

Abstract

The purpose of this paper is to analyze the impact of CSR strategies on firms' financial performance in the food and beverage sector, through the environmental, social and governance indicators (ESG). This research adopts a OLS model to test the impact of CSR strategies on firms' performance of 160 firms in food and beverage sector. The research contributes both from theory and practical point of view. Regarding the ESG score we highlighted a negative relationship between it and companies' performance. Moreover, analyzing the ESG components separately (environmental, social and governance) we have found a non significant effect on firm's performance.

Introduction

Corporate Social Responsibility (CSR) has significantly increased its relevance within firms in the past years. The issues related to ethics, sustainability, and social responsibility are being added to the more classic economic and profit-making objectives of companies, and sign an important change in the way of thinking about business.

Following the rising needs for CSR, many companies in food and beverage industry have been widely involved in the CSR concerns in the past years. The increase of issues related to health and food quality has led many scholars to question the effective application of ethical and sustainable actions within companies and their impact on reputation and firm's performance, also in term of financial performance (e.g. Cairns et al., 2016; Jones et al., 2005; Souza-Monteiro and Hooker, 2017; Maloni and Brown, 2006; Bresciani et al., 2016). As highlighted by Kim et al. (2012) companies generally use two types of CSR strategies. The first one consider CSR rigorously developing a CSR governance model that can contribute positively to the environment with its outcomes. The second one is more concerned with implementing actions that increase the image of the company that adopts them. However, in the current literature when assessing the impact of CSR strategies on firms' financial performance the results are mixed. In particular, some scholars have highlighted a positive relationship among CSR and firm's performance (e.g., Bird et al., 2007; Margolis et al., 2009). Meanwhile, others have found a non significant relationship (e.g., Hillman and Keim, 2001; Mittal et al., 2008; Nollet et al., 2016); however, others even found a negative relationship (e.g., Brammer et al., 2006; Cowen et al., 1987).

The purpose of this paper is to analyze the impact of CSR strategies on firms' financial performance in the food and beverage sector, through the environmental, social and governance concerns (ESG). The environmental score takes into consideration elements such as: pollution, deforestation, water waste etc. meanwhile, the social indicator regards elements like: job security, gender, and discrimination. Finally, the corporate governance score expresses aspects like: legal actions, management payment, etc.

Through the adoption of OLS model, we have analyzed the impact of CSR strategies on financial performance of 160 listed companies, operating in the food and beverage sector, both considering the ESG score and its components separately. The paper contributes both from a theoretical and managerial point of view. In particular considering the total ESG score we found a negative relationship between it and firm's performance. This evidence allows to contribute on the "shareholder expense view" (e.g., Pagano and Volpin, 2005; Friedman, 2007; Surroca and Tribo, 2008), in which the CSR strategies are adopted by managers to satisfy stakeholder instead of shareholders in line with the agency theory.

Otherwise, considering the ESG components separately we have found a non significant impact on firm's performance, in line with previous study (Hillman and Keim, 2001; Mittal et al., 2008; Nollet et al., 2016).

This work is organized as follow: the first part includes the literature review and the hypotheses development. In the second part the research methodology is explained followed by the findings and discussion of results. In the last part, the conclusion and the future research lines are presented.

Literature review and hypotheses development

Corporate Social Responsibility

CSR has been deeply analyzed in academic literature in the past decades, but it is still not simple to identify a unique definition (Malik, 2015). Some scholars consider CSR as a behavior that the company has to take towards its stakeholders (e.g., Campbell, 2007; Cooper, 2017). Meanwhile, others consider CSR as a multidimensional and interdisciplinary set of activities (e.g., social, political, environmental, economic, ethical) (e.g., Carroll, 1999; Devinney, 2009). Even if it is complicated to identify a specific definition, all of them agree on one aspect, which is that "firms must meet the expectations of society when planning their environmental management strategies" (Saeidi et al., 2015).

Generally, two different views are considered by most scholars concerning CSR aspects and the impact on shareholder wealth: the shareholder expense view and the stakeholder value maximization view. According to the shareholder expense view (e.g., Pagano and Volpin, 2005; Friedman, 2007; Surroca and Tribo, 2008) managers use CSR activities to satisfy stakeholders with a negative impact on shareholders. Considering an agency perspective, the CSR choices are usually related with corporate governance decisions with a misalignment between manager and property's interests.

Meanwhile, the stakeholder value maximization view (e.g., Freeman, 1984; Porter and Kramer, 2006) concern the positive effects that the CSR initiatives have on shareholders wealth, because the positive impact of CSR policy on the stakeholders can increase the firm reputation and they will be more willing to support firm's operations. Following the stakeholder theory (Freeman, 1984), stakeholders have different interests within the company, and every managers decisions have consequences, positively or negatively, related with CSR. Anyhow, the relationship between CSR and its impact on firm value is not easy to determine due to the immaterial nature of the components (e.g., social, environmental, governance) (Gomes and Marsat, 2018).

In particular, many studies have focused on why firms should invest on CSR and what are the returns in both economic and non economic terms (e.g., reputation, costumers' loyalty, employee satisfaction, etc.). Specifically in the food and beverage context, the CSR disclosure has impact for many stakeholders with legislative implications to guarantee food safety for the final consumer (e.g., use of herbicides and pesticides, etc.). As well, environmental and social concerns have arisen in attention in the field (e.g., habitat destruction, animal handling, worker abuse, green energy, etc.). In particular, issue like obesity and alcohol abuse are contemporary social problems, which can be define as the heart of CSR policies for food and beverage companies (Cairns et al., 2016).

In the past decades, there has been an increasing trend of publishing CRS reports in relation with the consumer's expectation in the sector (Jones et al., 2005), specifically related with marketing strategies. Messages like healthy products, sustainability, balance diet and fitness may influence the costumers choices (e.g., Souza-Monteiro and Hooker, 2017; Bresciani et al., 2016).

Many critical aspects concerning CSR (e.g., health and safety, animal welfare, human right, biotechnology, etc.) are related also with the supply chain, that can be usually defined as the set of companies, suppliers, logistic providers and costumers that work together to deliver the final product into the market (Maloni and Brown, 2006). Moreover, Wiese and Toporowsky (2013) have shown how a better alignment of interests between principal and agent can affect the CSR performance in the food and beverage industry with a positive social and environmental impact. However, as highlighted by Assiouras et al. (2013) the application of CSR strategies have a mixed results in the food and beverage firms.

CSR and Financial Performance

The relationship between CSR and firms' financial performance has been studied in multiple ways in the past decades, but the debate on their connection is still not clear (e.g, Kim and Kim, 2014; Wang and Sarkis, 2017; Rhou et al., 2016; Saeidi et al., 2015; Luo and Bhattacharya, 2006; Bird et al, 2007; Waddock and Graves, 1997; Nollet et al. 2016). Despite the high number of studies concern CSR and firms' performance the outcomes achieved showed a mix set of results due to the different measure and data sources of corporate social performance.

In particular, many researchers have highlighted a positive relationship between corporate social performance and FP (e.g., Bird et al., 2007; Margolis et al., 2009). Meanwhile, others have found a non significant relationship (e.g., Hillman and Keim, 2001; Mittal et al., 2008; Nollet et al., 2016); however, others even found a negative relationship (e.g., Brammer et al., 2006; Cowen et al.; 1987).

When considering measuring the firm's financial performance it is possible to identify two stream of literature: accounting based financial performance (e.g., ROA, ROE, ROI) (e.g., Cowen et al., 1987; Wang and Sarkis, 2017; Saeidi et al., 2015) and market based financial performance (e.g., stock returns, Tobin's Q, fund returns) (e.g., Rhou et al., 2016; Kong; 2012; Nguyen et al., 2017).

Considering CSR as a set of sustainable and ethics concerns, it is possible to divide it in three areas of interest: social commitment, environmental responsibility, and corporate governance. A socially-responsible company usually show higher rate of loyalty from their costumers, which are inclined to pay higher price for its products and services with a direct effect on firm's value (e.g., Brown and Dancin, 1997; Luo and Bhattacharya, 2006). But some CSR activities, like donations or social events, can rise costs with a non direct positively consequences for the profits (Rhou et al., 2016).

Moreover, a positive employee satisfaction can empower the productivity with positive outcome on profits and reputation (Edmans, 2011). In addition, companies can implement ethical and sustainable strategies with positive consequences on suppliers, which are attracted by companies the are well known in meeting their obligations and commitments (e.g., Baden et al., 2009). For example, the Italian company Eataly has developed a new format of collaboration between local farmers and itself, in which consumers are at the

core of corporate decisions and direct supporters of suppliers with a positive impact on the environment (Sebastiani et al., 2013).

Considering the corporate governance decisions, Chava (2014) suggested that a business ethics behavior decreases the overall cost and probability of legal action and regulation towards the company. As the melamine contaminated infant milk powder case in China has demonstrated, an illegal behavior has a huge cost for companies with many class actions and a possible bankruptcy (Kong, 2012). In many cases, the cost of such actions have consequences not only for the shareholders but also for the whole community.

Based on these considerations, CSR could effect firm's financial performance, and lead to the following hypotheses:

H1: Higher is the social commitment by companies in food and beverage sector, higher are the firms' financial performance.

H2: Higher is the environment concern from companies in food and beverage sector, higher are the firms' financial performance.

H3: In the food and beverage sector higher is the corporate governance commitment, higher are the firms' financial performance

Research methods

In order to collect data about companies and CSR, we selected 160 American and European listed companies active in the food and beverage sector in 2018. We obtain data from Datastream database, which allows an extrapolation of both financial data and data relating to CSR policies. To test the hypotheses above reported, we evaluated both accounting and markets measures of firms' performance as dependent variables. In particular, we considered the Return on Asset (Roa) as firm's performance based on accounting measures (e.g., Cowen et al., 1987; Wang and Sarkis, 2017; Saeidi et al., 2015). The Roa is determined dividing net income by firm's total assets, generally it allows to highlight how much a company is profitable relative to its asset and it lets to compare companies with different size. A higher Roa usually suggests better financial performance. Moreover, we considered the Tobin's Q ratio as a measures of firms' market financial performance (e.g., Rhou et al., 2016; Kong; 2012; Nguyen et al., 2017). It can be defined as ratio among companies' markets cap and total assets, which allows to understand the firms' financial performance through their operation efficiency (Tobin, 1969).

In reference to independent variables, the measures of CSR are based on ESG scores for each companies that are available on Thomson Reuters database. The ESG score can be divided into three different components: environmental, social and governance. As suggested by Nolle et al. (2016) separate the various components of the score allow to understand which one has an higher impact on the firm's performance. Therefore, the environmental score is based on 88 indicators referred to resource use, emissions and innovation. Meanwhile, the social score takes in consideration 101 parameters refer to workforce, human rights, community, and product responsibility. Lastly, the corporate governance score incorporate 104 indicators about management, shareholders, and CSR strategy. Each score has a value between 0 and 100. For example, Danone has an overall

ESG score equal to 78.17, an environmental score of 83.38, social equal to 79.52 and the corporate governance score of 70.79 for a total grade equal to B+.

In addition, we considered three control variables: sales revenue, leverage ratio, and EBITDA margin. The choice of these variables is based on the prevailing current literature when assessing the relationship between financial performance and CSR (e.g, Kim and Kim, 2014; Wang and Sarkis, 2017; Rhou et al., 2016; Saeidi et al., 2015; Luo and Bhattacharya, 2006; Bird et al, 2007; Waddock and Graves, 1997).

The descriptive statistics of the variables and the correlation matrix are reported in Table1.

Table1: Descriptive statistics and correlations

	Mean	SD	Min	Max	ESG	SOC	GOV	ENV	SALES	ROA	LEV	EBITDA	TobinQ
ESG	53,34	19,27	12,83	86,28	1	0,893**	0,712**	0,886**	0,340**	-0,009	0,111	0,130	-0,216**
SOC	53,81	22,71	13,02	94,41		1	0,421**	0,776**	0,284**	0,045	0,138	,197*	-0,198*
GOV	52,60	23,23	6,62	93,98			1	0,404**	0,271**	-0,043	0,01	-0,017	-0,135
ENV	53,66	23,22	9,37	95,13				1	0,296**	-0,028	0,049	0,127	-0,201*
SALES	19.998	50.112	236	514.405					1	-0,082	0,072	-,159*	-0,138
(Billions)													
ROA	5,8	7,9	-29,2	35,8						1	-0,262**	0,458**	0,549**
(%)													
LEV	80,3	89,7	0,00	586,4							1	-0,004	-0,243**
(%)													
EBITDA	13,7	10,1	0,8	43,7								1	0,360**
(%)													
TobinQ	1,68	2,034	0,034	15,82									1

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

* . Correlation is significant at the 0.05 level (2-tailed).

Data source: Datastream

Regarding the dependent variables, Roa has a minimum value of -29,2% and a maximum value of 35,8%, with a mean of 5,8% and a standard deviation equals to 7,9%. Meanwhile, TobinQ ratio has a minimum value of 0.034 and maximum of 15,82, with an average value equal to 1,68 and standard deviation of 2,034. The ESG score and its components have essentially similar values both as regards the average, standard deviation and absolute values. ESG score has a mean value of 53,34, while its components stand at average values of 53,81 (SOC), 52,60 (GOV) and 53,66 (ENV). For what concern the minimum and maximum values, the ESG score has values equal to 12,83 (Min) and 86,28 (Max) with a standard deviation of 19,27. Meanwhile, the social score (SOC) has a mean of 53,91 and minimum and maximum values equal to 13,02 and 94,41, with a standard deviation of 22,71. The governance score (GOV) reaches an average value of 52,60 and a minimum and maximum value of 6,62 and 93,98, with a standard deviation of 23,23. Finally, the environmental score (ENV) has a mean of 53,66, meanwhile minimum and maximum value are equal to 9,37 and 95,13 with a standard deviation of 23,33 in lines with the previous one.

Moreover, we conduct a Pearson's correlation, which show that our variables are not highly correlated among them avoiding any multicollinearity problem, which occurs when variables highly correlated among them causing problems in the interpretation of the regression model results. As expected, ESG score is high correlated with its components

(SOC, GOV, ENV). It is possible to highlight an initial evidence, that will be analyzed in depth in next section, about the negative correlation between firm's performance and the ESG indicators, showing that an higher ESG indicators instead of increasing performance it decreases them. Another interesting observation is that ROA and TobinQ are substantially and positively correlated among them. While, the leverage ratio and sales are negatively related with the dependent variables.

To test our hypotheses and develop proper results and discussions, we have developed the following OLS regression models:

$$\text{Tobin's Q(1)} = a + \beta_1 \text{ESG} + \beta_2 \text{SALES} + \beta_3 \text{LEV} + \beta_4 \text{EBITDA} + u$$

$$\text{Tobin's Q(2)} = a + \beta_1 \text{SOC} + \beta_2 \text{GOV} + \beta_3 \text{ENV} + \beta_4 \text{SALES} + \beta_5 \text{LEV} + \beta_6 \text{EBITDA} + u$$

$$\text{ROA(1)} = a + \beta_1 \text{ESG} + \beta_2 \text{SALES} + \beta_3 \text{LEV} + \beta_4 \text{EBITDA} + u$$

$$\text{ROA(2)} = a + \beta_1 \text{SOC} + \beta_2 \text{GOV} + \beta_3 \text{ENV} + \beta_4 \text{SALES} + \beta_5 \text{LEV} + \beta_6 \text{EBITDA} + u$$

For each independent variables, we tested separately both the aggregate ESG score and each of its constituents (SOC, GOV, ENV). SALES, LEV, and EBITDA are the control variables; meanwhile, u represents the error term, which incorporates all other factors responsible for the value of the dependent variable.

The OLS results are reported in the next section and presented in Table2.

Table2: The effect of CSR on firm's performance

Independent	TobinQ (1)	Roa (1)	TobinQ (2)	Roa (2)
	Estimate (p.value)	Estimate (p.value)	Estimate (p.value)	Estimate (p.value)
Constant	2.319*** (0.000)	5.477*** (0.001)	2.187*** (0.000)	5.431*** (0.001)
ESG	-0.26*** (0.002)	-0.046* (0.1)		
SOC			-0.13 (0.203)	0.035 (0.341)
GOV			0.001 (0.926)	-0.13 (0.595)
ENV			-0.11 (0.279)	-0.63* (0.071)
SALES	0.00000953 (0.763)	0.00000535 (0.622)	0.00000875*** (0.000)	0.00000538 (0.620)
LEV	-0.005*** (0.003)	-0.024*** (0.000)	-0.005*** (0.003)	-0.26*** (0.000)
EBITDA	0.079*** (0.000)	0.353*** (0.000)	0.82*** (0.000)	0.346*** (0.000)
R-Squared	0.239	0.332	0.247	0.322

P-values in parentheses: *p<0.1, **p<0.05, ***p<0.01

Data source: Datastream

Findings and discussion

Table 2 reports the results for each of the 4 regression models that we used to test our hypotheses. The first two models concern the analysis through the aggregate ESG score, and the results suggest a significant negative relationship between CSR score and firm's financial performance. Specifically, considering the TobinQ ratio, the estimated coefficient of ESG score is negative and significant ($b=-0.26$, $p<0.01$). Also, considering ROA as performance indicator, the relationship between it and CSR is negative and significant ($b=-0.046$, $p<0.1$). These results are opposed to the stream of literature which considers a positive relationship between CSR commitment from companies and their performance (e.g., Bird et al., 2007; Margolis et al., 2009). Instead, the findings allow to increase the theoretical foundation on the "shareholder expense view" (e.g., Pagano and Volpin, 2005; Friedman, 2007; Surroca and Tribo, 2008), which suggest that CSR strategies have a negative impact on shareholder wealth and firm's performance as suggested by previous studies (e.g., Brammer et al., 2006; Cowen et al., 1987). Moreover for both models, the performance seems to be unaffected by Sales with an insignificant estimated coefficient ($p=0.763$ for TobinQ; $p=0.622$ for ROA). Considering the level of leverage, its estimated coefficient is negative and significant, both for TobinQ ($b=-0.005$, $p<0.01$) and ROA ($b=-0.024$, $p<0.01$). Finally, the EBITDA margin estimated coefficient is significant and positive both for TobinQ and ROA. The results achieved concerning the control variables are consistent with previous studies (Kim and Kim, 2014; Wang and Sarkis, 2017; Rhou et al., 2016; Saeidi et al., 2015; Luo and Bhattacharya, 2006; Bird et al., 2007; Waddock and Graves, 1997).

Moreover, considering the ESG constituents separately the results are substantially different. In our first hypothesis (H1), starting from literature, we suggest a positive relationship between social commitment from companies and their financial performance. However, the result of regression model shows a non significant relationship between the two measures in the food and beverage sector ($b=-0.13$, $p>0.1$ for the TobinQ; $b=0.035$, $p>0.1$ for the ROA), even if the empirical evidence is in contrast with our first hypothesis it does not appear to be an isolated case in the current literature (e.g., Hillman and Keim, 2001; Mittal et al., 2008; Nollet et al., 2016). Same reasoning can be applied to the governance score (GOV) both for TobinQ ($b=0.001$, $p>0.1$) and ROA ($b=-0.13$, $p>0.1$), the non significance in the results does not allow to confirm the third hypothesis (H3), where we have suggested a positive impact of corporate governance on firm's performance. In addition, considering the environmental score two different results have arisen. For the TobinQ, as the other indicators, the estimated coefficient is negative but it's not significant ($b=-0.11$, $p>0.1$), therefore the hypothesis 2, in which higher are the environmental concerns from companies higher are their financial performance, can't be confirmed. Otherwise, different result has arisen considering ROA as indicator of firm's performance. In this case the result suggests a negative but significant effect of environmental concerns on firm's performance ($b=-0.63$, $p<0.1$), in contrast to the hypothesis 2. For the control variables the results are in line with the other studies, outlining a non substantial difference compared to other sectors (e.g., Kim and Kim, 2014; Wang and Sarkis, 2017; Rhou et al., 2016).

Conclusion and future research lines

This is the first study that tried to relate the CSR with the firms' financial performance in the food and beverage sector, through the analysis of companies' ESG scores. For those firms, where the legal concern on food safety play an important role in business decisions, the assumption "go well doing good" seems to be not true. In particular, the contributions of this study are both theoretical and managerial. If on one side, considering the total ESG score, the impact of ethics and sustainable choices by management is substantially negative on firms' performance in line with the "shareholder expense view" (e.g., Pagano and Volpin, 2005; Friedman, 2007; Surroca and Tribo, 2008), in which the CSR policy is only a cost for the companies and negatively effect the shareholder value. If we consider a disaggregate approach, in which the components are considered separately, the CSR concerns don't effect firms' performance both in terms of ROA and Tobin's Q. Only the environmental score show a negative impact on ROA. Both of thee findings put managers struggling with a difficult decision: should they follow the creation of value for the shareholder at the expense of social and environmental aspects? or should they sacrifice value creation for the shareholder but with an image gain and a positive social and environmental impact? It is possible assuming that CSR choices are seen more as a cost than an added value by manager. However, not implementing CSR policies that are consistent not only with the profit objectives could, in the long term, cause the loss of costumers, which are sensible to the concepts of ethics and sustainability in most cases, and market shares with a consequent loss of value for shareholders. These mixed results allow to underline and in the future to analyze how and why the individual components, unlike the total score, have no effect on the performance of the companies.

However, this study has some limitations. In particular, the adoption of ESG score doesn't allow to understand the type of CSR that companies are committed on (e.g., strategic or altruistic). Moreover, we tested the effect of CSR strategies only for one year and in different countries, which adopt different accounting standards (e.g., IFRS, US GAAP).

Future studies could analyze the impact of corporate social responsibility in other industry, specifically considering the CSR as a mediating variable for firm's performance instead of a direct relationship. Furthermore, also e use of others measure of CSR can better explain the relationship between it and firm's performance due to the lack catching the type of CSR firms engage.

References

- Assiouras, I., Ozgen, O. and Skourtis, G. (2013), "The impact of corporate social responsibility in food industry in product-harm crises", edited by Hingley, M. *British Food Journal*, Vol. 115 No. 1, pp. 108–123.
- Baden, D.A., Harwood, I.A. and Woodward, D.G. (2009), "The effect of buyer pressure on suppliers in SMEs to demonstrate CSR practices: An added incentive or counter productive?", *European Management Journal*, Vol. 27 No. 6, pp. 429–441.
- Bird, R., D. Hall, A., Momentè, F. and Reggiani, F. (2007), "What Corporate Social Responsibility Activities are Valued by the Market?", *Journal of Business Ethics*, Vol. 76 No. 2, pp. 189–206.
- Brammer, S., Brooks, C. and Pavelin, S. (2006), "Corporate Social Performance and Stock Returns: UK Evidence from Disaggregate Measures", *Financial Management*, Vol. 35 No. 3, pp. 97–116.

- Bresciani, S., Ferraris, A., Santoro, G. and Nilsen, H.R. (2016), "Wine Sector: Companies' Performance and Green Economy as a Means of Societal Marketing", *Journal of Promotion Management*, Vol. 22 No. 2, pp. 251–267.
- Brown, T.J. and Dacin, P.A. (1997), "The Company and the Product: Corporate Associations and Consumer Product Responses", *Journal of Marketing*, Vol. 61 No. 1, p. 68.
- Cairns, G., De Andrade, M. and Landon, J. (2016), "Responsible food marketing and standardisation: an exploratory study", *British Food Journal*, Vol. 118 No. 7, pp. 1641–1664.
- Campbell, J.L. (2007), "Why would corporations behave in socially responsible ways? an institutional theory of corporate social responsibility", *Academy of Management Review*, Vol. 32 No. 3, pp. 946–967.
- Carroll, A.B. (1999), "Corporate Social Responsibility: Evolution of a Definitional Construct", *Business & Society*, Vol. 38 No. 3, pp. 268–295.
- Chava, S. (2014), "Environmental Externalities and Cost of Capital", *Management Science*, Vol. 60 No. 9, pp. 2223–2247.
- Cooper, S. (2017), *Corporate Social Performance: A Stakeholder Approach*, 1st ed., Routledge, available at: <https://doi.org/10.4324/9781315259239>.
- Cowen, S.S., Ferreri, L.B. and Parker, L.D. (1987), "The impact of corporate characteristics on social responsibility disclosure: A typology and frequency-based analysis", *Accounting, Organizations and Society*, Vol. 12 No. 2, pp. 111–122.
- Devinney, T.M. (2009), "Is the Socially Responsible Corporation a Myth? The Good, the Bad, and the Ugly of Corporate Social Responsibility", *Academy of Management Perspectives*, Vol. 23 No. 2, pp. 44–56.
- Edmans, A. (2011), "Does the stock market fully value intangibles? Employee satisfaction and equity prices", *Journal of Financial Economics*, Vol. 101 No. 3, pp. 621–640.
- Friedman, M. (2007), "The Social Responsibility of Business Is to Increase Its Profits", in Zimmerli, W.C., Holzinger, M. and Richter, K. (Eds.), *Corporate Ethics and Corporate Governance*, Springer Berlin Heidelberg, Berlin, Heidelberg, pp. 173–178.
- Hillman, A.J. and Keim, G.D. (2001), "Shareholder value, stakeholder management, and social issues: what's the bottom line?", p. 15.
- Jones, P., Comfort, D., Hillier, D. and Eastwood, I. (2005), "Corporate social responsibility: a case study of the UK's leading food retailers", *British Food Journal*, Vol. 107 No. 6, pp. 423–435.
- Kim, M. and Kim, Y. (2014), "Corporate social responsibility and shareholder value of restaurant firms", *International Journal of Hospitality Management*, Vol. 40, pp. 120–129.
- Kim, Y., Park, M.S. and Wier, B. (2012), "Is Earnings Quality Associated with Corporate Social Responsibility?", *The Accounting Review*, Vol. 87 No. 3, pp. 761–796.
- Kong, D. (2012), "Does corporate social responsibility matter in the food industry? Evidence from a nature experiment in China", *Food Policy*, Vol. 37 No. 3, pp. 323–334.
- Lu, W., Chau, K.W., Wang, H. and Pan, W. (2014), "A decade's debate on the nexus between corporate social and corporate financial performance: a critical review of empirical studies 2002–2011", *Journal of Cleaner Production*, Vol. 79, pp. 195–206.
- Luo, X. and Bhattacharya, C.B. (2006), "Corporate Social Responsibility, Customer Satisfaction, and Market Value", *Journal of Marketing*, Vol. 70 No. 4, pp. 1–18.
- Malik, M. (2015), "Value-Enhancing Capabilities of CSR: A Brief Review of Contemporary Literature", *Journal of Business Ethics*, Vol. 127 No. 2, pp. 419–438.

- Maloni, M.J. and Brown, M.E. (2006), "Corporate Social Responsibility in the Supply Chain: An Application in the Food Industry", *Journal of Business Ethics*, Vol. 68 No. 1, pp. 35–52.
- Margolis, J.D., Elfenbein, H.A. and Walsh, J.P. (2009), "Does it Pay to Be Good...And Does it Matter? A Meta-Analysis of the Relationship between Corporate Social and Financial Performance", *SSRN Electronic Journal*, available at: <https://doi.org/10.2139/ssrn.1866371>.
- Mittal, R.K., Sinha, N. and Singh, A. (2008), "An analysis of linkage between economic value added and corporate social responsibility", *Management Decision*, Vol. 46 No. 9, pp. 1437–1443.
- Nguyen, P.-A., Kecskés, A. and Mansi, S. (2017), "Does corporate social responsibility create shareholder value? The importance of long-term investors", *Journal of Banking & Finance*, <https://doi.org/10.1016/j.jbankfin.2017.09.013>
- Nollet, J., Filis, G. and Mitrokostas, E. (2016), "Corporate social responsibility and financial performance: A non-linear and disaggregated approach", *Economic Modelling*, Vol. 52, pp. 400–407.
- Pagano, M. and Volpin, P.F. (2005), "Managers, Workers, and Corporate Control", *The Journal of Finance*, Vol. 60 No. 2, pp. 841–868.
- Rhou, Y., Singal, M. and Koh, Y. (2016), "CSR and financial performance: The role of CSR awareness in the restaurant industry", *International Journal of Hospitality Management*, Vol. 57, pp. 30–39.
- Saeidi, S.P., Sofian, S., Saeidi, P., Saeidi, S.P. and Saeidi, S.A. (2015), "How does corporate social responsibility contribute to firm financial performance? The mediating role of competitive advantage, reputation, and customer satisfaction", *Journal of Business Research*, Vol. 68 No. 2, pp. 341–350.
- Sebastiani, R., Montagnini, F. and Dalli, D. (2013), "Ethical Consumption and New Business Models in the Food Industry. Evidence from the Eataly Case", *Journal of Business Ethics*, Vol. 114 No. 3, pp. 473–488.
- Souza-Monteiro, D. and Hooker, N. (2017), "Comparing UK food retailers corporate social responsibility strategies", *British Food Journal*, Vol. 119 No. 3, pp. 658–675.
- Surroca, J. and Tribó, J.A. (2008), "Managerial Entrenchment and Corporate Social Performance", *Journal of Business Finance & Accounting*, Vol. 35 No. 5–6, pp. 748–789.
- Tobin, J. (1969), "A General Equilibrium Approach To Monetary Theory", *Journal of Money, Credit and Banking*, Vol. 1 No. 1, p. 15.
- Waddock, S.A. and Graves, S.B. (1997). "The corporate social performance- financial performance link", *Strategic Management Journal*, Vol.18 No.4, pp.303-319.
- Wang, Z. and Sarkis, J. (2017), "Corporate social responsibility governance, outcomes, and financial performance", *Journal of Cleaner Production*, Vol. 162, pp. 1607–1616.
- Wiese, A. and Toporowski, W. (2013), "CSR failures in food supply chains – an agency perspective", edited by Hingley, M. *British Food Journal*, Vol. 115 No. 1, pp. 92–107.