



The impact of George Floyd's murder on Nike's Brand Equity and the mediating role of Brand Reputation

Catarina Pedreira Cardoso Brown

Dissertation written under the supervision of Professor Vera Herédia-Colaço with the collaboration of the industry expert Nuno Moreira da Cruz

Dissertation submitted in partial fulfillment of requirements for the MSc in Management with specialization in Strategic Marketing, at the Universidade Católica Portuguesa, the 2nd of June 2021.

ABSTRACT

This dissertation aims to understand the impact of George Floyd's death on CSR practices, brand reputation and brand equity, specifically regarding the Nike brand. Specifically, the goal of this research is to understand how Nike's Corporate Social Responsibility (CSR) policies concerning George Floyd's death and the Black Lives Matter Movement impacted Nike's brand equity and reputation. The mediating role of Nike's reputation on the relationship between Nike's CSR and Nike's brand equity is analysed.

Based on the literature review, an online questionnaire was conducted, and results show that Nike's CSR positively impacts Nike's brand equity and reputation. Additionally, results showed that Nike's reputation fully mediates the impact of Nike's CSR policies on brand equity.

An in-depth analysis was further conducted with a special focus on Nike's CSR anti-racist policies. Findings indicate once more the positive effect of Nike's CSR anti-racist policies on Nike's reputation and brand equity, and a full mediation effect of Nike's reputation is also verified.

This dissertation provides valuable insights on the role of racism as a source of impact on a brand's CSR, reputation and equity, as well as the indirect effect of brand reputation on the causal relationship between CSR and brand equity. Theoretical and managerial implications are provided.

Title: The impact of George Floyd's murder on Nike's Brand Equity and the mediating role of Brand Reputation

Author: Catarina Pedreira Cardoso Brown

Keywords: George Floyd, Corporate Social Responsibility, Brand Equity, Brand Reputation, Nike

SUMÁRIO

Esta dissertação tem como objetivo compreender o impacto da morte de George Floyd nas práticas de Responsabilidade Social e na reputação e imagem da marca, especificamente em relação à marca Nike. Especificamente, o objetivo é entender o impacto das práticas de Responsabilidade Social da Nike em relação à morte de George Floyd e o movimento Black Lives Matter no valor da marca e na reputação da Nike aos olhos dos consumidores. O papel mediador da reputação da Nike no relacionamento entre a Responsabilidade Social da Nike e o valor da marca foi analisado.

Com base na literatura, foi realizado um questionário online e os resultados mostram que a Responsabilidade Social da Nike afeta positivamente o valor e a reputação da marca. Adicionalmente, os resultados do modelo de mediação mostraram que a reputação da Nike media totalmente o efeito da Responsabilidade Social da Nike no valor da marca.

Uma análise aprofundada foi conduzida com foco nas políticas anti-racistas de Responsabilidade Social da Nike. Os resultados apresentaram novamente um efeito positivo das políticas anti-racistas de Responsabilidade Social da Nike sobre a reputação da Nike e o valor da marca, e um efeito de mediação total da reputação da Nike.

Esta dissertação oferece uma visão importante sobre o papel do racismo como fonte de impacto na Responsabilidade Social, reputação e valor de uma marca, e o papel da reputação como mediador da relação causal de Responsabilidade Social e valor da marca. São apresentadas implicações acadêmicas e administrativas.

ACKNOWLEDGEMENTS

Firstly, I would like to thank my advisor, Professor Nuno Moreira da Cruz, for the commitment and guidance. The skill and knowledge aligned with the availability and help allowed me to complete this important milestone. It was a pleasure working with him.

Moreover, I would like to thank Professor Vera Herédia Colaço for her time and suggestions, brought by her years of expertise. It was a pleasure working with her.

Additionally, I would like to thank my parents, who have supported and cherished the steps throughout this dissertation and my overall academic path. I owe them a lot for the person I am today.

Lastly, I would like to thank my friends for the support and encouragement in every step of this journey and the support throughout my academic life.

TABLE OF CONTENTS

ABSTRACT 2

SUMÁRIO 3

ACKNOWLEDGEMENTS 4

TABLE OF CONTENTS 5

LIST OF FIGURES..... 6

LIST OF TABLES 7

LIST OF APPENDICES 7

GLOSSARY 8

1. Introduction 9

1.1. Background..... 9

1.2. Problem Statement..... 10

1.3. Dissertation Outline..... 11

2. Literature review 12

2.1. Corporate Social Responsibility 12

2.1.1. Racial discrimination 13

2.1.1.1. Nike's Corporate Social Responsibility on racial discrimination..... 14

2.2. The Effect of CSR on Brand Equity 15

2.3. The Effect of CSR on Brand Reputation 16

2.4. The Mediating role of Brand Reputation..... 17

2.5. Conceptual Framework..... 19

3. Methodology 20

3.1. Research Methodology 20

3.2. Secondary Data..... 20

3.3. Primary Data..... 21

3.3.1. Online Questionnaire and Data Collection 21

3.3.1.1.	Research Design.....	22
3.3.1.2.	Measurement.....	23
4.	Results' Analysis.....	24
4.1.	Sample Characterisation.....	24
4.2.	Data Screening and Multivariate Outliers.....	26
4.3.	Constructs' Reliability.....	26
4.4.	Validation of assumptions.....	27
4.5.	Main Results.....	28
4.5.1.	The impact of Nike's CSR anti-racist policies.....	28
4.5.2.	The mediating effect of Nike's Reputation.....	29
4.6.	Further Analysis.....	31
5.	Discussion and Implications.....	35
5.1.	Discussion.....	35
5.2.	Theoretical Implications.....	36
5.3.	Managerial Implications.....	37
6.	Limitations and Future Research.....	38
	REFERENCES LIST.....	40
	APPENDICES.....	48

LIST OF FIGURES

Figure 1:	Explanatory diagram of the dissertation.....	11
Figure 2:	Conceptual Model.....	19
Figure 3:	Questionnaire Design.....	22
Figure 4:	Sample characterisation.....	25
Figure 5:	Explanatory diagram of the analysis on the mediation model.....	31
Figure 6:	Explanatory diagram of the extended analysis on the mediation model.....	34

LIST OF TABLES

Table 1: Description of each construct.....	23
Table 2: Descriptives on sample’s familiarity with Nike’s CSR	26
Table 3: Factor Analysis and Cronbach's Alpha of each construct.....	27
Table 4: Impact of Nike's CSR including anti-racist policies on Nike's brand equity	29
Table 5: Impact of Nike's CSR including anti-racist policies on Nike's reputation.....	29
Table 6: Direct effects of the mediation model.....	30
Table 7: Indirect effect of the mediation model.....	30
Table 8: Total effect of the mediation model.....	31
Table 9: Pearson Correlation of construct CSR considering only Nike's CSR anti-racist policies	32
Table 10: Direct effects of the mediation model considering only Nike's CSR anti-racist policies	33
Table 11: Indirect effect of the mediation model considering only Nike's CSR anti-racist policies	33
Table 12: Total effect of the mediation model considering only Nike's CSR anti-racist policies	33

LIST OF APPENDICES

Appendix 1: Online Questionnaire.....	48
Appendix 2: Descriptive Statistics and Frequencies	52
Appendix 3: Reliability Analysis	54
Appendix 3.1: Nike's Corporate Social Responsibility.....	54
Appendix 3.2: Nike's Brand Equity	56
Appendix 3.3: Nike's Reputation	57
Appendix 4: Validation Of Assumptions	58

Appendix 4.1: Relation CSR and Brand Equity.....	58
Appendix 4.2: Relation CSR and Reputation.....	60
Appendix 4.3: Relation Reputation and Brand Equity.....	61
Appendix 5: SPSS Results From The Hypotheses.....	62
Appendix 5.1: Hypothesis 1	62
Appendix 5.2: Hypothesis 2	64
Appendix 5.3: Hypothesis 3	66
Appendix 5.4: Further Analysis	67

GLOSSARY

CSR – Corporate Social Responsibility

BLM – Black Lives Matter

NFL – National Football League

USA – United States of America

1. Introduction

1.1. Background

On May 25, 2020, in Minneapolis, George Floyd died at the hands of officer Chauvin who kept his knee in Floyd's neck for around eight minutes after several urges for him to stop, repeating more than 20 times, "I can't breathe" (Hill et al., 2020). This situation ignited a racial turmoil in the U.S that quickly escalated worldwide. People protested for days and called for the attention of social problems such as police brutality, white supremacy, and racial discrimination, dreaming that justice would be made. In fact, on the 20th of April 2021, ex-police officer Chauvin was found guilty on all three charges, a very rare ending against police violence (Eligon et al., 2021).

Throughout this process, companies and associated brands did not stay silent. They showed their political stance by announcing Corporate Social Responsibility (CSR) practices to support the black community through donations, social media posts and internal procedures (Braithwaite, 2020).

At that moment, consumers craved genuine concern and action towards this social problem. According to a survey conducted by Consulting.us (2020), 60% of Americans stated that firms had to take a stand and dispute racial injustice. Considering the magnitude of this event, and as customers became increasingly aware of how companies reacted and addressed the situation via the announcement of CSR practices, their perceptions towards brands changed as well. Specifically, in what concerned Corporate Brand Equity and Reputation while affecting overall brand performance (Cowan & Guzman, 2020).

Amongst the brands that reacted to the George Floyd case is Nike. Nike is a renowned multinational sportswear company. Nike is famous for its Converse and Jordan brands and its slogan 'Just Do It'. The brand reacted to the killing of George Floyd powerfully by releasing a video with their transformed slogan into "For Once, Don't Do It", which addresses racism and urges the viewer to take a stand against racism and be part of the change. This advertisement was posted on its website and social media accounts (e.g., Instagram, Twitter and YouTube). The video went viral, with approximately 1.2 million views on YouTube and 16.4 million views on Instagram, with many celebrities sharing it on their accounts.

Nike also showed commitment to the black community by declaring a donation of a total of 140 million dollars commitment on behalf of the Nike and Jordan brands and Michael

Jordan, which goes hand in hand with their goal of impacting and doing well for their communities to advance a more just and equal society for Black Americans.

Furthermore, Nike has a history of supporting racial-related causes. For instance, in 2017, Colin Kaepernick, an American football player and social activist, stood on his knee during the national anthem on several matches to draw attention to police killings of African Americans and other injustices happening in the USA (Kelner, 2018). Followed by several requests by the NFL to stand up during the anthem, Kaepernick refused, leading in 2018 to no team offering him a contract. Kaepernick filed a lawsuit against the NFL on collusion. At that time, Nike made Kaepernick the face of the brand, besides the high chances of backfiring, and published an advertisement with a strong message: "Believe in something. Even if it means sacrificing everything.". Very divisive opinions were shared since many people published videos burning their Nike products. However, Nike's sales rose 31% in the week following the release of the advertisement (Pengelly, 2018), and Nike received an Emmy for the video (Draper & Creswell, 2019). Nevertheless, Nike stood out as a matchmaker between Social Responsibility and Brand Equity, which boosted the brand's reputation.

Nike is a company known for its responsible policies in several areas with high levels of CSR activity (Bhattacharya & Sen, 2004), including racial issues, has already a reputation in addressing situations of this kind and is a popular brand. As such, it opens an avenue of researching the relationship between CSR, Brand Reputation and Brand Equity. Specifically, analysing Nike's CSR actions due to the George Floyd case on the consumer perceptions of Nike, such as brand equity. Moreover, to understand how brand reputation indirectly accounts for the effect between Nike's CSR actions and brand equity.

1.2. Problem Statement

The purpose of this dissertation is to address how *Corporate Social Responsibility* policies employed by Nike related to anti-racism and, as a response to the killing of George Floyd and the Black Lives Matter Movement, affected Nike's Brand Equity and Reputation. In summary, the problem statement can be defined as the extent to which Nike's CSR anti-racist policies due to George Floyd's death and the Black Lives Matter Movement impact its Brand Equity and Reputation. These relationships have not yet been examined carefully and deserve further attention. This dissertation is relevant since it addresses a current issue and studies racism as a source of impact on a brand's CSR actions, equity and reputation.

More specifically, the goal is to answer the following research questions:

RQ1: How did Nike's CSR, including anti-racist policies, impact its Brand Equity and Reputation?

RQ2: To what extent does Brand Reputation indirectly affect the relationship between Nike's CSR actions and Brand Equity?

Therefore, this dissertation aims to analyse how Corporate Social Responsibility actions resulting from the killing of George Floyd and the overarching Black Lives Matter movement impacted its Corporate Brand Equity and Brand Reputation. This analysis will be conducted in light of the Nike brand and focused on people living in the USA since they experienced this event more intensely than other countries.

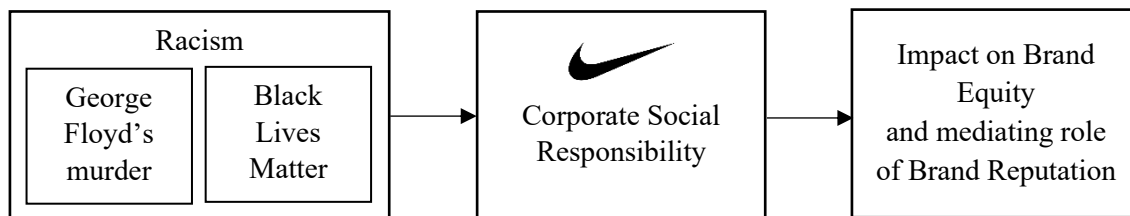


Figure 1: Explanatory diagram of the dissertation

1.3. Dissertation Outline

A review of the literature is presented next, followed by the methodology on primary data, explaining the analysis pursued on SPSS. Finally, the analysis of the results is provided, followed by the discussion, implications, limitations, and further research.

2. Literature review

2.1. Corporate Social Responsibility

Corporate Social Responsibility is an evolving and dynamic concept that has suffered many interpretations over the years due to international events and academic research (Latapí Agudelo et al., 2019). According to Brown and Dacin (1997, p. 1), CSR is "an organisation's status and activities with respect to its perceived societal obligations". According to the three-domain framework on corporate social responsibility developed by Schwartz and Carroll (2003), these obligations and responsibilities are divided into three types: economic, legal and ethical. For companies to be viewed as socially responsible, they have to comply with these three types of responsibilities.

Furthermore, Rangan et al. (2015) divided CSR into three approaches: perform philanthropic activities, such as donating money and engaging with the community; improve operational effectiveness through sustainability initiatives and investments in employee working conditions; and transform the business model by making CSR the core of the company. Companies who move purpose to the core lead sustained profitable growth, become relevant in a constantly changing world and strengthen their ties with multiple stakeholders (Malnight et al., 2019).

Therefore, CSR can be part of the core of a company's strategy and must be managed intensely yet carefully since it creates stakeholder value and brings multiple results (Latapí Agudelo et al., 2019; Werther & Chandler, 2005). Since consumers are drawn to companies that meet the values, they would like to have firms invest in CSR initiatives to strengthen their identification with the company (Hur et al., 2020). Also, they make a customer more attentive and aware of the brand. Moreover, many companies employ CSR policies to increase sales since consumers take a company's responsible outlook into account when considering a purchase (Brown & Dacin, 1997). However, positive purchase intentions towards socially responsible companies may not always be transferred into actual purchase behaviours (Öberseder et al., 2011). This is because CSR attributions on consumers' behaviours are regulated by trust (Vlachos et al., 2009).

Given that brands are a vital asset to firms, and consumers favour responsible brands, CSR can be viewed as a "global brand insurance" (Werther & Chandler, 2005, p. 4). Therefore, CSR is a strategic tool that allows the brand to maintain a certain reputation if there is a challenge. Consequently, companies feel pressured to act responsibly by making monetary

contributions, employing beneficial company policies, producing sustainable products, improving the workplace environment, and advancing employees actions and benefits (Matten & Moon, 2008).

Brands also practice CSR through *brand activism*. This emerging marketing tactic consists of brands taking stands on political and social problems (Vredenburg et al., 2020). That requires companies to keep up to date with the new, most recent concerns of their stakeholders to match customers' responsible interests (Paine, 2020), as it is in the event of George Floyd's death.

Nike played the role of a brand activist regarding George Floyd's death. Nike is a company deeply focused on CSR's strategic view since its mission is defined by building a diverse global team that focuses on delivering sustainable products and positively impacting its stakeholders. For instance, Nike has achieved clear diversity-oriented ambitions during the past years leading to the 2019 all-employees record of 56.3% representation of minorities compared to a 42.6% of White (Nike. Inc, 2019). Recently, Nike was considered one of the "Best Places to Work for LGBT Equality" by the Human Rights Campaign Foundation (2019).

The success in the brand's approach on George Floyd's death lies in the fact that CSR is at the core of its strategy, as well it already has a "reputation for anti-racist corporate practice, messaging, purpose, and values" (Vredenburg et al., 2020, p. 455). Moreover, Nike was considered one of the "2021 TIME100 Most Influential Companies" by channelling change in the George Floyd case (Steinberg, 2021).

Despite employees' claims on lack of black board members (Ritson, 2020), John Donahoe, President and CEO of Nike, recognised the difference between the external brand's image and the internal reality for employees (Germano, 2021). He claimed that more effort would be made by the multinational to strive as a role model on "how a diverse company acts" (Nike. Inc, 2020b). Companies are considered socially responsible when they work to help solve social problems they are involved with (Browne, 2013; Fitch, 1976; Rangan et al., 2015).

2.1.1. Racial discrimination

While globalisation is being impacted by companies' increased concern for societal and environmental problems (Moore, 2020) and an increase in ethnic minorities is occurring and is expected to continue (Statista, 2018), CSR measures to fight racial discrimination become more relevant the day.

In 2013, following Trayvon Martin's murder, the Black Lives Matter (BLM) movement was founded. BLM is a social movement advocating for the end of violence against African Americans at the hands of law enforcement and citizen vigilantes (Black Lives Matter, n.d.). The movement boomed with George Floyd's murder which was the last straw to an angry and mourning community.

The protests that began in May 2020 had an attendance of 15 million people, just in the USA, showing the awareness and the increasing importance of dealing with racial discrimination. Two-thirds of Americans became supporters of the BLM movement (Aladesuyi, 2020). Additionally, according to the Black Lives Matter 2020 Impact Report (2020), people increased their engagement with the cause. It is possible to view the record-breaking 90 million dollars in donations and an increase from 42,878 e-mail recipients in 2019 to 1,997,844 e-mail recipients in 2020.

Following the protests due to George Floyd's death, companies made pledges for empowering the black community by increasing the number of black people in leadership positions. Also, by increasing the number of black-owned suppliers and donating millions of dollars to the cause (Friedman, 2020). Overall, companies announced their deeds of change. However, unless their new practices are perceived as authentic and not passive, consumers will neglect the brands (Vredenburg et al., 2020). A survey by Menon and Kiesler (2020) further attests to this proposition and suggests that 69% of Millennial and Generation Z consumers believe brands should actively contribute to the BLM movement.

2.1.1.1. Nike's Corporate Social Responsibility on racial discrimination

Regarding Nike's reaction to George Floyd's death, it is important to analyse the theoretical background of advertisements and donations on CSR.

Regarding advertisement, communicating CSR policies can inform stakeholders on the organisation's intentions to enhance social performance and influence stakeholders' expectations on corporate behaviour (Tata & Prasad, 2015). A study shows that when brands communicate and promote CSR initiatives on a social network site, it generates electronic word-of-mouth, and their initiatives might be perceived more positively (van Prooijen & Bartels, 2019). However, firms that publicise their CSR efforts can only be successful when there is consistency between the firm reputation and the activities (Servaes & Tamayo, 2013).

Regarding donations, a study shows how "charitable contribution by USA companies enhance future revenue growth" due to customer satisfaction regardless of the motivations behind it, either intrinsic or extrinsic (Lev et al., 2010). Additionally, a study shows that monetary donations have significant reputational payoffs compared to involving employees through volunteering since they are more visible to external stakeholders (Brammer & Millington, 2005).

2.2. The Effect of CSR on Brand Equity

Keller (1993, p. 2) defines brand equity as "the differential effect of brand knowledge on consumer response to the marketing of the brand". The author states that brand knowledge is a variety of associations linked in memory to a specific brand, such as the most recent marketing campaign of the brand.

Brand knowledge is composed of brand awareness and brand image. Brand awareness is the capability of identifying the brand in different circumstances and is composed of brand recall and recognition. Brand image is the perception of the brand held by the consumer. Brand knowledge only occurs when the consumer knows the brand and holds the aforementioned associations in memory as strong, unique, and favourable (Keller, 2002).

Hence, in a general perspective, brand equity is the accumulative effect of the brand name, the advantage the brand name offers to the product (Barwise, 1993). Brand equity is possibly built on attributes with no inherent values and is part of the non-objective part of the product offering (Keller & Lehmann, 2006). As such, "the value of a brand to a firm is created through the brand's effect on consumers" (Erdem et al., 1999, p. 1).

These effects and associations linked in memory to a brand can be related to product experiences and advertising campaigns. Moreover, they can also be associated with CSR through corporate societal marketing (Hoeffler & Keller, 2002) and corporate social responsibility practices (Werther & Chandler, 2005; Torres et al., 2012), which positively affect short-term and long-term brand equity (Torres et al., 2012). The relationship between CSR and brand equity increases in the long term (M. Rahman et al., 2019).

Moreover, a firm's investments in previous marketing programs creates consumers' brand equity, which can be very valuable (Keller, 1993) since it creates brand awareness, brand loyalty and perceived quality (Yoo et al., 2000). This should be the case of the Colin Kaepernick commercial, where Nike presented to their stakeholders its position against racial

discrimination, which might have prevailed in consumers' brand equity associations from CSR policies.

Furthermore, Nike sets the 2025 target of investing 125 million dollars to support organisations that work directly in the battle on racial inequality and increase Black and Latin representation at the Director level and above (Nike. Inc, 2020a). Through these internal procedures followed by its explicit communication, perceptions of Nike's brand equity possibly increased.

Building on this prior literature concerning the positive impact that CSR has on brand equity perceptions from consumers and the extensive socially responsible efforts employed by Nike, the first hypothesis is suggested as follows:

H1: There will be a positive impact of Nike's CSR, including anti-racist policies, on consumers' brand equity perceptions.

2.3. The Effect of CSR on Brand Reputation

Following the CSR and brand equity literature is important to examine also how Nike's reputation is impacted by its CSR, including anti-racist actions.

Brand reputation can be defined as the person's overall assessment of a company (Dowling, 2016). Brand reputation can be seen as an essential intangible resource that leads to competitive advantage since investing in a brand's reputation guarantees stakeholders' support and enhances consumers' confidence and trust in the brand (Hsu, 2012). In other words, brand reputation is related to its positive views (Rodell et al., 2020). Study shows that when consumers feel more connected and identify with the company, it positively affects corporate reputation (Eberle et al., 2013). Managing CSR is fundamental and must be done carefully not to affect a brand's reputation since CSR can be a double-edged sword (Torres et al., 2012). On the one hand, studies claim that companies that highly invest in philanthropic policies have a better reputation due to the positive impression stakeholders hold. In the case of socially irresponsible actions, it helps maintain the existing reputation (Brammer & Millington, 2005).

On the other hand, a company's reputation can be destroyed if the firm reacts poorly to a crisis, making it crucial for firms to react appropriately. This is more crucial for large visible companies since they endure much attention. Thus, creating the need for them to be extremely

cautious about their reputation since they are usually recognised as self-interested, which can negatively affect brand equity (Torres et al., 2012).

Consequently, CSR activities impact social legitimacy and stakeholder perceptions (Werther & Chandler, 2005). This is especially relevant for responsible brands, which create product-related intention and improved brand recognition (Bhattacharya & Sen, 2004). As such, corporate reputation must be built on honourable and truthful behaviour to bring positive effects to the brand (Abländer, 2013).

Regarding Nike, it is a company that was heavily criticised in the past for its scandal on child labour (Nisen, 2013). Brands that pursue commercial interests over passion are considered unfaithful and not trustworthy or too commercialised, which leads to customer scepticism (Moulard et al., 2021). Nonetheless, Nike has been taking effective action, which improved its brand reputation (Werther & Chandler, 2005) and was considered a company with high levels of CSR (Bhattacharya & Sen, 2004). For example, the Colin Kaepernick episode affected consumers positively by increasing Nike's legitimacy regarding racial discrimination. Consequently, because a positive response regarding racism has already taken place previously, the initiatives performed due to George Floyd's murder, such as donations, do not raise customer scepticism. Hence, the consumer will tend to believe Nike's CSR actions in the George Floyd case (Vanhamme & Grobbsen, 2009).

That way, following the literature on CSR and brand reputation on the positive effect that CSR has on a brand reputation and the current and previous CSR actions performed by Nike, the second hypothesis is suggested as follows:

H2: There will be a positive impact of Nike's CSR, including anti-racist policies, on the brand's reputation.

2.4. The Mediating role of Brand Reputation

CSR helps build a brand reputation and equity in the eyes of all stakeholders (Torres et al., 2012). CSR practices are valued when they represent truly ethical behaviour through customer experience and internal communications and procedures. When CSR communication is successful and explicit to all stakeholders, brand reputation increases because of the transparency of the CSR practices (Singh et al., 2012). Through corporate reputation, brands

can position themselves as responsible, and customers develop brand loyalty, which consequently affects brand equity (Keller & Lehmann, 2006), enhances the firm value, and increases stakeholder value (Malik, 2015). Hence, brand reputation plays an important role between CSR and brand equity.

Furthermore, the role of brand reputation as a mediator has been studied by Lai et al. (2010), which concluded that corporate reputation had partial mediating effects on the relationship between CSR and brand performance. Moreover, it was studied by Hur et al. (2014), who validated the hypotheses that reputation has a positive effect on brand equity and reputation mediates the effect of CSR on brand equity.

Nike's advertisement, donations and statements (Nike. Inc, 2020b) proved their commitment to ending racial discrimination and systemic racism. Customers maintained loyalty to the brand since, according to Nike's Annual Report (2020), total revenue was 37,403 million, with a decrease of only 4% comparing to 2019, giving that the retail industry was highly affected due to the COVID-19 pandemic (Statista, 2020). Since the brand has proven before their authenticity in dealing with race issues and their reputation as a socially responsible company, the boom in the BLM movement and their actions upon it may have positively influenced consumers' brand equity.

Following the literature on the mediating effect of brand reputation between CSR and brand equity, the third hypothesis is presented as follows:

H3: Nike's reputation will mediate the relationship between Nike's CSR, including anti-racist policies, and Nike's brand equity.

2.5. Conceptual Framework

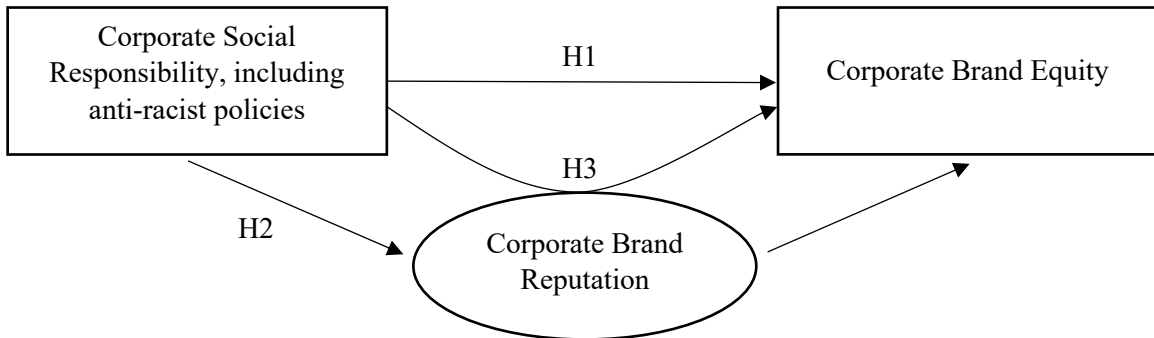


Figure 2: Conceptual Model

3. Methodology

This chapter addresses the methodology utilised to analyse the research questions and the hypotheses presented in this dissertation. Firstly, the research approach is demonstrated, followed by an outline of the secondary and primary data, with a more in-depth overview of the primary research.

3.1. Research Methodology

This dissertation aims to study the impact of Nike's CSR, including anti-racist policies, on Nike's Brand Equity and the mediating effect of Brand Reputation on this relationship. To empirically analyse this, a conceptual framework was developed supported by an extensive literature review research presented previously. By this means, research and further conclusions can be drawn from the relationship between the variables. To achieve this goal, different research methods and approaches were used.

According to Saunders et al. (2016), three research methods exist: exploratory, descriptive, and explanatory. In this dissertation, exploratory and explanatory research methods were used. At the beginning of this dissertation, the exploratory method was used, through secondary data, to discover ideas and insights on the topic, mostly in the literature review chapter. The explanatory method is marked by the determination of cause-and-effect relationships, that is, to analyse how independent variables manipulate others and control mediating variables (Saunders et al., 2016).

Regarding the research approaches, there are three types: quantitative, qualitative and mixed (Creswell, 2003). In this dissertation, only the quantitative research approach is employed through the development and data collection of the questionnaire. This approach quantified the data and tried to generalise the results from the sample to the population of interest through statistical analysis (Creswell, 2003).

3.2. Secondary Data

The secondary data obtained comprises academic articles and journals, online published news, and Nike reports. This data is mostly presented in the Literature Review chapter and covers the research done on the three variables being analysed.

3.3. Primary Data

The primary data was obtained through an online questionnaire published on Amazon Mechanical Turk. In this online marketplace, it is possible to post questionnaires and receive responses in exchange for money. As the platform allows to previously select criteria for whom the questionnaire is available, the location selected was the USA.

This quantitative method's approach presents advantages such as the high flexibility of the data collection process regarding high speed, low costs and respondent accessibility and convenience (Almeida et al., 2017). It also presents disadvantages such as social desirability bias, courtesy bias and privacy and security problems (M. S. Rahman, 2016).

Before officially starting the data collection, the questionnaire was pre-tested by five different people to guarantee legibility, interpretation, and clarity of the information required (Perneger et al., 2015). Subsequently, the questionnaire was revised and altered accordingly.

3.3.1. Online Questionnaire and Data Collection

To answer the research questions and consequent hypotheses, data was collected through a questionnaire. The data collection started on the 27th of March 2021 and finished on the 30th of March 2021, before Chauvin's trial. In total, 92 responses were collected.

As aforementioned, Amazon Mechanical Turk enables to select characteristics of the target population, making it possible to restrict the location of the respondents to the USA. However, it does not guarantee the respondent was present in the USA at the time of George Floyd's murder but present at the time of the questionnaire's response. The last question of the questionnaire is about how long the respondent had been living in the USA. Consequently, it was possible to analyse the responses of people who experienced George Floyd's death more closely and intensely, and consequently more likely to be sensitive to the topic, comparing to people from other countries.

The data collection proceeded through a non-probability sampling technique meaning that the sample was not chosen statistically random. Although this technique eliminates the costs and trouble of developing a sampling frame, it brings biases and uncertainties into the results (Taherdoost, 2018). More specifically, convenience sampling was used to bring easiness in the conduction of the study (Cooper & Schindler, 2006).

3.3.1.1. Research Design

The questionnaire consists of 19 questions which are divided into six sections (Appendix 1). The first section contains an introduction to the questionnaire. The second section addresses the respondents' familiarity with Nike's Corporate Social Responsibility practices, inspired by Hur et al. (2014) research. The goal is to understand if CSR practices are known to consumers and might be considered relevant in purchasing intentions.

The third section covers the construct related to Nike's Corporate Social Responsibility adapted from Lai et al. (2010) study, presenting five questions on the perceptions of respondents on Nike's CSR policies, including anti-racist measures. The fourth and fifth sections, measured the constructs about Nike's Reputation and Nike's Brand Equity, are referenced in Hur et al. (2014) research. Lastly, the sixth section presented demographic questions, such as age, gender, race, educational level, and time living in the USA. Additionally, an attention question was included in the fourth and fifth sections to guarantee the credibility and reliability of the responses.

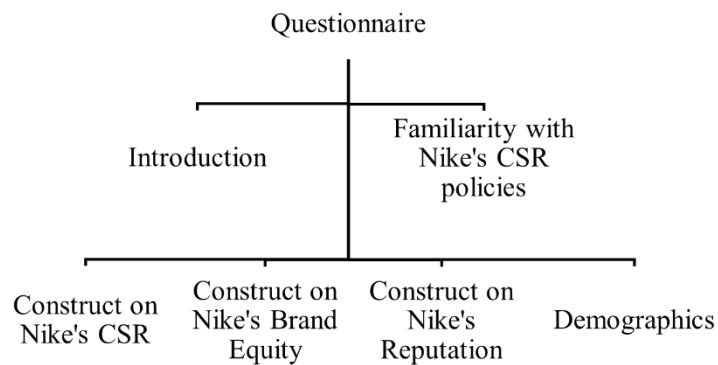


Figure 3: Questionnaire Design

The entire survey was common to every respondent and without any filtered questions. The only difference was the order of the questions since the third, fourth and fifth sections had their questions randomised.

3.3.1.2. Measurement

The measurement of familiarity of the respondents with Nike's CSR policies was done through a multi-item rating scale, more specifically, a five-point Likert-type scale (1 = Not familiar at all; 5 = Extremely familiar).

Regarding the questions on the three constructs, they were chosen for this dissertation since their original Cronbach's Alpha was higher than 0,8, which implies internal consistency between each construct's items.

The three constructs used the same multi-item rating scale, more specifically, a five-point Likert-type scale (1 = Strongly Disagree; 5 = Strongly Agree). Nevertheless, the CSR construct had to be adapted from the literature and refined to fit the present study (Table 1).

Framework	Measure	Items	Scale	Reference	Original Cronbach's Alpha
Independent variable	Corporate Social Responsibility	5	Five-point Likert scale	Adapted from (Lai et al., 2010)	.86
Dependent variable	Corporate Brand Equity	4	Five-point Likert scale	(Hur et al., 2014)	.80
Mediator	Corporate Reputation	3	Five-point Likert scale	(Hur et al., 2014)	.88

Table 1: Description of each construct

4. Results' Analysis

This chapter addresses the analysis of the data collected through the online questionnaire. Firstly, an analysis of the sample characterisation will be presented through descriptive analysis and frequencies.

Secondly, a data screening for outliers was completed to guarantee that all responses used in the conceptual framework analysis would not negatively influence the results.

Thirdly, the reliability of the information will be validated through Factor Analysis and Cronbach's Alpha. Factor Analysis measures if all items in a construct are measuring it. Cronbach's Alpha checks the reliability and internal consistency of the constructs used in the sample. To calculate Cronbach's Alpha, one must first transform all the items associated with each construct (Corporate Social Responsibility, Brand Equity and Brand Reputation) into a new variable, the mean of all items. Then, Cronbach's Alpha is calculated. If the value presents acceptable internal consistency and reliability, the analysis can continue.

Lastly, hypotheses 1 and 2 will be analysed via a linear regression and a correlation analysis since the analysed variables are metric, and the assumptions were previously validated. Regarding hypothesis 3, the analysis will be conducted using the PROCESS macro (model 4; Hayes, 2012). This tool makes it possible to analyse how a possible mediator can impact the relationship between two variables, reflecting model 4 of Hayes' tool, a simple mediation case. Furthermore, the data collected is further analysed beyond the three proposed hypotheses.

4.1. Sample Characterisation

According to Appendix 2, the survey had a total of 92 participants.

Of the total sample, most respondents (76.1%) are aged between 26 and 49 years old. Regarding gender, the sample is fairly proportional, with 55.4% being women, 43.5% being men, and one respondent preferred not to say. Regarding race/ethnicity, White (Not Hispanic/Latino) was the most selected option (70.7%), and Black or African American (Not Hispanic/Latino) was only represented by 5.4%. Regarding the level of education, 82.6% of the sample has a college degree or a higher educational level.

To understand if the respondents were present in the USA when George Floyd's death occurred, it was questioned how long they had been living in the country. The descriptives show

that most of the respondents (95.7%) have lived in the USA for more than ten months, meaning they were in the USA at the time of George Floyd's death.

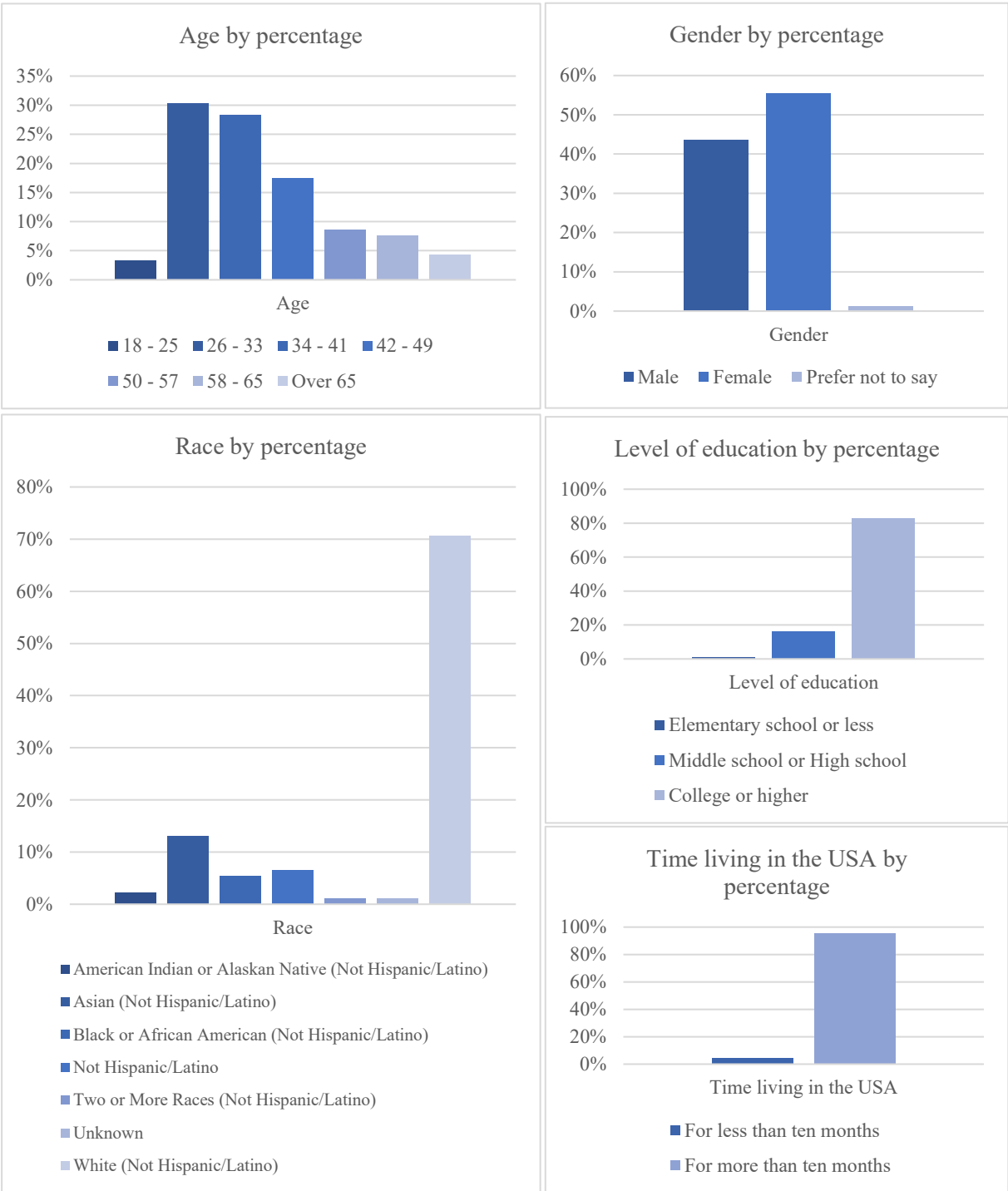


Figure 4: Sample characterisation

In addition to understanding the consumers' perceptions on CSR policies, Corporate Brand Equity and Corporate Reputation, understanding how familiar the respondents are with Nike's CSR policies is also relevant. Results show that the sample had an average level of familiarity with Nike's CSR policies (M = 2.46, SD = 1.20).

Mean	Standard Deviation	Minimum	Maximum
2.46	1.20	1	5

Table 2: Descriptives on sample's familiarity with Nike's CSR

4.2. Data Screening and Multivariate Outliers

Multivariate outlier analysis was performed to identify unusual responses that could mislead the results (Cook, 1977). Hence, it was calculated a distance from the Mahalanobis. The analysis showed four multivariate outliers, analysed through a *p-value* of .05. Although the 92 responses submitted fulfilled the attention check, the outliers were excluded from the analysis. Thus, the remaining analyses were performed with 88 participants.

4.3. Constructs' Reliability

The constructs' reliability was analysed with Factor Analysis and Cronbach's Alpha. The Factor Analysis was conducted with a principal component analysis and varimax rotation. Cronbach's Alpha is one of the most common measures to validate if a set of items in a scale measure the same construct (Pallant, 2010). Thus, Cronbach's Alpha was computed to measure the reliability of the three constructs. The values go between 0 and 1. Values between .70 and .80 are moderately accepted, between .80 and .90 are good, and above .90 are excellent (Xie & DeVellis, 1992). Hence, the greater the value, the higher the homogeneity and correlation between the items, leading to better internal consistency and reliability.

The Factor Analysis recorded one component for the Corporate Social Responsibility construct (Appendix 3.1), meaning all items were measuring this construct. The Cronbach's Alpha generated was .85, which is an indicator of good internal consistency. Therefore, the creation of this variable is reliable.

Regarding Brand Equity (Appendix 3.2), the Factor Analysis indicated the items measuring this construct loaded on two factors. The Cronbach's Alpha is .70, which provides an acceptable correlation between items and thus acceptable consistency of the created variable. Based on Lai et al. (2010) and Hsu (2012), it harms the consistency and robustness of the multidimensionality of brand equity to separate its items. As such, Brand Equity will be analysed as one component of four items.

Finally, on Corporate Reputation (Appendix 3.3), the Factor Analysis loaded heavily on one component. The three items associated delivered a Cronbach's Alpha of .88, which shows good reliability of the construct. However, if one item is deleted from this construct, the Cronbach' Alpha becomes excellent, with a value of .92. Hence, the Corporate Reputation variable will be analysed with only two items.

Construct	Initial number of items	Initial number of components	Cronbach's Alpha	Final number of components	Cronbach's Alpha if items deleted	Final number of items
Corporate Social Responsibility	5	1	.85	1	.85	5
Corporate Brand Equity	4	2	.70	1	.70	4
Corporate Reputation	3	1	.88	1	.92	2

Table 3: Factor Analysis and Cronbach's Alpha of each construct

4.4. Validation of assumptions

The analysis is executed via linear regression in the first two hypotheses since all the variables analysed are continuous. There exist some assumptions to the model that need to be considered. Those are: i) the linear relationship between the two variables; ii) the homoscedasticity, that is, for each value of the independent variable, the distribution of residuals has the same variance; iii) the residual error should be uncorrelated; iv) residual error is normally distributed. Furthermore, the assumptions for the mediation model are the same as for the linear regression presented in the first two hypotheses. For all hypotheses, it is adopted a level of significance of 5%.

The relation between Nike's CSR and Brand Equity is linear, as shown in Appendix 4.1. The data presents homoscedasticity, meaning the error term is equal among Nike's brand equity values. The residuals are not correlated, and there is independence of observations since the Durbin-Watson test result is 1.53. Furthermore, the residual error is normally distributed. Lastly, the Tolerance and VIF values are one, which shows there is no multicollinearity problem. Therefore, the assumptions are validated.

For the relation between Nike's CSR and Reputation, according to Appendix 4.2., the two variables have a linear relationship, the data presents homoscedasticity, the observations are independent (Durbin-Watson is 1.97), and the residual errors are normally distributed. Moreover, there is no multicollinearity problem, as both Tolerance and VIF are 1. Therefore, all the assumptions are validated.

The relation between Nike's Reputation and Brand Equity, according to Appendix 4.3., is linear, the data presents homoscedasticity, and the residuals are normally distributed. Durbin-Watson is 1.63, and both Tolerance and VIF are 1, meaning the residuals are uncorrelated, and there is no multicollinearity problem. Thus, all assumptions are validated.

Hence, all assumptions are validated. This way is possible to analyse this relationship between the variables, including the mediation model.

4.5. Main Results

4.5.1. The impact of Nike's CSR anti-racist policies

H1: There will be a positive impact of Nike's CSR, including anti-racist policies, on consumers' brand equity perceptions.

A linear regression was conducted to test the impact of Nike's CSR, including anti-racist policies, on Nike's brand equity, presented in Appendix 5.1. The observed impact is significant ($p < .05$) and measured at .29, suggesting that Nike's CSR, including anti-racist policies, moderately impacts Nike's brand equity. The coefficient is .19, which means if Nike's CSR, including anti-racist policies, increases by one unit, .19 of Nike's brand equity will be increased if everything else stays constant. This relationship explains 8.2% of the variance of Nike's brand equity. In conclusion, the main effect under analysis has explanatory power and is positive. Therefore, H1 is validated.

Correlation	p-value	R-Square	Coefficients
.29	.01	8.2%	.19

Table 4: Impact of Nike's CSR including anti-racist policies on Nike's brand equity

H2: *There will be a positive impact of Nike's CSR, including anti-racist policies, on the brand's reputation.*

A linear regression was again conducted to evaluate Nike's CSR, including anti-racist policies main effect on Nike's reputation, presented in Appendix 5.2. A significant effect was observed ($p < .05$) with a correlation of .66. The coefficient is .96, which suggests that Nike's CSR, including anti-racist policies, deeply impacts the brand's reputation since the coefficient is close to 1. In practical terms, if Nike's CSR, including anti-racist policies, increases by one unit, .96 of Nike's reputation will be increased if everything else stays constant. Moreover, this effect explains 43.2% of the variance of Nike's reputation. Since this impact is statistically significant and positive, H2 is validated.

Correlation	p-value	R-Square	Coefficients
.66	.00	43.2%	.96

Table 5: Impact of Nike's CSR including anti-racist policies on Nike's reputation

4.5.2. The mediating effect of Nike's Reputation

H3: *Nike's reputation will mediate the relationship between Nike's CSR, including anti-racist policies, and Nike's brand equity.*

The mediation model analysis goes into understanding the effect of an independent variable upon a dependent variable, fully or in part, through a mediator variable. Mediation models are characterised by direct and indirect effects. Direct effects measure the impact one variable has on a different variable. Indirect effects represent how the independent variable influences the dependent variable through a sequence where the independent variable influences the mediator and how this influences the dependent variable. The direct effects analysed in this conceptual model are a, b and c', and the indirect effect analysed is c which is the result of $a * b$.

To test hypothesis 3, a regression analysis was performed using model 4 of the Hayes' (2012) PROCESS macro to analyse how Nike's reputation mediates the relationship between Nike's CSR, including anti-racist policies, and Nike's brand equity. Nike's CSR, including anti-racist policies, was inserted as the independent variable, Nike's brand equity as the dependent variable and Nike's reputation as the mediator, as it is possible to see Appendix 5.3. Results show that the model is positive and significant at the 5% level because the associated 95% confidence interval did not straddle zero ($p < .05$, CI= [.06; .38]). Nike's reputation is a mediator of the effect of Nike's CSR anti-racist policies on Nike's brand equity.

Regarding the direct effects, the relationship between Nike's CSR and Nike's Reputation (path a) is statistically significant ($p < .05$, CI= [.72; 1.19]) with a coefficient of .96. The direct effect between Nike's Reputation and Nike's Brand Equity (path b) is significant ($p < .05$, CI= [.02; .27]) with a positive coefficient of .15. The direct effect between Nike's CSR and Brand Equity (path c') is .05, however it is not statistically significant ($p > .05$, CI= [-.12; .23]).

Direct effects	Coefficient	p-value	Low CI	Upper CI
Path a	.96	.00	.72	1.19
Path b	.15	.02	.02	.27
Path c'	.05	.56	-.12	.23

Table 6: Direct effects of the mediation model

The indirect effect (path c) is statistically significant (CI= [.03; .26]) with a positive coefficient of .14, which is the result of the multiplication of the effect of Nike's CSR on Nike's Reputation and Nike's Reputation on Nike's Brand Equity (.96 * .15).

Indirect effect	Coefficient	Low CI	Upper CI
Path c	.14	.03	.26

Table 7: Indirect effect of the mediation model

The total effect equals .19 and is statistically significant ($p < .05$, CI= [.05; .33]).

Total effect	Coefficient	p-value	R-Square	Low CI	Upper CI
CSR effect on Brand Equity	.19	.01	.08	.05	.33

Table 8: Total effect of the mediation model

The analysis of path c' showed it is non-statistically significant. That implies that the independent variable (Nike's CSR, including anti-racist policies) does not directly explain the dependent variable (Nike's Brand Equity) when corporate brand reputation is entered in the regression. Nevertheless, the analysis on path c, the effect of Nike's Brand Equity impacted by Nike's CSR, including anti-racist policies, through Nike's reputation, showed a statistically significant indirect effect. That implies that Nike's Reputation is a full mediator due to the relationship of the independent and dependent variable only being explained by the indirect effect. Hence, H3 is validated.

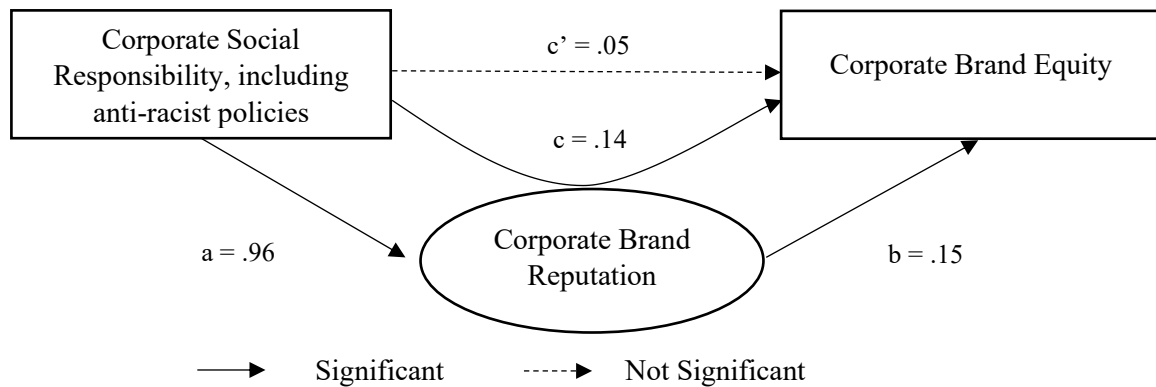


Figure 5: Explanatory diagram of the analysis on the mediation model

4.6. Further Analysis

George Floyd's death had a great impact, and consumers seek a response from companies. Due to the high interest of consumers in companies' actions in fighting this social issue, it is interesting to see how this mediating model is affected when considering merely CSR anti-racist measures (that is, not considering the other policies applied in different areas).

An analysis on SPSS was conducted further, presented in Appendix 5.4, on how Nike's CSR anti-racist measures affected Nike's brand equity through Nike's reputation. Therefore, the independent variable considers only Nike's CSR anti-racist policies. The dependent variable maintains as Nike's brand equity and the mediator as Nike's reputation.

As such, a new construct was created with two items of CSR related to anti-racist measures only. Since it has two items, the Pearson Correlation was calculated, and the result was .80. According to Cohen (1988), this means there is a large strength of association between the two items, which means this construct is a reliable variable.

Construct	Number of items	Pearson Correlation
Corporate Social Responsibility considering only Nike's CSR anti-racist policies	2	.80

Table 9: Pearson Correlation of construct CSR considering only Nike's CSR anti-racist policies

Regarding the validation of assumptions, the relation between Nike's CSR anti-racist policies and Nike's brand equity, and the relation between Nike's CSR anti-racist policies and Nike's reputation check all the assumptions. Both relations are linear, the data presents homoscedasticity, the residuals are not correlated (Durbin-Watson equals 1.5 and 1.97, respectively), the residual error is normally distributed, and there is no multicollinearity problem (for both Tolerance Value and VIF is 1). Therefore, the assumptions are validated.

The direct effect between Nike's CSR anti-racist policies and Nike's reputation (path a) is statistically significant ($p < .05$, CI= [.32; .78]) and equals to .55. The direct effect between Nike's reputation and brand equity (path b) is statistically significant ($p < .05$, CI= [.05; .25]) and has a positive coefficient of .15. The direct effect between Nike's CSR anti-racist policies and Nike's brand equity (path c') has a non-statistically significant positive coefficient ($p > .05$, CI= [-.08; .17]).

Direct effects	Coefficient	p-value	Low CI	Upper CI
Path a	.55	.00	.32	.78
Path b	.15	.00	.05	.25
Path c'	.05	.45	-.08	.17

Table 10: Direct effects of the mediation model considering only Nike's CSR anti-racist policies

Regarding the indirect effect (path c), it is statistically significant (CI= [.03; .15]) and has a positive coefficient of .08.

Indirect effect	Coefficient	Low CI	Upper CI
Path c	.08	.03	.15

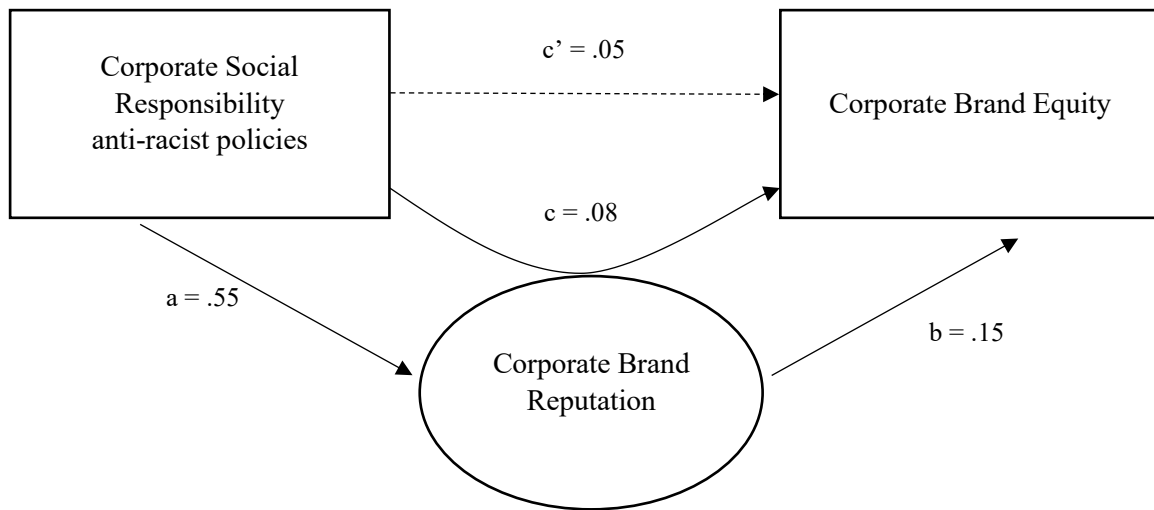
Table 11: Indirect effect of the mediation model considering only Nike's CSR anti-racist policies

The total effect equals .13 and is statistically significant at the 5% level because the associated 95% confidence interval did not straddle zero ($p < .05$, CI= [.02; .25]).

Total effect	Coefficient	p-value	R-Square	Low CI	Upper CI
Nike's CSR anti-racist policies effect on Nike's brand equity	.13	.03	.06	.02	.25

Table 12: Total effect of the mediation model considering only Nike's CSR anti-racist policies

Similarly to the main analysis, path c' showed non-statistical significance. This shows that the direct effect of Nike's CSR anti-racist policies on Nike's brand equity becomes non-significant when corporate brand reputation is entered into the regression. That is, the effect of Nike's CSR anti-racist policies on Nike's brand equity through Nike's reputation showed to be significant (path c). As such, Nike's reputation is a full mediator since only the indirect effect validates this mediating model.



Significant \longrightarrow Not Significant \dashrightarrow

Figure 6: Explanatory diagram of the extended analysis on the mediation model

5. Discussion and Implications

5.1. Discussion

The main goal of this dissertation was to understand the effects that Nike's CSR, including anti-racist policies, had on its brand equity and reputation and the mediating effect of brand reputation on this relationship. Even though prior research has examined the relationship between CSR and brand equity (Hsu, 2012; Torres et al., 2012) and CSR and brand reputation (Cowan & Guzman, 2020), and some research on the mediating role of brand reputation (Lai et al., 2010; Hur et al., 2014), it never considered the role of anti-racist measures within CSR. George Floyd's murder and the Black Lives Matter Movement are significant and relevant social issues and a reality of the world today, especially on American soil.

RQ1: How did Nike's CSR, including anti-racist policies, impact its Brand Equity and Reputation?

Answering the first research question, the analysis suggests that Nike's CSR, including anti-racist policies, positively impacts Nike's brand equity and Nike's reputation. The results presented on both the positive impact of CSR on brand equity and brand reputation are in line with the literature on this domain and hereby presented.

The study of these relationships in a brand with good CSR practices, including anti-racist practices that have built a positive reputation in the past, led the company to increase reputation and brand equity with this event.

RQ2: To what extent does Brand Reputation indirectly affect the relationship between Nike's CSR actions and Brand Equity?

Answering the second research question, the relation between Nike's CSR, including anti-racist policies, and brand equity, is fully mediated by the brand reputation, implying an indirect effect on the relationship between Nike's CSR policies and Brand Equity. This result confirms the literature presented by Hur et al. (2014).

The results showed a strong direct effect between CSR and Nike's reputation, which shows how Nike's CSR strategy deeply impacts its reputation. The way consumers perceive brands is fully mediated by reputation. Thus, companies should invest in CSR policies by

truthful and authentic communication and execution to increase brand equity through brand reputation.

Regarding the extended analysis, the goal was to analyse the conceptual model considering only Nike's CSR anti-racist policies unpacking other CSR practices. In this case, brand reputation also fully mediates Nike's CSR anti-racist policies and brand equity.

Hence, Nike's reputation regarding Colin Kaepernick's event mediates the effect of Nike's CSR anti-racist actions on the way customers currently perceive the brand. This event alone shows that companies and brands should build a solid reputation regarding social and environmental issues so that brand equity increases and the brand's actions are not perceived with scepticism. Instead, it further increases the brand's reputation.

5.2. Theoretical Implications

Overall, what makes this dissertation relevant is how it addresses a current social issue that is taking place "as we write". Moreover, not many academic research on this topic addresses how social issues impact customers' perceptions of a brand's marketing outcomes. While there are some on gender inequality, research on racial discrimination lags behind. Furthermore, when race is addressed, it is mostly about the downsides of diversity in the workforce (Stahl et al., 2016).

As such, this dissertation contributes to research on the impact of CSR, including anti-racist practices, on brand equity (Muniz et al., 2019). The positive effect shows how important it is to develop socially responsible policies carefully in order for consumers to embrace positive brand perceptions. Moreover, it is possible to see the impact of George Floyd's death on consumers' expectations regarding external communication and practices and internal procedures and how consumers' perceptions of brands change due to their actions in the fight against racism.

Moreover, it also contributes to the impact of CSR policies, including anti-racist practices, on a brand's reputation (Bianchi et al., 2019). It shows how developing and maintaining a brand reputation can increase the brand's value and guarantee brand insurance in the case of a negative overview of its actions by customers. Moreover, it increases the brand's reputation if there has already been a situation of the same nature, as was the case of Colin Kaepernick's episode.

Furthermore, it also contributes to the literature of reputation as a mediator between CSR and brand equity (Hur et al., 2014; Lai et al., 2010). If a brand holds a socially responsible reputation, specifically in a certain social issue, future events of that nature will be easier to deal with as they will not harm the reputation as much. Overall, this dissertation presents a unique and innovative facet of racial discrimination as a source of impact on CSR, affecting brand equity through reputation.

Lastly, it contributes to the importance of brands taking a stand (Vredenburg et al., 2020). George Floyd's murder additionally pushed companies to take a political stand on racial discrimination and further evolved brand activism. Consumers crave proactive corporate social change (Hoppner & Vadakkepatt, 2019), and brands must embrace this marketing perspective genuinely and authentically. This way, not only will they be contributing to increasing brand value, as well as fighting for a better world.

5.3. Managerial Implications

This dissertation provides relevant insights for brands from several perspectives.

Firstly, CSR should be developed to be part of the company's core to transmit authenticity in responsible practices to consumers. As such, investing in CSR brings advantages in its direct contribution to several stakeholders and increases the loyalty and trust of the consumers towards the brand. By having a consistent and active CSR set of actions and through proper and effective communication, consumers will not be sceptical regarding a brand's actions and will increase their perceptions of brand reputation and brand equity. Hence, in order to improve consumers' associations with the brand, marketing managers should embrace CSR. This tool stands as a way to improve and create brand value, equity and reputation because consumers perceive companies who are responsible more positively, which impacted the brand associations and image they have towards the brand.

Secondly, companies should consider their role as a brand activist since reacting to events of this nature is crucial because it establishes confidence and trust from consumers'. This new and emerging form of marketing makes companies accountable for social and environmental problems they contribute to and consequently make an effort to resolve them.

Furthermore, this dissertation presents how important it is to react wisely to situations of this kind. Consumers sought genuine and proactive responses from companies and those who failed negatively affected consumers' brand reputation and equity. As such, companies must

now look at brand activism with great attention and be prepared to take a stand on social and environmental issues.

Moreover, reputation stands as an insurance of consumers' perceptions of the brand and as a way to improve those same perceptions. Thus it is important to develop and build a reputation to mediate the effect on consumers' brand equity. Additionally, reputation stands as a ground base in the sense that building a reputation improves consumers' perceptions in a non-sceptical way and allows to safeguard the brand in case of a scandal.

This dissertation shows how George Floyd's death has now made people aware of systemic racism and police brutality, and consumers are now demanding companies to address this issue. As such, brands need to adapt to this new reality and respond with proper CSR measures, communication, and internal procedures. Thus, George Floyd's death was not in vain, as it presents a turning point in consumers' needs. Moreover, it marked a historical moment in American history, where attention was raised to this social problem, black voices were heard, and justice was made from the three charges faced by ex-police officer Chauvin.

6. Limitations and Future Research

Throughout the development of this dissertation, some limitations may be highlighted in terms of its research approach, data collection process, and time and monetary constraints.

Firstly, regarding the quantitative research approach, it presents certain limitations. This research type lacks access to deeper underlying motives and meanings for respondents' answers and connections between researcher and participants. Moreover, it measures these specific variables at a certain point in time. However, this research is based on customer's opinions, beliefs and feelings. As such, it will change throughout time due to more events similar to George Floyd's, like the recent death of Daunte Wright (New York Times, 2021) or the shooting towards Sasha Johnson, founder of Black Lives Matter (Campbell, 2021).

Secondly, regarding data collection, the sample size was small due to money and time constraints. Moreover, the sample was 70,7% White participants, and only 5,4% were African Americans. Since this dissertation addresses a sensitive topic, perceptions between races/ethnicities change, interfering with the final results. Moreover, because the number of participants of different races/ethnicities was so unlike, it did not allow to perform a comparison of the conceptual model between African American and other races/ethnicities, which would be very interesting to investigate as further research.

Thirdly, according to the online questionnaire, many respondents are not familiar with Nike's CSR practices, which also constrain the results presented, as participants' responses can be biased. Additionally, it is important to highlight the limited research on the study of racism overall, as it has mostly been studied on how diversity impacts companies' performance. Research of racism through the lens of CSR practices is scarce, and the recent events related to George Floyd's death is probably a turning point in the way companies address this social problem. As such, more research should be conducted on the role of anti-racist CSR measures adopted by companies associated brands. This dissertation focused on a consumer perspective of the situation. However, research considering other stakeholders such as employees would be interesting, such as expectations on diversity and inclusion concerning organisations' internal policies. Moreover, this dissertation presents a case of a successful socially responsible brand with a good reputation on the way it addresses racial discrimination. More research is needed to understand further the differential results for companies with a weak CSR and how they reacted poorly to George Floyd's event, or both.

REFERENCES LIST

- Aladesuyi, O. (2020). How Black Lives Matter went global, by co-founder Patrisse Cullors. *Financial Times*. <https://www.ft.com/content/c6eac3c7-3f38-49be-9caa-f3aa1248184a>
- Almeida, F., Superior, I., Gaya, P., Queirós, A., & Faria, D. (2017). Strengths and Limitations of Qualitative and Quantitative Research Methods. *European Journal of Education Studies, 0*(0).
- Abländer, M. S. (2013). Honorableness or Beneficialness? Cicero on Natural Law, Virtues, Glory, and (Corporate) Reputation. *Journal of Business Ethics, 116*(4). <https://doi.org/10.1007/s10551-013-1819-7>
- Barwise, P. (1993). Brand equity: Snark or boojum? *International Journal of Research in Marketing, 10*(1). [https://doi.org/10.1016/0167-8116\(93\)90036-X](https://doi.org/10.1016/0167-8116(93)90036-X)
- Bhattacharya, C. B., & Sen, S. (2004). Doing better at doing good: When, why, and how consumers respond to corporate social initiatives. *California Management Review, 47*(1). <https://doi.org/10.2307/41166284>
- Bianchi, E., Bruno, J. M., & Sarabia-Sanchez, F. J. (2019). The impact of perceived CSR on corporate reputation and purchase intention. *European Journal of Management and Business Economics, 28*(3). <https://doi.org/10.1108/EJMBE-12-2017-0068>
- Braithwaite, T. (2020). *How companies decided that black lives matter*. <https://www.ft.com/content/6bd46c48-ee90-42b8-af70-78d949025c1d>
- Brammer, S., & Millington, A. (2005). Corporate reputation and philanthropy: An empirical analysis. *Journal of Business Ethics, 61*(1). <https://doi.org/10.1007/s10551-005-7443-4>
- Brown, T. J., & Dacin, P. A. (1997). The company and the product: Corporate associations and consumer product responses. *Journal of Marketing, 61*(1). <https://doi.org/10.2307/1252190>
- Browne, J. (2013). Here's a Better Way for Companies to Tackle Big Social Problems. *Harvard Business Review*. <https://hbr.org/2016/03/heres-a-better-way-for-companies-to-tackle-big-social-problems>
- Campbell, A. (2021). Sasha Johnson: Black Lives Matter activist shot in London. *BBC*. <https://www.bbc.com/news/uk-england-57223755>
- Cohen, J. (1988). Statistical Power Analysis for the Behavioural Science (2nd Edition). In

Statistical Power Analysis for the Behavioral Sciences (Vol. 3, Issue 2).

Consulting.us. (2020). *Most Americans expect brands to take stand on racism.*

<https://www.consulting.us/news/4350/most-americans-expect-brands-to-take-stand-on-racism>

Cook, R. D. (1977). Detection of Influential Observation in Linear Regression.

Technometrics, 19(1). <https://doi.org/10.1080/00401706.1977.10489493>

Cooper, D., & Schindler. (2006). *Business research methods* (11th ed.). In *New York, McGraw-Hill/Irwin.*

Cowan, K., & Guzman, F. (2020). How CSR reputation, sustainability signals, and country-of-origin sustainability reputation contribute to corporate brand performance: An exploratory study. *Journal of Business Research*, 117.

<https://doi.org/10.1016/j.jbusres.2018.11.017>

Creswell, J. W. (2003). Research design Qualitative quantitative and mixed methods approaches. *Research Design Qualitative Quantitative and Mixed Methods Approaches.*

<https://doi.org/10.3109/08941939.2012.723954>

Dowling, G. R. (2016). Defining and Measuring Corporate Reputations. *European Management Review*, 13(3). <https://doi.org/10.1111/emre.12081>

Draper, K., & Creswell, J. (2019). Colin Kaepernick' Dream Crazy' Ad Wins Nike an Emmy. *The New York Times* .

Eberle, D., Berens, G., & Li, T. (2013). The Impact of Interactive Corporate Social Responsibility Communication on Corporate Reputation. *Journal of Business Ethics*, 118(4). <https://doi.org/10.1007/s10551-013-1957-y>

Eligon, J., Arango, T., Dewan, S., & Bogel-Burroughs, N. (2021). *Derek Chauvin Verdict Brinds a Rare Rebuke of Police Misconduct.*

<https://www.nytimes.com/2021/04/20/us/george-floyd-chauvin-verdict.html>

Erdem, T., Swait, J., Broniarczyk, S., Chakravarti, D., Kapferer, J. N., Keane, M., Roberts, J., Steenkamp, J. B. E. M., & Zettelmeyer, F. (1999). Brand Equity, Consumer Learning and Choice. *Marketing Letters*, 10(3). <https://doi.org/10.1023/A:1008135224357>

Fitch, H. G. (1976). Achieving Corporate Social Responsibility. *Academy of Management Review*, 1(1). <https://doi.org/10.5465/amr.1976.4408754>

- Friedman, G. (2020). Here's What Companies Are Promising to Do to Fight Racism. *New York Times*. <https://www.nytimes.com/article/companies-racism-george-floyd-protests.html>
- Germano, S. (2021). Can Nike keep its cool? *Financial Times*. <https://www.ft.com/content/d4cbf3a8-77ec-4f0a-95ae-35f4e974d518>
- Hayes, A. F. (2012). PROCESS: A versatile computational tool for observed variable moderation, mediation, and conditional process modeling. *Manuscript Submitted for Publication, January*.
- Hill, E., Tiefenthaler, A., Triebert, C., Jordan, D., Willis, H., & Stein, R. (2020). How George Floyd Was Killed in Police Custody. *The New York Times, June*.
- Hoeffler, S., & Keller, K. L. (2002). Building brand equity through corporate societal marketing. *Journal of Public Policy and Marketing, 21*(1). <https://doi.org/10.1509/jppm.21.1.78.17600>
- Hoppner, J. J., & Vadakkepatt, G. G. (2019). Examining moral authority in the marketplace: A conceptualization and framework. *Journal of Business Research, 95*. <https://doi.org/10.1016/j.jbusres.2018.07.045>
- Hsu, K. T. (2012). The Advertising Effects of Corporate Social Responsibility on Corporate Reputation and Brand Equity: Evidence from the Life Insurance Industry in Taiwan. *Journal of Business Ethics, 109*(2). <https://doi.org/10.1007/s10551-011-1118-0>
- Human Rights Campaign Foundation. (2019). *Corporate Equality Index 2019*. <https://assets2.hrc.org/files/assets/resources/CEI-2019-FullReport.pdf>
- Hur, W. M., Kim, H., & Woo, J. (2014). How CSR Leads to Corporate Brand Equity: Mediating Mechanisms of Corporate Brand Credibility and Reputation. *Journal of Business Ethics, 125*(1). <https://doi.org/10.1007/s10551-013-1910-0>
- Hur, W. M., Moon, T. W., & Kim, H. (2020). When and how does customer engagement in CSR initiatives lead to greater CSR participation? The role of CSR credibility and customer–company identification. *Corporate Social Responsibility and Environmental Management, 27*(4). <https://doi.org/10.1002/csr.1933>
- Keller, K. L. (1993). Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. *Journal of Marketing, 57*(1). <https://doi.org/10.2307/1252054>

- Keller, K. L. (2002). Brand synthesis: The multidimensionality of brand knowledge. *Journal of Consumer Research*, 29(4), 595–600. <https://doi.org/10.1086/346254>
- Keller, K. L., & Lehmann, D. R. (2006). Brands and branding: Research findings and future priorities. *Marketing Science*, 25(6). <https://doi.org/10.1287/mksc.1050.0153>
- Kelner, M. (2018). Nike's controversial Colin Kaepernick ad campaign its most divisive yet. *The Guardian*. <https://www.theguardian.com/sport/2018/sep/04/nike-controversial-colin-kaepernick-campaign-divisive>
- Lai, C. S., Chiu, C. J., Yang, C. F., & Pai, D. C. (2010). The effects of corporate social responsibility on brand performance: The mediating effect of industrial brand equity and corporate reputation. *Journal of Business Ethics*, 95(3). <https://doi.org/10.1007/s10551-010-0433-1>
- Latapí Agudelo, M. A., Jóhannsdóttir, L., & Davídsdóttir, B. (2019). A literature review of the history and evolution of corporate social responsibility. *International Journal of Corporate Social Responsibility*, 4(1). <https://doi.org/10.1186/s40991-018-0039-y>
- Lev, B., Petrovits, C., & Radhakrishnan, S. (2010). Is doing good good for you? How corporate charitable contributions enhance revenue growth. *Strategic Management Journal*, 31(2). <https://doi.org/10.1002/smj.810>
- Malik, M. (2015). Value-Enhancing Capabilities of CSR: A Brief Review of Contemporary Literature. *Journal of Business Ethics*, 127(2). <https://doi.org/10.1007/s10551-014-2051-9>
- Malnight, T. W., Buche, I., & Dhanaraj, C. (2019). Put purpose at the core of your strategy. In *Harvard Business Review* (Vol. 2019, Issue September-October).
- Matten, D., & Moon, J. (2008). "Implicit" and "explicit" CSR: A conceptual framework for a comparative understanding of corporate social responsibility. *Academy of Management Review*, 33(2). <https://doi.org/10.5465/AMR.2008.31193458>
- Matter, B. L. (n.d.). *About Black Lives Matter*. <https://blacklivesmatter.com/about/>
- Matter, B. L. (2020). *Black Lives Matter 2020 Impact report*. Black Lives Matter. <https://blacklivesmatter.com/2020-impact-report/>
- Menon, G., & Kiesler, T. (2020). When a Brand Stands up for Racial Justice, Do People Buy It? *Harvard Business Review*. <https://hbr.org/2020/07/when-a-brand-stands-up-for-racial->

justice-do-people-buy-it

- Moore, K. (2020). The 2010s Marked A Turn In Globalization — What Comes Next? *Forbes*.
<https://www.forbes.com/sites/karlmoore/2020/01/07/the-2010s-marked-a-turn-in-globalization---what-comes-next/?sh=208031335e2d>
- Moulard, J. G., Raggio, R. D., & Folse, J. A. G. (2021). Disentangling the meanings of brand authenticity: The entity-referent correspondence framework of authenticity. *Journal of the Academy of Marketing Science*, 49(1). <https://doi.org/10.1007/s11747-020-00735-1>
- Muniz, F., Guzmán, F., Paswan, A. K., & Crawford, H. J. (2019). The immediate effect of corporate social responsibility on consumer-based brand equity. *Journal of Product and Brand Management*, 28(7). <https://doi.org/10.1108/JPBM-09-2018-2016>
- Nike. Inc. (2019). Purpose moves us - FY19 Impact Report. *Nike.Com*, 81.
<https://purpose.nike.com/>
- Nike. Inc. (2020a). *BREAKING BARRIERS*. https://purpose-cms-preprod01.s3.amazonaws.com/wp-content/uploads/2021/04/26225049/FY20_NIKE_Inc_Impact_Report2.pdf
- Nike. Inc. (2020b). *NIKE, INC. STATEMENT ON COMMITMENT TO THE BLACK COMMUNITY*. <https://purpose.nike.com/nike-commitment-to-black-community>
- Nike Inc. (2020). *ANNUAL REPORT ON FORM 10-K for Fiscal Year 2020*.
https://s1.q4cdn.com/806093406/files/doc_downloads/2021/NKE-FY20-10K.pdf
- Nisen, M. (2013). How Nike Solved Its Sweatshop Problem. *Business Insider*.
- Öberseder, M., Schlegelmilch, B. B., & Gruber, V. (2011). "Why Don't Consumers Care About CSR?": A Qualitative Study Exploring the Role of CSR in Consumption Decisions. *Journal of Business Ethics*, 104(4). <https://doi.org/10.1007/s10551-011-0925-7>
- Paine, L. S. (2020). Covid-19 Is Rewriting the Rules of Corporate Governance. *Harvard Business Review*. <https://hbr.org/2020/10/covid-19-is-rewriting-the-rules-of-corporate-governance>
- Pallant, J. (2010). SPSS Survival Manual Survival Manual Pallant. In *McGraw-Hill Education*.
- Pengelly, M. (2018). Nike sales surge 31% in days after Colin Kaepernick ad unveiled,

analyst says. *The Guardian*. <https://www.theguardian.com/sport/2018/sep/08/colin-kaepernick-nike-ad-sales-up>

Perneger, T. V., Courvoisier, D. S., Hudelson, P. M., & Gayet-Ageron, A. (2015). Sample size for pre-tests of questionnaires. *Quality of Life Research, 24*(1).

<https://doi.org/10.1007/s11136-014-0752-2>

Rahman, M., Rodríguez-Serrano, M. Á., & Lambkin, M. (2019). Brand equity and firm performance: the complementary role of corporate social responsibility. *Journal of Brand Management, 26*(6). <https://doi.org/10.1057/s41262-019-00155-9>

Rahman, M. S. (2016). The Advantages and Disadvantages of Using Qualitative and Quantitative Approaches and Methods. *Journal of Education and Learning, 6*(1), 102.

Rangan, K., Chase, L., & Karim, S. (2015). The truth about CSR. In *Harvard Business Review* (Issue JANUARY-FEBRUARY 2015).

Ritson, M. (2020). If 'Black Lives Matter' to brands, where are your black board members? *Marketing Week*. <https://www.marketingweek.com/mark-ritson-black-lives-matter-brands/>

Rodell, J. B., Sabey, T. B., & Rogers, K. M. (2020). "Tapping" into goodwill: Enhancing corporate reputation through customer volunteering. *Academy of Management Journal, 63*(6). <https://doi.org/10.5465/AMJ.2018.0354>

Saunders, M., Lewis, P., & Thornhill, A. (2016). Research methods for business students (Vol. Seventh). Harlow: Pearson Education.

Schwartz, M. S., & Carroll, A. B. (2003). Corporate Social Responsibility: A Three-Domain Approach. *Business Ethics Quarterly, 13*(4). <https://doi.org/10.5840/beq200313435>

Servaes, H., & Tamayo, A. (2013). The impact of corporate social responsibility on firm value: The role of customer awareness. *Management Science, 59*(5). <https://doi.org/10.1287/mnsc.1120.1630>

Singh, J. J., Iglesias, O., & Batista-Foguet, J. M. (2012). Does Having an Ethical Brand Matter? The Influence of Consumer Perceived Ethicality on Trust, Affect and Loyalty. *Journal of Business Ethics, 111*(4). <https://doi.org/10.1007/s10551-012-1216-7>

Stahl, G. K., Tung, R. L., Kostova, T., & Zellmer-Bruhn, M. (2016). Widening the lens: Rethinking distance, diversity, and foreignness in international business research through

- positive organizational scholarship. In *Journal of International Business Studies* (Vol. 47, Issue 6). <https://doi.org/10.1057/jibs.2016.28>
- Statista. (2018). *Percentage distribution of population in the United States in 2016 and 2060, by race and Hispanic origin*. <https://www.statista.com/statistics/270272/percentage-of-us-population-by-ethnicities/>
- Statista. (2020). *Forecast for retail sales growth worldwide from 2018 to 2022*. <https://www.statista.com/statistics/232347/forecast-of-global-retail-sales-growth/>
- Steinberg, D. (2021). 2021 TIME100 MOST INFLUENTIAL COMPANIES. *TIME*. <https://time.com/collection/time100-companies/5953665/nike-leaders/>
- Taherdoost, H. (2018). Sampling Methods in Research Methodology; How to Choose a Sampling Technique for Research. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3205035>
- Tata, J., & Prasad, S. (2015). CSR Communication: An Impression Management Perspective. *Journal of Business Ethics*, 132(4). <https://doi.org/10.1007/s10551-014-2328-z>
- Times, N. Y. (2021). What to Know About the Death of Daunte Wright. *The New York Times*. <https://www.nytimes.com/article/daunte-wright-death-minnesota.html>
- Torres, A., Bijmolt, T. H. A., Tribó, J. A., & Verhoef, P. (2012). Generating global brand equity through corporate social responsibility to key stakeholders. *International Journal of Research in Marketing*, 29(1). <https://doi.org/10.1016/j.ijresmar.2011.10.002>
- van Prooijen, A. M., & Bartels, J. (2019). Anthropomorphizing brands: The role of attributed brand traits in interactive CSR communication and consumer online endorsements. *Journal of Consumer Behaviour*, 18(6). <https://doi.org/10.1002/cb.1786>
- Vanhamme, J., & Grobben, B. (2009). "too good to be true!". the Effectiveness of CSR history in countering negative publicity. *Journal of Business Ethics*, 85(SUPPL. 2). <https://doi.org/10.1007/s10551-008-9731-2>
- Vlachos, P. A., Tsamakos, A., Vrechopoulos, A. P., & Avramidis, P. K. (2009). Corporate social responsibility: Attributions, loyalty, and the mediating role of trust. *Journal of the Academy of Marketing Science*, 37(2). <https://doi.org/10.1007/s11747-008-0117-x>
- Vredenburg, J., Kapitan, S., Spry, A., & Kemper, J. A. (2020). Brands Taking a Stand: Authentic Brand Activism or Woke Washing? *Journal of Public Policy and Marketing*,

39(4). <https://doi.org/10.1177/0743915620947359>

Werther, W. B., & Chandler, D. (2005). Strategic corporate social responsibility as global brand insurance. *Business Horizons*, 48(4). <https://doi.org/10.1016/j.bushor.2004.11.009>

Xie, Y., & DeVellis, R. F. (1992). Scale Development: Theory and Applications. *Contemporary Sociology*, 21(6). <https://doi.org/10.2307/2075704>

Yoo, B., Donthu, N., & Lee, S. (2000). An examination of selected marketing mix elements and brand equity. *Journal of the Academy of Marketing Science*, 28(2). <https://doi.org/10.1177/0092070300282002>

APPENDICES

Appendix 1: Online Questionnaire

- **First section**

Dear participant,

Thank you in advance for your participation in this questionnaire, which is an important component of my master's dissertation. This questionnaire lasts for 4 minutes.

All information gathered is anonymous and confidential. Consider that there are no wrong or right answers.

In case you have any doubt or would like to give feedback, feel free to contact me (152119097@alunos.lisboa.ucp.pt).

Thank you,

Catarina Brown

- **Second section**

1. According to Brown and Dacin (1997), CSR is "an organisation's status and activities with respect to its perceived societal obligations". How familiar are you with the CSR activities of Nike?
 - a. Extremely familiar
 - b. Very familiar
 - c. Moderately familiar
 - d. Slightly familiar
 - e. Not familiar at all

- **Third section**

Nike's Corporate Social Responsibility

1. Nike is very concerned with local community

- a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree
2. Nike is very concerned with racial discrimination
 - a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree
3. Nike is very concerned with the rights of female, racial minority and disabled employees
 - a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree
4. Nike is very concerned with buyers' benefits
 - a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree
5. Nike actively participates in social initiatives
 - a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree

- **Fourth section**

Nike's Brand Equity

6. I can recognise Nike company among other competitors'
 - a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree
7. I am aware of this Nike company
 - a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree
8. Some characteristics of Nike company come to my mind quickly
 - a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree
9. I can quickly recall the symbol or logo of this Nike company
 - a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree

Nike's Reputation

10. Nike is a company I have a good feeling about
 - a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree

- e. Strongly disagree
11. Nike is a company that I admire and respect
- a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree
12. Nike has a good overall reputation
- a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree
13. Select "Neither agree nor disagree"
- a. Strongly agree
 - b. Somewhat agree
 - c. Neither agree nor disagree
 - d. Somewhat disagree
 - e. Strongly disagree

• **Fifth section**

1. What is your age?
- a. Under 18
 - b. 18 – 25
 - c. 26 – 33
 - d. 34 – 41
 - e. 42 – 49
 - f. 50 – 57
 - g. 58 – 65
 - h. Over 65
2. What gender do you identify with?
- a. Male
 - b. Female

- c. Non-binary/third gender
 - d. Prefer not to say
3. What is your race?
- a. American Indian or Alaskan Native (Not Hispanic/Latino)
 - b. Asian (Not Hispanic/Latino)
 - c. Black or African American (Not Hispanic/Latino)
 - d. Hispanic/Latino
 - e. Native Hawaiian or Other Pacific Islander (Not Hispanic/Latino)
 - f. Two or More Races (Not Hispanic/Latino)
 - g. Unknown
 - h. White (Not Hispanic/Latino)
4. What is your level of education?
- a. Elementary school or less
 - b. Middle school or High School
 - c. College or higher
5. For how long have you been living in the USAA.?
- a. For less than ten months
 - b. For more than ten months

Appendix 2: Descriptive Statistics and Frequencies

What is your age?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 - 25	3	3,3	3,3	3,3
	26 - 33	28	30,4	30,4	33,7
	34 - 41	26	28,3	28,3	62,0
	42 - 49	16	17,4	17,4	79,3
	50 - 57	8	8,7	8,7	88,0
	58 - 65	7	7,6	7,6	95,7
	Under 65	4	4,3	4,3	100,0
	Total	92	100,0	100,0	

What is your gender?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	40	43,5	43,5	43,5
	Female	51	55,4	55,4	98,9
	Prefer not to say	1	1,1	1,1	100,0
	Total	92	100,0	100,0	

What is your race?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	American Indian or Alaskan Native (Not Hispanic/Latino)	2	2,2	2,2	2,2
	Asian (Not Hispanic/Latino)	12	13,0	13,0	15,2
	Black or African American (Not Hispanic/Latino)	5	5,4	5,4	20,7
	Hispanic/Latino	6	6,5	6,5	27,2
	Two or More Races (Not Hispanic/Latino)	1	1,1	1,1	28,3
	Unknown	1	1,1	1,1	29,3
	White (Not Hispanic/Latino)	65	70,7	70,7	100,0
	Total	92	100,0	100,0	

What is your level of education?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Elementary school or less	1	1,1	1,1	1,1
	Middle school or High school	15	16,3	16,3	17,4
	College or higher	76	82,6	82,6	100,0
	Total	92	100,0	100,0	

For how long have you been living in the U.S.A.?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	For less than ten months	4	4,3	4,3	4,3
	For more than ten months	88	95,7	95,7	100,0
Total		92	100,0	100,0	

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
According to Brown and Dacin (1997), CSR is "an organisation's status and activities with respect to its perceived societal obligations". How familiar are you with the CSR activities of Nike?	92	1,00	5,00	2,4565	1,19902
Valid N (listwise)	92				

Appendix 3: Reliability Analysis

Appendix 3.1: Nike's Corporate Social Responsibility

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,850	,850	5

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Nike is very concerned with local community	14,85	9,966	,681	,480	,813
Nike is very concerned with racial discrimination	14,57	9,719	,745	,685	,795
Nike is very concerned with the rights of female, racial minority and disabled employees	14,68	9,829	,726	,680	,801
Nike is very concerned with buyers' benefits	14,73	10,224	,594	,372	,838
Nike actively participates in social initiatives	14,40	11,277	,561	,347	,843

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,778
Bartlett's Test of Sphericity	Approx. Chi-Square	198,328
	df	10
	Sig.	,000

Component Matrix^a

	Component 1
Nike is very concerned with local community	,804
Nike is very concerned with racial discrimination	,860
Nike is very concerned with the rights of female, racial minority and disabled employees	,847
Nike is very concerned with buyers' benefits	,733
Nike actively participates in social initiatives	,704

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Appendix 3.2: Nike's Brand Equity

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,696	,708	4

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
I can recognize Nike company among other competitors'	13,38	3,042	,368	,215	,696
I am aware of this Nike company	13,25	2,856	,521	,496	,613
Some characteristics of Nike come to my mind quickly	13,75	2,052	,549	,325	,601
I can quickly recall the symbol or logo of this Nike company	13,22	2,884	,543	,491	,605

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,615
Bartlett's Test of Sphericity	Approx. Chi-Square	91,316
	df	6
	Sig.	,000

Rotated Component Matrix^a

	Component	
	1	2
I can recognize Nike company among other competitors'	-,002	,912
I am aware of this Nike company	,910	,121
Some characteristics of Nike come to my mind quickly	,377	,749
I can quickly recall the symbol or logo of this Nike company	,891	,163

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Appendix 3.3: Nike's Reputation

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,879	,878	3

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Nike is a company I have a good feeling about	7,77	4,063	,856	,767	,744
Nike is a company that I admire and respect	7,86	3,866	,809	,738	,791
Nike has a good overall reputation	7,57	5,191	,653	,438	,922

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,681
Bartlett's Test of Sphericity	Approx. Chi-Square	162,403
	df	3
	Sig.	,000

Component Matrix^a

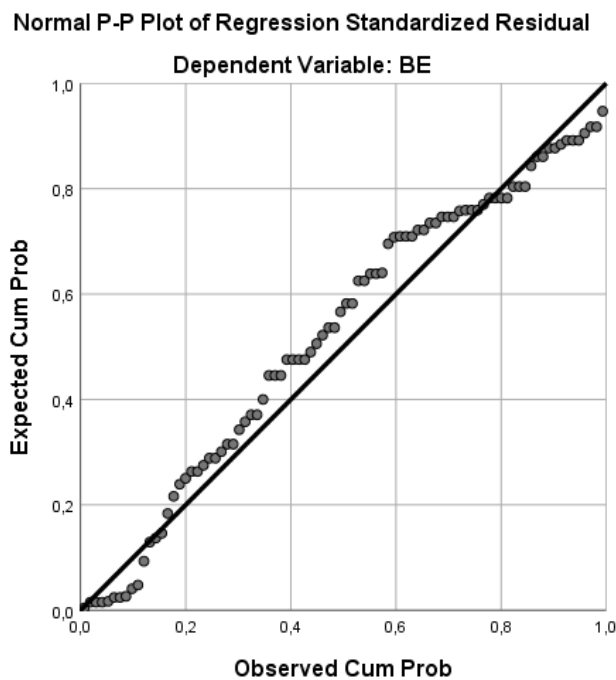
	Component 1
Nike is a company I have a good feeling about	,941
Nike is a company that I admire and respect	,921
Nike has a good overall reputation	,828

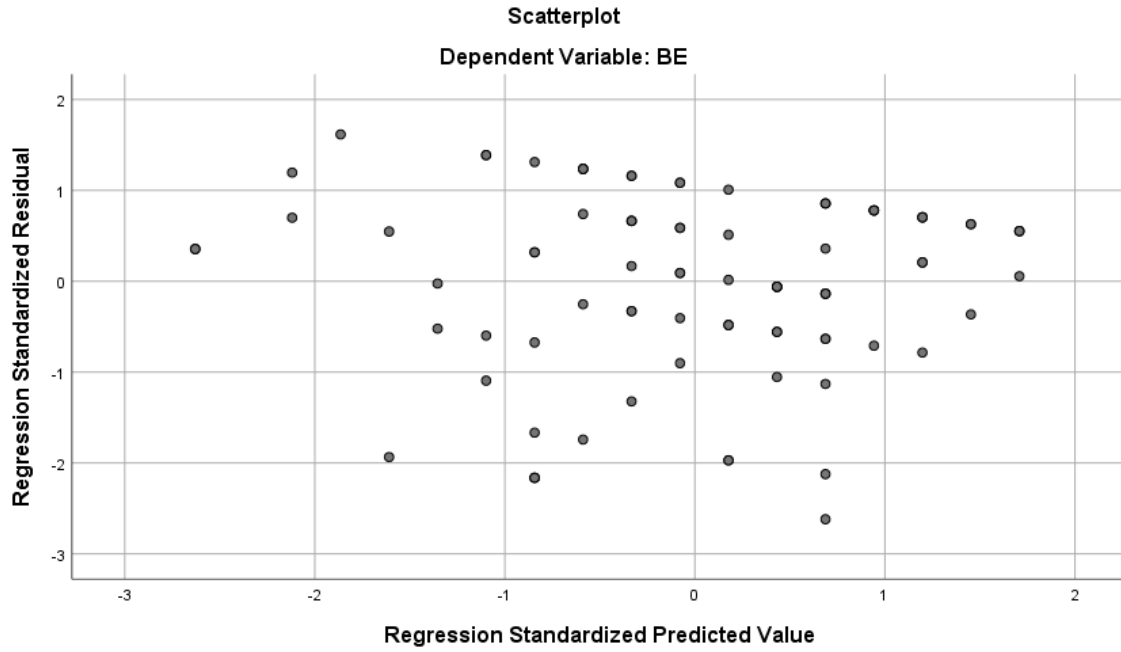
Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Appendix 4: Validation Of Assumptions

Appendix 4.1: Relation CSR and Brand Equity





Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,287 ^a	,082	,072	,50364	1,531

a. Predictors: (Constant), CSR

b. Dependent Variable: BE

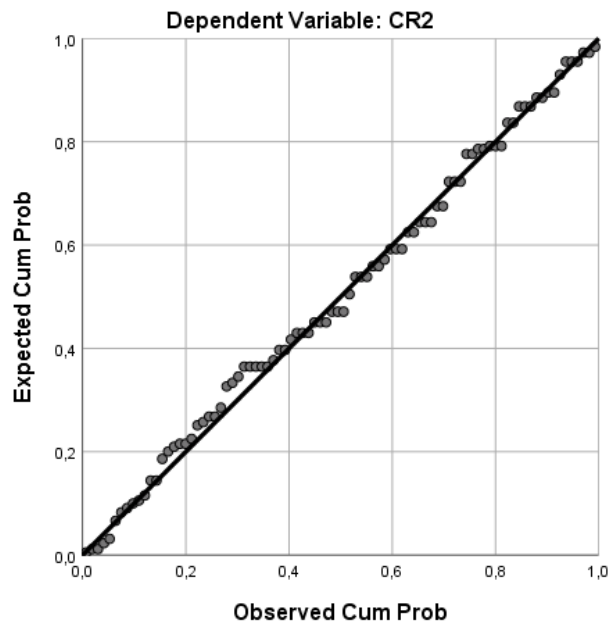
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3,765	,258		14,603	,000		
	CSR	,191	,069	,287	2,779	,007	1,000	1,000

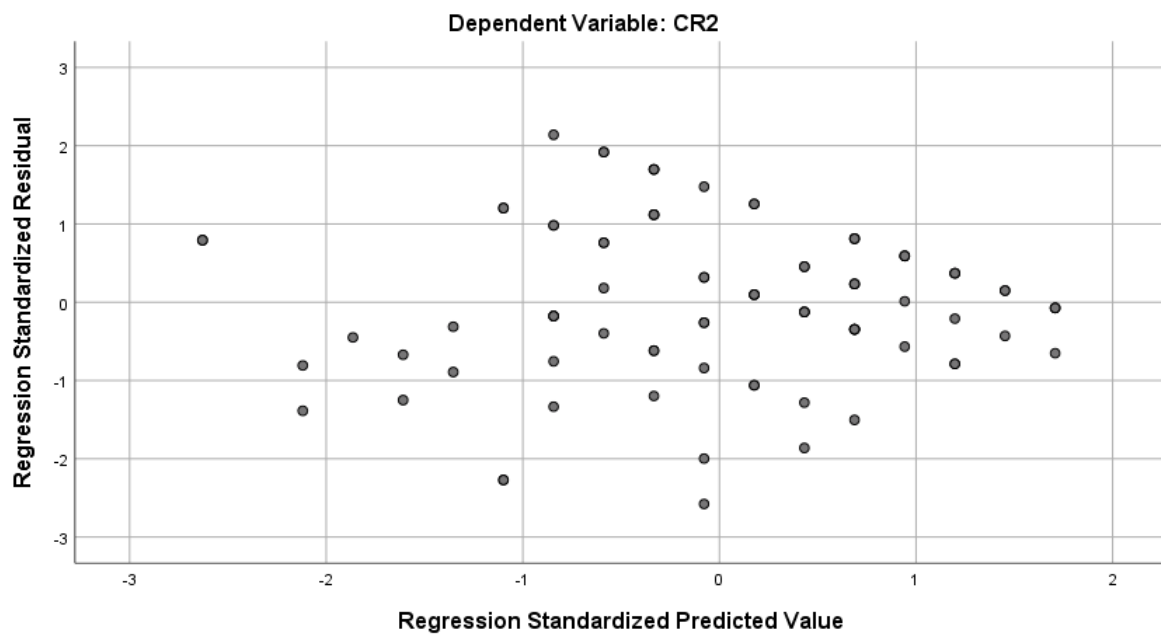
a. Dependent Variable: BE

Appendix 4.2: Relation CSR and Reputation

Normal P-P Plot of Regression Standardized Residual



Scatterplot



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,657 ^a	,432	,425	,86351	1,973

a. Predictors: (Constant), CSR

b. Dependent Variable: CR2

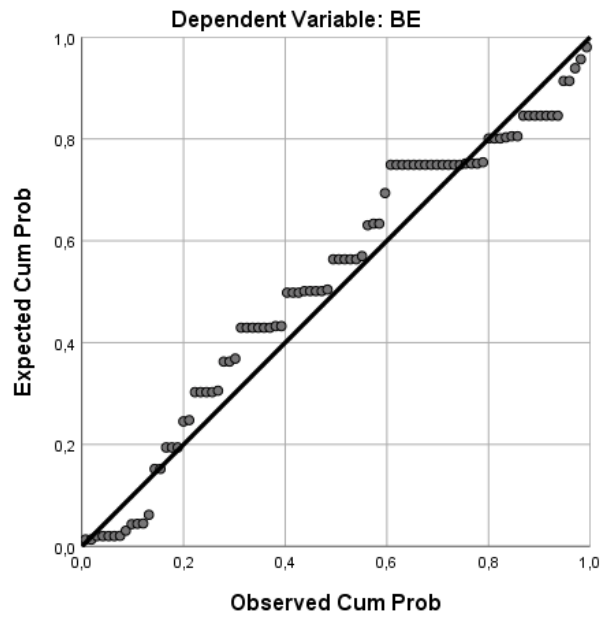
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	,287	,442		,650	,518	
	CSR	,955	,118		8,087	,000	1,000

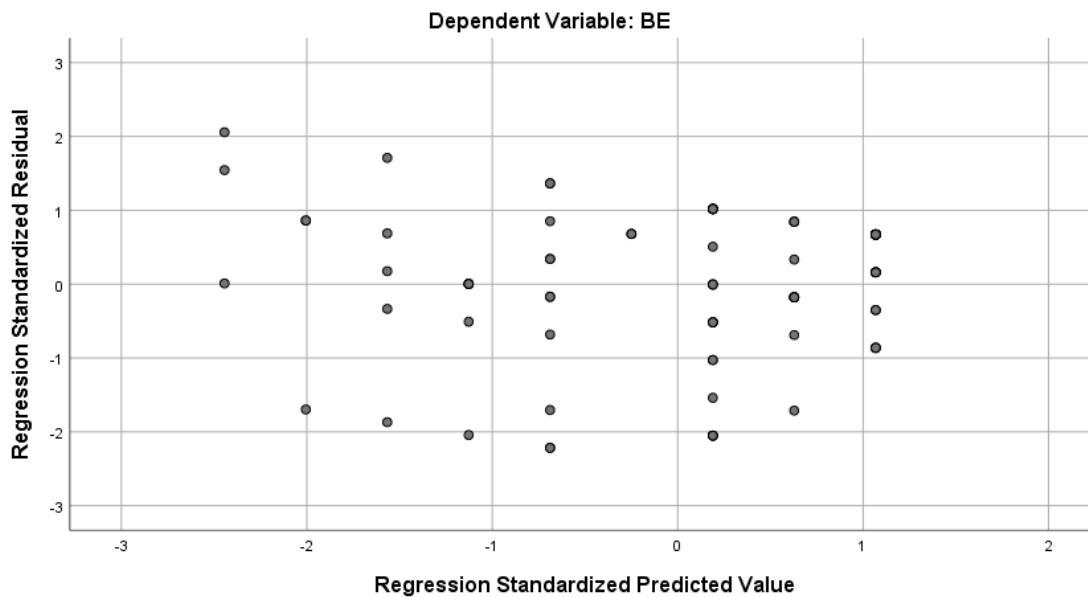
a. Dependent Variable: CR2

Appendix 4.3: Relation Reputation and Brand Equity

Normal P-P Plot of Regression Standardized Residual



Scatterplot



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,369 ^a	,136	,126	,48872	1,631

a. Predictors: (Constant), CR2

b. Dependent Variable: BE

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3,826	,182		21,057	,000		
	CR2	,169	,046	,369	3,679	,000	1,000	1,000

a. Dependent Variable: BE

Appendix 5: SPSS Results From The Hypotheses

Appendix 5.1: Hypothesis 1

Descriptive Statistics

	Mean	Std. Deviation	N
BE	4,4659	,52273	88
CSR	3,6614	,78395	88

Correlations

		BE	CSR
Pearson Correlation	BE	1,000	,287
	CSR	,287	1,000
Sig. (1-tailed)	BE	.	,003
	CSR	,003	.
N	BE	88	88
	CSR	88	88

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,287 ^a	,082	,072	,50364	1,531

a. Predictors: (Constant), CSR

b. Dependent Variable: BE

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1,959	1	1,959	7,723	,007 ^b
	Residual	21,814	86	,254		
	Total	23,773	87			

a. Dependent Variable: BE

b. Predictors: (Constant), CSR

Coefficients^a

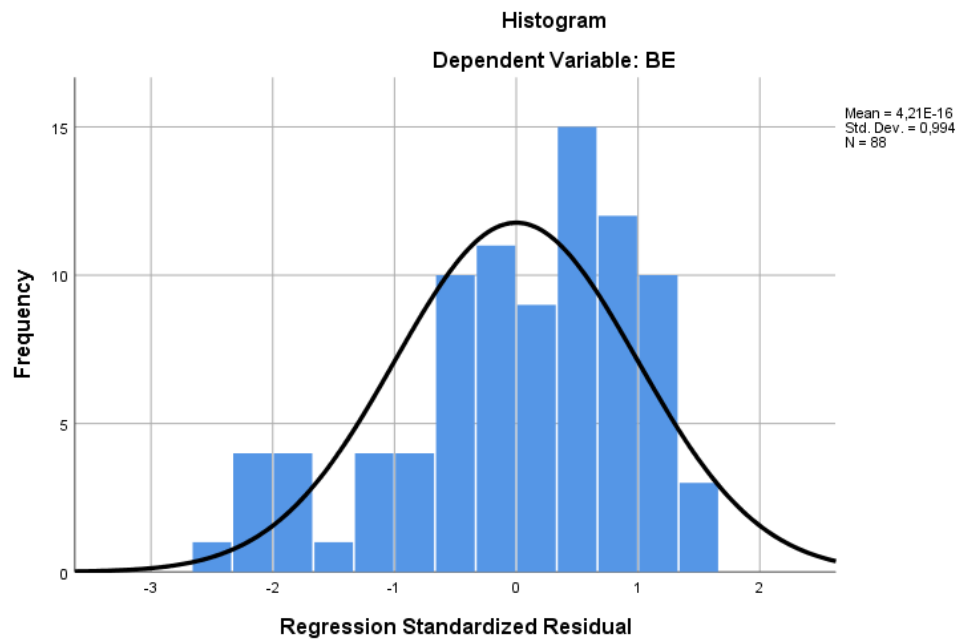
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3,765	,258		14,603	,000		
	CSR	,191	,069	,287	2,779	,007	1,000	1,000

a. Dependent Variable: BE

Collinearity Diagnostics^a

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions	
				(Constant)	CSR
1	1	1,978	1,000	,01	,01
	2	,022	9,500	,99	,99

a. Dependent Variable: BE



Appendix 5.2: Hypothesis 2

Descriptive Statistics

	Mean	Std. Deviation	N
CR2	3,7841	1,13916	88
CSR	3,6614	,78395	88

Correlations

		CR2	CSR
Pearson Correlation	CR2	1,000	,657
	CSR	,657	1,000
Sig. (1-tailed)	CR2	.	,000
	CSR	,000	.
N	CR2	88	88
	CSR	88	88

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,657 ^a	,432	,425	,86351	1,973

a. Predictors: (Constant), CSR

b. Dependent Variable: CR2

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	48,771	1	48,771	65,407	,000 ^b
	Residual	64,127	86	,746		
	Total	112,898	87			

a. Dependent Variable: CR2

b. Predictors: (Constant), CSR

Coefficients^a

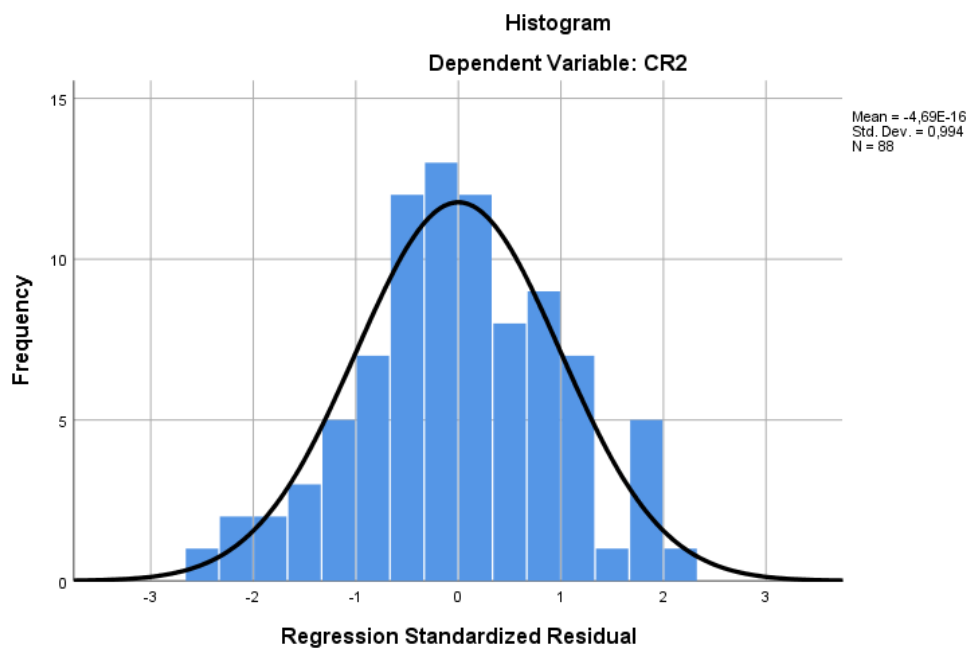
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	,287	,442		,650	,518		
	CSR	,955	,118	,657	8,087	,000	1,000	1,000

a. Dependent Variable: CR2

Collinearity Diagnostics^a

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions	
				(Constant)	CSR
1	1	1,978	1,000	,01	,01
	2	,022	9,500	,99	,99

a. Dependent Variable: CR2



Appendix 5.3: Hypothesis 3

Run MATRIX procedure:

***** PROCESS Procedure for SPSS Version 3.5.3 *****

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

Model : 4
Y : BE
X : CSR
M : CR2

Sample
Size: 88

OUTCOME VARIABLE:
CR2

Model Summary							
	R	R-sq	MSE	F	df1	df2	p
	,6573	,4320	,7457	65,4069	1,0000	86,0000	,0000

Model						
	coeff	se	t	p	LLCI	ULCI
constant	,2873	,4421	,6498	,5175	-,5915	1,1661
CSR	,9551	,1181	8,0875	,0000	,7203	1,1898

OUTCOME VARIABLE:
BE

Model Summary							
	R	R-sq	MSE	F	df1	df2	p
	,3735	,1395	,2407	6,8885	2,0000	85,0000	,0017

Model						
	coeff	se	t	p	LLCI	ULCI
constant	3,7233	,2518	14,7889	,0000	3,2227	4,2239
CSR	,0525	,0890	,5895	,5571	-,1245	,2295
CR2	,1455	,0613	2,3744	,0198	,0237	,2673

***** TOTAL EFFECT MODEL *****

OUTCOME VARIABLE:
BE

Model Summary							
	R	R-sq	MSE	F	df1	df2	p
	,2871	,0824	,2536	7,7226	1,0000	86,0000	,0067

Model						
	coeff	se	t	p	LLCI	ULCI
constant	3,7651	,2578	14,6030	,0000	3,2526	4,2777
CSR	,1914	,0689	2,7790	,0067	,0545	,3283

```

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

Total effect of X on Y
  Effect      se      t      p      LLCI      ULCI      c_ps      c_cs
  ,1914      ,0689      2,7790      ,0067      ,0545      ,3283      ,3662      ,2871

Direct effect of X on Y
  Effect      se      t      p      LLCI      ULCI      c'_ps      c'_cs
  ,0525      ,0890      ,5895      ,5571      -,1245      ,2295      ,1004      ,0787

Indirect effect(s) of X on Y:
  Effect      BootSE      BootLLCI      BootULCI
CR2      ,1389      ,0589      ,0250      ,2567

Partially standardized indirect effect(s) of X on Y:
  Effect      BootSE      BootLLCI      BootULCI
CR2      ,2658      ,1073      ,0496      ,4726

Completely standardized indirect effect(s) of X on Y:
  Effect      BootSE      BootLLCI      BootULCI
CR2      ,2084      ,0837      ,0390      ,3690

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

Level of confidence for all confidence intervals in output:
  95,0000

Number of bootstrap samples for percentile bootstrap confidence intervals:
  5000

```

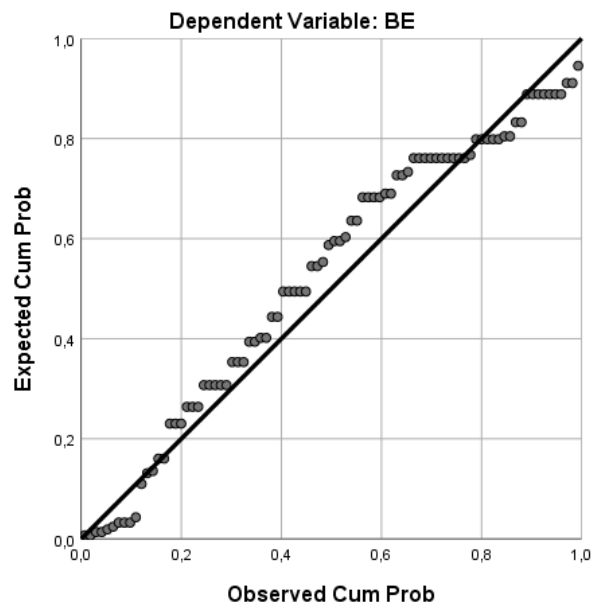
Appendix 5.4: Further Analysis

Correlations

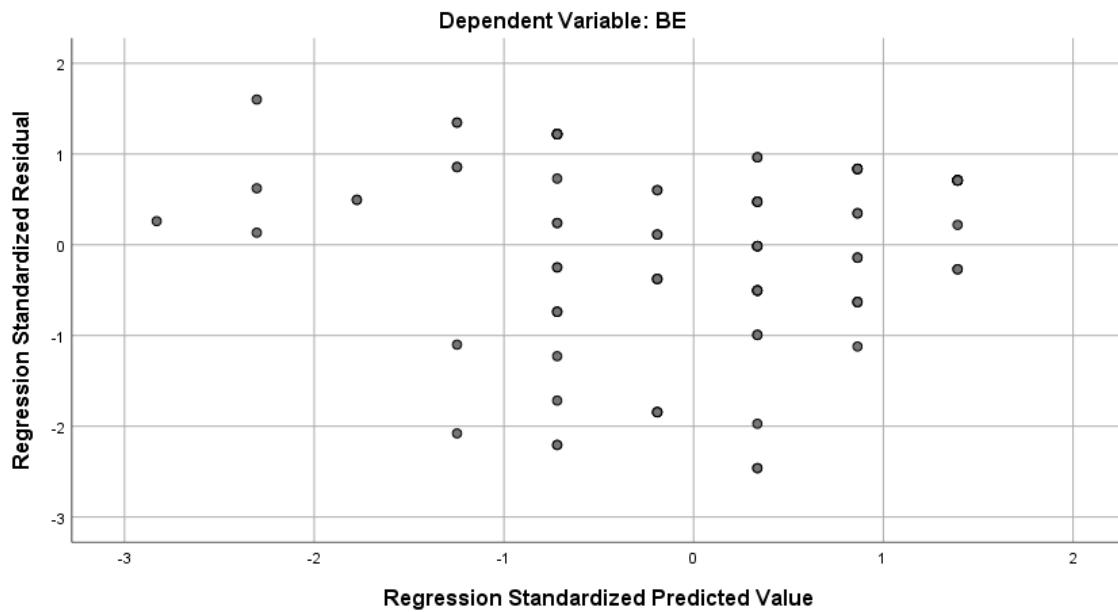
		Nike is very concerned with racial discrimination	Nike is very concerned with the rights of female, racial minority and disabled employees
Nike is very concerned with racial discrimination	Pearson Correlation	1	,799**
	Sig. (2-tailed)		,000
	N	88	88
Nike is very concerned with the rights of female, racial minority and disabled employees	Pearson Correlation	,799**	1
	Sig. (2-tailed)	,000	
	N	88	88

** . Correlation is significant at the 0.01 level (2-tailed).

Normal P-P Plot of Regression Standardized Residual



Scatterplot



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,236 ^a	,056	,045	,51091	1,490

a. Predictors: (Constant), CSR_AR

b. Dependent Variable: BE

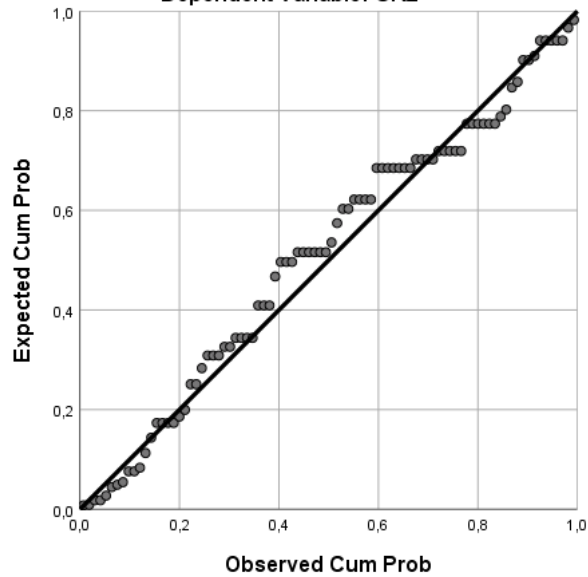
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3,986	,220		18,143	,000		
	CSR_AR	,130	,058	,236	2,253	,027	1,000	1,000

a. Dependent Variable: BE

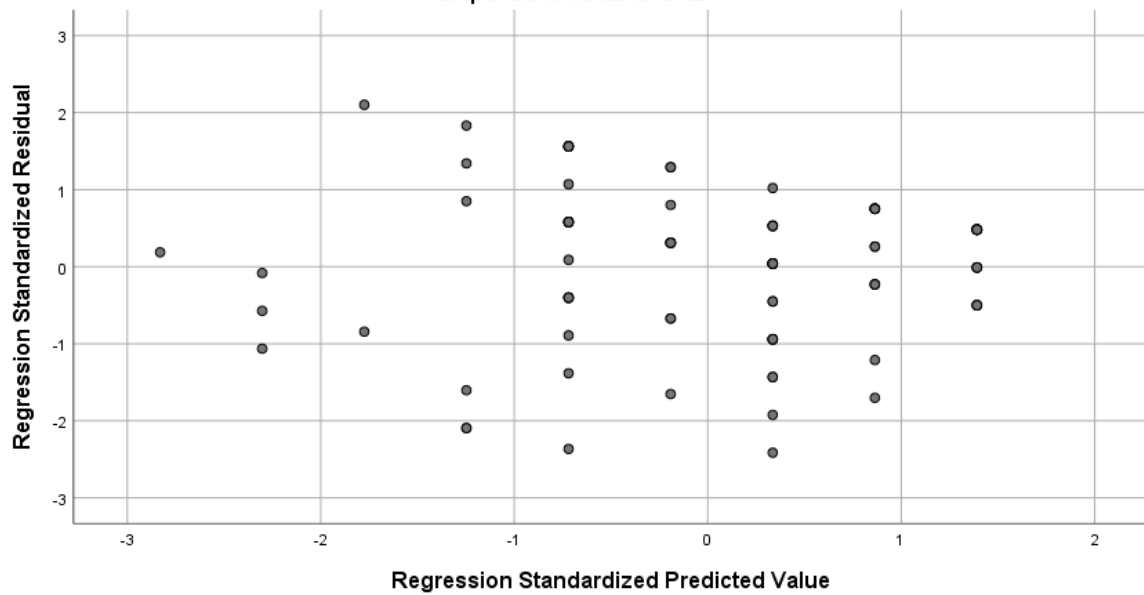
Normal P-P Plot of Regression Standardized Residual

Dependent Variable: CR2



Scatterplot

Dependent Variable: CR2



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,457 ^a	,209	,200	1,01884	1,973

a. Predictors: (Constant), CSR_AR

b. Dependent Variable: CR2

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1,759	,438		4,014	,000		
	CSR_AR	,550	,115	,457	4,771	,000	1,000	1,000

a. Dependent Variable: CR2

Run MATRIX procedure:

***** PROCESS Procedure for SPSS Version 3.5.3 *****

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

Model : 4
 Y : BE
 X : CSR_AR
 M : CR2

Sample
 Size: 88

OUTCOME VARIABLE:
 CR2

Model Summary

	R	R-sq	MSE	F	df1	df2	p
	,4575	,2093	1,0380	22,7620	1,0000	86,0000	,0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	1,7589	,4382	4,0142	,0001	,8878	2,6299
CSR_AR	,5501	,1153	4,7709	,0000	,3209	,7793

OUTCOME VARIABLE:

BE

Model Summary

R	R-sq	MSE	F	df1	df2	p
,3764	,1417	,2400	7,0164	2,0000	85,0000	,0015

Model

	coeff	se	t	p	LLCI	ULCI
constant	3,7202	,2296	16,2031	,0000	3,2637	4,1768
CSR_AR	,0470	,0624	,7539	,4530	-,0770	,1710
CR2	,1513	,0519	2,9180	,0045	,0482	,2544

***** TOTAL EFFECT MODEL *****

OUTCOME VARIABLE:

BE

Model Summary

R	R-sq	MSE	F	df1	df2	p
,2360	,0557	,2610	5,0746	1,0000	86,0000	,0268

Model

	coeff	se	t	p	LLCI	ULCI
constant	3,9864	,2197	18,1430	,0000	3,5496	4,4232
CSR_AR	,1302	,0578	2,2527	,0268	,0153	,2452

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

Total effect of X on Y

Effect	se	t	p	LLCI	ULCI	c_ps	c_cs
,1302	,0578	2,2527	,0268	,0153	,2452	,2491	,2360

Direct effect of X on Y

Effect	se	t	p	LLCI	ULCI	c'_ps	c'_cs
,0470	,0624	,7539	,4530	-,0770	,1710	,0899	,0852

Indirect effect(s) of X on Y:

Effect	BootSE	BootLLCI	BootULCI
CR2	,0832	,0323	,0266

Partially standardized indirect effect(s) of X on Y:

Effect	BootSE	BootLLCI	BootULCI
CR2	,1592	,0575	,0534

Completely standardized indirect effect(s) of X on Y:

Effect	BootSE	BootLLCI	BootULCI
CR2	,1509	,0550	,0510

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

Level of confidence for all confidence intervals in output:

95,0000

Number of bootstrap samples for percentile bootstrap confidence intervals:

5000