - Model of buyer behaviour (Kotler & Armstrong, 2016)

Inside the box there are two processes happening sequentially. First the buyer's characteristics influence the way a consumer perceives and reacts to the *stimuli*, and second, how the decision process will affect the consumer's behaviour. The characteristics affecting the consumer behaviour are many and can be divided into four dimensions: cultural, social, personal and psychological. Even though we know they exist and what they are, for the most part is impossible to control them, since our decisions are constantly affected by external and internal factors (Kotler & Armstrong, 2016). In addition, due to the variety of external and internal factors, this process is different for everyone.

For the purpose of this dissertation, we will focus on psychological factors. These include motivation, perception, learning, beliefs and attitudes (Kotler & Armstrong, 2016). Psychological factors are important to take into consideration specially when we most likely are dealing with a socially conscious consumer, a consumer who takes into account the public

consequences of their individual consumption or who attempts to use purchasing power to provoke social change (Webster, 1975).

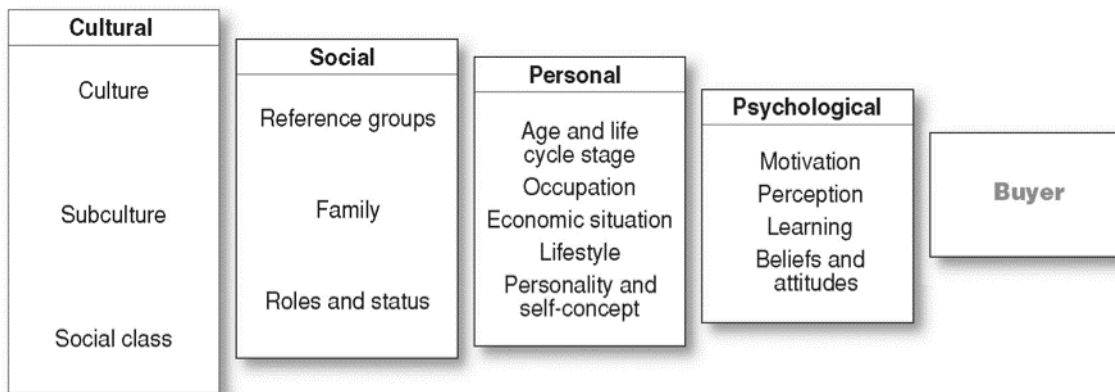


Figure 2 - Factors influencing consumer behaviour (Kotler & Armstrong, 2016)

Next, by narrowing down our scope, only consumer perception will be taken into consideration when study consumer response to different type of certification in social enterprises.

2.2.2. Consumer Perception

Individuals act accordingly to their perception of a situation. Perception is a process by which individuals select, organize and interpret information in order to form an opinion (Kotler & Armstrong, 2016). Research has found that consumers can experience consumption in different ways (Tynan et al., 2014), in the same way they can experience brands from multiple perspectives. Therefore, it is important to understand how brands influence consumer behaviour and their perceptions (Dwivedi et al., 2018). Consumers use the information provided to form perceptions influencing their behaviour. When consumers trust the information, it is easier for them to build faster purchase intentions (Attaran et al., 2015). If the information is attributed to a credible source, influencing the decision process becomes simpler (Chaiken & Maheswaran, 1994). Therefore, research provides a generalized opinion that a consumer perception of source credibility has the power to guide and influence its attitudes and behaviours (Sterthal et al., 1978; Harmon & Coney, 1982).

The way in which consumers perceive credibility is determined by the two main components of source credibility: expertise and trustworthiness (Sterthal et al., 1978; Kim & Kim, 2014; Ismagilova et al., 2020). Expertise would be the degree to which an individual is perceived as capable of correctly transmitting information (Attaran et al., 2015), and trustworthiness is the extent to which the audience perceived the information transmitted by the communicator valid

(Sternthal et al., 1978; Kim & Kim, 2014). The concept of source credibility can be allocated to different subjects, it can either be a person providing information such as a reporter, or a brand signalling aspect of their products, production process, or even values and identity. However, for the information to be perceived as credible, the brand must be perceived as such. Since credibility is an impactful aspect among social enterprises, and these recognize consumer as a mean of financial sustainability, understanding consumer perception of brand credibility ends up being a resourceful way of improving their marketing strategy.

2.2.3. Brand Credibility

Brand credibility is defined as the plausibility of a firm's intentions (Erdem & Swait, 2004, p.192), it provides peerless benefits for both consumers and brand. For consumers, by acquiring a product from a credible brand assures them with the expected quality. For the brand, credibility means that marketing efforts are paying off and are becoming more cost effective, as message acceptance becomes more likely to happen, hence increasing sales by customer repetition (Baek et al., 2010).

Credible brands are capable of minimize risk and increase consumer confidence since consumers believing a brand is credible can lead to commitment to the brand by repeatedly purchase it (Kemp & Bui, 2011). Research proved that brand credibility is linked to a higher perceived value and improves consumer perception of a brand characteristics (Baek et al., 2010). A higher brand credibility influences consumer choice among different brands (Erdem & Swait, 2004) but it also affects purchase intention through perceived quality, low risk and information cost saving (Baek & King, 2011). To signal a position, brand credibility is the most important characteristic driving consumer behaviour (Erdem & Swait, 2004). Also, evidence as already proven that brand credibility can reduce price sensitivity, resistance to volatility and strengthen consumers' willingness to pay (Sivakumar & Raj, 1997; Erdem et al., 2002; Netemeyer et al., 2004). Therefore, brand credibility is an effective tool in attracting customers and a plausible justification for consumers to accept a higher price (Dwivedi et al., 2018), a normal practice among social enterprises.

In our study, brand credibility accounts for the relationship between certification type and consumer response. Thus, the Woodworth's (1928) S-O-R model (stimulus, organism, response) would define brand credibility as a mediator variable to the extent that as an active organism interferes between stimulus and response (Baron & Kenny, 1986; Kemp & Bui, 2011). Therefore, we suggest that certification type influences consumer perception of

trustworthiness and expertise both directly and indirectly through brand credibility. Hence, considering the independent variable, certification type, the dependent variable, consumer response consisting of perceived trustworthiness and perceived expertise, and the mediator variable, brand credibility, the following hypothesis are proposed:

H₁: Consumer response is more positive towards a specific certification type.

H_{1a}: Consumers perceive higher trustworthiness of a social enterprise with an awarded certification vs symbolic certification.

H_{1b}: Consumers perceive higher expertise of a social enterprise with an awarded certification vs symbolic certification.

H₂: Consumers perceive higher brand credibility towards social enterprises with awarded certification rather than symbolic certification.

H₃: Brand credibility mediates the relationship between certification type and consumer response.

H_{3a}: Brand credibility mediates the relationship between certification type and perceived trustworthiness.

H_{3b}: Brand credibility mediates the relationship between certification type and perceived expertise.

2.3. Conceptual Framework

The following conceptual framework represents the hypothesis proposed, based on the concepts developed during the literature review, helping us connect their possible relations and effects. By applying this conceptual framework, hopefully, we will be able to understand the consumer response to different types of certifications in social enterprises.

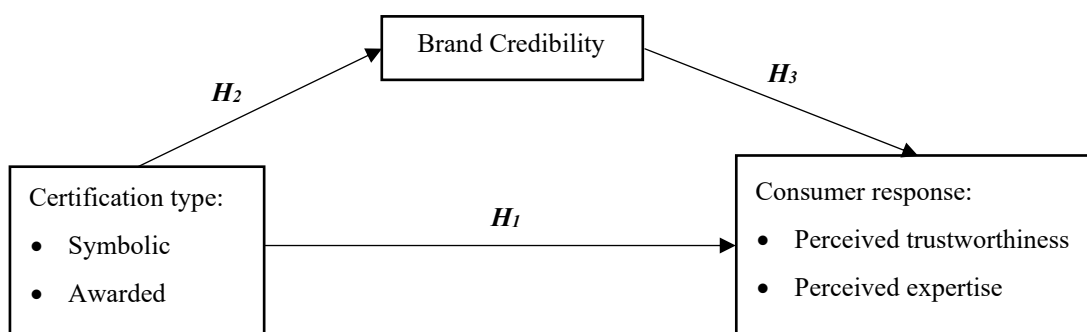


Figure 3 - Conceptual model

3. Methodology

3.1. Research Approach

A research approach involves not only assumptions but also distinct procedures, it is an intersection between philosophy, research designs and specific methods (Creswell, 2014). Adopting a conceived research methodology (Neuman, 2009) helps us define a concrete and reliable path for our study. For this dissertation, the most appropriate would be postpositivist as it represents the thinking after positivism, it challenges the traditional notion of absolute knowledge (Phillips & Burbules, 2000).

The objective of this dissertation was to understand the impact of certification type on consumer response through brand credibility. In order to explain causal relationships a quantitative method was adopted, and the conceptual framework used to represent relations among the variables. The variables of this study are the independent variable, certification type, the dependent variable, consumer response (perceived trustworthiness and perceived expertise), and the mediator variable, brand credibility.

For the purpose of this study, an experimental design method was highlighted as it helps us test the impact of a treatment on an outcome, while controlling for all other factors (Creswell, 2014). A between-group factorial experiment design allowed us to examine the independent variable and simultaneous effect of it on the treatment variables (Vogt & Johnson, 2011). The goal was to compare two controlled situations, in which a brand either received a symbolic certification or an awarded certification. The experiment was distributed through an online survey, providing us with a numeric description of a population allowing us to withdraw trends, attitudes and opinions (Creswell, 2014). The online survey was cross-sectional, which means the primary data collection happened at one point in time. An Internet survey seemed an appropriate choice as it has low costs, provides the opportunity of reaching many possible participants due to its convenience, however, it can have a higher abandon survey rate (Fan & Yan, 2010).

The experiment focused on a fictitious scenario where consumers were presented with a perfume advertisement and were asked several questions to measure for our variables. The survey was held on the platform Qualtrics and the *stimuli* image built on the online photo editor: PIXLR. The data collected was then analysed using the IBM SPSS software.

3.2. Pilot testing

To identify and correct potential problems we used a pilot testing procedure, a survey containing the experiment and used a convenience sample of Portuguese consumers to test it. The goal was to improve questions, wording, scales and measurements (Creswell, 2014). Therefore, at the end of the experiment participants were asked if they had encountered any technical difficulty during the survey, if the questions were clear and their perception of the survey's objective. The latter would help us understand to what extent should we improve the survey to avoid demand biased responses (Li & Miniard, 2006).

The pilot testing included 52 participants, 36 female and 16 males, out of these 25 respondents experienced the scenario of symbolic certification, while the remaining 27 got the awarded certification scenario. The pre-test focused on testing the survey flow, wording and comprehension of the questions, understanding of the topic and *stimuli* success. Based on the results some improvements were made. The level of involvement with perfume was high therefore this was not changed. However, the manipulation check failed to measure the differences between the two groups, thus, it was modified. In addition, some alterations to the wording in the *stimuli* were made so that participants would consider the situation to be as close to reality as possible. Consequently, a second pilot was tested. The results showed a successful manipulation check with significant differences between the two groups. Final adjustments in wording were made and the final survey was distributed.

Both surveys were distributed via personal message and email following a non-probability convenience sample (Creswell, 2014; Etika et al., 2016). The subjects of the first pilot testing were independent from the second. Other than that, some respondents reported some difficulties with the survey flow thus a revision on the topic was made and improved in order to deliver a better experience. Since the length of the survey impacted a response rate of 63% an incentive was added, a lottery of a voucher in Fnac. The final survey can be found on the Appendix.

3.3. Data Collection & Sampling

The target population for the experiment consisted of Portuguese consumers, knowledge in the Portuguese language was necessary since the certification types used for our study are only available in the country. To guarantee understanding of the questions and explanations, therefore data quality, the survey was translated into Portuguese and distributed through social media channels. The sample was not restricted any further.

The survey was distributed via different social media platforms, from the 19th to 24th of November 2020. Participants had an unequal probability of joining the study, therefore, the experiment followed a non-probability (or convenience) sampling method (Creswell, 2014). Even though this method has some known limitations (Etika et al., 2016), convenience samples are often used in quantitative analysis (Jiang et al. 2008; Choi & Kim, 2016; Dwivedi et al., 2018). Mostly adopted by its advantages such as accessibility and voluntary cooperation of participants (Malhotra & Birks, 2007; Etika et al., 2006), it is considered suitable for our study. Participation and completion of the survey was encouraged by the possibility of winning a voucher. The survey was closed, and the experiment ceased once the number of completed surveys reached 215.

3.4. Research Design

The between-group single-factor experimental design with a dummy-coded variable representing the independent variable, certification type (0 – symbolic certification; 1 – awarded certification), compared two controlled situations, in which the brand is either rewarded with a symbolic certification or with an awarded certification (Creswell, 2014; McDaniel & Gates, 2015; Langan & Kumar, 2019). The experiment involved several questions to control for different factors and a *stimuli* for each group.

To ensure an equal status quo between participants regardless of prior knowledge on the topic, they were asked of their experience with third-party certification and later given a description of the certification according to their group. Product involvement was also controlled for measuring the participants individual experience with the product. Other than the two different *stimulus*, everything else on the survey was equal among both groups. The dependent variables, perceived trustworthiness and expertise, and mediator variable, brand credibility, were scale measured. Demographic data was assessed last to ensure balance across the two groups and describe the sample in detail. Variables were gender, age, nationality, occupation and income. All the questions in the survey forced a response and some items included a minimum time frame, to ensure the attention of participants when information was shared. Upon finishing the survey, participants were automatically redirected to another survey where an email address was asked for their participation in the lottery. This second survey for the lottery was a way of avoiding any possible connections between the participants and their answers, as respondents were given the promise of absolute anonymity throughout their participation in the study.

3.5. Stimuli

The treatment used a fictional brand, as it allows to control for the information provided avoiding participants to evaluate the certification based on prior brand knowledge (Lee et al., 1999; Wu et al., 2008). The choice of product considered involvement level, the time and effort consumers spend evaluating a product (Nagar, 2015). Previous research on the differences between high-involvement and low-involvement products tell us that “*when the level of involvement with a product is high, consumers pay more attention to commercials and are more motivated to process the message in depth*” (Montoro-Rios et al., 2008, p.549). Therefore, a high-involvement product was more suitable for our study, i.e. perfume. This category was chosen as is a product that both men and women identify with and are likely to have interest on their own. Other than that, when removing the scent from the product, which is inevitable due to the nature of our *stimuli*, one can easily transform the same product suitable for both genders.

A *stimuli* for each certification type was built to inform the participants on brand, product and certification, the *stimuli* consisted of an ad in poster format and an introductory text. Among the different certifications we can find in Portugal, the ones used were the label ES+ to represent a symbolic certification, and the INSEAD prize for social entrepreneurship as an awarded certification. The choice of certifications achieved three goals: being representative of the two types we wanted to study, the criteria followed was similar (social mission, impact, sustainability and scalability), and the sources of certification being identical. Also, the manipulation check on the pre-test, showed us that consumers perceived in the same manner both certifications as being a credible way to certify the impacts of the social enterprise. If instead we had used an international popular certification with the same characteristics as the ones chosen, like B-Corp, consumers might have perceived them differently based on a strong reputation, contributing for an imbalanced initial position between certifications.

Participants were randomly assigned to the first group, 0 – symbolic certification, or the second group, 1 – awarded certification. The randomization process should be applied whenever possible in order to reduce possible confounding effects undermining the results (Ryan, 2007). To check the success of the manipulation, a 7-point Likert-scale was used to ask participants to which extent they viewed the certification as valuable to the brand as a social enterprise.

3.6. Measurements

To study the constructs of this dissertation the work of others was consulted. For **perceived trustworthiness**, the 8-item scale by Delgado-Ballester (2004), who validated the scale, containing four reliability and four intentions items was used, allowing an efficient interpretation. The construct is measured on a balanced 5-point Likert-scale with the end points *completely disagree/completely agree*. For **perceived expertise**, we used the 2-item scale by Erdem & Swait (2004), also measured on a balanced 9-point Likert-scale with the same end points, *completely disagree/completely agree*.

For **brand credibility** we used the original 8-item scale for corporate credibility by Newell & Goldsmith (2001), this scale was latter validated by Mann & Ghuman (2013). It is measured on a balanced 7-point Likert-scale with the end points *agree/disagree*.

For **product involvement**, the 3-item scale by Kopalle & Lehmann (2001) and Laurent & Kapferer (1985) was adopted already validated by Albrecht et al. (2013). The construct is measured on a balanced 7-point Likert-scale with *not at all/to an extreme extent* as end points.

For **third-party certification**, the 1-item 5-point Likert-scale by Darnall et al, (2018) with the end points *strongly disagree/strongly agree*. The constructs and respective items can be consulted in detail in the survey in the Appendix.

Constructs	Scale	Items	Source
Perceived Trustworthiness	5-point Likert	8	Delgado-Ballester (2004)
Perceived Expertise	9-point Likert	2	Erdem & Swait (2004)
Brand Credibility	7-point Likert	8	Newell & Goldsmith (2001)
Third-party Certification	5-point Likert	1	Darnall et al. (2016)
Product Involvement	7-point Likert	3	Kopalle & Lehmann, (2001) Laurent & Kapferer, (1985)

Table 1 - Constructs and Scales

3.7. Data Analysis

In order to analyse the collected data, we used the statistical software IBM SPSS. The procedure compared differences between the two groups through means by applying independent samples t-test. For the assumptions of the conceptual model, we used Levene's test for homogeneity of variances and Shapiro-Wilk test for distribution. Additionally, a regression-based analysis was conducted to test for the model significance.

4. Results

4.1. Sample Characterization

The study had 307 participants, of which 215 completed the survey. Data was first organized and checked in SPSS, from this resulted two failed attention checks and identification of two dismissible outliers. The identification of the outliers resulted from a first analysis on the data, showed that these observations lied abnormally far away from the data set. Participants had chosen the first option in every question/scale with a completion time significantly inferior to the average, indicating the survey was not completed with the intention to participate in the study by giving truthful and trustworthy responses. The four observations were excluded from the analysis. Demographic variables were assessed using independent samples t-test for two means, revealing an equally distribution of variances between groups, indicating high inter-group homogeneity. The same procedure was applied for product involvement and third-party certification, reporting back equality of variances between groups. Participants were distributed by groups in a balanced way, with 105 for group 0 - symbolic certification and 106 for group 1 - awarded certification. The demographic sample characteristics are presented in table 2. Due to the convenience sampling method, the sample is not representative of the population as 73% of the inquiries were female and the age average was 23 years.

Demographics		Total Sample
Age		M=22,96; SD=6.46
Gender	Female	73%
	Male	27%
Nationality	Portuguese	98%
	Other	2%
Occupation	High School Student	1%
	University Student	64%
	Student-Worker	18%
	Self-employed worker	3%
	Employed worker	13%
	Unemployed/Retired	1%
Income	<500€	56%
	501€-700€	10%
	701€-1000€	16%
	1001€-1500€	9%
	1500€-2000€	5%
	>2000€	4%

Table 2 - Demographics

4.2. Manipulation Check

For the certification type, manipulation success was measured on a 7-point Likert scale. An independent samples t-test was processed and differences among the groups were identified. The test showed that the awarded certification group ($M=5.62$; $SD=1.24$) recognized significantly more the certification than the symbolic group ($M=4.99$; $SD=1.25$; $t(209)=-3.69$, $p<.05$). Note that, previous to the t-test analysis, a Levene's test was conducted indicating equal variances between groups. The results display a successful manipulation.

4.3. Measure Reliability

Measure reliability was assessed to ensure internal consistency, even though, the scales have already been used and tested in previous studies. Cronbach's Alpha is a steady measure of scale reliability and internal consistency (Nunnally, 1978). Values of the Cronbach's Alpha are recommended to exceed 0.7 for acceptable values, higher than 0.8 for good values, and excellent values are achieved with 0.9 or higher (Field, 2009). Nonetheless, a Cronbach's Alpha over 0.7 can be defined as ideal (Pallant, 2007). The statistical analysis reported a Cronbach's Alpha of 0.94 in the Product Involvement scale, 0.85 for the Perceived Trustworthiness scale, and 0.82 for Perceived Expertise. For the Brand Credibility scale, the reliability analysis indicated that by deleting the second item we would be able to go from a 0.598 alpha to a 0.78 Cronbach's Alpha. Elimination of items should be avoided, nonetheless, because we are looking at an increase of almost 0.2 points the question was eliminated from further analysis. Reliability was not measured for the one-item scale Third-Party Certification as the indicator of reliability used, the Cronbach's Alpha, is suitable only for multi-item scales since internal consistency refers to the way in which the different items relate to one another (Pallant, 2007). However, using a one-item scale is not fatal to the study neither jeopardizes the results (Wanous et al., 1997; Darnall et al., 2018), as it can be considered as predictively valid as multi-item scales (Bergkvist, 2014). Therefore, the scales could be assumed as reliable. After this statistical analysis we computed the means of the scales for the remaining observations.

Scale	Cronbach's Alpha	Cronbach's Alpha if item deleted	Items deleted	Final items
Product Involvement	0.94	-	-	3
Perceived Trustworthiness	0.85	-	-	8
Perceived Expertise	0.82	-	-	2
Brand Credibility	0.598	0.78	1	7
Third-Party Certification	-	-	-	1

Table 3 - Scale Reliability Measures

4.4. Hypothesis Testing

4.4.1. Effect of Certification Type on Perceived Trustworthiness & Expertise

H_{1a}: Consumers perceive higher trustworthiness of a social enterprise with an awarded certification vs symbolic certification.

Before testing for differences between groups in order to define the effects of certification type on consumer response, the statistical assumptions of the t-test were studied. Shapiro-Wilk test and Levene's test were used, respectively, to check for normality and equality of variances. Normal distribution of the sample was not given while equality of variances between groups was. Even though the sample presented a non-normal distribution, with enough large samples, this violation should not be cause for problems (Pallant, 2007), as the limit centre theorem implies that the sample means distribution moves toward a normal distribution irrespectively of the underlying population (Field, 2009; McDaniel & Gates, 2015).

Since t-tests are robust to this type of violation in the distribution (Pallant, 2007; Field, 2009) it can still be considered a suitable statistical test. On average, participants in the symbolic certification scenario perceived lower trustworthiness (M=3.33; SD=0.49) than participants in the awarded certification scenario (M=3.53; SD=0.52). The result of the t-test pointed this difference as significant ($t(209)=-3.03$; $p=.003<.05$). Therefore, H_{1a} is supported by the empirical observations.

H_{1b}: Consumers perceive higher expertise of a social enterprise with an awarded certification vs symbolic certification.

The statistical assumptions of t-test were taken into consideration, returning results of non-normality and equal of variances. The t-test remains a suitable statistical test due to its robustness to this type of violation, with big enough samples and equal variances (Ahad & Yahaya, 2014). The result of the t-test showed a significantly high difference between groups ($t(209)=-2.84$; $p=.000<.05$). On average, participants faced with symbolic certification perceived a lower expertise (M=5.85; SD=1.48) than the participants with the awarded certification (M=6.42; SD=1.44). Hence, the hypothesis H_{1b} is also supported by the empirical observations.

4.4.2. Effect of Certification Type on Brand Credibility

H₂: Consumers perceive higher brand credibility towards social enterprises with awarded certification rather than symbolic certification.

Once again, the statistical assumptions for the t-test were verified and both groups showed an equal of variances. Group 0 failed the normality assumption while group 1 did not, nonetheless, due to its robustness the independent t-test remains an appropriate statistical test to use. The results showed that, on average, group 1 of awarded certification perceived a higher brand credibility (M=4.63; SD=0.86) than group 0 – symbolic certification (M=4.33; SD=0.8). The t-test evaluated this difference as being statistically significant ($t(209)=-2.64$, $p=.009<.05$). Based on the results the null hypothesis is rejected, as there are significant differences between the two groups. *H₂* is supported by empirical observations.

4.4.3. Mediating Effect of Brand Credibility

In order to analyse the results for *H₃* a regression-based analysis was performed using the SPSS macro PROCESS (Hayes, 2017). Prior to calculations, the assumptions of linear regression analysis were assessed. The independent variable being a dummy variable, by definition, meets the linearity and independence assumption (Hardy, 1993). Normality was assessed and confirmed through normal P-P Plots for standardized residuals, as parametric tests tend to be sensible in big samples. Homoscedasticity was also confirmed by an equality in variances. The statistical models used to study hypothesis *H₃* can be seen in Figure 4 as well as the coefficients and statistical significance of each path.

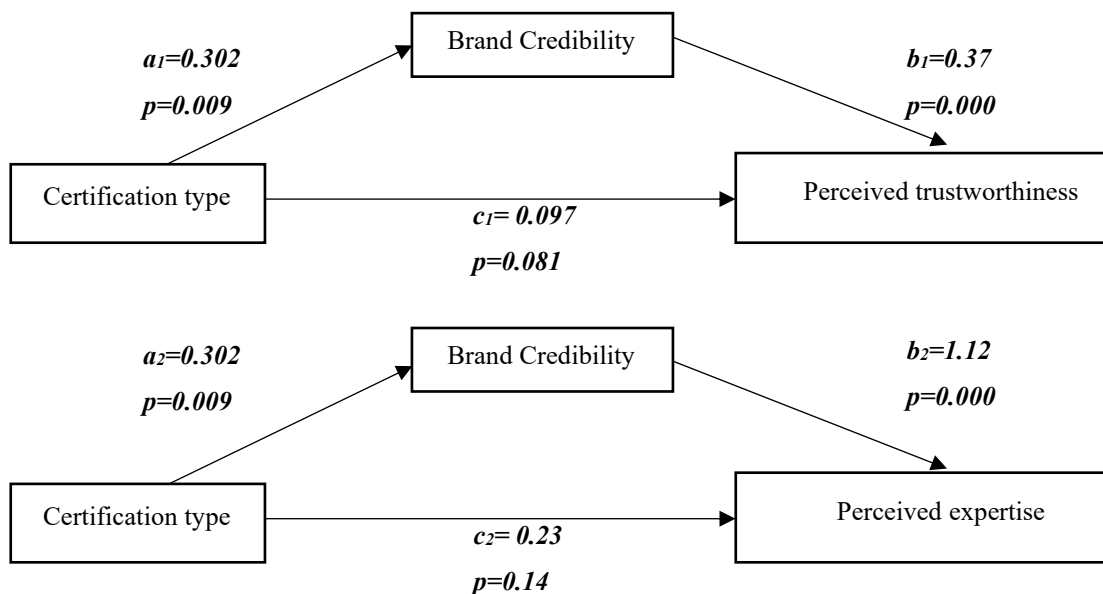


Figure 4 - Statistical Models

H_{3a}: Brand credibility mediates the relationship between certification type and perceived trustworthiness.

Looking at the first model we can see that all paths are statistically significant except for Certification type → Perceived Trustworthiness. The two strongest relationships in this mediation happen between brand credibility and perceived trustworthiness ($b_1=0.37$, $p=.000<.05$), and certification type and brand credibility ($a_1=0.302$, $p=.009<.05$). On the other hand, the direct effect of certification type on perceived trustworthiness is not significant ($c_1=0.097$, $p=0.08>.05$), however, in order to have mediation, a significant direct effect is not necessary (Baron & Kenny, 1986). In fact, a lack of direct effect indicates a total mediation of the effect between certification type and perceived trustworthiness through brand credibility. Therefore, the hypothesized mediation is supported by its significance ($\beta=0.112$; $CI_{95\%}$ 0.03 to 0.21). Since the bootstrapping confidence interval does not cross zero, hypothesis *H_{3a}* is significantly supported.

H_{3b}: Brand credibility mediates the relationship between certification type and perceived expertise.

A similar situation happens in the second model, mediation is supported ($\beta=0.34$; $CI_{95\%}$ 0.08 to 0.63) and all paths except for the direct effect between certification type and perceived expertise ($c_1=0.23$, $p=0.14>.05$) are statistically significant. Once again, we remind that a significant direct effect is not crucial for the existence of mediation, it even reinforces the idea of total mediation of the effect between our independent variable and dependent variable through the mediator (Baron & Kenny, 1986). The remaining relationships in the model, certification type and brand credibility ($a_1=0.302$, $p=0.009<.05$) plus brand credibility and perceived expertise ($b_2=1.12$, $p=0.000<.05$), are statistically significant supporting *H_{3b}*.

4.4.4. Summary of Hypothesis Testing

The following table summarizes our hypothesis, their description and significance. All hypothesis came back statistically significant allowing us to retrieve noteworthy conclusions from our study. These can be found in the next chapter followed by a discussion of the results.

Hypothesis	Description	Result
H _{1a}	Consumers perceive higher trustworthiness of a social enterprise with an awarded certification vs symbolic certification.	Significant
H _{1b}	Consumers perceive higher expertise of a social enterprise with an awarded certification vs symbolic certification.	Significant

H ₂	Consumers perceive higher brand credibility towards social enterprises with awarded certification rather than symbolic certification.	Significant
H _{3a}	Brand credibility mediates the relationship between certification type and perceived trustworthiness.	Significant
H _{3b}	Brand credibility mediates the relationship between certification type and perceived expertise.	Significant

Table 4 - Summary of Hypothesis Testing

5. Conclusions

5.1. Discussion

The goal of this dissertation was to explore consumers perception of different certifications in the social entrepreneurship context. For that, our study compared perceived trustworthiness and perceived expertise as measures of consumer behaviour and examined the mediating role of brand credibility. The methodology used an online survey with a between-group factorial experimental design to collect primary data from 211 participants. The independent dummy variable, certification type, was manipulated using two *stimuli* randomly assigned to the participants. Remaining variables of consumer behaviour and brand credibility were measured using metric multi-item and continuous scales.

RQ_1: What are the differences in consumer perception (Perceived Trustworthiness and Perceived Expertise) towards social enterprises with awarded certification vs. symbolic certification?

Although certifications may appear similar in terms of objectives, participants recognized significant differences between them. Social enterprises with a symbolic certification do not face negative externalities in publicize them, at least none that our study could detect. Nonetheless, they might struggle in achieving the same reaction from consumers than a social enterprise with an awarded certification. The two variables of consumer behaviour were strong indicators of differences. However, it was with perceived expertise that we measured a deeper gap between certifications. The added value of the awarded certification to the social enterprise provoked a higher perception of expertise. This can be that since the certification rewarded the social enterprise with an intellectual prize, it is directly contributing to the brand's knowledge of the business. Therefore, inspiring consumers in perceiving the brand as more knowledgeable, an expert, while the symbolic certification gave no assurances of that. Concerning perceived trustworthiness, differences between certifications were felt but less aggressively. Besides this gap between groups being smaller, it is important to note that the level at which this perception was attributed was relatively lower than when we tested perceived expertise. This can mean that having a certification, no matter the type, might not be enough for consumers to unquestionably trust the brand and by consequence its social attributes. The signalling theory behind the usage of certifications tell us that, in situations of asymmetric situations, where consumers are not sure if our product in fact helps sustainable fishing, they would rely on the

certification to lead their behaviour (Erdem & Swait, 1998), helping stimulate trust (Hansen & Kull, 1994). Nonetheless, such confidence depends on the source of the certification and purpose of the claim (Atkinson & Rosenthal, 2014). It might happen that consumers do not identify with the social mission of the social enterprise, or simply are not aware of the certifications used, therefore, we see an inhibited trust.

***RQ_2:** What level of perceived brand credibility is induced in consumers with each certification type?*

Respondents revealed higher levels of brand credibility towards the scenario of awarded certification rather than symbolic certification. As literature tell us, the two main components of credibility are trustworthiness and expertise and due to our choice of variables in consumer behaviour, we can go retrieve further conclusions regarding its impact. Even though the differences between groups are not astronomical when it comes to brand credibility, we can clearly point out that it is the component expertise applying pressure for them to be significantly different. In fact, brand credibility mediates the relationship between certification type and perceived expertise statistically stronger than for perceived trustworthiness. With higher levels of brand credibility strongly increasing perceived expertise, but also perceived trustworthiness even if not with the same strength. Hence, we can infer that the lower level of brand credibility evoked by the symbolic certification is causing the differences in perceived trustworthiness and expertise between the two certifications. Due to an absence of direct effects between the independent variable and consumer behaviour, we can conclude a total mediation of brand credibility. Hence, variances in perceived trustworthiness and perceived expertise are entirely triggered by variances in brand credibility.

5.2. Contributions

This study contributes to theory as it expands scientific knowledge in the field of social entrepreneurship along with consumer behaviour and marketing theories, while introducing a refresh view on certifications and their differences. Altogether, the study proved that consumer perceptions differ between symbolic certification and awarded certification engaging in similar, yet far-off performances. It also demonstrated that perceived trustworthiness, perceived expertise and brand credibility are significantly different between the two. The study also rules out that the presence of a certification affects equally the two main dimensions of brand credibility. Hence, these findings shed some light into promotional methods using certifications in social enterprises, especially in a market with an absent legal framework. In fact, the lack of

a single well-defined and accepted certification and the presence of numerous labels and others, with multiple criteria, creates a challenge for consumers (Brach, 2018). However, to the remaining time of no legal framework and respective singularity of certifications, the results achieved shows us that third-party certification falling in the awarded category can serve as an approach to differentiation of social enterprises, providing an opportunity of competitive advantage through a persuasive selling point. Whether this phenomenon is case specific, or it can be generalized is yet to be studied. In addition, no conclusions on purchase intentions, real-life behaviour and consequent increase in sales can be extracted from this study. Nonetheless, the findings contribute to existing debates on marketing theories for social enterprises. Moreover, even though the central role of consumer trust and credibility is widely recognized in matters of sustainable conscious consumption, it seems to be a gap in testing these relationships and how they push sustainable consumption (Atkinson & Rosenthal, 2014). The present study fills that gap by investigating what certifications deem most credible and induce higher consumer trust.

On the other hand, for social enterprises who work with vulnerable social groups such as homeless people or minorities, where they have an active role in the product or service offered, the findings of this study might come in hand. According to McCracken's (1989) meaning transfer theory, consumers' product evaluations are affected by their attitudes towards the socially vulnerable group employed. Therefore, meaning transfer theory specifies that one's attitude towards a target can be shifted to another target if they are related with each other. So, if a person can relate to a minority because of her or his personal experience it will affect his or her attitude towards the product and the brand working with that minority (Choi & Kim, 2016). When consumers hold positive attitudes towards the enterprise but negative attitudes towards the vulnerable social group, an awarded certification can help dismiss the impact of the negative attitude. As our findings suggest, an awarded certification increases the consumer perception of a brand's expertise, at least when the award is intellectually related with social entrepreneurship and presented higher levels of perceived trustworthiness. Note that, this contribution is solemnly on paper and accurate test involving a social enterprise of this nature would be necessary to withdraw the same conclusion with a stronger sense of correctness. Even so, bearing that in mind, this study opens new doors for further research by revealing unanswered questions and broadens the spectrum of certifications in social enterprises by questioning other purposes for these signalling marketing strategies.

In relation to some past findings, a certification impacts a consumer perception of brand credibility in a positive way (Atkinson & Rosenthal, 2014; Brach, 2018; Baron & Karson, 2019) and indulges perceived trustworthiness and expertise (Erdem & Swait, 1998). However, due to our product category the relative importance of perceived expertise over perceived trustworthiness was off the standard research (Erdem & Swait, 2014), even though, it was noted that variances can happen. In addition, certifications can in fact be used as signalling marketing tools in order to affect consumer perceptions (Hanksen & Kull, 1994; Atkinson & Rosenthal, 2014; Darnall et al., 2018). Finally, based on previous studies of a brand's credibility impact on consumer consumption (Sivakumar & Raj, 1997; Erdem et al., 2002; Netemeyer et al., 2004; Dwivedi et al., 2018), we can presume that those same impacts will remain and present higher results for awarded certifications. Without disregarding the need for these to be empirically confirmed, academics and managers can better navigate different certifications, or at least, be aware that different certifications will affect a social enterprise credibility and consumer behaviour differently. Overall, the study brought together different concepts, applied them to the field of social entrepreneurship and consumer behaviour and was able to retrieve significant conclusions.

5.3. Limitations and Future Research

This study, like any other, is not without limitations. First, and maybe our biggest limitation, the certifications were retrieved from a pool of choices and consumer knowledge of these was not tested. An exhaustive research on each certification and their operating method was completed, from which we retrieved those who were easily understood by the public and similar to what already exists in the social entrepreneurship market. Nonetheless, due to its plurality, it would be important to include more scenarios in our study and investigate if the Portuguese consumer is in fact aware of the variety of certifications in the market. In line with this, a possibility for future research would be to study the legal environment that Portuguese social enterprises operate and how they are affected by this lack of rules and boundaries.

Second, regarding data collection, a mixed method approach in situations where psychological factors of consumer behaviour are being tested can be a way of enriching the study. With a mixed method approach, an explanation on why consumers perceived the certifications in the way they did would help in translating our findings into specific guidelines for managers. In addition, the sample used does not allow us to generalize our findings to the population as it was not representative of it.

Third, the experiment, our goal was to recreate a scenario similar as possible to a real-life situation taking into consideration previous knowledge on strategies for marketing research. However, mirroring a real-life situation is not always achieved and when it comes to consumer behaviour few experiments design beat the in-store experiment with real behaviour rather than a simulated one. Moreover, the variables tested using the experiment are suitable for understanding how consumers perceive the certifications, and it is relevant to investigate this part of consumer behaviour. However, are not suitable for evaluating consumer purchase intentions, or actual consumption. The study failed in continue to explore how the variables tested would then affect consumer consumption patterns. A different approach to develop the experiment would be to include the impact of brand recognition and how it is related to consumers perception of certification type.

Therefore, future research can either improve the study or expand the topics. Social entrepreneurship would gain with more developed insights on certifications as signalling marketing strategies, especially in a context lacking a legal framework. Moreover, research on how social enterprises operate in this context would provide useful help for managers. There is also room to improve research on consumer trust and credibility among social enterprises, and by consequence how these affect purchase behaviours. Nonetheless, future research should also be aware of the gap between intention and actual behaviour, in order to retrieve significant results. Overall, social entrepreneurship is a growing field for both academics and managers, with some believing is the future of business, leaving numerous opportunities for growing and improvement.

References

- Ahad, N. A., & Yahaya, S. S. S. (2014). The selection criteria in determining the robustness of t-test. *AIP Conference Proceedings*, 1602, 1112–1117. <https://doi.org/10.1063/1.4882623>
- Albrecht, C. M., Backhaus, C., Gurzki, H., & Woisetschläger, D. M. (2013). Drivers of brand extension success: What really matters for luxury brands. *Psychology and Marketing*, 30(8), 647–659. <https://doi.org/10.1002/mar.20635>
- Atkinson, L., & Rosenthal, S. (2014). Signaling the green sell: The influence of eco-label source, argument specificity, and product involvement on consumer trust. *Journal of Advertising*, 43(1), 33–45. <https://doi.org/10.1080/00913367.2013.834803>
- Attaran, S., Notarantonio, E. M., & Quigley, C. J. (2015). Consumer Perceptions of Credibility and Selling Intent Among Advertisements, Advertorials, and Editorials: A Persuasion Knowledge Model Approach. *Journal of Promotion Management*, 21(6), 703–720. <https://doi.org/10.1080/10496491.2015.1088919>
- Awarded. (2005). In *Oxford Advanced Learner's Dictionary*. Oxford, England: Oxford University Press.
- Baek, T. H., & King, K. W. (2011). Exploring the consequences of brand credibility in services. *Journal of Services Marketing*, 25(4), 260–272. <https://doi.org/10.1108/08876041111143096>
- Baek, T. H., Kim, J., & Yu, J. H. (2010). The differential roles of brand credibility and brand prestige in consumer brand choice. *Psychology & Marketing*, 27(7), 662–678.
- Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173.
- Battilana, J., & Lee, M. (2014). Advancing Research on Hybrid Organizing - Insights from the Study of Social Enterprises. *Academy of Management Annals*, 8(1), 397–441. <https://doi.org/10.1080/19416520.2014.893615>
- Battilana, J., Sengul, M., Pache, A.-C., & Model, J. (2015). Harnessing productive tensions in hybrid organizations: The case of working integration. *Academy of Management Journal*, 58(6), 1658–1685. <https://doi.org/10.5465/amj.2013.0903>
- Bergkvist, L. (2015). Appropriate use of single-item measures is here to stay. *Marketing Letters*, 26(3), 245–255. <https://doi.org/10.1007/s11002-014-9325-y>
- Bonar, I., & Karlsson, P. S. (2019). Marketing Scottish social enterprises using a label? *Social Enterprise Journal*, 15(3), 339–357. <https://doi.org/10.1108/SEJ-08-2018-0056>
- Boschee, J., & McClurg, J. (2003). Toward a better understanding of social entrepreneurship: Some important distinctions. Retrieved October 9, 2008.

- Brach, S., Walsh, G., & Shaw, D. (2018). Sustainable consumption and third-party certification labels: Consumers' perceptions and reactions. *European Management Journal*, 36(2), 254–265. <https://doi.org/10.1016/j.emj.2017.03.005>
- Bray, J., Johns, N., & Kilburn, D. (2011). An Exploratory Study into the Factors Impeding Ethical Consumption. *Journal of Business Ethics*, 98(4), 597–608. <https://doi.org/10.1007/s10551-010-0640-9>
- Bull, M. & Crompton, H. (2006), "Business practices in social enterprises", *Social Enterprise Journal*, Vol. 2 No. 1, pp. 42-60. <https://doi.org/10.1108/17508610680000712>
- Carlos, W. C., & Lewis, B. W. (2018). Strategic Silence: Withholding Certification Status as a Hypocrisy Avoidance Tactic. In *Administrative Science Quarterly* (Vol. 63, Issue 1). <https://doi.org/10.1177/0001839217695089>
- Certification. (2005). In *Oxford Advanced Learner's Dictionary*. Oxford, England: Oxford University Press.
- Chaiken, S., & Maheswaran, D. (1994). Heuristic processing can bias systematic processing: effects of source credibility, argument ambiguity, and task importance on attitude judgment. *Journal of Personality and Social Psychology*, 66(3), 460.
- Child, C. (2015). Tip of the Iceberg: The Nonprofit Underpinnings of For-Profit Social Enterprise. *Nonprofit and Voluntary Sector Quarterly*, 45(2), 217–237. <https://doi.org/10.1177/0899764015572901>
- Choi, G.-H., & Kim, J. (2016). Effects of displaying social enterprise certification information on consumers' product evaluations and purchase intentions. *Journal of Global Scholars of Marketing Science*, 26(2), 185–197. <https://doi.org/10.1080/21639159.2016.1143154>
- Choi, N., & Majumdar, S. (2014). Social entrepreneurship as an essentially contested concept: Opening a new avenue for systematic future research. *Journal of Business Venturing*, 29(3), 363–376. <https://doi.org/https://doi.org/10.1016/j.jbusvent.2013.05.001>
- Creswell, J. W. (2014). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. SAGE Publications. https://books.google.pt/books?id=4uB76IC_pOQC
- Crow, S., & Danks, C. (2010). Why certify? Motivations, outcomes and the importance of facilitating organizations in certification of community-based forestry initiatives. *Small-Scale Forestry*, 9(2), 195–211. <https://doi.org/10.1007/s11842-010-9110-6>
- Dacin, M. T., Dacin, P. A., & Tracey, P. (2011). Social entrepreneurship: A critique and future directions. *Organization Science*, 22(5), 1203–1213. <https://doi.org/10.1287/orsc.1100.0620>
- Darby, M., & Karni, E. (1973). Free Competition and the Optimal Amount of Fraud. *Journal of Law and Economics*, 16, 67–88. <https://doi.org/10.1086/466756>
- Darnall, N., Ji, H., & Vázquez-Brust, D. A. (2018). Third-party certification, sponsorship, and consumers' ecolabel use. *Journal of Business Ethics*, 150(4), 953–969.

- Davenport, E., & Low, W. (2013). From trust to compliance: accountability in the fair trade movement. *Social Enterprise Journal*, 9(1), 88–101. <https://doi.org/10.1108/17508611311330028>
- Deaton, B. J. (2004). A theoretical framework for examining the role of third-party certifiers. *Food Control*, 15(8), 615–619. <https://doi.org/10.1016/j.foodcont.2003.09.007>
- Delgado-Ballester, E. (2004). Applicability of a brand trust scale across product categories. *European Journal of Marketing*, 38(5/6), 573–592. <https://doi.org/10.1108/03090560410529222>
- Doherty, B., Haugh, H., & Lyon, F. (2014). Social enterprises as hybrid organizations: A review and research agenda. *International Journal of Management Reviews*, 16(4), 417–436. <https://doi.org/10.1111/ijmr.12028>
- Dwivedi, A., Nayeem, T., & Murshed, F. (2018). Brand experience and consumers' willingness-to-pay (WTP) a price premium: Mediating role of brand credibility and perceived uniqueness. *Journal of Retailing and Consumer Services*, 44(June), 100–107. <https://doi.org/10.1016/j.jretconser.2018.06.009>
- Erdem, T., & Swait, J. (1998). Brand Equity as a Signaling Phenomenon. *Journal of Consumer Psychology*, 7(2), 131–157. https://doi.org/10.1207/s15327663jcp0702_02
- Erdem, T., & Swait, J. (2004). Brand Credibility, Brand Consideration, and Choice. *Journal of Consumer Research*, 31(1), 191–198. <https://doi.org/10.1086/383434>
- Erdem, T., Swait, J., & Louviere, J. (2002). The impact of brand credibility on consumer price sensitivity. *International Journal of Research in Marketing*, 19(1), 1–19.
- Etikan, I., Musa, S., & Alkassim, R. (2016). Comparison of Convenience Sampling and Purposive Sampling. *American Journal of Theoretical and Applied Statistics*, 5(1), 1. <https://doi.org/10.11648/j.ajtas.20160501.11>
- European Commission. (2020). Social enterprises and their ecosystems in Europe. Comparative synthesis report. In *Luxembourg: Publications Office of the European Union*. <https://doi.org/10.2767/567551>
- Fan, W., & Yan, Z. (2010). Factors affecting response rates of the web survey: A systematic review. *Computers in Human Behavior*, 26(2), 132–139. <https://doi.org/10.1016/j.chb.2009.10.015>
- Ferdousi, F., & Sabah, S. (2017). Understanding consumer behavior toward social enterprise products. In *Consumer Behavior-Practice Oriented Perspectives*. IntechOpen.
- Ferreira, S. (European C. (2019). *Social enterprises and their eco-systems Updated Country Report: Portugal*. <https://doi.org/10.2767/73650>
- Field, A. (2009). *Discovering Statistics Using SPSS, Thrid Edition*. SAGE publications.

- Gabay, J. (2015). *Brand Psychology: Consumer Perceptions, Corporate Reputations*. Kogan Page Publishers.
- Grimes, M. G., Gehman, J., & Cao, K. (2018). Positively deviant: Identity work through B Corporation certification. In *Journal of Business Venturing* (Vol. 33, Issue 2). <https://doi.org/10.1016/j.jbusvent.2017.12.001>
- Hansen, U., & Kull, S. (1994). Eco-labels as an environmental information tool. *Marketing Science*, 4, 265–273.
- Hardy, M. A. (1993). *Regression with dummy variables* (Issue 93). Sage.
- Harmon, R. R., & Coney, K. A. (1982). The Persuasive Effects of Source Credibility in Buy and Lease Situations. *Journal of Marketing Research*, 19(2), 255. <https://doi.org/10.2307/3151625>
- Hayes, A. F. (2017). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach*. Guilford publications.
- Hibbert, S. A., Hogg, G., & Quinn, T. (2005). Social entrepreneurship: Understanding consumer motives for buying The Big Issue. *Journal of Consumer Behaviour: An International Research Review*, 4(3), 159–172.
- Ismagilova, E., Slade, E., Rana, N. P., & Dwivedi, Y. K. (2020). The effect of characteristics of source credibility on consumer behaviour: A meta-analysis. *Journal of Retailing and Consumer Services*, 53, 0–40. <https://doi.org/10.1016/j.jretconser.2019.01.005>
- Kemp, E., & Bui, M. (2011). Healthy brands: Establishing brand credibility, commitment and connection among consumers. *Journal of Consumer Marketing*, 28(6), 429–437. <https://doi.org/10.1108/07363761111165949>
- Kim, S., Karlesky, M. J., Myers, C. G., & Schifeling, T. (2016). Social Responsibility: Why Companies Are Becoming B Corporations. *Harvard Business Review*, 2–5. http://www.christophermyers.net/hbr2016_bcorporations.pdf
- King, A. A., Lenox, M. J., & Terlaak, A. (2005). The strategic use of decentralized institutions: Exploring certification with the ISO 14001 management standard. *Academy of Management Journal*, 48(6), 1091–1106.
- Kopalle, P. K., & Lehmann, D. R. (2001). Strategic management of expectations: The role of disconfirmation sensitivity and perfectionism. *Journal of Marketing Research*, 38(3), 386–394.
- Kotler, P., & Armstrong, G. (2016). *Principles of Marketing* (16th). Pearson.
- Langan, R., & Kumar, A. (2019). Time versus money: The role of perceived effort in consumers' evaluation of corporate giving. *Journal of Business Research*, 99(February), 295–305. <https://doi.org/10.1016/j.jbusres.2019.02.016>

- Laurent, G., & Kapferer, J.-N. (1985). Measuring consumer involvement profiles. *Journal of Marketing Research*, 22(1), 41–53.
- Lee, H., Herr, P. M., Kardes, F. R., & Kim, C. (1999). Motivated search: Effects of choice accountability, issue involvement, and prior knowledge on information acquisition and use. *Journal of Business Research*, 45(1), 75–88. [https://doi.org/10.1016/S0148-2963\(98\)00067-8](https://doi.org/10.1016/S0148-2963(98)00067-8)
- Li, F., & Miniard, P. W. (2006). On the potential for advertising to facilitate trust in the advertised brand. *Journal of Advertising*, 35(4), 101–112. <https://doi.org/10.2753/JOA0091-3367350407>
- Mair, J., Battilana, J., & Cardenas, J. (2012). Organizing for society: A typology of social entrepreneuring models. *Journal of Business Ethics*, 111(3), 353–373.
- Malhotra, N. K., & Birks, D. F. (2007). *Marketing research: An applied approach*. Pearson education.
- Mann, B. J. S., & Ghuman, M. K. (2014). Scale development and validation for measuring corporate brand associations. *Journal of Brand Management*, 21(1), 43–62.
- McDaniel, C., & Gates, R. (2015). *Marketing Research* (10th ed.). Wiley.
- Montoro-Rios, F. J., Luque-Martínez, T., & Rodríguez-Molina, M.-A. (2008). How green should you be: can environmental associations enhance brand performance? *Journal of Advertising Research*, 48(4), 547–563.
- Nagar, K. (2015). Modeling the Effects of Green Advertising on Brand Image: Investigating the Moderating Effects of Product Involvement Using Structural Equation. *Journal of Global Marketing*, 28(3–5), 152–171. <https://doi.org/10.1080/08911762.2015.1114692>
- Netemeyer, R. G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., Ricks, J., & Wirth, F. (2004). Developing and validating measures of facets of customer-based brand equity. *Journal of Business Research*, 57(2), 209–224. [https://doi.org/10.1016/S0148-2963\(01\)00303-4](https://doi.org/10.1016/S0148-2963(01)00303-4)
- Neuman, W. L. (2009). *Social research methods: Qualitative and quantitative approaches* (7th ed.). Boston: Allyn & Bacon.
- Nicholls, A., & Lee, N. (2006). Purchase decision-making in fair trade and the ethical purchase ‘gap’: ‘is there a fair trade twix?’ *Journal of Strategic Marketing*, 14(4), 369–386.
- Pache, A. C., & Santos, F. (2013). Inside the hybrid organization: Selective coupling as a response to competing institutional logics. *Academy of Management Journal*, 56(4), 972–1001. <https://doi.org/10.5465/amj.2011.0405>
- Pallant, J. (2007). *SPSS Survival Manual*. Open University Press.
- Parker, S. C., Gamble, E. N., Moroz, P. W., & Branzei, O. (2019). The impact of B lab certification on firm growth. *Academy of Management Discoveries*, 5(1), 57–77.

- Peloza, J., Hudson, S., & Hassay, D. N. (2009). The marketing of employee volunteerism. *Journal of Business Ethics*, 85(2), 371–386
- Phillips, D. C., & Burbules, N. C. (2000). *Postpositivism and educational research*. Rowman & Littlefield.
- Pope, J. A., Isely, E. S., & Asamoah-Tutu, F. (2009). Developing a marketing strategy for nonprofit organizations: An exploratory study. *Journal of Nonprofit and Public Sector Marketing*, 21(2), 184–201. <https://doi.org/10.1080/10495140802529532>
- Ramus, T., & Vaccaro, A. (2017). Stakeholders Matter: How Social Enterprises Address Mission Drift. *Journal of Business Ethics*, 143(2), 307–322. <https://doi.org/10.1007/s10551-014-2353-y>
- Ridley-Duff, R., & Bull, M. (2015). *MissionFish and non-profit organizations*. SAGE Publications Ltd.
- Rousseau, D. M., Sitkin, S. B., Burt, R. S., Camerer, C., Rousseau, D. M., & Burt, R. S. (2012). *To Special Topic Forum Not So Different After All: a Cross-Discipline View of Trust*. 23(3), 393–404.
- Ryan, T. P. (2007). Modern Experimental Design. In *Technometrics* (Vol. 49, Issue 4). <https://doi.org/10.1198/tech.2007.s695>
- Santos, F. M. (2012). A Positive Theory of Social Entrepreneurship. *Journal of Business Ethics*, 111(3), 335–351. <https://doi.org/10.1007/s10551-012-1413-4>
- Seelos, C., & Mair, J. (2005). Social entrepreneurship: Creating new business models to serve the poor. *Business Horizons*, 48(3), 241–246.
- Shaw, E. (2004). Marketing in the social enterprise context: Is it entrepreneurial? *Qualitative Market Research: An International Journal*, 7(3), 194–205. <https://doi.org/10.1108/13522750410540209>
- Sivakumar, K., & Raj, S. P. (1997). Quality Tier Competition: How Price Change Influences Brand Choice and Category Choice. *Journal of Marketing*, 61(3), 71–84. <https://doi.org/10.1177/002224299706100305>
- Solomon, M. R. (2010). *Consumer behaviour: A European perspective*. Pearson education.
- Sternthal, B., Dholakia, R., & Leavitt, C. (1978). The Persuasive Effect of Source Credibility: Tests of Cognitive Response. *Journal of Consumer Research*, 4(4), 252. <https://doi.org/10.1086/208704>
- Stride, H., & Lee, S. (2007). No Logo? No Way. Branding in the Non-Profit Sector. *Journal of Marketing Management*, 23(1–2), 107–122. <https://doi.org/10.1362/026725707x178585>

- Sutton, E., McEachern, M., & Kane, K. (2018). Communicating a social agenda within HEIs: the role of the social enterprise mark. *Social Enterprise Journal*, 14(3), 328–347. <https://doi.org/10.1108/SEJ-01-2018-0004>
- Symbolic. (2005). In *Oxford Advanced Learner's Dictionary*. Oxford, England: Oxford University Press.
- Terlaak, A., & King, A. A. (2006). The effect of certification with the ISO 9000 Quality Management Standard: A signaling approach. *Journal of Economic Behavior & Organization*, 60(4), 579–602.
- Tynan, C., McKechnie, S., & Hartley, S. (2014). Interpreting value in the customer service experience using customer-dominant logic. *Journal of Marketing Management*, 30(9–10), 1058–1081. <https://doi.org/10.1080/0267257X.2014.934269>
- Vogt, W. P., & Johnson, B. (2011). *Dictionary of statistics & methodology: A nontechnical guide for the social sciences*. Sage.
- Wanous, J. P., Reichers, A. E., & Hudy, M. J. (1997). Overall job satisfaction: how good are single-item measures? *Journal of Applied Psychology*, 82(2), 247.
- Webster, Jr., F. E. (1975). Determining the Characteristics of the Socially Conscious Consumer. *Journal of Consumer Research*, 2(3), 188. <https://doi.org/10.1086/208631>
- Wright, L. T., & Heaton, S. (2006). Fair trade marketing: An exploration through qualitative research. *Journal of Strategic Marketing*, 14(4), 411–426.
- Wright, R. (2006). *Consumer behaviour*. Cengage learning EMEA.
- Wry, T., & York, J. G. (2017). An identity-based approach to social enterprise. *Academy of Management Review*, 42(3), 437–460. <https://doi.org/10.5465/amr.2013.0506>
- Wu, W. P., Chan, T. S., & Lau, H. H. (2008). Does consumers' personal reciprocity affect future purchase intentions? *Journal of Marketing Management*, 24(3–4), 345–360. <https://doi.org/10.1080/0267257080306130>

Appendix

A. Certifications

Certification type	Certification
Symbolic (Label/Acknowledgment)	<ul style="list-style-type: none">• ES+ (IES-Social Business School & IPAV)• B-Corp (B-Labs)• CORES (CRESAÇOR)• Animar (Animar)• Permanent Database of Social Economy (Council)• Database of Trainers for the Social Economy (CASES)
Awarded (Monetary/Non-monetary Prize)	<ul style="list-style-type: none">• Prize Cooperation and Solidarity António Sergio (CASES)• Manuel António da Mota Prize (Foundation)• Social Entrepreneurship Course (INSEAD)

B. Survey (English version)

Dear participant,

This survey is part of my dissertation as a requirement to fulfil my master degree in Management at Católica Lisbon School of Business & Economics and is related to Social Entrepreneurship.

Throughout the survey you will find all the necessary information to complete the questions, even if you don't have any knowledge on the topic, please fill free to move forward. The information you decide to share with me today will be completely anonymous and with zero possibility of linking it back to you. Please answer as honestly as possible. There are no right or wrong answers.

At the end you will be redirected to the lottery of the 20€ voucher in Fnac.

Thank you for your help,
Catarina Paiva

[page break]

Q1: *[third-party certifications]*

This page has a timer, please read carefully. After 15 seconds the ">>" bottom will appear.

Social entrepreneurship can be defined as enterprises who use traditional commercial mechanisms, not only with the goal of making profits, but also to achieve a social mission. This mission is specific to each enterprise and it can be related to the environment or of social

charisma. Third-party certifications are used to signal that the enterprise is acting according to their mission.



Next, we will evaluate your relationship with third-party certifications. Remember, I am not looking for the perfect behaviour but your real behaviour, please answer honestly.

Q1.1 Before the previous information was shared, how familiarized were you with this type of certifications? (*1=Never heard of it/7=I know what they are*)

Q1.2 Please indicate to each extent do you agree with the following statement: (*1=Strongly disagree/5=Strongly agree*)

Q1.2a: Certifications have no impact on my decision to buy products.

[page break]

Q2: *[product involvement]* Now, please answer some questions related to your personal experience with perfumes.

Q2.1: Indicate to which extent do you agree with the following statements: (*1=Not at all/7=Very much*)

Q2.1a: I attach great importance to perfumes.

Q2.1b: Perfumes interest me a lot.

Q2.1c: Perfume matters a lot to me.

Q2.2: How regularly do use perfumes?

Never

Only in special occasions

With some regularity

Everyday

[page break]

Q3: *[random experiment]* Please consider the following fictitious scenario and read carefully. Next you will be asked to evaluate it.

Imagine you are in a store and see the following add and information.

ATLANTICO is a Portuguese cosmetics brand.

According to its website, this brand “supports and incentives sustainable fishing in the Portuguese waters”. For each sale, a donation of 10% the value is redirected to projects related to the values the brand defends. Such as, development and innovation of the sector and rejuvenation.



Group 0 - [symbolic certification] Recently it was certified with the label ES+. This certification comes from MIES (a map of social entrepreneurship and innovation) that identifies social initiatives in Portugal.

Group 1 - [awarded certification] Recently it received the prize INSEAD, a certification by the INSEAD institute, which awards social initiatives with a prize in social entrepreneurship of 4000€.

[page break]

Q4: *[attention check]* What is the brand's name?

ATLANTICO

AMAR

OCEANO

Q5: *[manipulation check]* Please indicate to which extent do you agree with the following statement: (1=Disagree/7=Agree)

Q5a: The certification highly values the brand as a social enterprise.

[page break]

Q6: *[perceived trustworthiness]* Please indicate to which extent do you agree with following statements: (1=Strongly disagree/7=Strongly agree)

Q6a: ATLANTICO is a brand name that meets my expectations.

Q6b: I feel confidence in ATLANTICO brand name.

Q6c: ATLANTICO is a brand that never disappoints me.

Q6d: ATLANTICO brand name guarantees satisfaction.

Q6e: ATLANTICO brand name would be honest and sincere in addressing my concerns.

Q6f: I could rely on ATLANTICO brand name to solve the problem.

Q6g: ATLANTICO brand name would make any effort to satisfy me.

Q6h: ATLANTICO brand name would compensate me in some way for the problem with the product.

Q7: [*perceived expertise*] Please indicate to which extent do you agree with following statements: (1=Disagree/9=Agree)

Q7a: This brand reminds me of someone who's competent and knows what he/she is doing.

Q7b: This brand has the ability to deliver what it promises.

Q8: [*brand credibility*] Please indicate to which extent do you agree with following statements regarding the brand ATLANTICO: (1=Disagree/7=Agree)

Q8a: Has a great amount of experience.

Q8b: Does not have much experience.

Q8c: Is skilled in what they do.

Q8d: Has great expertise.

Q8e: Is honest.

Q8f: Makes truthful claims.

Q8g: I trust in ATLANTICO.

Q8h: I do not believe what they tell me.

[*page break – Demographics*]

Q9: Please indicate your gender:

Female

Male

Q10: Your age _____

Q11: Please indicate your nationality:

Portuguese

Other

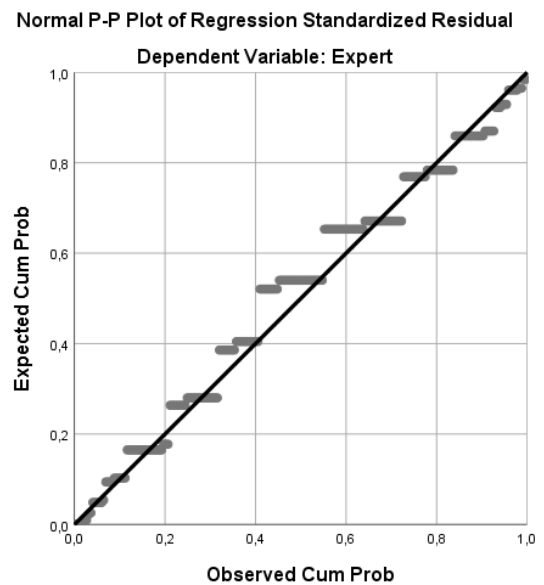
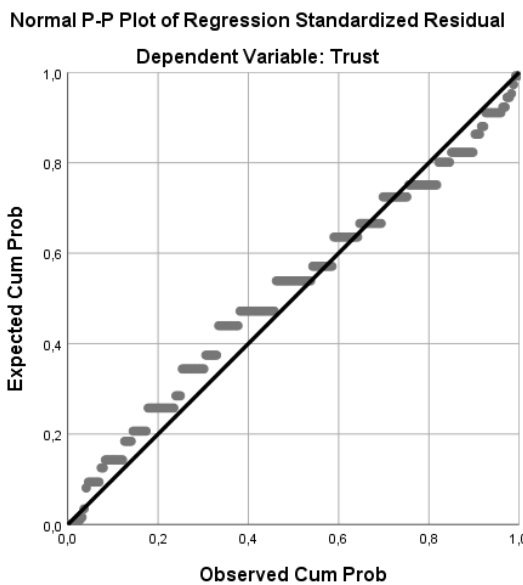
Q12: Please indicate your occupation:

- High School Student
- University Student
- Student-worker
- Self-employed worker
- Employed worker
- Unemployed/Retired

Q13: Please indicate your monthly liquid income:

- <500€
- 501€-700€
- 701€-1000€
- 1001€-1500€
- 1500€-2000€
- >2000€

C. P-P Plots



D. Process SPSS Outputs

***** PROCESS Procedure for SPSS Version 3.5 *****

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
Documentation available in Hayes (2018). www.guilford.com/p/hayes3

Model : 4
Y : Trust
X : Certi
M : Credib

Sample

Size: 211

OUTCOME VARIABLE:

Credib

Model Summary

	R	R-sq	MSE	F	df1	df2
p	,1799	,0324	,6857	6,9909	1,0000	209,0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	4,3306	,0808	53,5881	,0000	4,1713	4,4899
Certi	,3015	,1140	2,6440	,0088	,0767	,5262

OUTCOME VARIABLE:

Trust

Model Summary

	R	R-sq	MSE	F	df1	df2
p	,6339	,4019	,1576	69,8767	2,0000	208,0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	1,7197	,1488	11,5609	,0000	1,4265	2,0130
Certi	,0974	,0556	1,7519	,0813	-,0122	,2069
Credib	,3710	,0332	11,1853	,0000	,3056	,4363

***** DIRECT AND INDIRECT EFFECTS OF X ON Y *****

Direct effect of X on Y

Effect	se	t	p	LLCI	ULCI
,0974	,0556	1,7519	,0813	-,0122	,2069

Indirect effect(s) of X on Y:

Effect	BootSE	BootLLCI	BootULCI
Credib	,1118	,0461	,2082

***** ANALYSIS NOTES AND ERRORS *****

Level of confidence for all confidence intervals in output:

95,0000

Number of bootstrap samples for percentile bootstrap confidence intervals:

5000

----- END MATRIX -----

***** PROCESS Procedure for SPSS Version 3.5 *****

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
Documentation available in Hayes (2018). www.guilford.com/p/hayes3

Model : 4
 Y : Expert
 X : Certi
 M : Credib

Sample
 Size: 211

OUTCOME VARIABLE:

Credib

Model Summary

	R	R-sq	MSE	F	df1	df2
p	,1799	,0324	,6857	6,9909	1,0000	209,0000
	,0088					

Model

	coeff	se	t	p	LLCI	ULCI
constant	4,3306	,0808	53,5881	,0000	4,1713	4,4899
Certi	,3015	,1140	2,6440	,0088	,0767	,5262

OUTCOME VARIABLE:

Expert

Model Summary

	R	R-sq	MSE	F	df1	df2
p	,6522	,4254	1,2823	76,9803	2,0000	208,0000
	,0000					

Model

	coeff	se	t	p	LLCI	ULCI
constant	,9971	,4243	2,3501	,0197	,1606	1,8335
Certi	,2342	,1585	1,4774	,1411	-,0783	,5466
Credib	1,1212	,0946	11,8530	,0000	,9347	1,3076

***** DIRECT AND INDIRECT EFFECTS OF X ON Y *****

Direct effect of X on Y

Effect	se	t	p	LLCI	ULCI
,2342	,1585	1,4774	,1411	-,0783	,5466

Indirect effect(s) of X on Y:

	Effect	BootSE	BootLLCI	BootULCI
Credib	,3380	,1409	,0811	,6343

***** ANALYSIS NOTES AND ERRORS *****

Level of confidence for all confidence intervals in output:

95,0000

Number of bootstrap samples for percentile bootstrap confidence intervals:

5000

----- END MATRIX -----