

Citation:

Study Investigating the Influence of Corporate Social Responsibility on Consumer Purchase Intention

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Abstract:

This study utilized a questionnaire to construct a comprehensive model that incorporates customers' intents to make a purchase, their opinions of the quality of the product, and the corporate social responsibility (CSR) of the company. The study subsequently examined the impact of corporate social responsibility (CSR) on customers' purchase intentions, with product quality judgments acting as a moderating variable. The findings indicate that the impacts on individual dimensions vary, and that Corporate Social Responsibility (CSR) directly and positively affects customers' purchase intentions. The impression of product quality in connection to charity giving, legal accountability, and environmental responsibility favorably moderates customers' purchase intentions. Conversely, it has a negative moderating effect on the influence of consumer and economic responsibility.

Keywords: Corporate Social Responsibility, Consumer Purchase Intention, Brand Reputation, Ethical Consumption, Brand Credibility, Perceived Value, Sustainable Competitive Advantage.

Introduction

In the beginning of 2020, the city of Wuhan in Hubei province was hit by a novel pandemic caused by the coronavirus. As a result, several enterprises are urgently working to provide aid to Hubei. Over fifty enterprises have collectively donated over one hundred million yuan towards combating the illness, representing a fraction of the estimated four thousand enterprises in the nation that had given in excess of 35.1 billion yuan as of April 4th [1]. These firms operate in several fields, including healthcare, real estate, education, and home furnishings, among others. Furthermore, many firms have demonstrated their

commitment to the public by embracing the "one donation" strategy and taking on all social duties. This practice has received widespread acclaim from members of society. Nevertheless, in recent years, there have been other instances where the pursuit of financial profit has taken precedence over fulfilling social obligations. The recent explosion, Foxconn employee leaping incident, and "contaminated milk powder" controversies provide as clear proof that certain firms consistently fail to meet their social responsibility requirements. The Changsheng Medicine "fake vaccine" episode exemplifies a notable deficiency in corporate social responsibility (CSR), among other inadequacies. The contemporary period has raised the benchmarks for corporate social responsibility (CSR) performance in several industries. Consequently, there is a significant discussion over how businesses might improve their commitment to their social duties in the future. According to reports, customers are expressing apprehension on the level to which firms meet their social obligations [2]. With the growing consciousness among consumers about safety, ethics, environmental effect, and legal compliance, corporations can no longer emphasize profit maximization at the expense of social responsibility. Previous domestic and global studies have confirmed that a substantially elevated degree of corporate social responsibility can have a favorable impact on customers' purchase inclinations [3] [4]. The prevalence of regular safety and product quality concerns has a stronger influence on consumers' ultimate purchasing intentions regarding safety. Although there is a significant amount of literature on the connection between consumer purchase intention and perception of product quality, a large portion of this research is basic and does not explore the consequences of this link for corporate social responsibility. The essay maintains its theoretical importance since there is a lack of research that investigates how the impression of product quality influences the connection between customer purchase intention and corporate social responsibility (CSR). The main goals of this study are as follows: 1) To what degree does the social responsibility of various aspects of a firm influence consumers' intentions to make a purchase, and if it does, how does it do so? 2) In what ways may the impression of product quality influence the link between CSR and consumer purchase intentions? Following a thorough examination of existing literature and the identification of pertinent theoretical ideas, construct a conceptual framework that combines five aspects of corporate responsibility: customer evaluations of company social responsibility, consumer intents to make purchases, and perceptions of product quality. In essence, the objective is to gather YL company samples to examine how CSR affects consumers' purchase intentions and explore the regulatory role of product quality perception through empirical research. This will help clarify how the impression of product quality has a favorable impact on regulation in the five categories of connections.

2.1. Corporate Social Responsibility:

In 1953, Bowen used the term "corporate social responsibility" to refer to the duty of firms to create policies and carry out operations that promote the objectives and principles set by society [5]. According to Frederick (1960), the fundamental idea of corporate social responsibility [6] is that corporations have a duty to advance societal advancement. Ruben et al. (2017) provide a definition of corporate social responsibility (CSR) that goes beyond a company's mere adherence to legal and financial obligations towards society. They argue that CSR encompasses extra duties aimed at fostering societal progress [7]. Carroll (1999) states that corporate social responsibility (CSR) is a mandatory requirement for corporations to address the needs of customers within a certain timeframe [8]. Li Haiqin and Zhang Zigang (2010) identified six key components of corporate social responsibility (CSR): the economy, environment, workers, consumers, law, and charity [9]. In an attempt to determine the impact of specific dimensions on consumers' purchase intents, Yang Haiting (2015) developed the six dimensions stated above, based on the consumer's viewpoint. The study examines the impact of corporate social responsibility (CSR) performance on customer purchase intention [10]. The academic community lacks a cohesive concept and set of guiding principles for corporate social responsibility. This research categorizes Corporate Social Responsibility (CSR) into five distinct areas: economic, consumer, environmental, legal, and charity.

2.2. Customer perspectives on Corporate Social Responsibility:

Lichtenstein (2004) coined the term "perception of corporate social responsibility." Customers' perception of corporate social responsibility (CSR) is shaped by their assessments and emotions towards the company's conduct, as well as their associations with CSR. According to Gu (2005), customers create their opinion of corporate social responsibility (CSR) based on subjective information that is already available to the public, rather than consistently favoring every CSR project. The impressions of consumers and the concept of corporate social responsibility (CSR) are indistinguishable, even when organizations adopt identical social responsibility procedures [12]. Ramasamy (2009) argues that customer views of corporate social responsibility are used to differentiate between the economic, legal, moral, and philanthropic responsibilities of a firm [13]. According to Berens (2005), customers' likelihood to make purchases and their willingness to engage in company activities are influenced by their connection to corporate social responsibility (CSR) [14].

3. Customer Purchase Intentions

Purchase intention, as defined by Feng Jianying (2006), refers to the likelihood that a consumer would acquire a particular product [15]. According to Guo Ji (2013), customers' decision to make a purchase

depends on their personal level of interest in the company's products and services. The clients' purchase decisions are greatly influenced by this interest [16]. Zhang Jinxin (2016) argues that customers' purchase intentions are subjective and do not necessarily translate into actual purchasing behavior. Various factors impact the intention to make a purchase. Corporate social responsibility has a significant impact on it, along with human qualities and product aspects. Consumers mostly prioritize pricing when selecting items, but in today's economy, brand familiarity and popularity also play a crucial role. The company's social responsibility activities will influence consumers' impressions of its products and services, as well as their chance of making a purchase.

2.4. Evaluation of Product Excellence

Product quality refers to the specific characteristics that a product should have in order to meet the demands of both production and consumption in society. Lin Jianhuang's (2004) study indicates that product quality significantly influences customers' purchase decisions. However, consumers often lack the capacity to objectively evaluate product quality. The consumer's subjective assessment of a product's quality significantly influences their purchasing decisions [18]. Maynes (1976) argues that the only objective evaluations of a product's quality that exist in reality are the subjective judgments of buyers [19]. The product quality impression is obviously formed by consumers' opinions of the quality of a given product. To summarize, a significant amount of academic research has focused on investigating the relationship between corporate social responsibility (CSR) and customer purchase intentions. While it has been shown that there is a positive association, only a few of this research have taken into account the impact of product quality perception.

3. Assumptions and Frameworks

This article aims to provide an all-encompassing research framework that examines the relationship between corporate social responsibility (CSR), customer views of CSR, consumer perceptions of product quality, and consumer purchase intentions. This study addresses the shortcomings of prior research in this field. Furthermore, a practical investigation will be conducted to analyze the relationship between corporate social responsibility (CSR) and customer purchase intentions. This study aims to enhance company practices and provide a theoretical justification for social responsibility. This debate will examine the five primary components of corporate social responsibility (CSR): financial, ecological, legal, consumer, and charity. Furthermore, it will analyze the way in which customers perceive corporate social responsibility (CSR) and the influence that product quality has on their purchase intentions.

3.1. The Influence of Corporate Social Responsibility on Consumer Purchase Intentions

Corporations, as per the stakeholder theory, are obligated to fulfill their duties not just towards generating profits and serving the interests of their shareholders, but also towards society, employees, customers, and the environment. The client is considered the "economic man" in the market, and organizations that practice social responsibility may offer them a subjective notion of benefit transfer or direct benefits. As a result, customers react favorably to corporate social responsibility (CSR).

The study conducted by Sen and Bhattacharya (2001) presents empirical evidence that organizations that exhibit social responsibility towards their employees and the environment can influence consumer purchasing decisions and enhance the probability of consumers acquiring corporate goods and services [20]. In their study, Carrigan and Attalla (2001) discovered that customers not only avoided buying items from firms that mistreated their workers, but also avoided purchasing goods from companies involved in animal cruelty [21]. In their study, Mohr and Webb (2001) examined how consumers' purchase intentions are influenced by considerations of public welfare and environmental conservation [2]. Xiang Rong et al. (2017) did a study to analyze the six components that make up social welfare obligation, employee responsibility, corporate responsibility, integrity responsibility, and environmental protection responsibility. The findings indicate a strong and positive relationship between customers' intents to make a purchase and their perception of responsibility. Additionally, consumers demonstrate varied reactions to different aspects of responsibility [22]. Prior studies have shown that when the price discrepancy between similar items is negligible, customers tend to choose buying goods from firms that have a higher level of social responsibility [23]. Empirical study conducted by Deng Xinming (2016) and Sun Xiaoli (2019) [3] [4] has shown that corporate social responsibility (CSR) has a direct and favorable impact on customers' purchase intentions. This article presents five ideas on the influence of corporate social responsibility (CSR) on customers' purchasing intentions. The following hypotheses are included: H1a states that purchase intention is positively affected by economic responsibility; H1b states that purchase intention is positively affected by environmental responsibility; H1c states that purchase intention is positively affected by consumer responsibility; H1d states that purchase intention is positively affected by legal liability; and H1e states that purchase intention is positively affected by charitable responsibility. These conjectures include the scientific findings derived from previous inquiries.

3.2. A study investigating the influence of Corporate Social Responsibility (CSR) on customer perceptions

Given that consumers play a crucial role in business activities, a growing number of organizations are now more inclined to take on more social obligations with the aim of attracting more clients. According to

Herpen (2003), customers in the market validate the value of a company based on their view of its corporate social responsibility [24]. In their study, Mohr and Webb (2001) discovered that discrepancies in customer endorsement of corporate social responsibility (CSR) significantly influence their opinions of a company's reputation and their inclinations to engage in a purchase [2]. These findings suggest that customers' perceptions of corporate social responsibility (CSR) have a beneficial influence on their identities. Additionally, there is a positive relationship between consumers' self-identity and their perceptions of CSR levels. This article outlines two hypotheses: H2a proposes that economic responsibility positively impacts customers' view of corporate social responsibility, while H2b suggests that environmental responsibility also has a positive effect on consumers' perception of corporate social responsibility.

3.3. The Influence of Consumer Perceptions on Corporate Social Responsibility on Purchase Decisions

Currently, most CSR research focuses on the holistic impressions of customers. However, in reality, perspectives vary significantly, and the majority of individuals are unaware of the extent to which corporate social responsibility (CSR) is put into action. Dong Yali and Li Xiaonan's (2010) study indicates that the perceived ease of use and trustworthiness might potentially enhance customers' willingness to make a purchase [25]. [26] Wang Xinyang et al. conducted a study that found a favorable correlation between customers' perception of corporate social responsibility and their propensity to make purchases. The perceived amount of social responsibility in enterprises that participate in CSR initiatives will influence customers' inclination to use their economic resources. To summarize, this article proposes the following hypotheses: H3: Consumers' views of corporate social responsibility positively impact their purchase intentions.

3.4. The impact of quality perception on product quality moderation

The way in which consumers perceive the quality of a product significantly influences their likelihood of making a purchase. According to Lee et al. (2018), people are more inclined to buy a product if they believe it has a greater level of quality [27]. Ariffin et al. (2016) [28] found that an enhanced impression of product quality positively affects consumers' likelihood to make repeat purchases. According to Ma Longlong (2011), customers who buy items that are of higher quality tend to be more discerning and demanding. They also have higher expectations when it comes to corporate social responsibility and show stronger loyalty [29]. Gao Xiang (2019) investigated the impact of customers' perceived quality on purchase intention, specifically focusing on its moderating influence.

4.1. Data and Specimens

YL is a highly esteemed brand among Chinese customers due to the significant potential consumer market for dairy goods in China. Dairy firms should intensify their efforts in social responsibility, as product safety is a crucial component of food safety. Consequently, the YL Company serves as the analytical framework for the current study. A well acknowledged principle is that the ratio of observation variables to samples should be a minimum of 10:1. The article consists of twelve observation variables. Therefore, a minimum of 120 samples are required, as the sample size is defined by the ratio of the observation variables. The dissemination of questionnaires for the survey was carried out using internet channels. A total of 200 questionnaires were returned out of the 218 that were issued. The estimated efficacy of recuperation is 91.74 percent.

4.2. Estimations and Quantifications

The questionnaire consists of two components. The introductory portion of the questionnaire contains the majority of the data. A substantial number of the measuring items included in this research were obtained from known empirical investigations done by researchers. The main factors influencing the scale measuring consumer perception of corporate social responsibility [34], the scale measuring product quality perception [35], and the scale measuring consumer purchase intention [14] are Berens (2007), Yoo and Donthu (2001), and Berens (2005), respectively. Maignan (2001) [31], Lafferty (1999) [32], and Jin Liyin (2006) [33] developed the initial version of the CSR scale. The aforementioned scale, which is utilized by several domestic organizations, has strong measurement validity and reliability. [36] The second section provides a detailed description of the features and specific details of the survey object.

5. A result of repeated training and application

5.1. Preliminary Evaluation of Consequences

The study utilizes the linear regression approach to investigate the stated hypothesis. Furthermore, the coefficient of standardization and the degree of significance between variables are determined. The findings are shown in Table 1.

Table 1: Regression Analysis

| Dependent Variable | Independent Variable | Standardization Factor | t | Significance |
|---|---|------------------------|--------|--------------|
| Consumer Purchase Intention | Charity Responsibility | 0.404 | 9.575 | 0.000 |
| | Legal Liability | 0.331 | 7.847 | 0.000 |
| | Environmental Responsibility | 0.360 | 8.534 | 0.000 |
| | Consumer Responsibility | 0.413 | 9.784 | 0.000 |
| | Economic Responsibility | 0.288 | 6.826 | 0.000 |
| Consumer Corporate Social Responsibility Perception | Charity Responsibility | 0.545 | 15.649 | 0.000 |
| | Legal Liability | 0.426 | 12.210 | 0.000 |
| | Environmental Responsibility | 0.302 | 8.676 | 0.000 |
| | Consumer Responsibility | 0.399 | 11.439 | 0.000 |
| | Economic Responsibility | 0.189 | 5.412 | 0.000 |
| Consumer Purchase Intention | Consumer Corporate Social Responsibility Perception | 0.747 | 15.824 | 0.000 |

Firstly, it is important to note that consumers' intentions to make a purchase are positively and significantly correlated with several dimensions of responsibility. These dimensions include economic responsibility ($\beta = 0.413$, $p < 0.001$), corporate charitable responsibility ($\beta = 0.404$, $p < 0.001$), legal responsibility ($\beta = 0.331$, $p < 0.001$), environmental responsibility ($\beta = 0.360$, $p < 0.001$), and consumer responsibility ($\beta = 0.413$, $p < 0.001$). Thus, it may be inferred that hypotheses H1a to H1e are valid. Assume that H2a to H2e are already established. In addition, a significant and positive relationship was found between consumers' views on economic responsibility ($\beta = 0.189$, $p < 0.001$) and the various aspects of corporate responsibility, including environmental responsibility ($\beta = 0.302$, $p < 0.001$), consumer responsibility ($\beta = 0.399$, $p < 0.001$), and corporate charitable responsibility ($\beta = 0.545$, $p < 0.001$). Conclusively, there is a strong and positive association ($\beta = 0.747$, $p < 0.001$) between customers' purchase intentions and their judgments of corporate social responsibility. Therefore, hypothesis H3 has been confirmed. To summarize, the three crucial hypothetical linkages specified in the model, namely H1a-H1e, H2a-H2e, and H3, have been confirmed.

Final findings

This research paper classifies corporate social responsibility (CSR) into five discrete aspects. The study subsequently examines the influence of these aspects on customers' inclination to make a purchase, with perceived product quality acting as a moderating element in all five relationship categories. The study's main findings are as follows: consumers' initial purchase intentions are positively and directly affected by all five aspects. Additionally, consumers' perceptions of corporate social responsibility have an indirect

impact on their purchase intentions. Table 6 demonstrates a notable association between corporate social responsibility (CSR) and customers' purchase intentions. Moreover, Corporate Social Responsibility (CSR) has the capacity to provide direct beneficial impacts on the economy, society, environment, law, and customers. Adopting CSR efforts earnestly will enhance customers' inclination to make purchases. Businesses must prioritize acquiring a thorough comprehension of corporate social responsibility and actively engage in activities that advance social welfare. Furthermore, Table 1 provides a comprehensive overview of how customers perceive corporate social responsibility. may enhance customers' inclination to engage in purchasing activity. Corporate social responsibility efforts have a positive impact on consumer views in the marketplace, which benefits firms by attracting new consumers and maintaining the loyalty of existing ones. The probability of customers purchasing items from a firm is heightened when the company actively participates in corporate social responsibility (CSR). Furthermore, it is shown that the consumer responsibility dimensions (0.413) have the most significant impact on purchase intention. Conversely, the influence of the economy (0.288), charity (0.404), environment (0.360), and law (0.331) gradually decreases. Businesses must prioritize meeting customer requirements, fulfilling consumer obligations, ensuring product quality and compliance with consumer rights, efficiently utilizing their limited resources, and giving priority to fulfilling charitable, environmental, legal, and economic responsibilities in that specific order of importance. Moreover, the way consumers perceive the quality of a product influences the connection between their purchase intentions and their sense of responsibility towards philanthropic, legal, and environmental matters. Conversely, the perception of product quality has a negative impact on the relationship between consumers' purchase intentions and their economic and consumer responsibilities.

Summary:

This scholarly inquiry delves into the growing importance of Corporate Social Responsibility (CSR) and its influence on consumer behavior. By examining the relationship between CSR initiatives and consumer purchase intentions, the study sheds light on how companies can effectively leverage social and environmental initiatives to enhance brand reputation and drive consumer loyalty. Through a combination of theoretical insights and empirical analysis, the research reveals that CSR activities play a crucial role in shaping positive consumer attitudes and perceptions, ultimately impacting purchase decisions. Moreover, the study identifies various mediating and moderating factors that influence the CSR-consumer purchase intention relationship, providing valuable insights for businesses aiming to navigate the socially conscious marketplace successfully. Overall, the findings underscore the strategic significance of CSR in fostering sustainable competitive advantage and long-term consumer engagement.

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