MAINTAINING MORAL LEGITIMACY THROUGH WORLDS AND WORDS: AN EXPLANATION OF FIRMS' INVESTMENT IN SUSTAINABILITY CERTIFICATION

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Abstract

A prominent way for firms to manage their moral legitimacy is to invest in sustainability certifications. However, a significant subset of firms remain reluctant to invest in sustainability certifications even decades after the establishment of such certifications. Our paper seeks to elucidate this variance by exploring how firms in the coffee, tea, and chocolate industries legitimise themselves on moral grounds through external communication to stakeholders. Drawing on insights from French Pragmatist Sociology, we suggest that firms primarily rely on two distinct sets of legitimacy principles that reflect their identity orientation: the 'civic and green' world and the 'domestic' world. Specifically, our results show that reliance on the domestic world is negatively related to firms' investment in sustainability certifications. Our findings also suggest that the strength of the relationship between these distinct methods of moral legitimising and certification varies depending on whether firms are characterised by first- or multi-generation family control.

Keywords: Certifications – First-/Multi-generation Family Firms – French Pragmatist Sociology – Moral Legitimacy – Sustainability

'Since 1873 the Ganong family and friends have put their heart and soul into the chocolate confectioner's art, an art never lost. Whidden [Ganong] began his career in Ganong's hard candy room. He served as factory superintendent before becoming President in 1957. Whidden's extensive knowledge of production made him a stickler for quality. He is best remembered for his unwavering commitment to his employees and the community. Taste the difference family tradition makes'. Extracted from Ganong's archived website from 2011. The firm had no sustainability certification (as of 2013).

'[Market ups and downs] led to the suffering of many of the world's 25 million coffee farmers, who often get little financial return on this labour-intensive crop. Bare subsistence, environmental degradation, unstable societies: It's not fair! Who said life was fair? We did. That's who. When we started Kicking Horse Coffee in 1996, we scoured the planet to find bona fide Fair Trade coffee. We discovered the Fair Trade Labelling Organizations International (FLO), an umbrella organization that sets fair trade standards, and TransFair Canada, the national certification organization. These organizations demand rigorous monitoring, auditing and certification before they allow us to proudly use the Fair Trade label'. Extracted from the Kicking Horse Coffee archived website from 2011. The firm has been Fairtrade Certified (as of 2013).

'[T]he legitimacy of business has fallen to levels not seen in recent history' (Porter and Kramer, 2011, p. 64), and the moral dimension of firm legitimacy has been eroded over the past twenty years (Palazzo and Scherer, 2006). Firms lose legitimacy when they do not conform to social norms, values, and expectations (Ashforth and Gibbs, 1990; Suchman, 1995). The loss of 'moral legitimacy' results specifically from a negative normative evaluation of a firm's activities by stakeholders (Suchman, 1995, p. 579) and is often associated with stigmatisation (Goffman, 1963). Such stigmatisation can result in a deterioration of firm performance (Baucus and Baucus, 1997; Jonsson, Greve, and Fujiwara-Greve, 2009) because stakeholders are likely to shun the firm based on ethical reasons (Gond, Barin-Cruz,

Raufflet, and Charron, 2016; Jonsson et al., 2009) or the fear of future wrongdoing (Nisbett and Ross, 1980). Maintaining moral legitimacy is especially challenging for firms that operate in industries in which social injustice and environmental transgressions have been historically commonplace. Such is the case for the coffee, chocolate and tea industries, which are challenged by low wages for plantation workers, hazardous work conditions, environmental transgressions, and, in the case of cacao, even child slavery (Schrage and Ewing, 2005).

To tackle these severe problems, various sustainability certifications have emerged and proliferated to form a 'standards market' (Reinecke, Manning, and Von Hagen, 2012, p. 791). Companies that wish to certify their products must source their crops from an inspected producer organisation, have their supply chain audited regularly and, in most cases, pay a fee to receive the sustainability certification (SCAA_Sustainability_Council, 2010). Because of the lack of official regulations and universally binding rules, sustainability certifications do not necessarily enhance the socio-political regulatory legitimacy of firms (Zimmerman and Zeitz, 2002) but constitute voluntary efforts intended to signal a firm's ethical behaviour. Moreover, since sustainability certifications intend to show a firm's ethical standing rather than adhere to taken-for-granted professional norms, they likely enhance a firm's moral legitimacy (Palazzo and Scherer, 2006) instead of cognitive legitimacy (Suchman, 1995).

In light of increasing public awareness of the social and environmental issues in the coffee, chocolate and tea industries, one would expect firms to invest in sustainability standards such as certifications to communicate their moral legitimacy (Gilbert, Rasche, and Waddock, 2011). However, even though many firms indeed rely on certifications for legitimacy purposes, firms' investment in sustainability certifications still varies substantially despite the fact that such certifications have existed for decades. While some firms refuse to collaborate with any certifying organisation, others adhere to the most stringent standards delineated by Fairtrade International.[i] Although scholars recognise that not

all firms respond equally to sustainability movements (e.g., Berrone, Cruz, Gomez-Mejia, and Larraza-Kintana, 2010), the variance in firms' investment in sustainability certifications remains poorly understood (Campopiano and De Massis, 2015; Delmas and Gergaud, 2014). In particular, it remains unclear how firms manage their moral legitimacy (Palazzo and Scherer, 2006) through communication with stakeholders and, in so doing, decide whether to adopt a recognised standard (Haack, Schoeneborn, and Wickert, 2012; Slager, Gond, and Moon, 2012). This lack of insight is surprising, as communication strategies have been identified as key tools to manage legitimacy (Crilly, Hansen, and Zollo, 2016; Suddaby and Greenwood, 2005), and the use of vocabulary defines a firm's persuasive power (Ruebottom, 2013). More importantly, communication strategies are central to the management of moral legitimacy as they constitute and convey to multiple stakeholders the organisational identity of a firm (Chreim, 2005) and hence the values inherent to this identity (Dutton and Dukerich, 1991).

Our paper begins to address this gap by revealing the distinct ways through which firms can legitimise themselves on moral grounds in their communications with consumers. Drawing on insights from French Pragmatist Sociology (Boltanski and Thévenot, 2006 [1991]), we argue that the manner in which organisations manage their moral legitimacy can be captured through their use of specific moral principles, which are referred to as 'worlds' (Boltanski and Thévenot, 2006; Mair, Battilana, and Cardenas, 2012; Patriotta, Gond, and Schultz, 2011). French Pragmatist Sociology assumes that society offers distinct worlds (e.g., the domestic world, civic world, green world, market world, industrial world, inspired world, and world of fame) upon which actors can draw to build justifying arguments (Cloutier and Langley, 2013). Each world defines legitimacy principles that can be used to justify organisational practices on moral grounds. For instance, the *civic* world values civic duties and the collective over particular interests; the *green* world values nature, the biosphere, and a harmonious relationship between humans and nature (Lafaye and Thévenot, 1993). By contrast, the *domestic* world consists of traditions

that honour interpersonal ties and respect for family values. Arguably, and as suggested by the introductory quotes, these worlds and corresponding values reflect what firms define as 'appropriate behaviours' (March and Olsen, 2009); they are embedded within organisations' identity orientation and expressed in the processes through which corporations manage and produce value for their stakeholders, notably their suppliers and consumers (Brickson, 2005, 2007).

The corporate social responsibility (CSR) literature is traditionally associated with the civic and green worlds, which are based on civic equality, human rights, ecology and collective welfare (Thévenot, Moody, and Lafaye, 2000). What tends to be overlooked is that there are alternative ways for firms to legitimise themselves on moral grounds, especially in the domestic world, which stresses tradition, trustworthiness, local attachment and personal ties (Thévenot et al., 2000). Whereas firms seeking to achieve legitimacy by promoting the civic and green worlds should be more inclined to adopt sustainability certifications, firms that draw from the domestic world should be less inclined to adopt such certifications. Accordingly, this paper argues that the heterogeneity in firms' investment in certifications arises because firms vary with respect to how much they rely on two distinct sets of legitimacy principles: 'civic and green' or 'domestic'.

The strength of the relationship between the communication of certain legitimacy principles and investment in sustainability certification is likely to vary based on a firm's governance. Thereby, the ownership constellation is a decisive element of firm governance because an organisation's moral legitimacy mirrors the values and identity of its controlling owners (Swanson, 2008). This is especially true for family-controlled firms because family business owners often have a strong desire to secure a favourable firm reputation in society (Berrone et al., 2010), to exert control over the company (Carney, 2005; Chua, Chrisman, and Sharma, 1999) and to preserve close-knit relationships with stakeholders (Miller and Le Breton-Miller, 2005), as well as a tendency to feel emotionally attached to the firm's

legacy (Tagiuri and Davis, 1996). However, these unique characteristics of family firms are gradually instilled and developed in family firms—typically through the involvement of later-generation family members (Duran, Kammerlander, van Essen, and Zellweger, 2016; Holland and Oliver, 1992). We therefore assess the moderating role of first- and multi-generation family control and argue that multi-generation family firms strengthen the effect of domestic world communication on certification investment, whereas first-generation family firms accentuate the effect of civic and green world communication on certification investment.

This paper offers novel insights into the extant research on CSR, legitimacy and family firms. First, our results contribute to the political CSR literature (Scherer and Palazzo, 2011; Scherer, Rasche, Palazzo, and Spicer, 2016) and the debate regarding explicit versus implicit CSR (Matten and Moon, 2008) by shedding light on domestic morality, which acts as an alternative to the well-known civic and green moralities. Second, our study advances the extant literature that has drawn on French Pragmatist Sociology to explore actors' moral legitimising. While Boltanski and Thévenot (2006) have proposed a set of vocabularies in their seminal work, no subsequent study applying French Pragmatist Sociology has relied on a vocabulary perspective (Loewenstein, Ocasio, and Jones, 2012) to capture the use and effect of worlds. Finally, our study advances research on the CSR of family firms (see Van Gils, Dibrell, Neubaum, and Craig, 2014 for an overview) by revealing that multi-generation family businesses often benefit from a favourable family business reputation and have a desire to leave ways of working unchanged that, in combination, might diminish their commitment to the certification movement.

THEORETICAL BACKGROUND: MAINTAINING MORAL LEGITIMACY

Investment in Sustainability Certifications

Various crises related to global business operations, such as human rights violations, financial scandals and environmental accidents, have eroded the moral component of many firms' legitimacy (Scherer and

Palazzo, 2011; Scherer, Palazzo, and Seidl, 2013). Customers' boycotts of major brands in the garment industry following the Rana Plaza collapse in Bangladesh and the moral outrage surrounding pay increases for executives from the banking industry at a time when record fines are being paid for prior wrongdoing (e.g., the LIBOR scandal) illustrate such a loss of moral legitimacy. Firms that sell consumer goods such as chocolate, tea and coffee are particularly reliant on maintaining their moral legitimacy because they are more easily subject to 'political consumerist' activities such as consumer boycotts (e.g., Klein, Smith, and John, 2004; Stolle, Hooghe, and Micheletti, 2005), which may be detrimental to firm survival.[ii] Indeed, various activist groups have launched campaigns and initiated battles against well-known brands in the coffee, tea and chocolate industries (Conroy, 2007). Such consumer campaigns and boycotts render sustainability an issue of concern for many mainstream companies (Reinecke et al., 2012).

In the absence of government regulations, firms can seek to maintain their moral legitimacy by adhering to voluntary standards established and monitored by various organisations that certify sustainability (Bernstein and Cashore, 2007). Certifications constitute a sub-category of international accountability standards that can be defined as 'voluntary predefined rules, procedures, and methods to systematically assess, measure, audit and/or communicate the social and environmental behaviour and/or performance of firms' (Gilbert et al., 2011, p. 24).[iii] In the coffee, tea and chocolate industries, several competing sustainability certifications co-exist and form a 'standards market' (Reinecke et al., 2012, p. 791). A consolidation of sustainability certifications is prevented because although they share core sustainability criteria, each standard emphasises its distinctive features and levels of stringency (Muradian and Pelupessy, 2005; Reinecke et al., 2012). Accordingly, certifying organisations position themselves as either a baseline or a premium provider, which affects the level and implementation of standards (Reinecke et al., 2012). Fairtrade International is the strictest certification body in the

sustainability movement and offers the only certification that guarantees a minimum price for farmers (Raynolds, Murray, and Heller, 2007). Conversely, the Rainforest Alliance allows firms to use its certification if at least 30 percent of their product is certified; similarly, UTZ Certified was intentionally developed as a baseline sustainability certification in response to Fairtrade's more stringent criteria (Reinecke et al., 2012).[iv]

As a result of their social and environmental agendas, many researchers and practitioners agree that international accountability standards, such as sustainability certifications, provide 'timely and realistic solutions to address social and environmental problems' (Gilbert et al., 2011, p. 24). However, research also reveals drawbacks and limitations of such certifications (Horne, 2009; MacDonald, 2007; Utting-Chamorro, 2005), notably their lack of enforceability, insufficient impact and unintended consequences.[v] Although sustainability certifications have co-existed for decades and form a vibrant market (Reinecke et al., 2012), firms' investment in sustainability certifications varies widely. Whereas some firms refuse to collaborate with any certifying organisation, others adopt the highest standards and collaborate with all available certifications, particularly with Fairtrade International. Prior studies have mainly focused on the 'logic of consequentiality' to explain firms' choice to adopt a sustainability certification by privileging the 'anticipatory choices' and evaluating the expected costs and benefits. However, these studies have largely ignored the fact that organisations and actors may follow a 'logic of appropriateness' according to which they base their choice on their role and membership in a moral or political community (March and Olsen, 2009). Accordingly, organisations may decide not to invest in certifications simply because they do not consider such certifications to be appropriate and compatible with their identity orientation (Brickson, 2005) and the form of legitimacy they seek to acquire. To capture such an underlying logic of 'moral appropriateness', we examine how firms seek moral legitimacy by actively invoking various moral principles in their communications to consumers in order

to explain the heterogeneity of firms' investment in sustainability certifications. Central to our analysis is the concept of *worlds*, which provides us with a theoretical lens to account for the variety of ways in which firms pursue moral legitimacy when communicating with their stakeholders.

Communicating from Morally Appropriate Worlds

To explore the variety of ways through which firms demonstrate their moral legitimacy (Palazzo and Scherer, 2006), various researchers have proposed that studies draw on French Pragmatist Sociology (e.g., Cloutier and Langley, 2013; Gond, Leca, and Cloutier, 2015; Patriotta et al., 2011; Ramirez, 2013), especially the work of Boltanski and Thévenot (2006). Past studies applying French Pragmatist Sociology have revealed, for instance, how an energy company attempted to maintain its moral legitimacy after a nuclear scandal by strategically referring to normative principles over time in order to reassure stakeholders with different expectations (Patriotta et al., 2011), how an institutional change in the UK audit profession led to perceived injustice and illegitimacy (Ramirez, 2013), and how organisational actors within Fairtrade International drew on different normative principles to justify or challenge organisational practices of minimum price setting (Reinecke, 2010).

Boltanski and Thévenot's (2006) specific assumptions about the nature of moral legitimacy can be clarified by contrasting them with the approach to legitimacy that underlies the well-established concept of institutional logics (Thornton, Ocasio, and Lounsbury, 2012). In line with the institutional logics literature, Boltanski and Thévenot (2006) assume pluralistic world views in society (referred to as 'cities', 'common worlds' or, as in this paper, 'worlds'). However, whereas the institutional logics literature assumes that institutional logics shape how actors make sense of their surroundings, Boltanski and Thévenot (2006) argue that actors have the cognitive flexibility to deliberately choose among all existing 'worlds' to build justifying arguments. Through their detailed description of different worlds, Boltanski and Thévenot (2006, pp. 159-211) describe the toolkit that actors can deploy in each world

(Cloutier and Langley, 2013). In this regard, they provide more 'agency' to organisational actors than institutional scholars do (Gond et al., 2015); however, consistent with recent developments in the field of institutional logics, they recognise the 'institutional complexity' (Greenwood, Raynard, Kodeih, Micelotta, and Lounsbury, 2011) that stems from the co-existence of multiple competing worlds. Moreover, legitimacy within the institutional logics literature has often been judged on the basis of displaying conformity in a given field, not on the basis of being 'right' or 'wrong' in a moral sense (Cloutier and Langley, 2013). This reflects a broader tendency among organisational scholars to focus on the 'cognitive' and 'pragmatic' dimensions of legitimacy rather than on its 'moral' component (Palazzo and Scherer, 2006), despite the importance of each of these three facets according to Suchman (1995). Building on this insight, various scholars emphasise that studies on institutional processes are incomplete unless they also incorporate a normative, moral dimension (e.g., Scherer and Palazzo, 2011; Scherer et al., 2013; Scherer et al., 2016), which is more developed within French Pragmatist Sociology.

French Pragmatist Sociology specifies the distinct nature of several worlds (Boltanski and Thévenot, 2006, pp. 159-211). Next to the *domestic*, *civic* and *green* worlds, the *industrial* world is driven by the search for efficiency; it values invention, technology, and science. The *market* world is one of competing actors driven by their self-interest in seeking to achieve commercial gains from their transactions. The *inspired* world is the place of creation, and it values the dreams and imagination of the individual artist. Finally, the world of *fame* values the achievement of public recognition. Although Boltanksi and Thévenot (2006) argue that all of these worlds are available in every context, certain worlds are likely to predominate in certain contexts. For instance, an artistic firm may wish to emphasise its creativity and strive to be perceived as worthy in the 'inspired world', which values passion, uniqueness and imagination, whereas an engineering firm may value efficiency and reliability, two dimensions that dominate the 'industrial world' (Chiapello, 1998).

Organisational actors may feel compelled to mobilise the worlds that they find appropriate to justify their actions or behaviours when they face disputes or conflicts or when their moral legitimacy is threatened, as is currently the case for firms in the coffee, chocolate and tea industries. In the context of this study, we expect the domestic world and the civic and green worlds to be particularly relevant because these worlds place particular emphasis on a form of moral appropriateness, although they contain different vocabularies with which to justify and communicate moral legitimacy. The green world (Lafaye and Thévenot, 1993; Thévenot et al., 2000) was developed as a later addition to the original worlds developed by Boltanski and Thévenot (2006 [1991]), and according to its authors, it may not yet constitute an autonomous world on its own. In the context of our study, we argue that the civic and green worlds are interdependent and that the distinction between them is somewhat blurred because sustainability certifications have a strong connotation within both the green and the civic worlds (Reinecke et al., 2012). Moreover, firms that communicate their civic mission through CSR reports will most often also disseminate an environmental report because environmental reporting is commonly perceived to be a sub-section of the overall CSR discourse (Spence, 2007). Accordingly, explicit communications of civic and green targets often accompany one another, and firms use the same language when justifying why they are green, responsible, sustainable, and so forth (Spence, 2007). Consequently, we chose to combine the civic and green worlds for the purpose of our scholarly inquiry.[vi]

The *civic/green world* emphasises the worth of collective movements liberated from personal interests and dependence to secure the welfare of all and the protection of the environment as a public good. Thus, striving for civic equality and environmental renewability is regarded as essential for legitimacy in the civic/green world, which is important for companies that are active in commodity farming because public fair trade and environmental discussions are widespread within those industries (Pierrot, Giovannucci, and Kasterine, 2011). Conversely, the *domestic world* is the 'realm of the family',

in which tradition, trust and personal relationships are predominant. Although the domestic world rests on family principles, it does not unfold inside the circle of family relationships alone. Instead, Boltanski and Thévenot (2006) highlight the 'universal' nature of this world, as—akin to alternative worlds—all individuals or organisations can mobilise it if they perceive it to be appropriate to evaluate a given situation. Given that coffee, tea and chocolate are consumer goods that are closely associated with domestic life, the domestic world is likely to be of great relevance to these sectors. In addition, because coffee, tea, and cocoa are sourced from developing countries, certain norms of the domestic world, notably honesty and trust, are particularly important because Western consumers are unable to verify the conditions of production overseas.[vii] Because these worlds reflect what organisational actors may deem to be morally 'appropriate' (March and Olsen, 2009), the reliance of organisations on the civic/green and domestic worlds to communicate with their consumers can help explain their choice regarding sustainability certification.

EXPLAINING INVESTMENT IN SUSTAINABILITY CERTIFICATIONS: HYPOTHESES

Moral Legitimising through the Domestic World

Organisations that derive their moral legitimacy from the domestic world are likely to justify what they consider to be morally legitimate through personal ties (Mair et al., 2012) and to be driven by a 'relational' organisational identity orientation that is focused on interpersonal relations (Brickson, 2005, 2007). The domestic world involves the establishment of non-anonymous and personal connections with internal and external stakeholders that create forms of familiarity that stand in contrast with 'faceless' or more 'transactional' interactions (Boltanski and Thévenot, 2006; Brickson, 2007). In this regard, paternalistic forms of management aptly represent the domestic world in the corporate context. Domestic forms of management are indeed characterised by a defined hierarchy in which a superior expresses an understanding of the needs of subordinates, while subordinates demonstrate loyalty to the

superior. In addition, conflicts among trustworthy people are to be solved in a friendly manner (Boltanski and Thévenot, 2006). Another important source of legitimacy within the domestic world is deference to traditions and customs that should influence current behaviour (Thévenot et al., 2000). These traditions are often idiosyncratic and vary among network partners, industries and geographies. Accordingly, a firm's strategy for achieving legitimacy is likely to depend on its tradition and is negotiated at the local level and between directly involved parties (Brickson, 2007). Furthermore, discretion and privacy are essential, and one does not reveal one's family life to outsiders (Boltanski and Thévenot, 2006).

We argue that an organisation's identity in reflecting the principles of the domestic world and its associated modes of stakeholder management and value creation are at odds with the official standards imposed by sustainability certifications because such certifications apply regardless of personal circumstances and neglect the role of trust and dyadic ties that are central to the 'relational' orientation associated with domestic principles (Brickson, 2007). Consequently, firms relying on the domestic world to communicate their moral legitimacy may simply find it inappropriate to invest in such certifications.[viii] For instance, the CEO of a famous Italian coffee brand—Illy—opposed fair trade and suggested that the firm move 'beyond fair trade' so that '[*the coffee growers and Illy*] select each other based on cultural affinities'. Arguably, with sustainability certifications, honesty and trust—which are central in the domestic world—are replaced by verification and control. When co-operating with certifying organisations, commodity growers must adhere to clearly defined rules and regulations (Terlaak, 2007) that cannot be relaxed through some paternal understanding of legitimate behaviour. In contrast to the domestic world, conflicts in this context can no longer be resolved by identifying individual solutions in personal conversations. Instead, when collaborating with certifying organisations, solutions must be found on a general, anonymous level and must apply independently of individual

circumstances. Furthermore, traditional methods of working and specific organisational customs that are highly valued in the domestic world might not be respected by bureaucratic certifying organisations (Horne, 2009), and the regulations and processes imposed by these organisations might be incompatible with a firm's heritage. Moreover, sustainability certifications contain a strong signalling function and are often adopted for marketing purposes, which contradicts the domestic world's emphasis on privacy, decency and trustworthiness and its disrespect for impression management exercises (Boltanski and Thévenot, 2006). Because of this mismatch, we argue the following:

Hypothesis 1. The use of domestic world rhetoric in organisational communications is negatively related to investment in sustainability certifications.

Moral Legitimising through the Civic/Green World

Organisations that derive their moral legitimacy from the civic/green world attach the highest status of worth (and therefore legitimacy) to collectives instead of individuals (Boltanski and Thévenot, 2006) and regard the natural environment as a form of collective common good (Lafaye and Thévenot, 1993); hence, they are driven by a 'collectivistic' rather than a 'relational' identity orientation (Brickson, 2005, 2007). The recognition of the public good in the civic/green world plays a central role in avoiding a situation such as the 'tragedy of the commons' (Hardin, 1968), in which the search for individual interests undermines the possibility of collective action to preserve the environment (Olson, 2000; Ostrom, 1990). Accordingly, the search for environmental sustainability can be a potentially powerful driver for collective civic action (Hoffman, 2001). To form and sustain strong collectives that are respectful of the environment, individuals are expected to subordinate their own interests in favour of the general will, and organisations driven by the civic/green world will focus on 'collective common agendas' in their mode of stakeholder management (Brickson, 2005, 2007). These collectives struggle to achieve both civic equality *and* environmental renewability in order to enhance the collective welfare.

They raise awareness of inequality, arbitrariness and environmental exploitation, and their mission is typically to protect civil rights (Thévenot et al., 2000) and the ecosystem (Lafaye and Thévenot, 1993). For collectives to be powerful, they must organise themselves by using formal instruments, such as legislation, codes, chapters, and committees. These formal instruments show that collectives do not belong to the private world but are instead open to all citizens. Membership in a collective increases an individual's personal civic worth because the individual has managed to break out of personal isolation (Boltanski and Thévenot, 2006). A person's civic worth can be increased by acting as a legitimate representative of the collective and when there is an official mandate to communicate the collective's aspirations (Boltanski and Thévenot, 2006). The construction of such civic worth for a higher ecological purpose in turn makes the people who are part of the collective worthy in the green world.

In contrast to firms that rely on domestic principles and thus have a 'relational identity orientation', firms that build on the principles of the civic/green world and have a corresponding 'collectivistic identity orientation' are likely to judge an investment in sustainability certifications as a morally appropriate means of managing their external stakeholders, such as suppliers and consumers (Brickson, 2007). Civic/green principles and investment in sustainability certifications are aligned because the aim of sustainability certifications is to disseminate official, law-like standards (Terlaak, 2007) that liberate workers and protect the environment from corporate exploitation (Reinecke et al., 2012). The civic/green world views interpersonal and informal agreements that are not public as arbitrary and illegitimate. Sustainability certifications supplant personal ties with transparent and codified processes and provide set rules and procedures to audit the social and environmental performance of firms (Gilbert et al., 2011). The quote from the website of Kicking Horse Coffee provided in the epigraph of this manuscript clearly illustrates such a civic/green rhetoric. As third-party organisations, certifying organisations have a mandate to represent the 'general will' and to judge the working conditions and

environmental standards of crop plantations. Accordingly, certifying organisations pursue public policy objectives (Reinecke et al., 2012) and help combat the crony networks and favouritism that often persist in interpersonal relationships. Moreover, certifying organisations fulfil the civic/green world's demand for formal declarations (Brickson, 2007) that address global business networkers' 'behind closed door' meetings and politics (Boltanski and Thévenot, 2006). As such, sustainability organisations' certifying function is strongly connected to the civic/green world's inclination to use signboards in order to increase the awareness of collective sustainability movements (Brickson, 2007). Therefore, we expect the following:

Hypothesis 2. The use of civic/green world rhetoric in organisational communications is positively related to investment in sustainability certifications.

The Role of First- and Multi-Generation Family Ownership

A firm's moral legitimacy reflects the values of the firm's dominant coalition, most often that of the owner (Swanson, 2008). Accordingly, the relationship between the civic/green and domestic ways of legitimising and firms' certification investment is likely to depend on firm ownership. In this context, past research has revealed that family-owned firms are distinct from other forms of business (e.g., Berrone, Cruz, and Gomez-Mejia, 2012) because family business owners have a particularly pronounced desire to secure a favourable firm reputation in society (Berrone et al., 2010). Moreover, they often wish to exert control over their company and its supply chain (Carney, 2005; Chua et al., 1999) and to preserve binding ties with business partners (Miller and Le Breton-Miller, 2005). Finally, family business owners tend to feel emotionally attached to their firm and its historical legacy (Tagiuri and Davis, 1996).

However, in line with existing research, we propose that those family firm characteristics are not identical for all types of family-owned firms (Chua, Chrisman, and De Massis, 2015). Instead, these

characteristics are gradually instilled and developed in family firms (Chua, Chrisman, and Chang, 2004), often through the involvement of later-generation family members (Duran et al., 2016; Holland and Oliver, 1992). In the context of this study, we thus differentiate between first- and multi-generation family firms and argue that multi-generation family control strengthens the effect of the domestic world on certification investment, whereas first-generation family control accentuates the influence of the civic/green world on certification investment.

The Domestic World and Certification: The Role of Multi-Generation Family Control

Multi-generation family firms are particularly likely to benefit from and be concerned about maintaining a typical family firm reputation, which is associated with domestic values such as trustworthiness, reliability, tradition and longevity (Micelotta and Raynard, 2011). Indeed, the extant literature has argued that long-established family firms are likely to be perceived as trustworthy (Bacq and Lumpkin, 2014; Tagiuri and Davis, 1996) and to enjoy a favourable family-firm reputation (Deephouse and Jaskiewicz, 2013). A positive reputation, in turn, reduces the likelihood that multi-generation family firms will mimic focal competitors (Reay, 2009), for instance, by adopting sustainability certifications. Instead, multi-generation family firms are more likely to rely on the communicated domestic world to secure their favourable family firm reputation, which also spares them the costs of pursuing certifications.

In addition, multi-generation family firms are likely to be attached to their firm's legacy (Zellweger and Astrachan, 2008) and to desire to exert control over business operations (Berrone et al., 2012). Consequently, multi-generation family firms likely seek to leave historical ways of working unchanged. Multi-generation family business owners are thus more likely to resist the fundamental changes (Kammerlander and Ganter, 2015) in supply-chain operations that might be necessary to collaborate with certifying organisations. A family patriarch's tendency to control operations and to personally care

for the firm's 'extended family' (Berrone et al., 2012) is at odds with the efforts of certifying organisations, which would reduce the firm's ability to control and influence the supply chain. Instead, the supply chain would be monitored and audited by a third-party certifier, and multi-generation family business owners would have to comply with criteria established and imposed by the certifying organisation. This loss of autonomy would reduce the family's perception of being in control and can be avoided by relying on legitimacy from the domestic world instead of investing in certifications.

Moreover, the family business literature argues that long-established family firms have typically built very close-knit, trust-based ties with suppliers over generations (Miller, Lee, Chang, and Le Breton-Miller, 2009). Instead of investing in sustainability certifications, which might put the firm's long-standing ties to suppliers at risk, multi-generation family business owners prefer to protect their binding ties and to continuously invest in long-term relationships (Bingham, Dyer, Smith, and Adams, 2011). Due to these established and trust-based relationships with suppliers, multi-generation family firms should be reluctant to switch from non-certified to certified business partners because their investments in these relationships would be lost. Multi-generation family business owners who are concerned about social and environmental issues are more inclined to informally promote sustainable methods by working through close contacts without reporting their activities externally (Baumann-Pauly, Wickert, Spence, and Scherer, 2013); thus, they can also avoid the costs and administrative burden tied to sustainability certifications.

To summarise, we argue that multi-generation family firms are likely to rely on their credibility in the domestic world, which strengthens the negative relationship between domestic world legitimising and certifications. Simultaneously, multi-generation family firms are likely to experience several barriers to investing in sustainability certification, which further intensifies the negative baseline relationship. Accordingly, we propose the following hypothesis:

Hypothesis 3. Multi-generation family control strengthens the negative relationship between domestic communication and a firm's certification investment.

The Civic/Green World and Certification: The Role of First-Generation Family Control

Similar to longer-established family firms, first-generation family firms are likely to be incentivised to pursue a favourable firm reputation. However, compared with longer-established family firms that usually enjoy a trustworthy reputation (Bacq and Lumpkin, 2014; Hoffman, Hoelscher, and Sorenson, 2006; Tagiuri and Davis, 1996), first-generation family firms are less able to rely on a high level of consumer trust and taken-for-granted legitimacy because they do not have a transgenerational legacy. Research indicates that family firm specific advantages, such as a beneficial reputation based on family values, build up over time (Sirmon and Hitt, 2003) and are thus not necessarily present in first-generation family firms (Duran et al., 2016). Instead, first-generation family owners have yet to prove their trustworthiness and moral legitimacy to external stakeholders, notably consumers and the public. Accordingly, first-generation family owners are less able to rely on the domestic world to maintain their moral legitimacy. Given this disadvantage in the domestic world, first-generation family firms should be more likely to build legitimacy in the civic/green world and should thus be particularly incentivised to enhance their firm's reputation by investing in sustainability certifications. Partnering with third-party certifiers provides first-generation family firms with the opportunity to show their worthiness and consistency in the communicated civic/green world by providing external and independent proof of their moral legitimacy through certification.

In addition, we maintain that first-generation family owners are likely to experience lower barriers to investing in sustainability certifications than multi-generation family owners. Family members in the first generation are unlikely to be highly attached to the current firm's ways of working because they do not have a defined legacy and a long-lasting family influence. Moreover, first-generation family firms are less

likely to benefit from established and trust-based ties with existing suppliers because such benevolent ties take time to establish and materialise only over a prolonged time of continued interactions among the same parties (e.g., Duran et al., 2015). This implies that it is less costly for first-generation firms to reshuffle their suppliers in order to participate in the certification movement. Instead, partnering with well-known certifying organisations may be an opportunity to build up stable supplier ties because it can offer access to established networks.

To summarise, first-generation family firms have a particularly strong motivation to act in line with the communicated civic/green world by investing in sustainability certification. Concurrently, first-generation family firms are likely to experience fewer barriers to investing in sustainability certifications than multi-generation family firms. Therefore, we propose the following hypothesis:

Hypothesis 4. First-generation family control strengthens the positive relationship between civic/green communication and a firm's certification investment.

METHODS

Quantitative Text Analysis

To understand how firms legitimise themselves and to construct the study's independent variables, we had to systematically analyse firms' communications with the public. Computer-aided text analysis (CATA) fulfils this requirement because it can be defined as 'the systematic, objective, quantitative analysis of message characteristics [that includes] the computer-driven investigation of word usage' (Neuendorf, 2002, p.1). Whereas most linguistic studies focus on qualitative discourse analysis (for an overview see Phillips and Oswick, 2012), we rely on computer-aided quantitative measures to analyse the frequency with which firms use different sets of vocabularies. This method is particularly valuable because, in the words of Weber, '[a] focus on quantitative text analysis expands the methodological toolkit of institutional analysis, which has been dominated by qualitative-interpretive and indicator-

based methods' (2013, p.377). Computer-aided text analyses have the advantage of reducing the problem of reliability that often biases other forms of content analysis that rely exclusively on human coders (Krippendorff, 2012). Moreover, computer-aided text analysis can process large quantities of text and thus enable researchers to investigate numerous firms within an industry. In contrast to survey methods, quantitative text analyses can draw on data without depending on the organisations' willingness to participate in the study (McKenny, Short, and Payne, 2013). However, although we rely on this quantitative approach to analyse text, we also provide qualitative insights into the sampled websites in Appendix 1[ix]. Thus, we list exemplary quotes that reflect the domestic or civic/green world.

Units of analysis. As units of analysis, we initially considered all firms that held at least 0.1% of the market share in the coffee, tea and/or chocolate industries in Western Europe and/or North America in 2012. This information was provided by the market research organisation Euromonitor International PLC.[x] We chose to combine insights from the coffee, tea and chocolate industries not only because the certifying organisations, producing countries, and consumer target groups are largely the same in those industries but also because many of the chosen companies are present in more than one industry and in more than one region. Therefore, we argue that coffee, tea and chocolate producers are involved in the same institutional field. The large majority of the global consumption of coffee, tea and chocolate occurs in the US, Canada and Western Europe (e.g., Haight, 2011), which is why we focused on these markets. After screening all the considered firms, we deleted organisations that primarily focused on sugary sweets, biscuits or pharmaceutical teas and that therefore did not occupy the same institutional field (e.g., Lawrence, Hardy, and Phillips, 2002). Furthermore, we considered only firms for which the English-language version of the archived website for 2011 was available. Our final sample contains 86 firms.

Selection of appropriate texts. Because the legitimacy of consumer-goods companies is likely to be received, maintained and/or lost through the media, we relied on firms' online communications to study the underlying worlds in which the companies present themselves. Accordingly, the computer-aided text analysis was conducted by assessing the firms' archived website content from 2011 in its entirety, including downloadable documents.[xi] However, pre-tests of a sub-sample of the research data revealed that text retrieved from online published food recipes and purely online shops distracted from the firms' self-expressions; therefore, they were not analysed. Moreover, information explicitly targeted at shareholders and business partners, such as downloadable annual reports or press releases solely focusing on a firm's performance figures, was not considered because this study's purpose is to analyse legitimising strategies targeted at consumers.[xii]

Website content was chosen for several reasons. First, the overall image presented on websites is relatively stable and coherent. Consequently, various scholars have recognised the promise of this data source for management research (e.g., Hashim and Murphy, 2007; McKenny et al., 2012; Micelotta and Raynard, 2011). The use of website content is aligned with past research emphasising that an organisation's image is constructed through explicit communication and deliberate legitimacy claims (Ashforth and Mael, 1996; Lamertz, Heugens, and Calmet, 2005). More specifically, Olins (1990) argues that corporate websites enable businesses to express a socially desirable and 'managed' image of their organisations. It is important to note that website data do not necessarily reflect reality but more likely reflect a desired image of the organisation. While this 'desirability' bias is sometimes a severe problem (for instance, when the aim is to understand a firm's 'actual' CSR performance or corporate culture), in our case, this bias is exactly what we wanted to analyse, as we were interested in how firms seek to legitimise themselves through their websites, i.e., how they attempt to convince consumers and the wider public that their firm is morally legitimate. As such, websites capture the firms' identity

orientation (Brickson, 2005, 2007) and approach to appropriateness (March and Olsen, 2009) that are communicated to stakeholders. Moreover, website content is easily accessible to practically all audiences (Berthon, Pitt, Ewing, Ramaseshan, and Jayaratna, 2001), which is an important prerequisite for this study because our aim is to scrutinise the studied firms' communications with the general public and Western consumers.[xiii]

Development of dictionaries. This study uses a special-purpose dictionary that is directly derived from the semantic study of Boltanski and Thévenot (2006, as reported in the margins: 159-211). The text analysis is thus based on Boltanski and Thévenot's (2006) proposed sets of vocabularies that correspond to each world. Accordingly, the chosen coding categories are well grounded in established research. However, Boltanski and Thévenot proposed the vocabularies not to use them for a dictionary for CATA but to explain their theory. Accordingly, past research drawing on French Pragmatist Sociology to conduct text analyses has expanded Boltanski and Thévenot's initial word lists through additional dictionary work (e.g., Patriotta et al., 2011). To transform the initial word lists grounded in Boltanksi and Thévenot's theory into a robust and reliable CATA measure, we followed the guidance provided in McKenny et al. (2013).[xiv] We therefore extended the deductive word lists by adding synonyms for each initial dictionary entry. Consistent with past studies and the most recent guidance (McKenny et al., 2013), we used Rodale's (1978) synonym finder to create the final deductive word list for each world. To maximise face validity, we asked four management scholars who are experts in the French Pragmatist Sociology literature to review our deductive lists and delete words that did not reflect the appropriate world or that had an ambiguous meaning. We also ensured that the deductive word lists were truly distinct from one another by removing words that occurred in more than one list. According to Krippendorff's alpha index, the inter-coder reliability between those experts was 0.944 for the

domestic world and 0.783 for the civic world, values that constitute acceptable levels of reliability (Lombard, Snyder-Duch, and Bracken, 2002; Neuendorf, 2002).

It is beneficial to adjust deductive dictionaries to the specific context in which they are applied (Krippendorff, 2012). Therefore, we supplemented the deductive word list by using an inductive word list that was derived from the sampled websites (McKenny et al., 2013; Short, Broberg, Cogliser, and Brigham, 2010). To construct this inductive word list, we investigated the most frequently used words in the sampled text. After deleting proper nouns, structural words and other words that clearly did not reflect the theoretical construct, we derived the inductive word list. This inductive word list was again investigated by the same experts, who selected words that reflected one specific world and that were thus to be included in the final dictionary. In line with the construction of the deductive word lists, we calculated the inter-coder reliability between those experts as 0.944 for the domestic world and 0.945 for the civic/green world according to Krippendorff's alpha index. To ensure that the civic/green and domestic worlds are indeed the most influential ways of legitimising in our context and thus to help explain firms' investment in sustainability certifications (Hypotheses 1-4), we included all six worlds proposed by Boltanski and Thévenot in our analysis; thus, we used deductively and inductively derived dictionaries for each of the six worlds. The overall inter-coder reliability of all the deductively derived words was 0.88, and that of all the inductively derived words was 0.95.[xv]

Process of analysis. The text analysis for this study was conducted with the help of WordStat (Provalis Research, Canada: Montreal), which is a specialised computer software. Each text was analysed by using the dictionary for the respective worlds, as explained above.[xvi] In line with Weber's (2005) proposed approach, we tested the final dictionaries on the sampled text and assessed the coded documents to modify the final word lists. More specifically, we checked every dictionary entry in context and eliminated noise caused by the ambiguity of particular words.[xvii] After these manual checks,

which enhanced the validity of the study, we derived the raw frequency counts for the domestic and civic/green worlds for each firm and then divided the raw frequency counts of the civic/green and domestic worlds for each firm by the count of total words published by the firm. These frequency ratios for the domestic and civic/green worlds ultimately served as the independent variables in the statistical analysis, which we describe below.

Statistical Analysis

Dependent variable—Firms' investment in sustainability certifications. To assess the firms' investment in sustainability certifications, we investigated whether the sampled firms were partners with UTZ Certified, the Rainforest Alliance and/or Fairtrade International (FLO). To obtain this information, we used three measures. First, and most importantly, we contacted the certifying organisations, which provided us with lists of their partners. In addition, we contacted all the sampled firms' media representatives and screened the firms' websites to verify the organisations' lists. As noted earlier, compared with other certifying organisations, Fairtrade International imposes the highest sustainability requirements (Raynolds et al., 2007). Accordingly, we rated the firms' investment in sustainability certifications as follows: a score of 1 was given if the firm was not a partner with any certifying organisation; a score of 2 signified that the firm was a partner with the recognised baseline certifying organisations UTZ Certified and/or the Rainforest Alliance (Ethical_Consumer, 2014); and a score of 3 was given if the organisation invested in Fairtrade International, the most stringent certifying organisation (Raynolds et al., 2007). Whereas data on our independent variables (i.e., the firm's use of different worlds when communicating with consumers) were collected for 2011, data on the dependent variable (i.e., the firm's investment in sustainability certifications) were collected for 2013.

Independent variables. *Domestic World Ratio.* We divided the frequency counts of words belonging to the domestic world by the total number of words in the firm's online communications. *Civic/Green*

World Ratio. Analogous to the Domestic World Ratio, this variable was calculated by dividing the frequency counts of words belonging to the civic or green worlds by the total number of words in the firm's online communications.

Control variables. Several other variables are likely to influence firms' investment in sustainability certifications and were therefore included as control variables. The information needed to create these variables was obtained from Euromonitor International and ORBIS. First, we accounted for the firms' primary industry based on the proportion of total sales in all three industries. More specifically, we created three dummy variables for the coffee industry (=1, otherwise 0), the chocolate industry (=1, otherwise 0) and the tea industry (=1, otherwise 0, the reference category). Moreover, we controlled for the firms' home region because consumer perceptions are likely to be affected by cultural differences, which in turn are likely to affect firms' certifying investments. We created 8 dummy variables for the primary countries/regions represented in our sample: the USA (=1, otherwise 0), Canada (=1, otherwise 0), the UK and Ireland (=1, otherwise 0), Italy (=1, otherwise 0), Germany (=1, otherwise 0), Switzerland (=1, otherwise 0), the Netherlands (=1, otherwise 0) and Scandinavia (=1, otherwise 0). In addition, firm size is likely to have an impact both on the degree of stakeholder pressure and on firms' investment in sustainability certifications. Firm size was measured using both the firm's total number of employees (across all industries/markets) and its sales in the coffee, tea and chocolate industries in 2012 (Euromonitor International). Similarly, whether a firm is listed on a stock exchange is likely to affect its exposure to stakeholder pressure and was thus included as a dummy variable (=1, otherwise 0).

Moreover, firm performance is likely to influence a firm's ability and willingness to invest in sustainability certifications because firms with higher performance can more easily afford the costs associated with such certification. To account for firm performance, we calculated the proportional change in sales in the coffee, chocolate and tea industries over the four-year period from 2008 to 2012.

Moreover, we expect firm age to be an important control variable because older firms' historical legacies might affect their legitimacy and determine their certification efforts. In addition, we controlled for blockholder ownership by including a dummy variable that indicated whether either one private owner or one owning family holds at least 15% (Miller, Breton-Miller, and Lester, 2013) of the firm's total equity (=1, otherwise 0). Finally, to ensure that the civic/green and domestic worlds are central ways of legitimising even in the presence of other worlds, we included frequency ratios for all the other worlds developed by Boltanski and Thévenot (2006) in our analysis. Accordingly, we calculated the frequency ratios of the inspired world, the world of fame, the market world, and the industrial world.

Moderator variables. As outlined in Hypothesis 3, multi-generation family control strengthens the negative relationship between domestic world communication and certification investment. We thus included a dummy variable to indicate whether one family had been the firm's main blockholder for at least two generations (=1, otherwise 0). To assess the moderating effect of this variable, we calculated the interaction between the domestic world ratio and multi-generation family control. In Hypothesis 4, we further propose that first-generation family control strengthens the positive relationship between civic/green world communication and certification investment. Therefore, we included a dummy variable to indicate whether a firm's main blockholder is a family in the first generation of ownership (=1, otherwise 0). To assess the moderating effect of this variable, we calculated the interaction between the civic/green world ratio and first-generation family control.

Descriptive data. Table I presents the correlation matrix and descriptive statistics for all of the included variables. Overall, the table shows moderate levels of correlation among the study's variables. In particular, the correlation between the domestic and the civic/green worlds is low (Pearson correlation of 0.024, $p>0.1$), which substantiates the theoretical assumption that legitimising through the civic/green world and legitimising through the domestic world occur independently and do not represent two ends

of a continuum. In line with our theoretical arguments, the correlation between first- and multi-generation family control is negative and significant (-.560, $p<0.01$), which is why we concentrated on only one variable in Hypotheses 3 and 4. To reveal multi-collinearity issues, we examined the variance inflation factors of the estimation variables. The highest value is 4.123, which is well below the commonly used threshold of 10 (Hair, Black, Babin, Anderson, and Tatham, 2006). Appendix 2 provides descriptive information on first- and multi-generation family control.

INSERT TABLE I ABOUT HERE

RESULTS

We tested our hypotheses using ordered logistic regression because the dependent variable is ranked on a scale from 1 to 3, but the distance among the ranks is unknown; these conditions violate the assumptions of OLS regressions (e.g., Perretti and Negro, 2006). Ordered logistic regression enables researchers to compare the (logarithmic) odds that an observation is in a higher category (McKelvey and Zavoina, 1975; Winship and Mare, 1984). A positive coefficient indicates that the examined independent variable increases the likelihood that firms fall into a higher rank regarding certification investment (e.g., Green, Li, and Nohria, 2009).

Model 1 contains only the control variables and reveals that firms whose home market is Italy (-0.705, $p<0.05$) are less likely to fall into a higher rank regarding certification investment, whereas firms with a high sales volume in the coffee, tea and chocolate industries are more likely to invest in certification (0.950, $p<0.05$). Model 2 shows that an increase in the domestic world ratio significantly decreases the likelihood that a firm will fall into a higher category regarding certification investment (-0.731, $p<0.05$), thus supporting Hypothesis 1. Conversely, an increase in the civic/green world ratio significantly increases the likelihood that a firm will have a higher level of certification investment (0.744, $p<0.05$), which provides support for Hypothesis 2. Adding the world ratios of the civic/green

world and the domestic world to the model increases the model fit (Δ in -2LL=6.52, d.f.=2, $p<0.05$).[xviii] Model 3 reveals that multi-generation family control significantly strengthens the negative relationship between the domestic world ratio and firms' investment in sustainability certifications (-0.728, $p<0.05$), which increases the model fit (Δ in -2LL=4.86, d.f.=1, $p<0.05$) and provides support for Hypothesis 3. Finally, Model 4 shows that first-generation family control significantly strengthens the positive relationship between the civic/green world ratio and investment in sustainability certifications (1.619, $p<0.05$), which increases the model fit (Δ in -2LL=9.98, d.f.=1, $p<0.01$) and supports Hypothesis 4.

INSERT TABLE II AND FIGURE 1 ABOUT HERE

The moderating effects found in Models 3 and 4 are plotted in Figure 1.

Robustness Checks

Alternative ownership moderators. To empirically verify that multi-generation family control is the most influential ownership moderator in the domestic world and certification relationship and that first-generation family control is the most decisive ownership moderator in the civic/green world and certification relationship, we undertook two robustness checks. First, we assessed the moderating role of private blockholders in general. The results show that private blockholdership does not significantly alter either the relationship between the domestic world and certification or the relationship between the civic/green world and certification, thus providing support for our distinction between first- and multi-generation controlled firms.

Second, we swapped the moderators and found that the effect of multi-generation family control on the relationship between civic/green vocabulary and certification is marginally significant (-.646, $p<0.1$), in that it weakens the positive relationship between civic/green vocabulary and certification. This insight indicates that multi-generation family firms might feel a lesser need to increase their legitimacy in the civic/green world by investing in certification given their 'natural' credibility in the domestic world.

Moreover, this robustness check reveals that the effect of first-generation family control on the relationship between domestic vocabulary and certification is marginally significant (.496, $p<0.1$), in that it weakens the negative relationship between the domestic world and certification. This result indicates that first-generation family firms are less able to capitalise on the notion of tradition and legacy, which are essential in the domestic world. Therefore, first-generation family firms are less likely to feel sufficiently credible in the domestic world to act according to domestic principles and, consequently, to avoid certifications.

Analyses of exceptions. Overall, our findings reveal that multi-generation family firms, which greatly rely on the domestic world in their online communication, are less likely to invest in sustainability certification. By contrast, our overall findings show that first-generation family firms, which draw heavily on the civic/green world, are more likely to invest in sustainability certification. To uncover potential exceptions to these overall findings, we conducted two additional analyses. First, we assessed whether there are multi-generation family firms that rely heavily on the domestic world (the domestic world ratio of the company is higher than the mean plus one standard deviation) but that nevertheless invest in a Fairtrade certification (the highest certification rank in this study). This analysis revealed that no firm in our sample provides such an exception. Accordingly, we changed our criteria and investigated whether there are multi-generation family firms that belong to the top 25% with regard to domestic world legitimising but that nevertheless invest in a Fairtrade certification. Two firms in our sample fulfilled these criteria. Interestingly, while these firms predominantly rely on the domestic world in their online communication, they also draw on the civic/green world to an extent that exceeds the sample average. Both multi-generation family firms combine the domestic and the civic/green by referring to the family's long-term dedication to doing the right thing. These expectations show that although the majority of multi-generation family firms draw on the domestic world to prevent an investment in

certifications, the domestic world does not inevitably stop multi-generation family firms from investing in certifications. Some multi-generation family firms might combine their family tradition with a civic/green morality that leads them to score high with respect to both the domestic world and the civic/green world. We evaluate this possibility in the future research section.

Second, we investigated whether there are first-generation family firms that greatly rely on the civic/green world (the civic/green world ratio of the company is higher than the mean plus one standard deviation) but that nevertheless do not invest in any certification (the lowest certification rank in this study). No firm in the sample constituted such an exception. We subsequently changed our criteria to assess whether there were first-generation family firms that belong to the top 25% with regard to civic/green world communication but that nevertheless had no certification. Again, no firm in our sample constituted such an exception.

DISCUSSION AND IMPLICATIONS

Contributions and Implications

Insights for the literature on CSR and sustainability. Our results contribute to the political CSR literature (Scherer and Palazzo, 2011; Scherer et al., 2016) by shedding light on domestic morality, which acts as an alternative to the well-known civic and green moralities. Our results show that domestic morality can work against the establishment of official sustainability standards even in industries that are confronted by profound ethical and environmental issues. A domestic vocabulary can be deployed in an attempt to appear legitimate without using certifications. Accordingly, the moral legitimacy derived by emphasising the domestic world can provide leeway for firms to avoid investing in civic or green movements. These insights respond to recent calls to broaden the foundations of political CSR research by mobilising a French Pragmatist Sociology perspective (Scherer et al., 2016).

By raising awareness of the domestic form of legitimacy, this study also contribute to the literature that distinguishes between explicit and implicit CSR approaches (Matten and Moon, 2008), as we show that the domestic form of legitimising is negatively related to explicit CSR, such as investing in voluntary sustainability certifications. This insight provides an alternative explanation of the limited regulative power of sustainability certification (Horne, 2009; MacDonald, 2007; Utting-Chamorro, 2005), which acknowledges the existence of multiple ways of being responsible associated with distinct forms of legitimacy communication.

In addition, our findings advance the analysis of how the notion of time affects CSR processes and outcomes (Wang and Bansal, 2012). Wang and Bansal (2012) suggest that a long-term orientation can help a firm better integrate socially responsible attributes into their product features and production processes and thus allow them to identify the implicit value from stakeholder relationships and reduce managerial distractions in conducting CSR activities. Taking up this temporal aspect, our paper suggests that family firms with a multi-generation history of family control tend to have a stronger wish to perpetuate family control (Chua et al., 2004; Zellweger, Kellermanns, Chrisman, and Chua, 2012) and that they thus typically have a longer-term orientation than first-generation family firms. In this context, a firm's long-term orientation is characterised by the 'dominant coalition's efforts to operate and preserve their family enterprise for the long run' (Lumpkin and Brigham, 2011, p. 1151). Extending Wang and Bansal's (2012) initial findings, our study indicates that multi-generation family firms—by relying on and fostering long-term ties with internal and external stakeholders—might naturally be in a good position to integrate socially responsible attributes into their products and processes in an implicit manner, allowing them to circumvent the costs and administrative burden tied to third-party sustainability certifications.

Insights for the certification and reputation literature. Our study also invites reconsideration of prior assumptions about accreditation and certification contests in relation to firm reputation and performance (Graffin, Wade, Porac, and McNamee, 2008; Graffin and Ward, 2010; Rindova, Williamson, Petkova, and Sever, 2005). In contrast to prior studies portraying certifications as 'intangible assets' that communicate products' quality (Pfarrer, Pollock, and Rindova, 2010, p. 1133) and are thus necessarily beneficial, our results explain why some firms might not be interested in certifications. We found that there are other means through which firms communicate information about quality and trustworthiness, and these means are somewhat mutually exclusive to certifications—i.e., the domestic world. Although this insight does not contradict the assumption that certifications can be beneficial, it points towards the complex motives behind the adoption of certification and provides a novel explanation for the persistent variance in firms' investment in sustainability certifications.

Insights for organisational studies drawing on French Pragmatist Sociology. Our research contributes to the growing literature that has drawn on French Pragmatist Sociology to explore actors' moral legitimising (e.g., Gond et al., 2016; Patriotta et al., 2011; Whelan and Gond, 2016). While Boltanski and Thévenot (2006) have proposed a set of vocabularies in their seminal work, no subsequent study has relied on a vocabulary perspective (Loewenstein et al., 2012) to capture the use and effect of worlds. This is surprising because recent research has stressed that vocabulary sets constitute the building blocks of a legitimising strategy (Ruebottom, 2013). Relatedly, Crilly and colleagues (2016) have noted that the 'subtle, often subliminal, choices about grammar provide important information on how social actors construe the world around them' (p. 706), which affects firms' legitimising strategy. In this context, French Pragmatist Sociology helps us understand which types of grammar, referred to as 'worlds', are available to firms for legitimising purposes in morally sensitive domains.

Our study shows that French Pragmatist Sociology offers a promising lens to study legitimation in

addition to other prominent theories, such as institutional theory (e.g., Delmar and Shane, 2004) or population ecology (e.g., Manigart, 1994), that have been deployed for such a scholarly inquiry (Überbacher, 2014). French Pragmatist Sociology significantly extends the institutional tradition by focusing on the *moral* facet of legitimation that has been relatively neglected in prior studies (Palazzo and Scherer, 2006). Our findings suggest that French Pragmatist Sociology can advance and complement Überbacher's (2014) typology by highlighting a mechanism of moral legitimation that bridges micro- (organisational discourses) and macro-levels of analysis (worlds) and that reflects an actor-centric 'logic of appropriateness' that is anchored in a firm's historical legacy and identity orientation (Brickson, 2007). This 'moral action view' allows researchers to study the communication strategies through which firms seek to maintain moral legitimacy while assigning an agentic role to firms. It thus helps in 'building bridges' between the distinct views that have been used in the literature thus far (Überbacher, 2014, pp. 686-88).

Insights for the family firm literature. Finally, our study advances research on family firms by highlighting that multi-generation family firms that rely on the domestic world are less likely to participate in the sustainability certification movement. Shedding light on this source of non-compliance enriches the literature on family business and CSR that, while finding contradictory evidence, has primarily emphasised family firms' pro-social behaviour (see Van Gils et al., 2014 for an overview). Building on existing research, our study suggests that long-established family businesses have advantages associated with higher levels of trust (Bacq and Lumpkin, 2014; Hoffman et al., 2006) that might negatively affect their commitment to participating in social movements to implement universal sustainability standards. Accordingly, our study demonstrates that family firms with a multi-generation family legacy are particularly likely to believe that they can save the costs of certifications because their reputation in the domestic world is sufficient to guarantee legitimacy.

By disentangling the effect of first- and multi-generation family firms, we respond to recent calls to distinguish among different types of family firms (Chrisman, Chua, Pearson, and Barnett, 2012; Deephouse and Jaskiewicz, 2013; Miller, Breton-Miller, and Lester, 2011). The lack of such specification has led to inconsistent findings within the family business literature (Chrisman et al., 2012; Chua et al., 1999). In our context, depending on its operationalisation, family firms can either foster or hamper the diffusion of sustainability certifications, which might help explain why the initial findings on family ownership and sustainability certifications are partially inconsistent (Campopiano and De Massis, 2015; Delmas and Gergaud, 2014).

Limitations and Future Research

As with any empirical work, our study is not free of limitations, and there are therefore opportunities for future research. The first limitation is related to our dependent variable. Although the score that determines a firm's sustainability investment is based on the strictness of the certification's regulations and is thus aligned with our theoretical arguments, it would be even more precise to use the proportion of certified products that accounts for a firm's overall sales. This information was not obtainable because neither the sampled firms nor the certifying organisations were willing to disclose it. Second, English versions of the archived websites were not available for all of the firms active in the industries, thus limiting the number of firms in the sample. We therefore encourage future studies to use quantitative text analysis to investigate the communications of an entire field because such a comprehensive and holistic approach constitutes an important advantage of quantitative text analyses compared with qualitative methods or surveys (McKenny et al., 2013). Moreover, although we mitigated reverse causality problems by ensuring a two-year time gap between the independent and dependent variables, the complexity of our research question did not allow us to draw one-directional conclusions from our design. Accordingly, we attempted to avoid the use of causal language, especially when

explaining Hypotheses 1 and 2, and we encourage future research to replicate and alter our model in order to refine our preliminary insights.

Overall, our study shows that more attention should be paid to the different methods deployed by firms to manage their moral legitimacy in order to explain firm decisions in the domain of sustainability and social responsibility. Our results highlight potential tensions and paradoxes between investment in sustainability standards and reliance on domestic moral principles. Future studies could investigate how firms that are anchored in the domestic world can achieve high levels of moral legitimacy in the public eye and therefore attract resources. Alternatively, future studies could explore whether the coexistence of different worlds creates tensions within organisations, which circumstances allow different worlds to be combined and how such a combination may affect firms' approach to sustainability. Moreover, we encourage future research to test this paper's model in other industry contexts. In addition, our study sought to explain the heterogeneity in firms' investment in sustainability certifications and not their actual achievements in the CSR domain. Future studies should build on our insights and explore the extent to which certification or non-certification is related to a firm's actual CSR performance. We also acknowledge that firms might invest in certifications for other aspects of their business, such as quality or health and safety certifications, and we encourage scholars to assess the relationship between sustainability certification and firms' general compliance with standards.

This paper primarily draws on French Pragmatist Sociology. Of course, other theoretical lenses also seem promising in this paper's context, notably evolutionary theory (Nelson and Winter, 2009). We thus encourage future research to draw on this or other theoretical lenses to shed further light on organisations' certification commitment and CSR practices in general. Although we did not evaluate whether distinct approaches to moral legitimacy generate different economic returns to firms, our analysis suggests that different configurations of moral legitimacy principles, identity orientations, firm

attributes, and CSR strategies (e.g., sustainability certification) can be equally effective from an economic viewpoint, provided that they are internally consistent and coherent. Future studies could build on configurational analysis (see e.g., Fiss, 2007) to explain firm performance in a similar context.

NOTES

[i] More recently, Fairtrade delineated stringent environmental criteria in addition to its ethical criteria (Reinecke et al., 2012), and it offers a price premium to growers involved in organic farming.

[ii] Formally defined, political consumerism is the choice of producers and products with the aim of changing ethically or politically objectionable institutional or market practices (Micheletti and Stolle, 2006).

[iii] Academic discussions about 'sustainability certifications' have taken place under different umbrella terms, such as 'sustainability standards' (see, e.g., Reinecke et al., 2012; Wijen, 2014), 'accountability standards' (see, e.g., the 2011 special section of the *Business Ethics Quarterly*) and 'private social and environmental regulations' (Turcotte, Reinecke, and den Hond, 2014). Because of the coexistence of multiple terms, the theoretical landscape is somewhat confusing: similar empirical entities or processes are analysed using different constructs (sustainability certifications, labels, standards, private regulation).

[iv] A comparison of these three primary certifications in the coffee, tea and chocolate industries can be attained from the first author.

[v] Moreover, the multiplicity of sustainability certifications creates duplicate activities and increased certification costs (Fransen, 2011; Reinecke et al., 2012). Consumer perceptions regarding sustainability certifications are similarly ambivalent: on the one hand, consumers are confused by the multitude of certifications (Fransen, 2011); on the other hand, they are increasingly interested in purchasing sustainable products, as evidenced by the strong growth rates of certified coffee, tea and chocolate (e.g., Sarmadi, 2015). If companies want to certify a certain product through a sustainability certification, the crops must be grown and harvested according to the certifiers' standards and must come from an inspected and certified producer organisation. The company must also be willing to have its supply chain audited regularly to ensure that it adheres to the agreements and criteria (e.g., fair price, no child labour) established by the specific certifying organisation. Finally, in most cases, the firm must pay a certain fee to be able to use the certification (SCAA_Sustainability_Council, 2010).

[vi] Such an approach is not inconsistent with Boltanski and Thévenot's (2006) analysis, which suggests the possible existence in organisational contexts of 'compromises' between different worlds. The need to combine the green and civic worlds also reflects the relatively new and 'instabilised' character of the 'green world', as opposed to the six other worlds described by Boltanski and Thévenot (2006). According to Lafaye and Thévenot (1993), the 'green world' may not yet constitute an autonomous 'world' on its own, as its underlying normative principles have emerged only in recent years.

[vii] A schematic summary of the domestic and civic/green worlds (Boltanski and Thévenot, 2006; Patriotta et al., 2011; Thévenot et al., 2000) can be obtained from the first author upon request.

[viii] Sample quotes from the coffee, chocolate and tea producers analysed in this study regarding why certain firms do not invest in sustainability certifications can be obtained from the first author.

[ix] Additional qualitative insights can be obtained from the first author upon request.

[x] http://www.euromonitor.com/

[xi] If website archives from 2011 were not available, we used website content from either late 2010 or early 2012. Moreover, the vast majority of the firms had just one website that explained the firm and its major brands. In three cases, however, the firm separated the websites of its flagship brand from the firm's generic website, as well as from other brands owned by the firm with significantly less market share. In this case, we were particularly interested in firm communication on the website related to the most important brand because their moral legitimacy management in this regard is particularly crucial, given the interest of this brand in the public eye. Therefore, we collected the information from the website for the flagship brand and from the overall website of the firm.

[xii] Although shareholders and business partners can also be vested consumers and although they therefore usually care about the ethical behaviour of a firm, communications with shareholders are primarily intended to convey that the company remains a financially sound investment opportunity—it thus fulfils other communicative purposes (McKenny, Short, Zachary, and Payne, 2012). Moreover, because only 21 percent of the sampled companies are listed entities, we chose not to incorporate any shareholder information in order to avoid any biases that might arise based on the discrepancy between listed and unlisted firms.

[xiii] In comparison, social media targets certain consumer groups rather than the wider public, and the use of social media and television varies significantly among the firms in the sample. Print media is often not written by the firm itself, which makes this type of media unsuitable for our study's design, as our study seeks to explore how firms legitimise themselves.

[xiv] Although McKenny and colleagues (2013) explain how to develop a CATA measure from an operant definition and thus start with less information than we do in our study, using a synonym finder helped strengthen the validity and reliability of our dictionaries.

[xv] To examine the dictionaries for the six worlds, including the domestic world and civic/green world, please contact the first author.

[xvi] Before conducting this text analysis, we had to transform the dictionaries to capture all the variations of a certain word (for instance, the word 'tradition' contains the variations 'traditions', 'traditionally', and so forth) by using the 'lemmatising function' of the WordStat programme.

[xvii] For instance, the civic word 'right', which refers to human or civil rights, might also be used in a directional sense (right or left), but the latter usage obviously does not belong to the civic world and thus must be deleted (Goodrick and Reay, 2010). The frequency descriptives of the civic/green and domestic worlds can be obtained from the first author.

[xviii] See, for instance, Payne and colleagues (2013) for additional examples of model fit calculations.

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Table I: Descriptives

		Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1	Sustainability Certification Score	2.081	.897																								
2	Coffee	.337	.476	,238*																							
3	Chocolate	.372	.486	-,313**	-,549**																						
4	US	.186	.391	.124	.038	.003																					
5	Canada	.081	.275	-.075	.058	-.053	-.142																				
6	UK and Ireland	.198	.401	.020	-,231*	-.140	-,237*	-.148																			
7	Italy	.105	.308	-,244*	,238*	-.027	-.163	-.102	-.170																		
8	Germany	.116	.322	-.074	-.029	.021	-.173	-.108	-.180	-.124																	
9	Switzerland	.093	.292	-.029	-.144	,250*	-.153	-.095	-.159	-.109	-.116																
10	Netherlands	.070	.256	.129	-.002	-.022	-.131	-.082	-.136	-.094	-.099	-.088															
11	Scandinavia	.070	.256	.180	.094	-.022	-.131	-.082	-.136	-.094	-.099	-.088	-.075														
12	Firm Size (Empl.)	12784	46738	.102	-.093	.107	.104	-.079	-.064	-.081	-.091	,217*	.105	-.030													
13	Sales	7167	20775	.145	-.145	,299**	,289**	-.097	-.154	.004	-.088	.157	-.011	-.071	,639**												
14	Performance	.321	1.563	.156	.200	-.121	,224*	-.005	-.060	-.067	-.084	-.039	.113	-.039	-.011	.095											
15	Company Age	90.756	62.724	-.012	-.059	.168	-.154	-.180	-.200	-.032	.038	.081	,310**	,251*	.125	.144	-.050										
16	Private Blockholder	.744	.439	-.006	-.089	-.045	-.199	-.020	-.044	.200	.130	-.088	-.153	.161	-.315**	-.299**	-.267*	.013									
17	Stock Listed	.209	.409	.113	-.004	.077	.121	.056	-.112	-.176	-.187	.130	.196	-.029	,456**	,377**	,259*	.212	-,317**								
18	Multi- gen. Control	.465	.502	-.085	.075	-.091	-.146	-.107	-.053	.291*	.098	-.138	-.255*	.111	-.142	-.078	-.151	.087	.547***	-.251*							
19	First gen. Control	.256	.439	.096	-.136	.100	-.006	.118	.044	-.113	-.046	.087	.049	.049	-.139	-.192	-.083	-.147	,365**	-.105	-,560**						
20	Fame World	.032	.010	-.006	.083	-.042	-.069	-.074	,218*	-.115	.030	-.001	-.125	-.139	-.110	-.064	.038	.158	.055	.046	.125	-.022					
21	Inspired World	.017	.007	-.171	.036	.024	-.121	-.072	-.016	,266*	.137	.035	-.162	-.181	-.057	-.053	.013	-.110	.033	-.147	.157	-.056	,316**				
22	Market World	.022	.010	.001	-.013	.132	.024	.114	-.196	-.049	-.156	-.002	.197	.161	.065	.013	-.072	.164	-.020	.123	-.034	-.131	.019	-,362**			
23	Industrial World	.047	.021	.102	.046	.139	-.137	.144	-,336**	.142	-.051	,224*	.208	.105	,273*	.151	-.023	.141	-.043	.165	-.155	.039	-,274*	-,319**	,535**		
24	Civic/Green World	.018	.011	.378**	.152	-.201	.114	.121	-.103	-.089	-.237*	.144	.120	.045	.320**	.295**	.099	-.086	-.297**	.250*	-.265*	-.012	-.182	-.092	.136	.379**	
25	Domestic World	.026	.009	-.235*	-.109	.275*	.003	.000	.072	-.143	.141	.117	-.182	-.094	-.105	-.043	-.155	-.013	-.012	-.043	.103	-.095	.311**	.446**	-.129	-.230*	.024

* Correlation is significant at the 0.05 level, ** Correlation is significant at the 0.01 level.

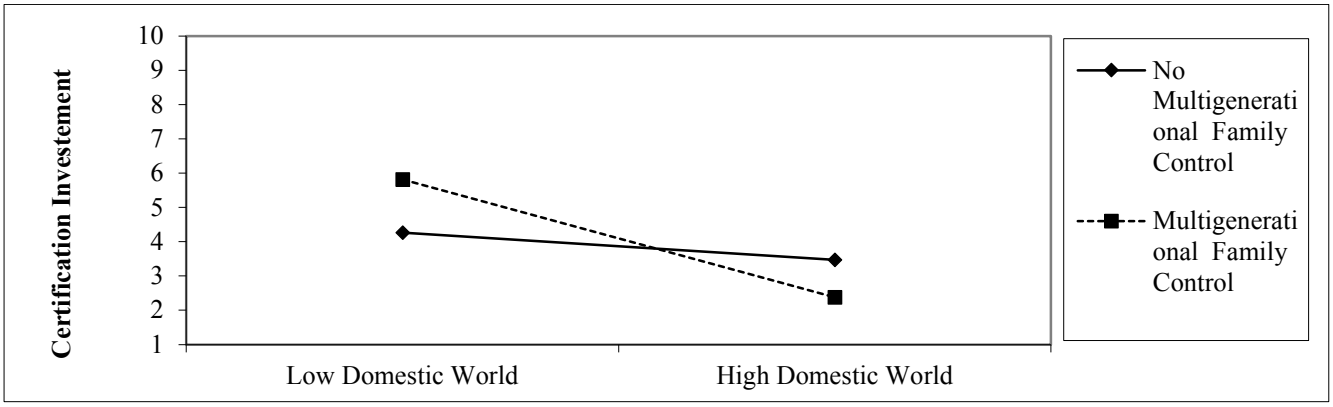
Table II: Ordered Logistic Regression for Investment in Sustainability Certifications

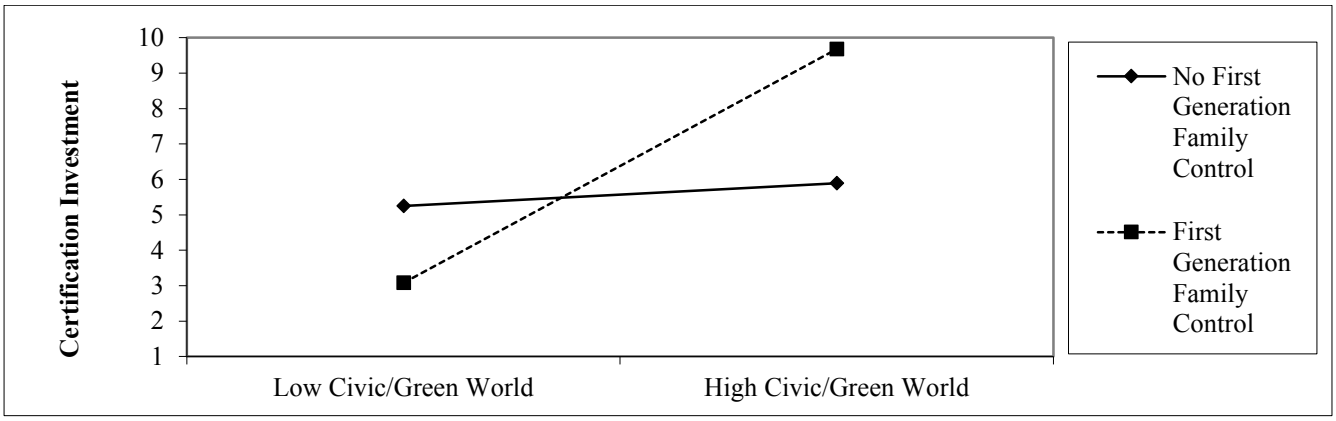
	Model 1	Model 2a/b		Model 3a/b		Model 4a/b	
Control Variables							
Coffee as Primary Industry	0.568+	0.590+	0.704+	0.704+	0.702+	0.708+	0.767*
Chocolate as Primary Industry	-0.609+	-0.653*	-0.132	-0.116	-0.013	-0.119	0.022
Home Market US	0.141	0.182	0.331	0.359	0.490	0.347	0.317
Home Market Canada	-0.229	-0.366	-0.302	-0.280	-0.249	-0.290	-0.215
Home Market UK and Ireland	0.139	0.164	0.330	0.354	0.530	0.343	0.273
Home Market Italy	-0.705*	-0.924*	-0.908*	-0.906*	-1.096*	-0.909*	-1.026*
Home Market Germany	-0.085	-0.216	0.044	0.062	0.086	0.050	0.055
Home Market Switzerland	0.111	-0.049	0.071	0.089	0.052	0.080	-0.158
Home Market Netherlands	0.385	0.304	0.322	0.345	0.483	0.333	0.631
Home Market Scandinavia	0.515	0.406	0.385	0.394	0.590	0.391	0.475
Company Size (Employees)	-0.297	-0.482	-0.509	-0.516	-0.626+	-0.511	-0.408
Sales in Chocolate/Coffee/Tea	0.950*	1.040*	0.769+	0.760+	0.886+	0.764+	0.972*
Performance	0.071	0.016	-0.082	-0.089	-0.048	-0.086	-0.097
Company Age	-0.351	-0.359	-0.289	-0.291	-0.376	-0.291	-0.451
Private Blockholder	0.492+	0.513+	0.586+	0.557	0.638+	0.600+	0.544
Stock Listed	0.107	0.106	0.042	0.048	-0.003	0.043	-0.177
Independent Variables							
Fame World		0.053	0.164	0.167	0.255	0.168	0.401
Inspired World		0.064	0.251	0.253	0.390	0.254	0.219
Market World		-0.345	-0.309	-0.320	-0.387	-0.320	-0.554
Industrial World		0.667+	0.321	0.331	0.580	0.330	0.548
Domestic World			**-0.731***	-0.749*	-1.061**	-0.741*	-0.696
Civic/Green World			**0.744***	0.755*	0.953*	0.748*	1.290*
Moderator Domestic World							
Multi-generation Family Control				0.067	0.214		
Domestic World* Multi-gen. Family Control					**-0.728***		
Moderator Civic/Green World							
First generation Family Control						-0.031	0.318
Civic/Green World*First-gen. Family Control							**1.619***
-2log likelihood (-2LL)	147.572	143.53	137.012	136.97	132.12	137.00	127.02
Likelihood Ratio (LR) Chi^2	32.88**	36.93*	43.44**	43.43**	48.34**	43.45**	53.43***
LR Test of model fit: Change in -2LL		4.04	6.52*	0.04	4.86*	0.01	9.98 **
Pseudo R^2 (McFadden)	0.182	0.205	0.241	0.241	0.268	0.241	0.296
Observations	86	86	86	86	86	86	86

+p<.1; *p<.05; **p<.01; ***p<.001

All variables are standardized. Relying on unstandardized variables instead does not change the model's findings.

Figure 1: Moderating Effects





Appendix 1: Exemplary Website Quotes

Domestic World	**% of domestic world**	**Exemplary website quotes**	**Certification Score**
Ganong Bros.	3.6% (sample mean: 2.6%)	• A trip to the Ganong Chocolatier store evokes the feeling of traveling back in time to a faithfully reproduced authentic early 1900's candy store! • Ganong has carefully re-created this old-fashioned candy store for you and your family to experience and enjoy. Feel what it's like to be a kid again with some tough choices; come in to the Ganong Chocolatier store and taste the difference family tradition makes! • The Ganong Chocolatier store is a place where you'll discover many old-fashioned chocolate varieties that have been made for over half a century. Each is an exquisite masterpiece of the confectioner's art […] the one and only Ganong Original Chicken Bones. • Since 1873 the Ganong family and friends have put their heart and soul into the chocolate confectioner's art, an art never lost. • The special skills in making quality confectionery have been passed down throughout the generations in the small town of St. Stephen, New Brunswick. • Did you know? Ganong Bros. Limited is Canada's oldest candy company; founded in 1873. • Taste the difference family tradition makes. • Fresh out of university, he [Arthur Ganong] entered the family business alongside his uncle Gilbert. Having a life-long fascination with chocolate, Arthur proved himself a sharp business man and outstanding manager. Arthur was famous for eating three pounds of chocolate every day. • Whidden [Ganong] began his career in Ganong's hard candy room. He served as factory superintendent before becoming President in 1957. Whidden's extensive knowledge of production made him a stickler for quality. He is best remembered for his unwavering commitment to his employees and the community.	1 (do not partner with certifying organization)
Civic/Green World	**% of civic/green world**	**Exemplary website quotes**	**Certification Score**
Kicking Horse Coffee	4.8% (sample mean: 1.8%)	• [Market ups and downs] led to the suffering of many of the world's 25 million coffee farmers, who often get little financial return on this labour-intensive crop. Bare subsistence, environmental degradation, unstable societies: It's not fair! • Who said life was fair? We did. That's who. • But it can be fair […] a group of fair-minded people realized there had to be a better way. The fair trade coffee movement was born. • When we started Kicking Horse Coffee in 1996, we scoured the planet to find bona fide Fair Trade coffee. We discovered the Fair Trade Labelling Organizations International (FLO), an umbrella organization that sets fair trade standards, and TransFair Canada, the national certification organization. These organizations demand rigorous monitoring, auditing and certification before they allow us to proudly use the Fair Trade label. • We are now the largest Fair Trade roaster in Canada. All our coffee is 100% Certified Fair Trade. • Fair Trade benefits the farmer by guaranteeing them a fair price for their coffee. […] While Fair Trade improves the wellbeing of the producers, it is just the beginning of an equitable economic and social system that Kicking Horse Coffee supports wholeheartedly. • Fair Trade benefits the environment by encouraging farming and production practices that are sustainable, by minimizing pollutants, pesticides and herbicides, and by encouraging organic agriculture techniques. • Coffee is good. Certified organic coffee is better.	3 (Partner with Fairtrade Certified)

Appendix 2: Family Control

	Multi-generation Family Control (Average controlling share: 89.1%)		**First-generation Family Control** (Average controlling share: 83.43%)		**No Family Control**	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
No	46	53.5	64	74.4	62	72.1
Yes	40	46.5	22	25.6	24	27.9