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A valuable link to regain consumer trust and purchase
intention

A Case on Audi AG

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Abstract

Throughout the past years, companies have increasingly faced performance-related crises due to rising complexity of customer needs and external requirements. In light of these issues, existing academic research has investigated the effectiveness of Corporate Social Responsibility (CSR) in countering firm's negative publicity. Yet, consumers tend to express their scepticism towards organisational CSR efforts and accuse firms of green-washing. Conversely to CSR, corporate sustainability initiatives are less likely to be perceived as green-washing, as they necessitate long-term investments and irreversible changes of business processes. Hence, the aim of the present thesis is to examine the effectiveness of corporate sustainability in countering negative publicity. More specifically, this paper evaluates whether Audi's sustainability strategy enables the firm to regain consumer trust and increase purchase intention after the Diesel Emission Issue. Therefore, based on theoretical and practical considerations, an online experimental study was conducted. Results show that presenting individuals with information on firms' initiatives associated with "Employees & Society" as well as "Operations & Integrity" increase consumer trust levels. Moreover, Audi's sustainability strategy results in significantly higher levels of purchase intention. Hence, the present dissertation contributes preliminarily research findings to a yet very limited stream of research and holds important practical implications, especially for Audi AG, in terms of how sustainability efforts can be effectively implemented as part of the crisis communication strategy.

Resumo

Os últimos anos têm sido caracterizados por uma crescente complexidade das necessidades dos clientes e exigências externas. Neste enquadramento de negócio as empresas têm enfrentado cada vez mais crises relacionadas com o desempenho. É neste novo contexto que a pesquisa académica tem vindo a investigar a eficácia da Responsabilidade Social Empresarial (RSE) por forma a contrabalançar a publicidade negativa da empresa. Existe uma tendência de os consumidores expressarem algum ceticismo em relação aos esforços de responsabilidade social organizacionais e acusam as empresas de "lavagem verde". Ao contrário da RSE, é menos provável que as iniciativas de sustentabilidade corporativa sejam percebidas como "lavagem verde", pois exigem investimentos de longo prazo e mudanças irreversíveis nos processos de negócios. O objetivo da presente tese é analisar a eficácia da sustentabilidade corporativa no combate à publicidade negativa. Concretamente este documento procura aferir se a estratégia de sustentabilidade da Audi permite à empresa, após o escândalo relativo à Emissão de Diesel, recuperar a confiança do consumidor e aumentar a sua intenção de compra. Com base em considerações teóricas e práticas, foi realizado um estudo experimental online. Os resultados mostram que a disponibilização de informação sobre as iniciativas das empresas associadas com "Empregados e Sociedade", bem como "Operações e Integridade", aumenta os níveis de confiança do consumidor. Além disso, a estratégia de sustentabilidade da Audi apresenta níveis significativamente mais altos de intenção de compra. A presente dissertação contribui para um fluxo de pesquisa ainda limitado e revela implicações práticas importantes, nomeadamente para a Audi AG, ressaltando que os esforços de sustentabilidade podem ser efetivamente implementados como parte de uma estratégia de comunicação de crise.

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1. Introduction

1.1. Problem Definition and Relevance

Today, sustainability has evolved to the topic of inquiry in scientific, policy and management research. This is due to the fact that globalisation and technological advancements “have given rise to trends that the planet and its people cannot longer bear” (Brundtland & Khalid, 1987, p. 12). To limit and counter-act these dramatic environmental, economic and societal developments, both society and firms increasingly apply principles of sustainable development to safeguard future viability and ensure long-term competitiveness (Bansal, 2005; Gladwin, Kennelly, & Krause, 1995). For firms, these sustainability efforts can positively contribute to their ability “to sense and correct maladaptive tendencies and cope positively with unexpected situations” (Ortiz-de-Mandojana & Bansal, 2015, p. 1627). This provides the rationale for the present thesis, which aims to examine the potential link between sustainability and crisis management.

Although the two notions Corporate Social Responsibility (CSR) and Corporate Sustainability (CS) are often used interchangeably, considerable differences exist. CSR “attempts to achieve commercial success in ways that honour ethical values and respect people, communities and the natural environment” (Parguel, Benoît-Moreau, & Larceneux, 2011, p. 15). Moreover, when implementing CSR practices, companies aim to achieve social legitimacy and form an ethical perception of the firm in consumers’ minds (Parguel et al., 2011). Unlike CSR, CS argues “that the economic, social and environmental pillars are interconnected” (Montiel, 2008, p. 259). Hence, firms simultaneously integrate and balance out social, environmental and economic principles to achieve corporate sustainability. By implementing these initiatives, companies aim to secure “the continued support of human life on earth, long-term productivity of agricultural systems, stable human populations, limited growth economies, [...] continued quality in the environment and ecosystem” (Brown, Hanson, Liverman, & Merideth, 1987, p. 713)

Yet, the majority of existing academic literature has evaluated the effectiveness of CSR in countering negative publicity. The findings indicate that in the event of a product-harm crisis, CSR reduces the risk of damaging consumers’ brand evaluations and positively impacts consumer trust as well as purchase intention (Klein & Dawar, 2004; Sen, 2001; Vanhamme & Grobbs, 2008). However, consumers are likely to perceive CSR practices as organisational

green-washing activity to omit negative company facts (Swaen & Chumpitaz, 2008). Thus, it gets increasingly difficult for consumers “to distinguish between truly virtuous firms and firms taking opportunistic advantage” (Parguel et al., 2011, p. 15). This obviously limits the effectiveness of CSR as crisis communication tool (Klein & Dawar, 2004; Sen, 2001; Vanhamme & Grobбен, 2008).

Unlike CSR, CS efforts necessitate irreversible changes in business processes as well as long-term investments and are therefore less likely to be perceived as green-washing activity (Parguel et al., 2011). Nevertheless, literature that investigates the link between CS and crisis management is limited. Given the current prevalence of CS in theory and practice, more research is needed to evaluate whether sustainability initiatives enable firms to positively cope with an organisational crisis (Montiel, 2008).

1.2. Objective and Research Questions

The present dissertation aims to contribute to the yet limited stream of research on CS by establishing a link between CS and crisis management. To do so, the effectiveness of Audi’s sustainability strategy in countering negative publicity associated with the Diesel Emission Scandal is examined.

To measure the main effect of sustainability on consumer outcome variables, the majority of existing research has used fictitious companies to eliminate contamination of pre-existing brand associations. However, limitations of these investigations have revealed that various moderator variables impact the relation between sustainability and consumer outcome variables (Klein & Dawar, 2004). Thus, the author decided to undertake the online experimental study using Audi AG, as real-world example, and raises the following research questions:

RQ1:

What are the corporate drivers that fostered Audi AG’s motivation to implement a sustainability strategy?

The first research question intends to provide a fundamental understanding of the corporate drivers and the motivation behind implementing a sustainability strategy at Audi AG. Thus, theoretical concepts and prior research findings dealing with CS drivers are presented and

discussed. Besides, qualitative data is gathered on the basis of the author's cooperation with Audi's corporate responsibility department.

The second research question is based on prior research findings, which have indicated that gaining consumer trust is a factor that drives the implementation of CS (Lozano, 2015). Thus, the following research question is proposed:

RQ2:

Do information on Audi's sustainability strategy *Vorsprung 2025* result in improved perceptions of consumer trust?

As stated, CSR can have a positive impact on consumer trust in times of product-harm crisis (Klein & Dawar, 2004; Sen, 2001; Vanhamme & Grobben, 2008). Assessing the effectiveness of sustainability, the aim of this research question is to quantify whether Audi's sustainability strategy positively impacts consumer trust. Consumer trust is measured using the three factors of trustworthiness: benevolence, integrity and competence (Mayer, Davis, & Schoorman, 1995).

Besides trust, consumers' purchase intentions are also expected to decline during an organisational crisis. Yet, prior research findings have confirmed that CSR initiatives positively impact purchase intention in times of negative publicity (Klein & Dawar, 2004). Focusing on assessing the impact of Audi's sustainability strategy on the dependent variable purchase intention, the following research question is proposed:

RQ3:

Do information on Audi's sustainability strategy *Vorsprung 2025* increase consumers' purchase intention?

Trust often serves as prerequisite for building customer relations, therefore purchase intention necessitates consumer trust (Sen, 2001; Vlachos, Tsamakos, Vrechopoulos, & Avramidis, 2009). In fact, CSR literature has asserted that consumer trust can serve as link between consumers' perceptions of CSR and purchase intention (Pivato, Misani, & Tencati, 2008). To test whether consumer trust also serves as link between Audi's sustainability strategy and purchase intention, the following research question is formulated:

RQ4:

Considering that consumer trust is a recognised mediating variable, does trust mediate the relationship between Audi's sustainability strategy *Vorsprung 2025* and consumers' purchase intention?

1.3. Structure of the thesis

This dissertation's first chapter defines the problem statement and illustrates the relevance of the topic as well as the research objectives. This part is followed by a review of academic literature dealing with concepts of sustainability, crisis management and the potential link between the two notions. Based on research objectives and theoretical reasoning, a conceptual framework is developed from which a set of hypotheses is deduced. The hypotheses serve as basis for the empirical investigation. Before analysing the results, a case study on Audi is presented and the research methodology is introduced. On a final note, theoretical and practical implications, as well as limitations and directions for future research are discussed.

2. Literature Review

This section presents a review of academic literature on the paper's main research fields: sustainability and crisis management.

2.1. Sustainability

In 1987, the World Commission on Environment and Development (WCED) published the Brundtland report, which, in hindsight, is regarded as highly influential in defining the concept of sustainability. In the report, the WCED defined sustainable development as “process of change in which the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are made consistent with future as well as present needs” (Brundtland & Khalid, 1987, p. 7). The commission implied that the new emerging reality and developments are accompanied by harmful trends and life-threatening hazards. Thus, in order to protect the existence of the eco-system, future economic growth would have to be based on the triple bottom line of sustainable development, which comprises standards of environmental integrity, social equity and economic prosperity (Bansal, 2005; Brundtland & Khalid, 1987).

In the early nineties, these assertions challenged organisations’ “deep-rooted assumption that environmental integrity and social equity were at odds with economic prosperity” (Bansal, 2005, p. 197). Nevertheless, throughout the past years an increasing number of corporations changed commitments towards more sustainable economic development (Bansal, 2005; Gladwin et al., 1995). Thus, their business operations comply with the standards of the triple bottom line and avoid “short-term behaviour that is socially detrimental or environmentally wasteful” (Kramer & Porter, 2006, p. 82).

2.1.1. The Triple Bottom Line

Elkington (1997) introduced the triple bottom line as sustainability concept. The underlying assumption of the framework is that corporate sustainability is achieved at the intersection of environmental integrity, societal equity and economic prosperity (Bansal, 2005). Hence, when aiming to conduct business in a sustainable way, firms have to determine how to simultaneously comply with the three standards and embed these tactics into their overall business strategy (Bansal, 2005; Elkington, 1998, 2004; Gao & Bansal, 2013). The following section briefly presents the three principles:

Corporate environmental management focuses on achieving environmental integrity by implementing practices that help to preserve natural resources (Bansal, 2005). Primarily, these efforts are directed towards companies' eco-efficiency and the reduction of firms' ecological footprint by decreasing emission, waste and energy usage (Tollin & Vej, 2012). Accordingly, companies re-evaluate their entire product life cycle, review product design as well as product development processes to reduce material input and harmful substances used in the production process. The ultimate goal of these practices is to comply with principles of circular economy, which ensure that utilised resources can either be recycled or be reused infinitely (Hart & Dowell, 2011).

To comply with standards of social equity, firms foster stakeholder relationships to effectively meet diverse economic, legal and ethical expectations. Hence, companies engage in stakeholder dialogues, implement transparent operations and act responsibly in the societal interest (Bansal, 2005). This enables companies to outshine competitors in the market, support growth and improve market position to ultimately achieve higher profits (Neubaum & Zahra, 2006).

Economic prosperity contributes to society's well-being and health. Firms promote economic prosperity by creating value and distributing the created value "to customers through its goods and services, to shareholder through dividends and equity, and to employees through salaries" (Bansal, 2005, p. 200).

2.1.2. Corporate Sustainability Drivers

Studies have identified both reactive external and proactive internal factors that drive the implementation of CS strategies in organisations (Lozano, 2015). External factors, such as national policies, have increasingly facilitated the execution of corporate sustainability efforts in the past. However, these factors are less likely to help firms to move towards genuine sustainability initiatives. In fact, internal drivers, such as the improvement of organisational resilience, are substantial to foster genuine sustainability efforts within firms. Therefore, internal and external drivers should complement each other to trigger sincere efforts towards corporate sustainability.

Based on the literature review, an overview of corporate sustainability drivers is provided in *Figure 1* (Kock, Santaló, & Diestre, 2012; Lozano, 2015; Ortiz-de-Mandojana & Bansal, 2015; Tollin & Vej, 2012).

Internal Drivers	External Drivers
Promote business ethics Save resources & costs Meet internal stakeholder expectations Foster innovations Promote business development Lower transaction costs Lower financial volatility Improve organisational resilience	Improve corporate reputation Meet market expectations Adhere to national government standards Obtain license to operate in specific markets Generate and restore stakeholder trust Achieve long-term competitiveness

Figure 1: Overview of sustainability drivers

Source: Own Contribution

These findings reveal that generating and restoring stakeholder trust is among one of the reactive external corporate sustainability drivers. Thus, provide preliminary support that sustainability efforts can potentially increase consumer trust levels.

2.2. Crisis Management

Gillespie and Dietz (2009) define an organisational crisis as either “organisation-level failure, as a single major incident, or cumulative series of incidents, resulting from the action of organisational agents that threatens the legitimacy of the organisation and has the potential to harm the well-being of [...] the organization’s stakeholders” (p. 128).

Organisational crises can result from values-related or performance-related issues (Pullig, Netemeyer, & Biswas, 2006; Votola & Unnava, 2006). A “values-related crisis does not directly involve the product, but involves social or ethical issues surrounding the values espoused by the brand” (Dutta & Pullig, 2011, p. 1282). On the contrary, a performance-related crisis is directly related to the product itself. Mostly, goods are found to be defective, dangerous or even harmful to customers (Siomkos & Kurzbard, 1994). In the past years, the

number of performance-related crises increased due to rising complexity of customer needs as well as external requirements (Dutta & Pullig, 2011).

The remainder of this work is going to investigate the impact of performance-related crises on consumer trust and purchase intention due to the fact that the Diesel Emission Issue can be categorised as performance-related issue.

2.2.1. The Impact of Crisis on Consumer Trust

When companies are being convicted of having sold defective products to consumers, they are either forced or they might voluntarily decide to recall the affected goods. Thus, in the short-term, corporations have to deal with high costs associated with the product recall, sales declines and market-share losses (Hegner, Beldad, & Kraesgenberg, 2016; Yannopoulou, Koronis, & Elliott, 2011).

Apart from this, indirect long-term implications can negatively influence companies' post-crisis performance (Van Heerde, Helsen, & Dekimpe, 2007). In particular, the impact of performance-related issues on consumer perceptions are severe and adversely impact consumers' confidence in the firm's ability to deliver on functional promises made (Dutta & Pullig, 2011). Accordingly, the negligence of consumers' expectations and key brand propositions result in destruction of brand equity and violates consumer trust (Dawar & Lei, 2009; Yannopoulou et al., 2011). Thus, one of the key challenges for companies facing a product-harm crisis is the restoration of consumer trust.

Trust is defined as the "willingness of a party to be vulnerable to the actions of another party based on the expectations that the other will perform a particular action important to the trustor" (Mayer et al., 1995, p. 712). Hence, gaining trust is a prerequisite and one of the most essential assets when aiming to build a strong and sustainable network with customers (Delgado-Ballester, 2004).

There are three factors of trustworthiness that lead to overall consumer trust: benevolence, integrity and competence (Gillespie & Dietz, 2009; Hegner & Jevons, 2016; Kim, Ferrin, Cooper, & Dirks, 2004; Mayer et al., 1995; Xie & Peng, 2009). Benevolence is defined as "the extent to which a trustee is believed to want to do good to the trustor, aside from an egocentric profit motive" (Mayer et al., 1995, p. 718). Integrity-based trust refers to the

efforts of a company to comply with an established code of conduct and moral principles, such as fairness and honesty (Gillespie & Dietz, 2009). Lastly, competence-based trust is grounded in consumers' expectations that the firm possesses the skills and leadership to deliver on promises made.

2.2.2. Corporate Response Strategies to regain Consumer Trust

In general, corporate response strategies to an organisational crisis can be described along a continuum ranging from denial of responsibility to unambiguous support. "Denial of responsibility" implies the total absence of remedial measures and communication by the firm towards stakeholders. "Unambiguous support" comprises the firm's acceptance of responsibility and, in some cases, an apology to costumers by offering some form of remedy source. It can be assumed that "unambiguous support" is an established best practice in overcoming an organisational crisis (Dawar & Pilluta, 2000). However, research states that the effect of all crisis response strategies depends on the type of violation (Dutta & Pullig, 2011; Kim et al., 2004). Thus, companies need to analyse their current situation meticulously before designing and implementing an appropriate crisis response strategy.

Xie and Peng (2009) outline three strategies that are effective in repairing consumer trust: affective recovery, functional recovery and informational recovery. An overview of these trust repair strategies and the corresponding management tactics is provided in *Figure 2*.

		Trust Recovery Strategies		
		Affective	Functional	Informational
Management Tactics	External	Apology / Confession of wrongdoing Expression of remorse for negative consequences Assertion of willingness to assume relevant responsibility	Refunds for a product recall Free repair after product harm Coupons or discounts after a service failure Treatment funding after environmental pollution	Demonstrating evidence Clarifying facts Disclose updated news during crisis handling process
	Internal		Investigate critical cause Modify problematic procedures Abandon profit to remedy loss among stakeholders	

Figure 2: Trust Repair Strategies & Management Tactics adapted from Xie & Peng, 2009

Source: Own Contribution

Prior research has revealed that affective recovery strategies, such as confession of wrongdoing, increase consumers' faith in the firm (Claeys & Cauberghe, 2014; Lewicki & Bunker, 1996). Thus, making it an appropriate approach to rebuild integrity-based and benevolence-based trust (Xie & Peng, 2009). Besides, when being convicted of a performance-related issue, it is crucial that corporations implement informational recovery tactics by frequently disclosing information about the investigations, clarifying facts and demonstrating new evidence (Xie & Peng, 2009). However, Gillespie and Dietz (2009) state that the effectiveness of firm's trust repair strongly depends on the organisations' capability to convince consumers that systematic diagnostic of the failure, reforming interventions and the implementation of distrust regulations are guided by accuracy, transparency and honesty. Accordingly, to increase consumers' competence-based trust, it is vital that provided information are reliable, relevant and of high quality (R. Morgan & Hunt, 1994). In sum, it can be stated that informational and affective recovery strategies are most effective in regaining consumer trust while functional recovery efforts have the least powerful effects on factors of trustworthiness.

2.2.3. Impact of Crisis on Purchase Intention

Besides consumer trust, performance-related issues negatively impact consumers' purchase intention. In fact, customers easily blame convicted companies of having sold harmful products. This negatively impacts consumers' brand evaluations and increases their reluctance to buy firm's products (Hegner et al., 2016; Lin, Chen, Chiu, & Lee, 2011; Vlachos et al., 2009; Xie & Keh, 2016). Hence, product harm crises result in substantially lower levels of consumers' purchase intention, especially, if firms are convicted of having deliberately deceived consumers (Hegner et al., 2016).

Yet, consumers' level of product involvement can potentially moderate this effect. Meaning that consumers with a high level of commitment or a positive attitude toward the product are more likely to counter-argue negative publicity and continue to purchase firm's products (Ahluwalia, Burnkrant, & Unnava, 2000).

2.2.4. Corporate Response Strategies to increase Purchase Intention

Research on corporate response strategies to increase purchase intention is limited. However, coherent with findings on trust repair strategies, Lyon and Cameron (2004) research indicates that consumers are "more likely to purchase a product from a company that issued an apologetic response than from a company with a defensive response" (p. 227). Besides, Xie and Keh (2016) note that promotion programs can be "used to enhance consumer-based brand equity and purchase intention following product-harm crises" (p. 223). Moreover, academic literature states that purchase intention necessitates consumer trust. In fact, brand trust has a strong influence on consumers' purchase intention (Hegner & Jevons, 2016). Therefore, when designing a corporate response strategy to increase post-crisis purchase intention, companies also have to consider the re-establishment of consumers' trust in the firm.

2.3. Sustainability & Crisis Management: A valuable Link?

As previously stated, research on the effectiveness of corporate sustainability in times of an organisational crisis is limited. Yet, prior research on the effectiveness of Corporate Social Responsibility (CSR) in countering negative publicity exists.

2.3.1. Excuse: The difference between CSR and CS

Some researchers state that CSR could be defined as sub-set of CS, which enables firms to achieve sustainability (Van Marrewijk, 2003). Yet, there is an essential difference between CSR and CS. As mentioned, CS is directed towards making trade-offs between diverse stakeholders' expectations to achieve a long-term balance between environmental integrity, social equity and economic prosperity. Hence, standards of sustainability should be integrated in the long-term business strategy to ensure that business operations meet the needs of the present and the future (Brundtland & Khalid, 1987). On the contrary, CSR considers "social and economic performance as independent components" (Montiel, 2008, p. 259). Thus, when conducting business in a socially responsible way, trade-offs between social equity and economic prosperity are not necessarily required (Bansal & DesJardine, 2014). Moreover, CSR initiatives are not always aligned with the overarching long-term firm strategy. In fact, doing social good might in some cases even be directed towards the short-term. Hence, there is a potential risk that these initiatives go beyond or even collide with stakeholders' interests and firm's strategy (Bansal & DesJardine, 2014; McWilliams & Siegel, 2001).

2.3.2. Effectiveness of CSR in countering negative publicity

Previous research has shown that CSR significantly moderates "consumer attribution in a product-harm crisis and [...] affects brand evaluations and purchase intentions" (Klein & Dawar, 2004, p. 211). Accordingly, if consumers perceive a company as socially responsible, the firm is more likely to overcome the organisational crisis with less financial losses than a company that has a bad or no CSR reputation at all (Schnietz & Epstein, 2005). Besides, Klein and Dawar (2004) state that consumers' strong perceptions of a firms' CSR initiatives impact attributions regarding stability of the crisis and locus of control. Thus, if a firm has a strong CSR reputation, consumers perceive the crisis to be less stable and crisis' locus of control to be external. Considering purchase intention, prior research results have indicated that CSR positively influences consumer trust, which in turn contributes to an increase in consumers' purchase intention (Vlachos et al., 2009).

Consequently, a positive CSR image is "instrumental in reducing the risk of damage to brand evaluations in the event of a calamity" (Klein & Dawar, 2004, p. 215). Hence, well-performed and presented CSR reduces the risk that customers' trust is "destroyed merely based on negative publicity" (Lin et al., 2011, p. 465).

However, when implementing CSR initiatives to counter negative publicity, it is vital that companies have a long and credible record of CSR involvement. Otherwise, these initiatives are likely to be perceived as green-washing activity or quick fix, which ultimately trigger consumers' scepticism and negatively impact perceptions of company's integrity (Vanhamme & Grobbsen, 2008).

In conclusion on findings in academic literature, it can be stated that CSR initiatives enable firms to regain consumer trust and purchase intention in the event of a product-harm crisis. Subsequently, it needs to be tested whether this rationale also applies to CS practices.

3. Case Study: The Diesel Gate and Sustainability at Audi AG

In this section, a case study on the Diesel Gate is developed. Moreover, Audi's sustainability strategy is presented to later analyse whether Audi's corporate responsibility strategy can serve as an effective crisis communication tool in response to the Diesel Gate. The case study is not developed for teaching purposes due to the fact that research on the link between sustainability and crisis management is still in its infancy.

3.1. The Diesel Gate

On September 18, 2015, the US Environmental Protection Agency (EPA) published a notice of violation against VW Group, which initiated one of the toughest endurance tests in firm's history (Volkswagen, 2016). The EPA accused the corporation of using a defeat device to circumvent strict legal regulations on diesel vehicles' emissions. In fact, the firm manipulated laboratory measurements of nitrogen oxide (NO_x) to hide that cars' NO_x emissions on the road were 35 times higher than permitted according to US emission standards (Kollewe, 2015). In total, 462,000 diesel cars were affected in the US, including models such as VW Jetta, Golf, Beetle, Passat and the Audi A3.

The roots of the Diesel Gate date back to 2006, when VW Group announced their "Mach 18" strategy. The vision was to become the biggest car seller in the world by 2018 (Hildebrand, 2007). Therefore, the firm had to increase their low American market share. They wanted to accomplish this mission by launching fuel-efficient diesel engines in the US to be able to compete with their main rival Toyota (Ewig, 2017; Smith & Parloff, 2016).

Until September 2015, VW Group was on track in terms of accomplishing their strategic goals; sales of diesel cars were steadily increasing in US. In 2009, the VW Jetta TDI even won the Annual Green Car of the Year award for its ground-breaking clean diesel. An American newspaper reported that the car „managed to meet America's stringent tailpipe emissions standards while also delivering admirable fuel efficiency, satisfying performance, and a very reasonable price“ (Smith & Parloff, 2016). In addition, the Audi A3 TDI was announced to be the Green Car of the Year in 2010 (Ryan, 2009). However, in September 2015, it became public knowledge that both cars had the defeat device implemented. Thus, for nine years the VW Group betrayed not only US institutions, but also consumers worldwide by advertising their diesel cars as clean and low on emission (Hotten, 2015).

Shortly after the accusations, VW Group publicly apologised to customers and admitted that, besides the 462,000 US cars, 11 million vehicles were affected worldwide (Volkswagen, 2016). On September 23, 2015, VW Group CEO Martin Winterkorn resigned and stated that he is deeply sorry that the company broke both consumers' and the general public's trust. Yet, he stated to not having been aware of any wrongdoing on his part. On the same day, the US and Canada filed suits and launched criminal investigations against the organisation. As soon as these information were published, a profit warning was issued and the VW share price collapsed by 37% (Kollewe, 2015; Volkswagen, 2016).

On September 25, 2015, Matthias Müller, former Porsche CEO, took over the CEO position at VW Group. During his inaugural, Müller infuriated regulators by stating that the whole scandal was based on the fact that the company did not have "the right interpretation of the American law. We didn't lie. We didn't understand the question first" (Smith & Parloff, 2016). Moreover, Matthias Müller implied that only a small group of people was responsible for the current situation and that they would be suspended soon (Kollewe, 2015). He further noted, "my most urgent task is to win back trust for the Volkswagen Group - by leaving no stone unturned" (Volkswagen, 2016). In the following months, VW Group had to set aside 6.7 billion euros to cover costs associated with the scandal (Hotten, 2015). The Group ended "the 2015 financial year with the biggest loss in its history" (Volkswagen, 2016, p. 7).

In January 2016, the US Justice department filed suit against VW for violating American environmental laws. Five months later, in June 2016, an agreement was settled with the US. VW Group pleaded guilty to have defrauded the government and committed to "pay \$4.7 billion for environmental compensation measures and the development of zero-emissions vehicles in the US, and will set up a compensation fund of over \$10 billion. Volkswagen is additionally negotiating a settlement with 44 states for over \$600 million to settle consumer protection lawsuits" (Volkswagen, 2016, p. 8). By the end of 2016, Volkswagen Group's total costs of the Diesel Emission Issue amounted to 21 billion dollars in the US alone.

In May 2017, German district attorneys were still investigating against the VW Group and the scandal continued to be in newspapers' headlines. German prosecutors especially, aim to identify who authorised the cheating and how high up the knowledge about the fraud went in VW's hierarchy (McGee, 2017). In January 2017, German investigators stated that 37 former

VW Group employees, including former CEO Martin Winterkorn, were suspected to have defrauded customers and the public (Ewig, 2017).

3.2. The impact of the Diesel Gate on the European market

Nine million cars, manufactured by VW Group brands, were affected in Europe. However, in contrast to the US, the firm stated that it complied with European law. Thus, European consumers were not compensated (De Carbonnel, 2017).

Yet, by the end of 2017, the corporation is obliged to recall 2.4 million German vehicles based on the demanded recall issued by the German Federal Motor Vehicle Transport Authority. This mandatory recall served as basis for recalls throughout Europe. In Portugal, the economy minister announced that Volkswagen Group has to recall 117,000 vehicles. However, the recall operations are not transparent in terms of “how the recalls will be conducted, or what the effect of the changes will be” (Transport & Environment, 2016, p. 6). European customers are left in the dark. Hence, European consumer agencies recently joined forces to provide information and seek compensation for consumers that bought affected diesel vehicles (De Carbonnel, 2017).

Considering the impact on the European diesel car market, automotive experts have recently stated that the scandal accelerates the decline of future sales of diesel cars (Campbell, 2016). This assumption has been confirmed by a study conducted by the leading provider of automotive sales forecasts, LMC Automotive, which indicates that shares of diesel cars in the West European market declined by 2.5% from 2015 to 2016, reaching the “lowest level since 2009 and the fastest rate of decline in almost a decade” (Campbell, 2016, p. 1). Moreover, the study of LMC Automotive has forecasted that diesel car sales volumes decline by an additional 3.7% in 2017. Comparing diesel car sales volume of February 2016 and February 2017, diesel car sales volumes in Germany have already decreased by 12.6%, whereas diesel car sales volumes in Portugal have increased by 0.5% (LMC, 2017). This difference can be explained by the diverging demand for alternative engines, such as electric vehicles, in the two countries which has been slacking in Portugal and accounts for only 0.7% of new purchases (Pan, 2016).

Besides, the majority of European governments has decided to ban diesel vehicles but also petrol vehicles from bigger cities by 2030 (McGrath, 2016). In Portugal, NGOs are currently

urging the government to follow the lead of the other European governments. In the near future, discussions with the Portuguese government will be initiated. In general, it is expected that these regulations will lead to a sharp decrease of demand for diesel cars (Hotten, 2015).

3.3. Audi's role in the Diesel Gate

News reports about Audi's involvement in the Diesel Gate started to evolve in the end of 2016. Before, the premium manufacturer of the VW Group had appeared to be immune against bad press.

Recently, the German newspaper "Handelsblatt" has claimed that Audi is the technological cradle of the diesel gate cheating (Schmitt, 2016a). These accusations are based on "reports that four leading powertrain developers were suspended at Audi, and that Audi engineers had the idea of beating the emission tests with a little engine computer trickery" (Schmitt, 2016b). One of these engineers claims that "he was just the fall guy for Audi's role in the Diesel gate" (Fasse, 2017). Further, he accuses Audi CEO Rupert Stadler of having known about the cheat device since beginning of 2012. Following these accusations, Audi AG hired an independent law firm to internally examine the issue. The results of the internal investigation claimed that all accusations made against CEO Stadler are incorrect.

On March 14, 2017, the developments in the Diesel Gate climaxed when German prosecutors raided Audi's headquarter in Ingolstadt as well as two of their biggest plants. The police's goal was to gather documents that would identify those involved in deploying and developing the defeat device. On the same day, Audi had planned to present their 2016 earnings to the press at the annual financial press conference. However, the police raid overshadowed the conference. In response to a press request, Audi CEO Stadler stated: "I myself have the greatest interest in clearing up the matter and that it's completely clear that we are fully cooperating with the authorities." (Cremer, 2017). Further, he acknowledged, "there is still a long way to go before the diesel gate is finally cleared up. We will keep at it" (Audi, 2017).

3.4. Crisis Communication at Audi

"We live responsibility" is Audi's declared corporate goal. However, due to recent developments concerning the Diesel Emission Issue, this statement has been brought into questioning. Hence, the company decided to temporarily interrupt their membership in the United Nations Global Compact, which is the worldwide largest initiative for responsible

corporate management (Audi, 2016). Moreover, Audi suspended certifications granted by Eco-Management and Audit Scheme of the European Commission (Audi, 2017b). According to the company, the utmost priority is to expose the accusations, address the consequences and regain consumer trust (Audi, 2017).

Referring to Prof. Dr. Klaus Töpfer, former Minister of Environment in Germany, “the diesel emission scandal is the very definition of the term worst case scenario [...] [resulting] in a loss in credibility and public trust, in Germany and around the world. Technical defects can be fixed by recalling [...], but repairing trust isn’t so simple” (Volkswagen, 2016, p. 10). In the literature review three types of trust recovery were presented. Based on this framework, a few examples of Audi’s crisis communication, including statements and press releases, are categorised and presented in *Figure 3*.

		Trust Recovery Strategies		
		Affective	Functional	Informational
Management Tactics	External	<p>Rupert Stadler (03.03.16): We sincerely regret what happened. We will ensure full transparency. And we assure you: We will fix it.</p>	<p>Audi press release (16.09.16): American owners and leasers of Audi A3 2.0L TDI vehicles may be eligible for a buyback of their cars, lease termination, or an emissions modification plus cash.</p> <p>Audi press release (16.09.16): In Europe, affected cars will be recalled to update software and fix the hardware. Consumers will not be compensated</p>	<p>Audi press release (23.11.15): The company has committed to continue cooperating transparently and fully with EPA. The focus will be on finding quick, uncomplicated and customer-friendly solutions.</p> <p>Rupert Stadler (03.03.16): We at Audi decided on three things: To clear up the matter fully at the entire Group. To remedy the situation for customers. And in light of our future, to ensure that honesty has the utmost priority as a business principle.</p>
	Internal		<p>Investigations (24.02.17): Hired law firm Gleiss Lutz to examine accusations against Rupert Stadler</p>	

Figure 3: Categorisation of Audi’s Trust Repair Actions

Source: Own Contribution

Yet, the aim of this paper is to test whether information on Audi’s sustainability strategy lead to improved perceptions of consumer trust, increase in purchase intention and whether they can serve as effective crisis communication approach. The next section presents Audi’s

corporate responsibility strategy to provide the reader with sound knowledge of the different strategic pillars.

3.5. Corporate Responsibility at Audi

In July 2011, Audi AG established a corporate responsibility department to reconcile firm's economic, ecological and social processes. The ultimate aim was to ensure sustainability of operations and processes in everyday practice to achieve qualitative growth and secure long-term competitiveness (Audi, 2014). To exhibit genuine commitment towards this goal, the business has submitted declarations to external institutions that oblige Audi AG to comply with sustainability principles, such as German Council of Sustainable Development or United Nations Global Compact (Audi, 2016). Besides, an internal code of conduct has been developed that focuses on labour relations, anti-corruption, social right and industrial relations. Based on these efforts, in 2014, Audi AG was rated on top of the Sustainability Image Score. This score is "gauging the sustainability image score of companies in Germany" (Audi, 2014, p. 10). Moreover, Audi was increasingly associated with green or efficient technology and was rated among the most popular German employers (Audi, 2014).

Before the notice of violation in September 2015, Audi AG worked on a radical realignment of their corporate strategy. The main reason for this strategic shift was the necessity to adapt to mega-trends and developments, such as resource scarcity, digitalisation and urbanisation. Hence, principles of sustainability needed to be consistently employed to reshape business processes along the entire value chain.

The *Vorsprung 2025* strategy was implemented in July 2016. The aim of this strategy is to invest in future challenges by following a clear roadmap with the vision to "become a supplier of sustainable, individual premium mobility, delighting customers across the globe" (Audi, 2017a). Currently, Audi AG stresses the necessity of focusing on the future viability of the ecosystem. Therefore, the company implements sustainable processes along the entire value chain to provide customers with sustainable products and services. Consequently, the sustainability strategy consists of four strategic pillars: Products & Services, Value Creation & Production, Employees & Society, as well as Operations & Integrity (Audi, 2017b).

A brief overview of the strategy is provided in *Figure 4*. For a detailed description of the *Vorsprung 2025* strategy, see *Appendix I*.

	Product & Services	Value Creation & Production	Employees & Society	Integrity & Operation
Strategic Objectives 2025	Provider of sustainable customised premium mobility	Majority of car manufacturing in CO2 neutral plants	Responsibility for employees and society	Conduct business in value-oriented manner
Strategic Actions	<ul style="list-style-type: none"> Reduce CO2 emission & fuel consumption Expand range of electric drive concepts Innovate attractive mobility offerings Develop predictive safety systems 	<ul style="list-style-type: none"> New recycling concepts for closing material cycles Reduce environmental impact across entire life cycle Systematic energy saving Reduce waste for disposal 	<ul style="list-style-type: none"> Employee training Compatibility of working life and family Diversity and equal opportunities Volunteers initiative Shape future urban mobility Academic cooperation 	<ul style="list-style-type: none"> Systematic stakeholder dialogue Prevent corruption Sensitise employees to subjects of anti-trust law Compliance with environmental and social standards Transparency

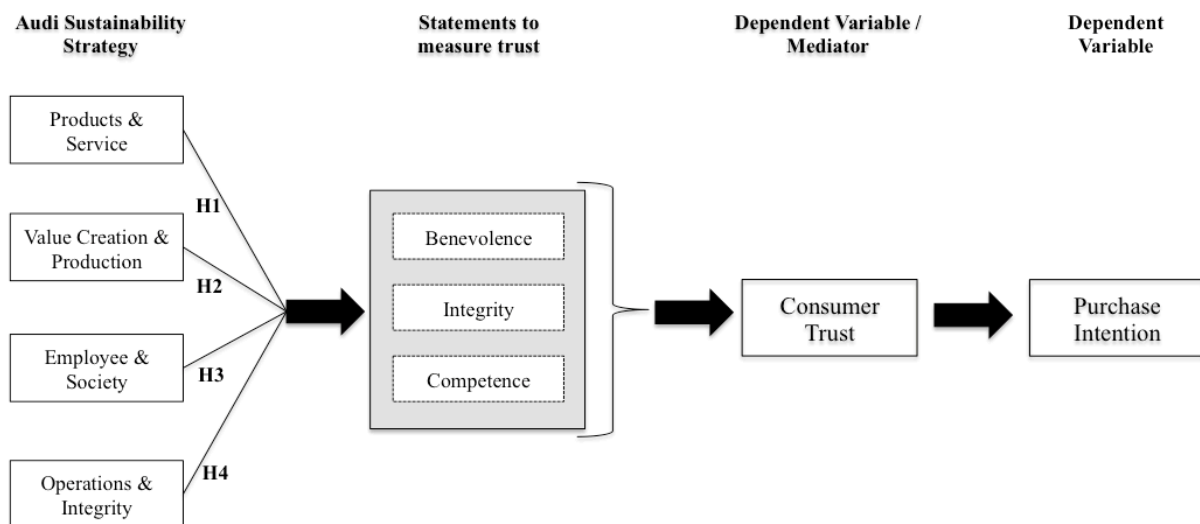
Figure 4: Overview of Audi 2025 Vorsprung strategy

Source: Own Contribution

4. The Conceptual Model

Based on the theoretical considerations mentioned in the literature review and the case study, a conceptual model and a corresponding set of hypotheses were developed. The framework (see *Figure 5*) depicts the predicted relationship between the independent variable “Audi sustainability strategy”, which comprises the four pillars of the strategy and the dependent variables “consumer trust” and “purchase intention”. As stated, the measurement of consumer trust is based on the three factors of trustworthiness: benevolence, integrity and competence (Mayer et al., 1995). The model conceptualises the relations that will be tested in the quantitative study of this thesis. Thus, the model will examine the predictions made in RQ2, RQ3 and RQ4. RQ1 is based on qualitative data and will not be considered as part of the conceptual framework.

Experimental Group:



Control Group:

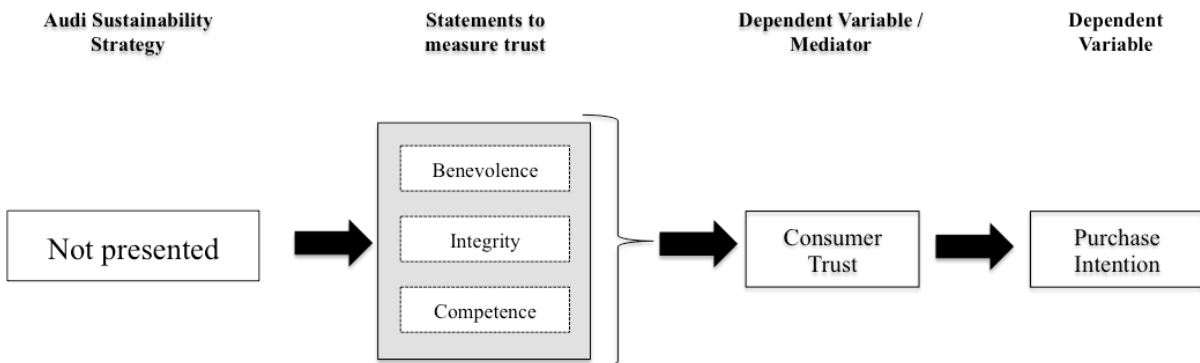


Figure 5: Conceptual Framework

Source: Own Contribution

Based on RQ2, the aim is to measure whether Audi's sustainability strategy leads to improved perceptions of the three factors of trustworthiness. Thus, the following four hypotheses are proposed:

H1: Information on "Product & Service" lead to improved perceptions of:

- H1a: integrity,
- H1b: competence and
- H1c: benevolence.

H2: Information on "Value Creation & Production" lead to improved perceptions of:

- H2a: integrity,
- H2b: competence and
- H2c: benevolence.

H3: Information on "Employees & Society" lead to improved perceptions of

- H3a: integrity,
- H3b: competence and
- H3c: benevolence

H4: Information on "Operations & Integrity" lead to improved perceptions of

- H4a: integrity,
- H4b: competence and
- H4c: benevolence

Moreover, it is expected that information on Audi's sustainability strategy positively impact consumers' purchase intention. Hence, based on RQ3 the following hypothesis is proposed:

H5: Information on Audi's *Vorsprung 2025* strategy positively impacts consumers' purchase intention.

Prior research has recognised consumer trust as mediating variable in many different disciplines (Vlachos et al., 2009). Thus, considering the formulated direct-effects hypothesis on consumer trust and purchase intention, a mediating role of consumer trust is going to be tested. Based on RQ4, the following hypothesis is presented:

H6: Consumer trust mediates the influence of the sustainability strategy on consumers' purchase intention.

5. Methodological Framework

This chapter establishes the methodological framework, which is used to answer the stated research questions and suggested hypotheses. Furthermore, variables utilised in the study are explained.

5.1. Research Method

Research on the potential link between sustainability and crisis management is limited. In order to establish a solid understanding of the topic, a mixed-methodology investigation was used. This approach comprises “the use of multiple tools from evaluators’ full methodological repertoire [...] employing both quantitative and qualitative methods” (Greene, Caracelli, & Graham, 1989, p. 225). The proclaimed purpose of this approach is triangulation, which describes “the use of different research methods within the same study to collect data from alternative sources” (Brewerton & Millward, 2001, p. 200). Hence, enabling researchers to increase the validity of research findings (Mathison, 1988).

As part of the mixed methodology investigation, a case study on Audi AG was developed. The aim of the case study was to study “particularity and complexity of a single case, coming to understand its activity within important circumstances” (Stake, 1995, p. xi). Therefore, different data sources, such as a semi-structured in-depth interview with an Audi employee and secondary data analysis, including company reports and newspaper articles were used to explore the case of Audi. One of the major drawbacks of a case study are high levels of subjectivity due to “close collaboration between researcher and participant” (Baxter & Jack, 2008, p. 545).

To counterbalance this potential bias, a quantitative online survey was conducted to take into account consumer perceptions. The web platform Qualtrics was used to set up the survey. Web-based research enables scholars to conduct surveys in a time-efficient manner (Evans & Mathur, 2005). Moreover, the marginal costs of conducting these online surveys are very low and close to zero. Besides, a major advantage is the fact that the data is readily available for further processing directly after the data collection has finished (Swoboda, Mühlberger, Weitkunat, & Schneeweiß, 1997). In sum, web-based surveys increase coverage, reach and accelerate the speed of data collection as well as results’ analysis (Tingling, Parent, & Wade, 2003).

5.2. Sampling Method

Due to time constraints a convenience-based non-probability sampling technique was employed to collect the data for the online survey. In general, non-probability techniques can be used for different research methodologies including qualitative, quantitative and mixed research design. Convenience sampling is a type of non-probability sampling, which allows the researcher to select the data from “a group of individuals who are readily available to participate in a study” (Henry, 1990, p. 18). Thus, when using the convenience-based non-probability sampling technique, the researcher has greater control of the selection process by choosing respondents from a large sample without taking into account random selection (Tansey, 2007). However, this might result in a selection bias and limited generalizability of the findings to a wider population (Kothari, 2004). Nevertheless, the non-probability sampling technique was deemed appropriate for the purpose of this study due to the fact that the research questions are tailored to a specific company. Therefore, any findings are not expected to be generalizable to other companies.

5.3. Research Instruments

Primary data was collected from two main research instruments: an in-depth interview and an online survey.

The **in-depth interview** was conducted with an employee of the Audi corporate responsibility department. The purpose of this qualitative research approach was to get a deeper understanding of sustainability initiatives at the company. Moreover, the Diesel Gate and potential effects on consumer trust were part of the discussion. To ensure that key areas of interest were covered throughout the interview process, a semi-structured interview guideline was designed (see *Appendix II*) (Rabionet, 2011). Throughout the semi-structured interview, adjustments to the guidelines were made, such as adding and omitting questions or changing the order of questions (Becker, Bryman, & Ferguson, 2012). This allowed the respondent to further elaborate or comment on specific issues and gave the interviewer the opportunity to get a more solid understanding of the subjects.

The **online survey** was divided into a pre-study and a main study. Both, the sample of the pilot study and the sample of the main study were given the same set of questions either in English or German. The pre-survey was necessary to ensure that all questions were formulated clearly by obtaining feedback on potential errors. 15 participants were asked to

complete the survey. They did not take part in the main study. Both participants of the main and pre-study accessed the survey through a web-link that was shared on social media platforms and via e-mail.

5.4. Design and Procedure

To test the hypotheses, an online experimental study with a between-subject experimental design including two conditions (sustainability x no sustainability) was conducted. Before assigning the respondents to one of the two conditions, two screening questions were implemented: Firstly, respondents were asked to indicate their country of origin. It was decided to collect data in only two countries (Portugal and Germany) to limit cultural diversity and between country differences of respondents, which might influence findings' validity. Secondly, respondents were asked to indicate if they possessed a driver's licence. This question was included to ensure a certain level of brand awareness and an assured level of familiarity with cars.

After the screening section, half of the respondents got randomly assigned to the sustainability condition, whereas the other half got assigned to the control group condition. In the sustainability condition, respondents were provided with information on the four pillars of Audi's sustainability strategy: Products & Service, Value Creation & Production, Employees & Society and Operations & Integrity. The other half of the respondents was assigned to the control group with no information on Audi's sustainability strategy. Afterwards, both groups were asked to rate consumer trust on the three factors of trustworthiness using the same set of questions for both groups. By employing this procedure, the author was able to later identify a potential impact of sustainability strategy on consumer trust and purchase intention. The subsequent section of the survey aimed to measure respondents' purchase intention. On a final note, participants answered a set of demographic and socio-demographic questions. An overview of the design of the online experimental study is provided in *Appendix III*.

5.5. Variable Descriptions

Previous research states that a five-point Likert response format is easily understood by respondents and results in higher levels of response rate and quality (Babakus & Mangold, 1992; Bouranta, Chitiris, & Paravantis, 2009). Therefore, the studies' variables were measured on a 5-point Likert scale, ranging from "1 = strongly agree" to "5 = strongly disagree". Thus, mean values that ranged from 1 to 2.5 can be interpreted as agreement, from

2.5 to 3.5 as neutral response and, lastly, values ranging from 3.5 to 5.0 can be inferred as disagreement with the statement.

Dependent Variable

Consumer Trust was measured on a seven item scale adapted from Xie and Peng (2009) and Mayer and Davis (1999). The scale consisted of the three factors of trustworthiness: competence, integrity and benevolence. These constructs are separable, thus each concept was measured using two to three distinct items (Mayer et al., 1995). Based on Xie and Peng (2009) the following items were chosen. To quantify competence-based trust, two statements were utilised: *I feel that Audi is capable to meet customers' needs; I see no reason to doubt Audi's competence*). The measurement of benevolence-based trust was conducted using two statements: *I am confident that Audi is concerned about the society's welfare; Customers' needs and desires are very important to Audi*. Finally, integrity-based trust was measured on a three-item scale: *Sound principles seem to guide Audi's business operations; I believe that Audi has a good value system; Audi has a great deal of integrity*.

Purchase Intention was assessed on a two-item scale adapted from Xie and Keh (2016). Participants indicated the likelihood of purchasing an Audi in the future by rating the following two statements: *It is very likely that I will buy an Audi in the future; When choosing to a buy a car in the near future, Audi will be my first choice*.

Moderating variables

For further analysis, the variable product involvement was implemented in the survey to measure potential interaction effects that might influence the strength of relation between dependent and independent variables.

Product Involvement measures “feelings of interest and enthusiasm consumers hold toward product categories” (Goldsmith & Emmert, 1991, p. 363). Differences in levels of involvement are likely to influence the dependent variables consumer trust and purchase intention. Hence, it was vital to measure respondents' product involvement to be able to analyse and explain potential interaction effects. Therefore, a product involvement scale consisting of nine items referring to the product class automobile was used, adapted from Bloch (1981).

6. Results' Analysis

The following chapter carefully examines the collected data, including qualitative and quantitative results' analysis.

6.1. Qualitative Results' Analysis: In-depth Interview

An in-depth interview was conducted with an employee of the Audi Corporate Responsibility department. The interviewee stated that in accordance with a board resolution, the institutionalisation of the corporate responsibility department was initiated in June 2011. In the following months, the newly founded branch focused on re-designing business processes to conform with environmental, societal and economic sustainability principles.

The achievement of social acceptance, securing the firm's long-term competitiveness and capturing the licence to operate in diverse markets ensured Board Members' continuous commitment toward sustainability at Audi. To attain these goals, the firm started to develop business processes that effectively managed diverse stakeholder expectations, adhered to standards of resource efficiency and focused on the design of customer-oriented products. In January 2015, long before the Diesel Emission Issue became public knowledge, Audi started to work on a strategic realignment of their corporate responsibility strategy. The main drivers for this decision were external factors, such as resource scarcity and the mega trends of digitalisation and urbanisation.

The author also queried the interviewee to state his expectations towards the formulated hypothesis of this thesis. The employee elaborated that candid commitment towards corporate sustainability requires irreversible as well as long-term changes in company's processes and decision-making structures. Therefore, sustainability was assumed to certainly contribute positively to the companies' reputation and credibility.

6.2. Quantitative Results' Analysis: The Online Survey

Besides reputation and credibility, Volkswagen Group CEO Matthias Müller stated that after the Diesel Gate, regaining consumer trust would have to be the Group's utmost priority. Hence, an online experimental study was conducted to test whether the Audi *Vorsprung 2025* strategy enables the firm to regain consumer trust and increase purchase intention.

6.2.1. Data Cleaning

The survey was online for two weeks and a total of 536 respondents accessed the survey of which 412 participants completed it. As mentioned in the procedure section, two screening variables were implemented. 106 respondents did not comply with the predefined rules and were excluded from the sample. Ultimately, the considered convenience sample consisted of 306 participants.

6.2.2. Sample Characterisation

To characterise the sample, descriptive frequencies analyses were conducted. Among the 306 respondents, 65.7% were female and 34.3% male. Regarding country of residence, 68.3% currently live in Germany and 31.7% of the respondents reside in Portugal. The tendency towards a majority of German respondents is also confirmed in terms of nationality distribution. In fact, 68.6% were German, 21.2% Portuguese, followed by other nationalities (10.2%). Considering age, the majority of respondents were between 25 to 34 years old (43.8%). Followed by a group of 18 to 25 year olds (20.6%) and a group of 34 to 44 years olds (13.5%). The survey was administered on an online platform and only accessible via a web-link. Thus, a strong tendency towards younger age groups was expected. Younger generations tend to be more affine towards the online world (Buckingham & Willett, 2013). Regarding income distribution, the majority of the sample has a monthly income ranging from 1001€ to 2000€ (31%), followed by 21.2% of the respondents with an income of 501€ to 1000€. Half of the respondents are employed (50.7%), followed by a group of students (28.4%) and people that are self-employed (11.4%). Among the 306 participants, 15.4% currently own an Audi and 21.6% have owned an Audi in the past.

6.2.3. Scales Reliability

Most of the scales used in the present study were adapted from previous research. Nevertheless, it is still vital to measure whether the questionnaire consistently reflects the construct that it is aiming to measure. Cronbach's Alpha was used to assess the employed scales' reliability (Cronbach, 1951). It is a function of internal consistency and analyses the interrelatedness of the scale's items (Cortina, 1993). Thus, the value indicates whether a set of test items measure a single, one-dimensional latent construct. In literature, there is little consensus regarding the acceptable value of Cronbach's Alpha. Yet, most researchers recommend a Cronbach's Alpha coefficient between 0.65 and 0.9 (Field, 2009). In the present study Cronbach's Alpha was calculated for consumer trust, benevolence, integrity,

competence, purchase intention and product involvement. In the survey, three items of product involvement were reverse coded. These variables needed to be recoded prior to scale reliability analysis.

For consumer trust, the multi-item scale had a high reliability with an alpha of .811. The values in the column “Cronbach’s Alpha if item deleted” indicated that if the item “sound principles” would be deleted, value of Cronbach’s Alpha coefficient would marginally increase by 0.06. Thus, no items were deleted on the consumer trust scale. Integrity had a medium reliability with an alpha of .659. For product involvement, values for alpha indicated a high reliability with a value of .865.

Three of the constructs were measured on a 2-item scale. Purchase intention had a high reliability with an alpha of .911. Competence had a medium high reliability of .735. Only benevolence with an alpha of .401 did not reach the acceptable threshold of a Cronbach’s α .5. However, benevolence items were adapted from prior research and measures for reliability in previous studies indicated a high internal consistency of the construct. Hence, low Cronbach’s α of benevolence might be due to sample limitations, which are going to be elaborated later.

An overview of internal consistency results is presented in *Table 1*.

Table 1: Reliability Test for Multi-item scale

Scale	Initial number of items	Cronbach’s alpha	Cronbach’s alpha if items deleted	Items deleted	Final number of items
Product Involvement	9	.865	-	-	-
Consumer Trust	7	.811	.817	-	-
Integrity	3	.659			
Competence	2	.582			
Benevolence	2	.401			
Purchase Intention	2	.911			

At this point, it is important to note that values of Cronbach’s α above 0.9 “reflect unnecessary duplication of content across items and point more to redundancy than to

homogeneity” (Streiner, 2003, p. 102). Moreover, values of Cronbach’s α below 0.5 are unacceptable. Besides, some researchers state that Cronbach’s α is inappropriate for measuring the reliability of a two-item scale (Eisinga, Grotenhuis, & Pelzer, 2013). Therefore, the author decided to calculate the Pearson-correlation coefficient as additional instrument to measure the reliability of the three two-item scales. The Pearson correlation statistic for the three scales indicated a strong positive correlation for items measuring purchase intention ($r = .837, N = 306, p < 0.01$), a moderate positive correlation for items measuring competence ($r = .582, N = 306, p < 0.01$) and a weak positive correlation for items measuring benevolence ($r = .582, N = 306, p < 0.01$).

Following the reliability and correlation analysis, the items for each construct were averaged into six scales for later analysis.

6.2.4. Effect of sustainability on factors of trustworthiness

Collected data was analysed using parametric statistical tests. Thus, it needed to be tested whether the data was normally distributed. Therefore, P-P Plots of variables to be analysed were generated (Field, 2009). Additionally, it was tested whether the mean, median and mode of variables to be analysed, fall together. Based on the results, it can be stated that data was normally distributed. For an overview of the relevant SPSS outputs, please see *Appendix IV*.

To test the hypotheses, in which it was proposed that the four pillars of Audi’s sustainability strategy lead to significantly improved perceptions of (a) integrity, (b) competence and (c) benevolence, a first analysis was performed.

Independent t-tests were conducted to evaluate the difference between the means of the two independent groups. The aim was to evaluate whether the means of the factors of trustworthiness were significantly different from each other. During the experimental study, 176 participants were assigned to the control group and 130 participants to the experimental group. Thus, sample size can be considered to be equal, as the larger group was not 1.5 times bigger than the smaller group (G. Morgan, Leech, Gloeckner, & Barrett, 2004).

Before performing the independent t-test, assumptions of the underlying test needed to be confirmed. See *Table 2* for an overview of the underlying t-test assumptions (Field, 2009).

Table 2: Testing the assumptions of the independent t-test

Assumption of	Explanation	Confirmation	Proof
Independence	Scores of one participants are not systematically related to scores of the other	Yes	Participants have been randomly assigned to two independent experimental groups
Normality	Dependent variables is normally distributed within each of the two populations	Yes	P-P Plots of dependent variable, see <i>Appendix IV</i>
Homogeneity of Variance	Variances of dependent variable in the two populations are equal	Partially confirmed	Levene's F Test for Equality of Variances, see <i>Appendix V</i>

Source: Own Contribution

Based on SPSS outputs, assumption of independence and normality were confirmed. Yet, the assumption of homogeneity of variance was only partially confirmed. Nevertheless, the “t test for independent groups may be used without appreciable error despite moderate violations of the homogeneity of variances assumptions” (Pagano, 2004, p. 339). Still, for those dependent variables, which did not meet the assumption, the values of the t-statistic in the bottom line of the t-test, associated with “Equal variances not assumed”, were analysed.

In order to measure the impact of the four strategic pillars of the Audi sustainability strategy on the three factors of trustworthiness, 12 independent-samples t-tests were conducted. Results of these independent-samples t-test are presented in *Table 3* to *Table 6*:

Table 3: Product & Service: t-Test for Equality of Means

		Experimental Condition				
		Experimental		Control		
	Dependent Variable	Mean	SD	Mean	SD	t
Product & Service	Integrity	2.25	.814	2.34	.847	-.333
	Competence	2.24	.891	2.10	.830	-9.83
	Benevolence	2.46	.841	2.49	.726	1.30

Note: *** $p < .001$, ** $p < .01$, * $p < .05$, + $p \leq .1$

As previously mentioned, the items were measured on a 5-point Likert scale (1 = strongly agree, 5 = strongly disagree). *Table 3* shows the results for the analysis of the strategic pillar “Products & Service”. An examination of the group means indicated that the experimental

group rated integrity ($M = 2.25$; $SD = .814$) and benevolence ($M = 2.46$; $SD = .841$) lower compared to control group. In the control group ($N = 176$), competence achieved a lower mean ($M = 2.10$; $SD = .830$). However, using an alpha level of .05, the t-tests were not statistically significant. Hence, H1 cannot be accepted.

Table 4: Value Creation & Production: t-Test for Equality of Means

		Experimental Condition				
		Experimental		Control		
	Dependent Variable	Mean	SD	Mean	SD	t
Value	Integrity	2.23	.858	2.34	.847	-1.066
Creation &	Competence	2.27	.907	2.10	.830	1.643
Production	Benevolence	2.33	.841	2.49	.726	-1.791

*Note: *** $p < .001$, ** $p < .01$, * $p < .05$, + $p \leq .1$*

Similar to Products & Service, results for Value Creation & Production, see *Table 4*, showed that on average, experimental group ($N = 130$) achieved lower means for organisational integrity ($M = 2.23$; $SD = .858$) and benevolence ($M = 2.33$; $SD = .841$). In the control group, again a higher level of agreement was measured for competence ($M = 2.10$; $SD = .830$). However, using an alpha level of .05, differences of means were not statistically significant between experimental and control group. Hence, H2 cannot be accepted.

Table 5: Employees & Society: t-Test for Equality of Means

		Experimental Condition				
		Experimental		Control		
	Dependent Variable	Mean	SD	Mean	SD	t
Employees	Integrity	2.12	.820	2.34	.847	-2.306*
& Society	Competence	2.21	.876	2.10	.830	1.12
	Benevolence	2.18	.873	2.49	.726	-3.341***

*Note: *** $p < .001$, ** $p < .01$, * $p < .05$, + $p \leq .1$*

The independent-samples t-test conducted for the strategic pillar Employees & Society (*Table 5*), yielded significant results for integrity ($t(304) = -2.306$, $p < 0.05$) and benevolence ($t(304) = -3.341$, $p < 0.001$). Hence, an examination of the group means indicated that the experimental group ($M = 2.12$; $SD = .820$) had significantly higher perceptions of integrity than the control group ($M = 2.34$; $SD = .847$). The same applied for benevolence; the experimental group ($M = 2.18$; $SD = .873$) had significantly higher perceptions of benevolence than the control group ($M = 2.49$; $SD = .726$). To determine the practical

importance of the significant findings, the effect size for benevolence and integrity was calculated. The two groups had similar standard deviations and were of similar sample size. Therefore, Cohen's d was determined:

$$Cohen's\ d = (M_1 - M_2 / SD_{pooled})$$

The effect size of integrity equalled .26 and the effect size for benevolence equalled .39. Thus, suggesting a small practical significance of the results.

In conclusion, information on Employee & Society had a significant positive effect on consumers' perception of organisational integrity and benevolence. More specifically, when consumers received information on the strategic pillar Employees & Society, perceptions of integrity and benevolence improved. Hence, H3a and H3c were accepted. However, H3b cannot be accepted.

Table 6: Operations & Integrity: t-Test for Equality of Means

		Experimental Condition				t
		Experimental		Control		
	Dependent Variable	Mean	SD	Mean	SD	
Operations & Integrity	Integrity	2.26	.866	2.34	.847	-1.16
	Competence	2.34	.932	2.10	.830	2.26*
	Benevolence	2.26	.844	2.49	.726	-2.45*

*Note: *** $p < .001$, ** $p < .01$, * $p < .05$, + $p \leq .1$*

For Operations & Integrity (Table 6), the independent t-test was conducted using an alpha level of .05. The results revealed a significant difference for competence ($t(304) = 2.26$, $p < 0.05$) and benevolence ($t(304) = -2.45$, $p < 0.05$). Thus, the experimental group ($M = 2.26$; $SD = .844$) had significantly higher perceptions of benevolence than the control group ($M = 2.49$; $SD = .726$). However, for competence, the control group ($M = 2.10$; $SD = .830$) had significantly higher perceptions of competence than the experimental group ($M = 2.34$; $SD = .932$). Again, to determine the practical importance of the significant findings, the effect size was calculated for competence ($d = .27$) and benevolence ($d = .29$). Thus, suggesting a small practical significance.

In sum, there was no significant difference for integrity-based trust. Thus, H4a cannot be accepted. Consistent with H4c, results indicated that information on Operations & Integrity lead to improved perceptions of benevolence. Therefore, H4c was accepted. Findings

measuring the effect of Operations & Integrity on competence revealed that perceptions of organisational competence were significantly higher in control group compared to experimental group. Hence, information on Operations & Integrity yielded significantly lower effects on competence-based trust in experimental condition. Thus, the measured effect was opposite to the predicted effect and therefore H4b cannot be accepted.

6.2.5. The impact of sustainability on purchase intention

To test the fifth hypothesis, in which it was proposed that information on sustainability results in increased levels of purchase intention, an independent samples t-test was conducted. On a significance level of $\alpha = .1$, results revealed a significant difference for purchase intention between the means of the control and the experimental group, $t(304) = -1.822, p < 0.1$. Thus, based on examining the means it can be stated that purchase intention was significantly higher in the experimental group ($M = 3.04; SD = 1.207$) than in the control group ($M = 3.29; SD = 1.115$). Hence, results provided support for hypothesis 5 and therefore the hypothesis can be accepted.

Results of the independent-samples t-test for purchase intention are provided in *Table 7*.

Table 7: Purchase Intention: t-Test for Equality of Means

Dependent Variable	Experimental Condition				t
	Experimental		Control		
	Mean	SD	Mean	SD	
Purchase Intention	3.04	1.207	3.29	1.115	-1.822+

*Note: *** $p < .001$, ** $p < .01$, * $p < .05$, + $p \leq .1$*

6.2.6. The mediating role of consumer trust

Audi's sustainability strategy had a statistically significant effect on purchase intention and partially significant effects on factors of trustworthiness. Thus, based on H6, it was tested whether consumer trust mediates the relation between sustainability and purchase intention. "Mediation refers to a situation when the relationship between a predictor variable and an outcome variable can be explained by their relationship to a third variable" (Field, 2009, p. 408). To conduct the analysis, a new variable "consumer trust" was computed. The variable averages the means of benevolence, integrity and competence. To test the mediation effect (see *Figure 6*), a regression analysis was conducted. However, before conducting the regression analysis, it needed to be confirmed whether the four conditions of mediation were fulfilled (Baron & Kenny, 1986):

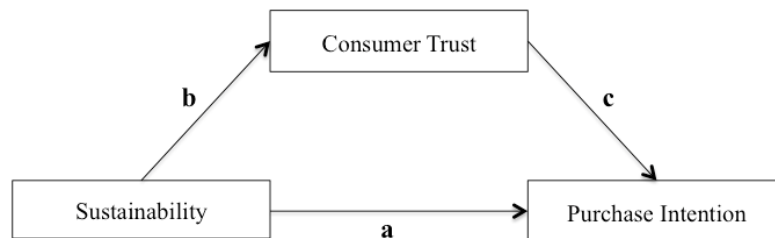


Figure 6: Diagram of a basic mediation model

Source: Own contribution

In fact, four conditions of mediation need to be satisfied (Baron & Kenny, 1986):

- Sustainability must significantly predict purchase intention (a)
- Sustainability must significantly predict consumer trust (b)
- Consumer trust must significantly predict purchase intention (c)
- Sustainability must predict purchase intention less strongly in model (a) than in model (c)

To determine the validity of the four conditions, a correlation analysis was performed. The corresponding values of the Pearson correlation coefficient are provided in *Table 8*.

Table 8: Correlation Analysis 3-Items Measures

Variable	1	2	3
Consumer Trust	-	.041	.025
Purchase Intention	.041	-	-.018
Sustainability	.025	-.018	-

*Note: * < 0.01; ** < 0.05; *** < 0.001*

Based on the correlation analysis, it can be stated that the first three conditions cannot be satisfied due to lack of statistically significant correlation between the three variables. Thus, a mediation effect of consumer trust on purchase intention was not identified. Despite the fact that this method has been quite influential in measuring mediation, there are some limitations that need to be considered. Thus, Field (2009) suggest to perform the Sobel test by running the PROCESS tool in SPSS (see *Appendix VI*). Nevertheless, the results of the Sobel test also confirmed that consumer trust did not significantly mediate the relation between sustainability and purchase intention. Thus, H6 cannot be accepted.

6.3. Further Analysis

Ahluwalia et al. (2000) state that consumers with a high level of product involvement are more likely to counter argue negative publicity and repeat purchase. Thus, stating that product involvement is an important moderator in this particular relationship. Consequently, further analysis was conducted to test whether product involvement affected the direction or magnitude of relationship between sustainability and purchase intention. Therefore, a multiple linear regression analysis was performed (see *Table 9*).

Consistent with prior results, sustainability had a significant and positive main effect on purchase intention ($\beta_1 = .425, t = 2.191, p < 0.05$). Furthermore, product involvement had a significant and positive main effect on purchase intention ($\beta_2 = .511, t = 6.326, p < 0.001$). To determine whether there was a potential interaction effect between product involvement and sustainability on purchase intention, the change in R square was examined. Considering an alpha level of .1, a significant moderation between sustainability and product involvement on purchase intention could be confirmed ($\Delta R^2 = 0.008, p < 0.1$). However, opposing to existing research findings, the interaction effect was found to be negative ($\beta_3 = -.352, t = 1.732, p < 0.1$). Thus, it can be stated that the higher the level of product involvement, the lower the intention to purchase an Audi, when being presented with information on sustainability initiatives.

$$\begin{aligned} \text{Purchase Intention}_i & \\ &= b_0 + b_1 \text{sustainability}_i + b_2 \text{product involvement}_i \\ &+ b_3 \text{interaction} + e_i \end{aligned}$$

Table 9: Multiple Linear Regression Analysis – Product Involvement as Moderator

Variables	Standardised Beta	t	Sig.
Sustainability	.425	2.191	.029*
Product Involvement	.511	6.326	.000***
Interaction Term	-.354	-1.732	.084 ⁺
R^2	.182		
Adjusted R^2	.174		
F	2.99		
dF	305		
Sig	.000		

*Note: *** $p < .001$, ** $p < .01$, * $p < .05$, + $p \leq .1$*

7. Conclusion and Implications

As previously stated, existing research has focused on investigating the effect of CSR on consumers' attributions in product-harm crisis (Lin et al., 2011; Sen, 2001; Vanhamme & Grobhen, 2008). Most of the results indicated that positive CSR associations reduced "risk of damage to brand evaluations in the event of calamity" (Klein & Dawar, 2004). Moreover, CSR served as insurance policy against negative publicity and reduced the risk of destroying consumer trust. However, in the past, companies have increasingly been convicted of green washing: using CSR as tactical instrument to omit negative facts and hype social initiatives of the firm. These tactics have gradually revealed the limits of the CSR paradigm (Alves, 2009).

Due to recent developments and changes in business operations, sustainability has evolved to the topic of inquiry in research. In fact, researchers have stated that sustainability in marketing has a positive effect on consumers' brand and product evaluations (Klein & Dawar, 2004). In response to these prior research investigations, this dissertation aimed to further elaborate on not yet quantified assumptions, by examining the potential link between sustainability and crisis management. Consequently, the research objective was to investigate whether providing consumers with information on Audi's sustainability strategy has a positive spill-over effect on consumers' trust evaluations and purchase intention in a product-harm situation, like the Diesel Emission Issue. Thus, four research questions were formulated:

RQ1:

What are the corporate drivers that fostered Audi AG's motivation to implement a sustainability strategy?

To provide a solid answer to the above-stated research question, an in-depth interview was conducted with an employee of the Audi Corporate Responsibility department to collect qualitative data. Additionally, secondary data, including company reports and articles, was reviewed to complement the findings.

From the qualitative results' analysis, it can be stated that especially reactive external drivers, such as achievement of social acceptance, securing long-term competitiveness in the market and maintaining the licence to operate, fostered Audi AG's motivation to implement a sustainability department. The company manifested sustainability standards into their

business operations to handle the increasingly complex challenges of the future and ensure the firm's viability. Audi aims to manufacture cars that reflect sustainability along the entire value chain. This is why the firm continuously pursues principles of circular economy and constantly innovates new drive technologies. Additionally, emerging mega trends, such as digitalisation and urbanisation, but also factors, such as scarce resources and population growth, fostered the company's sustainability efforts. Considering recent developments associated with the Diesel Emission Issue, the company also expects that sustainability efforts positively impact firm's reputation and credibility.

RQ 2:

Do information on Audi's sustainability strategy *Vorsprung 2025* result in improved perceptions of consumer trust?

To examine the above-mentioned research question, a set of four hypotheses was formulated. An overview of these hypotheses is provided in *Table 10*.

Table 10: Overview of tested hypotheses to evaluate RQ2

	Hypotheses	Accepted?
H1	Information on "Product & Service" lead to improved perceptions of integrity, competence and benevolence	✗
H2	Information on "Value Creation & Production" lead to improved perceptions of integrity, competence and benevolence	✗
H3a, c	Information on "Employees & Society" lead to improved perceptions of integrity and benevolence.	✓
H3b	Information on "Employees & Society" lead to improved perceptions of competence.	✗
H4a, b	Information on "Operations & Integrity" lead to improved perceptions of integrity and competence	✗
H4c	Information on "Operations & Integrity" lead to improved perceptions of benevolence.	✓

The results' analysis was based on quantitative data collected during the online experimental study. The results revealed that the strategic pillars "Products & Services" and "Value Creation & Production" yielded no statistically significant differences in consumers' ratings on the three factors of trustworthiness.

On the contrary, information on the strategic pillar “Employees & Society” resulted in significantly higher perceptions of benevolence in the experimental group. Consequently, it can be stated that presenting consumers with information on how the company takes on responsibility for employees and society improved benevolence-based trust. The same rationale can be applied to the strategic pillar “Operations & Integrity”. In fact, information on how the firm conducts business in a value-oriented manner resulted in a significant increase in perceived benevolence. Hence, information on these strategic pillars convinced consumers of firm’s sincere concern about customer needs and its motivation to do good. Furthermore, efforts linked to Employees & Society significantly improved perceptions of integrity. Thus, experimental group was more convinced than the control group that the company “adheres to a set of principles, that the trustor find acceptable” (Mayer et al., 1995, p. 719).

The strategic pillar “Operations & Integrity” emphasises the importance of conducting business in a value oriented way. Therefore, Audi directs initiatives towards stakeholder dialogue, transparency of business operations and compliance with environmental as well as social standards. Yet, it is important to note that information on “Integrity & Operations” negatively impacted consumers’ belief that the firm possesses the required competencies, skills and characteristics to accomplish these objectives. This resulted in significantly lower perceptions of competence-based trust in experimental group. Hence, the Diesel Emission Issue might have promoted consumers’ doubts concerning the firm’s competencies in conducting business in a value-oriented, especially in terms of complying with environmental and social standards, preventing corruption and achieving transparency in business operations.

In conclusion, only the sustainability efforts related to “Employees & Society” significantly improved perceptions of factors of trustworthiness. Overall, means of consumer trust levels were high among the entire sample. A possible explanation could be that, in general, the Diesel Emission Issue did not severely impact participants’ trust in the firm. Indeed, it is likely that for some consumers, negative publicity did not severely impact their expectations of the firms’ functional performance. Another explanation for high levels of consumer trust could be that the majority of the sample was either not aware of the Diesel Gate or did not have a personal stake.

RQ 3:

Do information on Audi's sustainability strategy *Vorsprung 2025* increase consumers' purchase intention?

The following hypothesis, see *Table 11*, aimed to provide answers to the above-stated research question.

Table 11: Overview of tested hypothesis to evaluate RQ3

	Hypothesis	Accepted?
H5	Information on Audi's <i>Vorsprung 2025</i> strategy positively impact consumers' purchase intention.	✓

Negative publicity related to product-harm crisis can potentially result in a significant decline of consumers' purchase intention. This is especially the case if the company is to blame for the organisational crisis (Ahluwalia et al., 2000; Laufer & Coombs, 2006). Hence, it is vital for the firm's future viability to identify an effective crisis communication tool, which leads to an increase in post-crisis purchase intention. Based on the study's quantitative results, it can be stated that in the case of Audi AG's *Vorsprung 2025* strategy, information on sustainability efforts resulted in a significant increase of consumers' purchase intention. In conclusion, it can be inferred that Audi's sustainability strategy is an effective crisis communication tool to increase purchase intention.

RQ4:

Considering that consumer trust is a recognised mediating variable, does trust mediate the relationship between Audi's sustainability strategy *Vorsprung 2025* and consumers' purchase intention?

To answer the research question, the following hypothesis, see *Table 12*, was tested:

Table 12: Overview of tested hypothesis to evaluate RQ4

	Hypothesis	Accepted?
H6	Consumer trust mediates the influence of sustainability strategy on consumers' purchase intention.	✗

Despite the fact that literature in a variety of disciplines, such as psychology, management and marketing, identifies consumer trust as mediating variables, this assumption did not prove to be valid for the present study. Hence, in this particular case, consumer trust cannot be considered as mediating variable between Audi's sustainability strategy and purchase intention.

7.1. Theoretical Implications

To the best of the author's knowledge, the results of the online experimental study aim to contribute preliminary research investigations to the limited stream of knowledge on the effectiveness of CS in times of an organisational crisis. However, due to the fact that the present thesis is based on a practical case study, theoretical implications of this work are limited.

Nevertheless, the analysis provides a solid foundation for further research investigations and contributes to existing research on trust recovery strategies. According to Xie and Peng (2009), functional, affective and informational trust recovery strategies positively impact the three factors of trustworthiness. The present thesis contributes additional results to these findings. In fact, results revealed that providing consumers with information on how the firm takes on responsibility for employees and society and how it conducts business in a value-oriented manner, positively impacted consumer perceptions of integrity and benevolence. Thus, besides functional, affective and informational trust recovery strategies, efforts related to "Employees & Society" as well as "Operations & Integrity" lead to an increase in consumer trust levels. Thus, adding knowledge to the range of existing trust recovery tactics. Besides, the study relies on a realistic stimuli, thus taking into account "any pre-existing knowledge the respondents might possess about a real company" (Parguel et al., 2011, p. 24).

7.2. Practical Implications

Due to the fact that the online experimental study was specifically tailored to Audi's *Vorsprung 2025* strategy, the practical implications are relevant for Audi and in particular interesting for the firm's Corporate Responsibility and Communications Department.

Based on the present results' analysis, it can be inferred that the communication of the two strategic pillars "Employees & Society" and "Operations & Integrity" yield a significant and positive increase in the factors of trustworthiness, benevolence and integrity. Yet,

sustainability initiatives related to “Operations & Integrity” also resulted in a significant decrease of the trustworthiness factor competence. Hence, when incorporating sustainability initiatives in crisis communication, Audi AG should only focus on communicating the efforts related to “Employees & Society”. These initiatives represent Audi’s goal towards taking on responsibility for employees and society. To accomplish this aim, the firm employs trainings to promote employees’ skills and qualifications. Moreover, the focus is on providing equal opportunities and establishing a work-life balance for employees. In terms of society, the corporation sponsors different volunteering initiatives, which support a good cause.

Referring to the results of the online experimental study, these actions especially fostered consumers belief that apart from the profit motive, the firm strives to do good and has an attachment to both its employees and society as a whole. Moreover, it promoted consumers’ perceptions that Audi’s business operations follow a sound set of principles. On a related note, it can be stated that the “Employees & Society” sustainability efforts closely resemble CSR initiatives, which have long proven to be effective in increasing consumer trust. A potential explanation for this effect could be that consumers easily identify themselves with these efforts due to the fact that they believe to have a personal stake and could potentially benefit from them.

Thus, when incorporating sustainability initiatives in crisis communication, it is important to tailor the communication only to those strategies that have a significant positive effect on consumer trust. Hence, based on present results, it is expected to be effective to include initiatives related to “Employees & Society”. Despite the positive and significant effect of “Integrity & Operations” on benevolence, these initiatives should be excluded from the firm’s crisis communication due to the fact that these efforts simultaneously resulted in a significant negative effect on competence-based trust.

For a profit-oriented firm, it is also vital that consumer trust ultimately translates into behavioural outcomes, such as purchase intention. Thus, it was measured whether sustainability initiatives, also has a tangible effect on consumers’ purchase intention. Based on the results, it can be stated that when incorporating sustainability initiatives in firm’s crisis communication, purchase intention significantly increases.

8. Limitations and Future Research

Although the present results contribute valuable findings to a yet limited stream of research, considerable limitations exist. The author decided to use a convenience based sampling technique to collect data for the online experimental study. Yet, this sampling procedure yields a selection bias due to the fact that individuals were not equally likely to have been selected as participants of the study. In fact, the majority of study's participants have either a Portuguese or German nationality. Hence, a systematic bias, which leads to limited generalizability of the findings, exists. Therefore, results of the sample might be different from theoretical results for the entire population, which explains some of the present findings. Moreover, due to the scope of the research, the author was not able to meet all of the assumptions of the independent samples t-test and linear regression analysis, which again results in limited generalizability of the data.

Furthermore, the study only measures the short-term effect of sustainability on consumer trust and purchase intention. However, according to academic literature “benefits of corporate sustainability often take time to accrue and often cannot be determined immediately” (Ortiz-de-Mandojana & Bansal, 2015, p. 1615). Hence, the present results only partially measure the effectiveness of sustainability on consumer trust and purchase intention. Consequently, for future research investigations, a longitudinal study needs to be designed to be able to measure the long-term impact on consumer trust and purchase intention. Moreover, taking into account the trust recovery strategies based on Xie and Peng (2009), it would be interesting to test which of these strategies, including sustainability strategy, is most effective in countering negative publicity.

Last but not least, the author aimed to identify whether the influence of culture as well as the fact that a person owns an Audi would moderate the relationship between sustainability, consumer trust and purchase intention. Yet, no significant results were identified, which might be due to the small sample size. Thus, for future research it would be interesting to collect a higher number of responses to potentially be able to determine these moderation effects and to replicate the results in a different cultural context.

From a general perspective, this study contributes to a yet limited stream of research, which establishes a link between sustainability and crisis management. Even though, this work

presents a case study on Audi AG, it might obtain increasing relevance in the automotive industry. Especially, considering that press reports only recently accused car manufacturers, i.e. Daimler and FiatChrysler, of having deployed a cheat device in their diesel vehicles. These firms could potentially use the findings of the present thesis and implement parts of their sustainability efforts in their crisis communication strategy to increase consumer trust and purchase intention.

Appendices

Appendix I: Corporate Responsibility at Audi

1. Products and Services

Due to the transformation of the industry, well-established car manufacturers have to face new competitors, new customer desires and requirements, as well as newly emerging fields of businesses (Audi, 2017a). To ensure long-term competitiveness, AUDI AG has to introduce new models, innovative mobility offerings and attractive services to the market (Audi, 2017b). Therefore, the company focuses on minimising the environmental footprint of its fleets by developing new drive technologies comprising electrification of vehicles, hybrid engines and alternative fuels. By 2025, one third of AUDI's vehicles offered to customers will be electric cars with zero emission. This aim will be accomplished by launching an electrified model every year, starting in 2018. To ensure sustainability when pursuing the electric mobility strategy, AUDI is currently working together with other car manufacturers to establish a charging network throughout Europe that uses energy entirely from renewable energy sources (Audi, 2017b).

Thus, the company puts efforts in developing alternatives to the traditional combustion engine technology to reduce CO2 emission of its fleet. An overview of the innovative engine technologies is provided in *Table 3* below (Audi, 2017b).

	e-tron	g-tron	h-tron
Models	Audi A3 Sportback Q7 Quattro	A3 Sportback A4 Avant A5 Sportback	A7 Sportback
Details	Plug-in electric hybrid, which efficiently combines the benefits of both the electric engine together with TFSI or TDI	Virtually climate neutral driving with gas produced from water, carbon dioxide and waster materials	All electric car, can be refuelled in four minutes and generates electricity from hydrogen, which can be manufactured CO2 neutral.

Table 3: Overview of alternative engine technologies

The company also re-works classic technologies to make them more efficient and reduce fuel consumption. To name an example, AUDI will launch efficiency assistants in their cars,

which analyse “data for navigation route and points out areas to drivers in advance where they should take their foot off the gas (...). It can improve fuel economy on highways by up to ten per cent” (Audi, 2017b). Moreover, the company works on developing sustainable fuels that are produced using renewable energy sources, such as water, carbon dioxide, sunlight, and salt (Audi, 2017b).

2. Value Creation and Production

AUDI AG wants to increase ecological responsibility in production by manufacturing the majority of its cars in CO2 neutral plants by 2025. The company aims to accomplish this goal by following principles of circular economy and fulfilling environmental standards. Moreover, the company assesses all phases of the life cycle of the product to ensure CO2 emissions of every new model is reduced compared to predecessor. This procedure conforms to ISO 14040 (Audi, 2017b).

To secure that procurement of materials and components is sustainably managed, VW Group implemented strict sustainability regulations to which any supplier of the Group has to commit. These principles are in place since 2006 and oblige business partners to avoid damage to environment and human health. Moreover, the supplier needs to guarantee employees’ freedom of association and ban child labour as well as forced labour. In case any of these principles are violated, the Volkswagen Group has the right to terminate the contract on short notice. In its own facilities, AUDI implemented environmental management systems that focus on reducing energy consumption and reduction of greenhouse gas emissions to be able to minimise the impact of its facilities of AUDI’s environmental footprint. Up until now, three AUDI plants entirely run on green power by using energy from renewable sources. Moreover, the company has installed cutting edge technologies in their paint shops to reduce the harmful environmental impact of these production sections. In line with these efforts, the company has committed to a variety of external environmental regulations, such as DIN EN ISO 50001 and the Eco-Management Audit Scheme of the European Union. Moreover, the firm has implemented pilot-projects on Virtual Reality to be able to decrease costs associated with business trips in the future, which will contribute to the reduction of the environmental impact of the firm (Audi, 2017b).

In 2016 AUDI AG has reduced CO2 emissions of logistics by 11,601 tons by using carbon-neutral rail transports between the plants. Besides, a hybrid locomotive has been implemented

at the Ingolstadt site to ensure that components between the different departments are delivered with zero emission (Audi, 2017b). As life cycle assessment of products is at the core of AUDI's value creation process, the company also focuses on principles of circular economy. Meaning that at the firm aims to establish a material loop by ensuring that parts can be re-used in vehicles or recycled. The ultimate aim is again to reduce the environmental impact of the products on the ecological system.

3. Employees and Society

The company states that its focus is foremost on employees and society. Thus, putting emphasis on topics relevant to employees, such as corporate culture, occupational health and safety as well as training and advancement. But also, giving attention to subjects that are crucial to society, such as future of mobility, support of school education and training capacity, as well as community involvement (Audi, 2014).

The war for talent and employees' increasing need for flexibility and independence is currently refining the international **work environment. AUDI prioritises employees' needs and offers more flexible work schemes.** An overview of the offers is provided in the *Table 4* below (Audi, 2017b).

Model	Details
Mobile work	Gives employees a right to work independently of time and place constraints if compatible with their duties
Self-directed & creative work	Provides digital tools (i.e. virtual reality) and innovative office space
Models of working hours	Employees can choose from different working hours schemes depending on their need for flexibility
Balance family and professional life	Opportunity break to care for family members, time frames are above the legally mandated limits Reservation of places at day care centres

Table 4: Flexible work schemes at AUDI

In line with AUDI's core values of appreciation and respect, the firm engages in the topics of diversity and equal opportunities. Thus, ensuring that fairness, tolerance, mutual respect, and opportunities for people with disabilities are an integral part of daily work life. Moreover, AUDI promotes the recruitment of well-qualified women by launching initiatives that aim to inspire young female students to start working in engineering and technology. As part of this

initiative, the company offers special training programs, such as mentoring concepts for females (Audi, 2017b). But, this is only one example of the broad variety of training and advancements opportunities offered by the corporation. The training programs are tailored towards two specific target groups: current and prospective employees (Audi, 2017b). An overview of the different development opportunities is provided in the table 5.

Target Group	Offer	Details
Employees	Further education	Specialised course content to develop specific expertise necessary for the future
	Sustainability Academy	Development workshops on sustainability
Prospective employees / Attraction of talent	Audi dual program	Studying engineering at AUDI's partner university in Ingolstadt combined with practical assignments in AUDI divisions
	Collaboration with universities	Specialised and advanced training for engineering and business students
	Audi Autonomous Driving Cup	Students work together with Audi engineers on innovative solutions (i.e. automated functions)

Table 5: Training at Audi AG

To decrease staff sickness absence rate, AUDI AG established an occupational health and safety management system that holistically assesses employees' health. The focus is especially on prevention by putting every effort into impeding work related injuries and impairments to health. This is achieved by continuously improving working conditions and ergonomics. Especially for the workforce at the assembly line it is crucial that workplaces are ergonomically designed to reduce the risk of physical strain (Audi, 2017b). Besides, AUDI also offers a regular health check-up to identify and avoid employees' health risks and provide them with consultation (Audi, 2017b).

As previously mentioned, the company does not only focus on doing good for its employees but also for society by taking on social responsibility. To increase social value and make life better, the firm has committed to refrain child labour, monitor adherence with human rights and sponsor projects in regions where sites are located. The company engages employees to

involve in volunteering projects by providing them with the necessary resources (Audi, 2017b). For an overview of recent corporate citizenship involvements of AUDI employees, please see table 6.

Project	Details
Emergency aid for refugees	Investment in local aids at AUDI production locations; Interaction projects with refugees to teach them job and cultural skills; German language classes; Placement services: Undertake an apprenticeship at companies in the region
No talent wasted	Supporting disadvantages schoolchildren to obtain high school diploma
Café “Vergissmeinnicht”	Disadvantages young people work in on of AUDIs café on site and obtain training
Academic cooperation with universities	Push forward innovation; Promote knowledge transfer; Embrace corporate responsibility
AUDI Environmental Foundation	Support science and research on how to protect nature and environment; Promotion of scientific work that contributes to sustainable system for humans and environment Environmentally friendly technologies; Environmental education

Table 6: Social Projects at Audi AG

4. Operations and Integrity

Operations that are vital to ensure economic stability, customer orientation and long-term competitiveness need to be guided by integer behaviour and adhere to standards of business sustainability. To attain qualitative growth the firm established efficient structures, cost control and ensures high level of self-financing. Moreover, it focuses its long-term investments on future-oriented technologies. A prerequisite for economic stability is the identification and reduction of risk inherent in business operations. Therefore, the group put internal regulations, compliance mechanisms, legal requirements and prohibitions into place. Part of these guidelines also focus on principles of ethical business behaviour (Audi, 2017b). When minimising risks, employees play an integral role. This is why the company implemented co-determination procedures for employees, such as democratic participation and co-decision procedure. Thereby the organisation seeks the direct dialogue with workforce and work councils and aims to promote a fair and social relationship with these parties (Audi, 2017b).

Appendix II: Guideline for the semi-structure interview with an Audi employee

1. How do you personally define sustainability and sustainable development?
2. Which company do you consider as a benchmark for Audi in terms of corporate sustainability?
3. What are / were the main motives for AUDI to implement sustainability initiatives?
4. There have been strategy adjustments to the CR strategy in the last year:
 - a. What were the main reasons / influences that triggered this adjustment?
 - b. Has the focus of the CR strategy changed?
 - c. What are the main differences?
5. In the event of the current crisis – do you think that the sustainability strategy can enable AUDI to regain consumer trust?

Appendix III: Online Experimental Study

Welcome to my Survey!

Thank you for agreeing to take part in this survey measuring consumers' perceptions of sustainability initiatives.

The survey should take around 7 - 10 minutes to complete.

Be assured that all answers provided will be kept strictly confidential.

If you have questions or feedback regarding the survey, please contact:
152115193@alunos.lisboa.ucp.pt

For all completed surveys I offer the chance to win a €20-voucher from Amazon!

Clarissa Schäfer

Do you have a driver's licence?

- Yes
- No

Condition: No Is Selected. Skip To: End of Survey.

What is your current country of residence?

- Germany
- Portugal
- Other

Condition: Other Is Selected. Skip To: End of Survey.

Does your household own an AUDI?

- Yes
- No

Display This Question:

If Does your household own an AUDI? No Is Selected

Has your household ever owned an AUDI?

- Yes
- No

Control Group: Judging from your overall knowledge of the brand AUDI, please rate the following statements.

	Strongly agree (1)	Somewhat agree (2)	Neither agree nor disagree (3)	Somewhat disagree (4)	Strongly disagree (5)
Sound principles seem to guide AUDI's business operations. (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I believe that AUDI has a good value system. (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
AUDI has a great deal of integrity. (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm confident that AUDI is concerned about the society's welfare. (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customers needs and desires are very important to AUDI. (5)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that AUDI is capable to meet customers' needs. (6)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I see no reason to doubt AUDI's competences. (7)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Experimental Group:

Sustainability at AUDI

Sustainability is becoming the manifestation of an outlook on life for more and more people. In the course of this, the car manufacturer AUDI is pushing towards the development of innovative drive technologies and the pursue of circular economy principles. A brief description of the different pillars of AUDI's Strategy 2025 is provided in the following section.

Products & Services: To become the future provider of sustainable customised premium mobility, AUDI is going to

- Reduce CO2 emissions and fuel consumption
- Expand the range of electric drive concepts
- Innovate attractive mobility offerings
- Make predicitive safety systems readily availabe to increase safety of road users

Judging from AUDI's strategy statements, please rate the following statements.

	Strongly agree (1)	Somewhat agree (2)	Neither agree nor disagree (3)	Somewhat disagree (4)	Strongly disagree (5)
Sound principles seem to guide AUDI's behaviour. (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I believe that AUDI has a good value system. (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm confindent that AUDI is concerned about the society's welfare. (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customers needs and desires are very important to AUDI. (5)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that AUDI is capable to	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

meet customers' needs. (6)					
I see no reason to doubt AUDI's competences. (7)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
AUDI has a great deal of integrity. (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Value Creation & Production: To manufacture most of its cars in CO2 neutral plants by 2025, AUDI aims to

- Conserve natural resources through new recycling concepts for closing material cycles
- Reduce harmful effects and environmental impact across the entire life cycle of a car
- Reduce waste for disposal, freshwater consumption, CO2 emission and overall energy consumption
- Systematic energy saving

Judging from AUDI's strategy statements, please rate the following statements.

	Strongly agree (1)	Somewhat agree (2)	Neither agree nor disagree (3)	Somewhat disagree (4)	Strongly disagree (5)
Sound principles seem to guide AUDI's behaviour. (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I believe that AUDI has a good value system. (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm confident that AUDI is concerned about the society's welfare. (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customer needs and desires are very important to	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

AUDI. (5)					
I feel that AUDI is capable to meet customers' needs. (6)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I see no reason to doubt AUDI's competences. (7)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
AUDI has a great deal of integrity. (8)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Employees & Society: AUDI takes responsibility for its employees and for society as a whole by

- Promoting employee qualification and training
- Improve compatibility of working life and family, diversity and equality
- Expand Audi Volunteers initiative
- Develop measures to shape urban mobility in future
- Expand scope of academic cooperation

Judging from AUDI's strategy statements, please rate the following statements.

	Strongly agree (1)	Somewhat agree (2)	Neither agree nor disagree (3)	Somewhat disagree (4)	Strongly disagree (5)
Sound principles seem to guide AUDI's behaviour. (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I believe that AUDI has a good value system. (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm confident that AUDI is concerned about the society's welfare. (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customer needs and desires are very important to AUDI. (5)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that AUDI is capable to meet customers' needs. (6)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I see no reason to doubt AUDI's competences. (7)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
AUDI has a great deal of integrity. (8)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Operations & Integrity: AUDI wants to secure its long-term competitiveness and meet the needs of its interest groups by conducting business in a value-oriented manner.

- Increase transparency and improve reporting depth
- Develop systematic stakeholder dialogue
- Prevent corruption
- Sensitize employees to subjects of anti-trust law
- Compliance with environmental and social standards in the value chain

Judging from AUDI's strategy statements, please rate the following statements.

	Strongly agree (1)	Somewhat agree (2)	Neither agree nor disagree (3)	Somewhat disagree (4)	Strongly disagree (5)
Sound principles seem to guide AUDI's behaviour. (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I believe that AUDI has a good value system. (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm confident that AUDI is concerned about the society's welfare. (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customer needs and desires are very important to AUDI. (5)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that AUDI is capable to meet customers' needs. (6)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I see no reason to doubt AUDI's competences. (7)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

AUDI has a great deal of integrity. (8)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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Please rate the following statement.

	Strongly agree (1)	Somewhat agree (2)	Neither agree nor disagree (3)	Somewhat disagree (4)	Strongly disagree (5)
I have a general interest in topics dealing with sustainability.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please rate the following statements.

	Strongly agree (1)	Somewhat agree (2)	Neither agree nor disagree (3)	Somewhat disagree (4)	Strongly disagree (5)
It is very likely that in the future I will buy an AUDI.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
When choosing to buy a car in the near future, AUDI will be my first choice.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

What is your martial status?

- Married
- Widowed
- Single
- In a relationship

What is your age?

- 18 - 24
- 25 - 34
- 35 - 44
- 45 - 54
- 55 - 64
- 65 or older

What is your nationality?

What is your gender?

- Male
- Female

What is your monthly income?

- 0 - 500€
- 501 - 1000€
- 1001 - 2000€
- 2001 - 3000€
- > 3000€

What is your employment status?

- Employed
- Self-employed
- Unemployed
- Retired
- Student

Please rate the following statements.

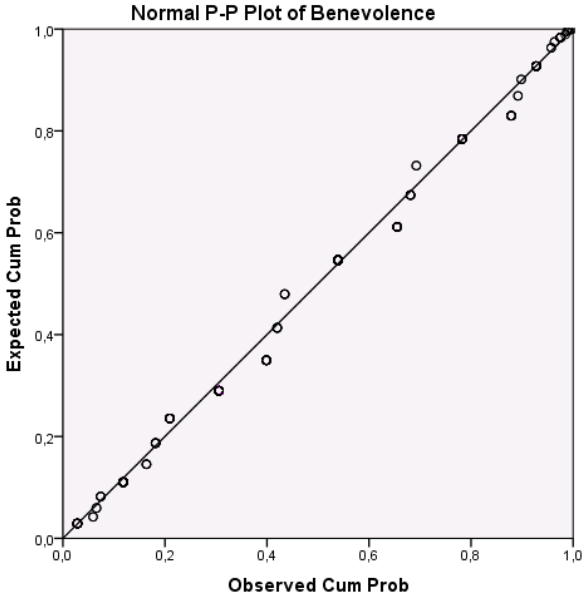
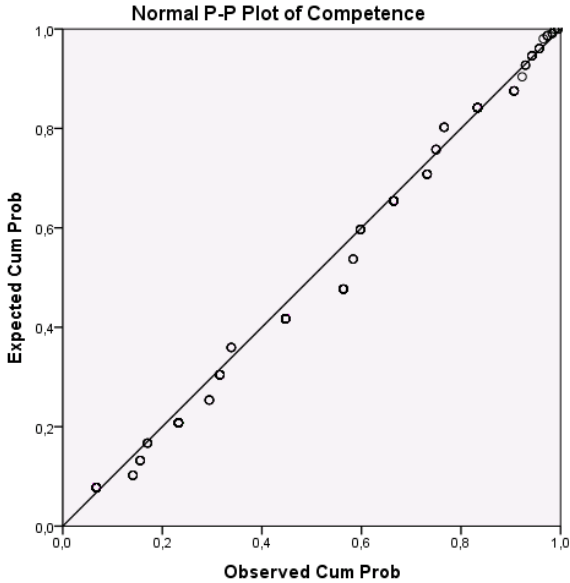
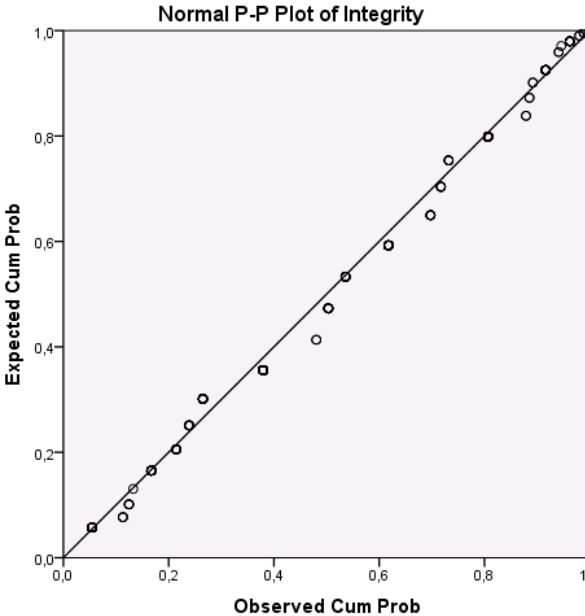
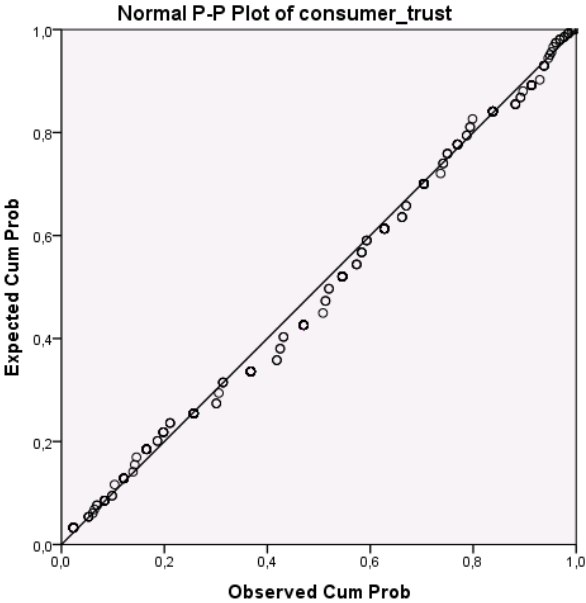
	Strongly agree (1)	Somewhat agree (2)	Neither agree nor disagree (3)	Somewhat disagree (4)	Strongly disagree (5)
I'd say I'm rebelling against the way I was brought up.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like to try new and different things.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My social status is an important part of my life.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Financial security is very important to me.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Everything is changing too fast today.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'm certainly more conventional than experimental.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is very important for me to feel that I'm part of a group.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My family is the single most important thing to me.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My greatest achievements are ahead of me.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is worth the extra cost to drive an	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

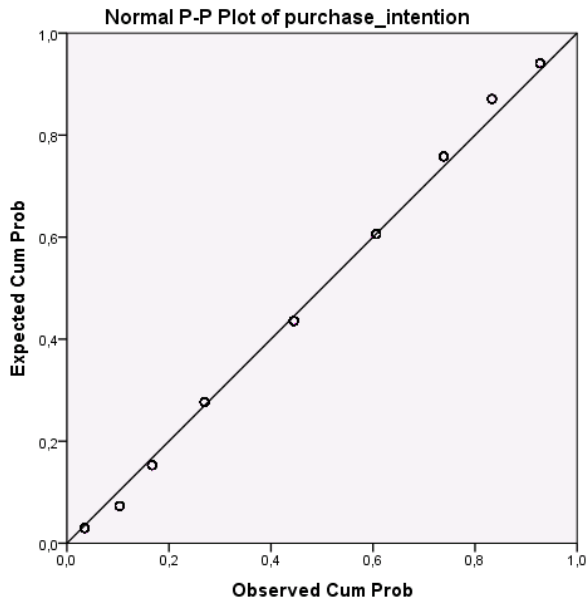
attractive and attention-getting car.					
Cars offer me relaxation and fun.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cars are nothing more than appliances to me.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I generally feel a sentimental attachment to the cars I own.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Driving my car is one way I often use to relieve daily pressures.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I do not pay much attention to car advertisements in magazines or on TV.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I get bored when other people talk to me about cars.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
When I'm with a friend, we often end up talking about cars.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Driving my car is one of the most satisfying and enjoyable things I do.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Thank your very much for participating in my survey. Please type in your e-Mail address. You will be contacted if you are the winner of the Amazon voucher!

Appendix IV: Confirmation of assumption of normality

P/P Plots





Median-Mode Approach

Statistics

		consumer trust	purchase intention	Benevolence	Integrity	Competence
N	Valid	306	306	306	306	306
	Missing	0	0	0	0	0
Median		2,1667	3,0000	2,5000	2,2500	2,0000
Mode		2,00	3,00	2,50	2,00	2,00

Appendix V: Levene Test for Homogeneity of Variances

Test of Homogeneity of Variances				
	Levene Statistic	df1	df2	Sig.
benevolence_ps	3,422	1	304	,065
integrity_ps	1,142	1	304	,286
competence_ps	1,796	1	304	,181
benevolence_vc	5,140	1	304	,024
competence_vc	1,789	1	304	,182
integrity_vc	,062	1	304	,803
benevolence_ee	9,125	1	304	,003
integrity_ee	,294	1	304	,588
competence_ee	1,684	1	304	,195
competence_op	4,685	1	304	,031
benevolence_op	6,788	1	304	,010
integrity_op	,006	1	304	,939

Appendix VI: Process Tool – Test Mediation

***** PROCESS Procedure for SPSS Release 2.16.3 *****

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
 Documentation available in Hayes (2013). www.guilford.com/p/hayes3

Model = 4
 Y = purchase
 X = Cond
 M = trust

Sample size
 306

Outcome: trust

Model Summary

	R	R-sq	MSE	F	df1	df2
p	,0248	,0006	,4957	,1875	1,0000	304,0000
	,6653					

Model

	coeff	se	t	p	LLCI	ULCI
constant	2,2772	,0618	36,8779	,0000	2,1557	2,3988
Cond	,0353	,0814	,4330	,6653	-,1250	,1955

Outcome: purchase

Model Summary

	R	R-sq	MSE	F	df1	df2
p	,4794	,2298	1,0433	45,2121	2,0000	303,0000
	,0000					

Model

	coeff	se	t	p	LLCI	ULCI
constant	1,2883	,2096	6,1469	,0000	,8759	1,7007
trust	,7719	,0832	9,2774	,0000	,6082	,9357
Cond	,2192	,1182	1,8555	,0645	-,0133	,4518

***** DIRECT AND INDIRECT EFFECTS *****

Direct effect of X on Y

Effect	SE	t	p	LLCI	ULCI
,2192	,1182	1,8555	,0645	-,0133	,4518

Indirect effect of X on Y

Effect	Boot SE	BootLLCI	BootULCI
trust	,0272	,0653	-,0964
			,1587

***** ANALYSIS NOTES AND WARNINGS *****

Number of bootstrap samples for bias corrected bootstrap confidence intervals:
 5000

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