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# **Exploring the Corporate Social Responsibility Dimensions that Affect Customer Satisfaction and Loyalty**

By

MO, Sujin

# **Thesis**

Submitted to

KDI School of Public Policy and Management

In Partial Fulfillment of the Requirements

For the Degree of

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Committee in charge:

Professor CHO, Yooncheong, Supervisor

Professor KIM, Dong-Young

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Approval as of August, 2019

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#### **ABSTRACT**

The importance of Corporate Social Responsibility (CSR) in corporate business is increasing worldwide. This study aims to provide insight into CSR practice by examining the effect of CSR's social, environmental, and economic dimensions on customer satisfaction and loyalty. Although various studies on CSR have been actively conducted, research of the effect of social, environmental, and economic dimensions of CSR on the attitude, customer satisfaction and loyalty of corporate has not actively studied. This study utilizes the quantitative method, which are factor analysis, regression analysis, and ANOVA analysis. The results showed that the economic dimension among three dimensions of CSR is valid and significant for attitude toward the firm. customer satisfaction, and loyalty. Finally, the findings of this research provided managerial and policy implications for corporate and government.

Key word: CSR, CSR Dimension, Attitude, Customer Satisfaction, Customer Loyalty

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#### I. Introduction

Corporates have a social responsibility for returning their profit to the society and for sharing values. By satisfying society's needs, corporates can obtain advantages to minimize the risk of their business activities. Since the 1950s, many researchers have investigated the notion of Corporate Social Responsibility (CSR) and showed the effectiveness of various CSR activities and dimensions of CSR (Carroll, 1979; Hennigfeld, Pohl, & Tolhurst, 2006; Dahlsrud, 2008; Xia, Olanipekun, Chen, Xie, & Liu, 2018). Bowen began to research CSR in the 1950s, and it has evolved academically in the 1960s, with many definitions emerging from that time (Carroll, 2016). Existing research conducted by Lindgreen and Swaen (2009) argued that CSR can be an effective tool to create a competitive value of corporates so that it leads customers to consider showing loyalty.

Society continuously demands corporate's social, environmental, and economic responsibilities in terms of sustainable development (Kot & Brzezinski, 2015). In the academic field of global business and management school, CSR was taught as a method to integrate sustainable values into business for social benefits (Kot & Brzezinski, 2015). Torugsa, Ann, O'Donohue, and Hecker (2012) insist that the emergence of CSR trends is driven by the consumer's interest in brands for socially friendly and ecologically friendly products and the boycott of products of corporates with low reputation for social and environmental responsibility. Doing CSR activities might be regarded as a main element in generating a positive brand image. All interactions including brand-related activities influence the corporate social responsibility by defining brand reputations from the consumer's perspective. Currently, most big corporates publish sustainability reports annually to disclose their social, environmental, and economic responsibility activities and achievements for the affective

promotion of CSR activities (https://kosri.com). Through publishing sustainability reports, corporates can utilize it as a communication channel that reflects the interests and requirements of customers as well as their efforts in sustainability management.

Recently, Sustainable Development Goals (SDGs) have attracted considerable attention to link with CSR activities (Schönherr, Findler & Martinuzzi, 2017). The Sustainable Development Goals (SDGs) are made up of 17 universal goals that Member States will use to build their agenda and political policies for the plan from 2015 to 2030. Each country has its responsibility to fulfill SDGs. For this reason, governments encourage corporates to conduct their CSR activities in order to materialize SDGs. Reflecting this trend, all global corporates are implementing CSR strategies from the social, environmental and economic perspectives in order to realize SDGs, which are agreed globally.

This research has some important implications for reframing development CSR activities and dimension strategies in order to appeal customer satisfaction and loyalty in terms of fulfilling sustainable development goals. This study aims to explore CSR dimensions that affect customer satisfaction and loyalty. Among CSR dimensions, this research focused on the social, environmental, and economic dimension. This research developed the following research questions: i) how does customer perception of the social dimension of CSR affect attitudes toward firms?; ii) how does customer perception of the environmental dimension of CSR affect attitudes toward firms?; iii) how does customer perception of the economic dimension of CSR affect attitudes toward firms?; iv) how does customer perception of the attitude of CSR affect customers' satisfaction toward firms?; and v) how does customer satisfaction of CSR affect loyalty toward firms? Following this chapter, Chapter II covers an overall review of definitions of CSR, classifications of CSR, dimensions, the reason, and the

roles of CSR; Chapter III will explain the theoretical background of Attitude, Customer Satisfaction, and Customer Loyalty; in Chapter IV, CSR and its structural model will be discussed; Chapter V will introduce a hypothesis which this research will attempt to answer; and following Chapter IV methodology section, the data analysis of the last chapter will discuss the conclusion and it will give an insight for managers, policy makers and scholars. This study provides implications to policymakers, corporate staff, NGO staff, researchers and consultants in corporate social responsibility studies.

#### **II. Literature Review**

#### 2.1 Definition of CSR

Before proceeding further, it is necessary to define clearly the key terminology referred to in this paper. CSR has been defined in many ways from various researchers, as it is a broad concept (Carroll, 1979). The concept of CSR has appeared from 1930s by Wendell Wilkie, who stated that CSR can educate businessmen to have a new sense of social responsibility (Caroll, 1979). In the 1950s, Bowen (1953) argued that CSR is a duty for entrepreneurs to follow the sustainable goals and values of the society. In 1960, Keith Davis mentioned CSR as owners' decisions and actions for taking social responsibility regardless of the corporates' direct profit or main interest. CSR is normally used to describe the obligation of companies to use their assets in terms of help for society (Snider, Hill & Martin, 2003). According to Compa, and Darricarrere (1996), because corporates are the highly influential institution of the earth, they have to encounter and deal with the social and environmental problems that cause damage to humanity. As CSR involves social, economic, and environmental strategy to solve the problem, it has been expected for treatment in globalization (Herrmann, 2004). In defining CSR, it may

be useful to refer to the World Business Council for sustainable Development (Watts & Holme, 1999). CSR stands for the promise of sustainable economic development, the corporate's commitment to improve the quality of life of its employees, their families and communities at the stakeholder, social and economic dimensions. Kotler and Lee (2005) defined CSR as an effort to make better community welfare including human and environmental issues along with voluntary business practices and the commitment of corporate assets. In a similar way, the Commission of the European Communities (2002) defined CSR as a notion to integrate corporates' social and environmental interests when running businesses and to interact with their stakeholders in terms of a voluntary basis. After ten years, the Commission of the European Communities (2011) has put forward a simpler definition of corporate responsibility for the impact on society and explained what the corporate should do to fulfill its responsibilities. Cadbury (2006) suggested that an inclusive method to define CSR is the presence of a business organization based on the implicit acceptance between business and society.

On the other hand, Friedman (1970) argues that the "social responsibility of business is to increase its profits" from a social accountability standpoint, and a firm can ultimately increase efficiency so that costs to contribute to society can be naturally decreased. (Friedman, 1970).

The concept of CSR is linked with sustainable development (Xia, Olanipekun, Chen, Xie, & Liu, 2018). The idea of sustainable development provides a myriad of opportunities to enrich the environmental impact of resource efficiency, sustainable economics and the enhancement of new technologies and processes (Arsić, Stojanović, & Mihajlović, 2017). Over the past decades, sustainable development has often been regarded as an environmental issue

(Behringer & Szegedi, 2016). However, Ebner and Baumgartner (2006) argue that the notion of sustainable development is not an only environmental issue, but it is comprised of social, environmental, and economic issues at the dimension of corporates, and CSR is the social thread of sustainable development to enhance stakeholder interests (Xia, Olanipekun, Chen, Xie, & Liu, 2018). Existing researchers also have the same opinion that CSR affects to sustainable development (Xia, Olanipekun, Chen, Xie, & Liu, 2018; Behringer & Szegedi, 2016; Schönherr, Findler & Martinuzzi, 2017).

In CSR, there are tensions that require a balance of different economic, legal, ethical and social responsibilities for different stakeholders that bring different values and expectations to their relationships with the entity. Moreover, CSR is difficult to generalize among corporates because of their different social, environmental and ethical influences that can be held accountable. Because in our society it is not easy to define that all stakeholders agree on corporate social responsibility, CSR can be said in reality, not theory, finding the consensus of the community and companies through 'continuous process' (Kim, 2015).

According to Herrmann (2004), there are some reasons why corporates need to operate CSR. Matten (2006) posits the reason of CSR as described in Table 1.

**Table 1.** Reasons of CSR (Summarized from Matten, 2006)

No	Statements
1	A socially-recognized company can be rewarded for additional customers and/or more satisfying customers and, if proven irresponsible, lead to prohibition or other negative consumer behavior.
2	Similarly, employees can be attracted to work as a socially responsible and more dedicated corporates.
3	Positive contribution to society make a long-term investment in a safe, educated and equitable community and benefits the company by creating an improved and stable situation for doing business.

#### 2.2 Classification of CSR

Cadbury (2006) states that there are three levels of corporate responsibility. The basal level is to pay taxes to fulfill important obligations to perform legal obligation duty. The next level is that corporates have responsibility to use community's human resources and prevent environmental pollution. This level requires more direct result to link with actions in terms of CSR. The last level of Corporates' responsibility is not only to acknowledge their responsibility for the social structure in which they perform their activities but also to determine how much to consider the social priorities of the business (Cadbury, 2006).

According to Carroll (1979, 1991), corporate social responsibility is divided into four categories. Originally, Carroll urged the four categories of CSR as it were economic, legal, ethical, and discretionary responsibility in 1979, but he reconstituted the four categories definition to the form of a CSR pyramid. It became the most famous frame to describe CSR. It is necessary to find the meaning of each responsibility.

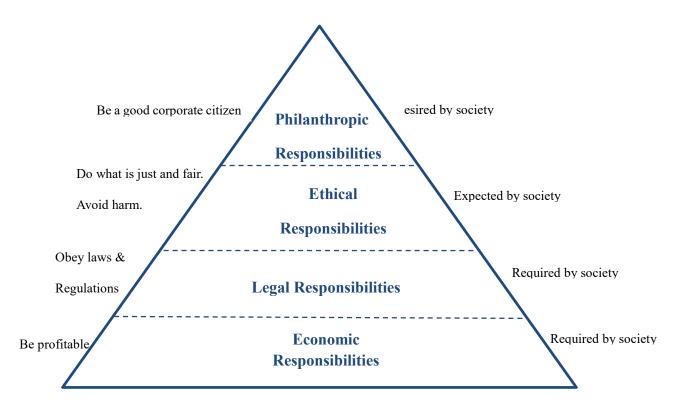


Figure 1. Carroll's pyramid of CSR (Carroll, 1991)

#### 2.3 CSR dimensions

In 1997, Elkington introduced the triple bottom line. There are three main pillars, which are social responsibility (people), environmental responsibility (planet), and economic responsibility (profit) to make sustainable business. Corporates regard the baseline of CSR as concepts of people, planet, and profit are the foundation of business (Picón, Castro, and Roldán, 2014).

#### 2.3.1 Social dimension

Through existing research, we know that most papers mention social dimension of CSR (Bonsón & Bednárová, 2015, Kim & Lee, 2015, Arsić, Stojanović, & Mihajlović, 2017), as it is the top priority for CSR to run. According to Leao-Aguiar, Ferreira, and Marinho (2005), nowadays, the perception towards corporates is that they are recognized as a citizen, an integral part of a larger community, so that corporates focus on not only their business but also strategic CSR, such as concerning themselves with the sustainability for long term business success. The social dimension of CSR is responsible for customers, employees and the community and we can say that it is an obligation to contribute to social benefits and to achieve the interests of the society and of the corporation in which the business is carried out. (Uddin, Hassan, & Tarique, 2008). The social dimension of CSR activities includes the problem of public health, human rights and equal opportunities, job training and education, community issues, public debate, social justice, workplace condition, workplace safety. (Jamali, Mezher, & Bitar, 2006).

Robert (1998) states that by market economy logic, corporates exploit third-world labour because consumers want cheap goods, and child and slave labour, characteristic to the third-world, are cheap. However, when market forces are linked to a legitimate regime, they can encourage working conditions for third-world labor (Eric, 2004). According to Compa

(2008), until 1990s, CSR had been used only as a means of promoting the corporate to its customers, but as it entered the 2000s, it played an important role in improving the human rights and labor standards of workers in various work environments.

#### 2.3.2 Environmental dimension

Environmental dimension of CSR has been an important issue among three CSR dimension, which was considered from 1970s as one of the most important issue that business world had to deal with as a corporate social responsibility (Stojanović, Mihajlović & Schulte, 2016). As most of all the industrial activities are causing environmental problems and scarcity of natural resources, corporates have been under pressure to cover the damage of environmental issue (Azzone, Bianchi & Noci, 1997). Because all biological systems have limited resources and limited capacity, corporates' activities must operate at a level that does not menace the health of the environmental system (Matten, 2006). In this way, Dahlsrud (2008) states that the environmental dimension rmentions to the natural environment. According to DesJardins (1998), it is needed that CSR incorporates environmental issues as a minimum of moral. On the other hand, Arsić, Stojanović, and Mihajlović (2017) insist that even though corporates have an interest to implement environmental protection activities to win positive public opinion and support from society, it needs to be more than fulfilling the legal requirements. Uddin, Hassan, and Tarique (2008) state that normally negative effects of an environmental impact are occurred because of business operations like pollution, and overuse of natural resources. Many researchers try to find the positive effect between environmental CSR activities and their economic outcome, because some scholars state that there is no positive connection between investment of environmental CSR activities and corporates' better outcome in terms of management (Friedman, 1970). But it is a definite strategy to help corporates' business. From

the view of the fundamental sustainable principle, environmental dimension is related to the effective care system of given resources and are therefore preserved for the future (Matten, 2006). Researchers (Azzone, Bianchi & Noci, 1997; Perrini, Pogutz, & Tencati, 2006) believe that corporates' environmental report is a way to enhance and manage corporate activities and to communicate with stakeholders, particularly those who have ecological concerns.

#### 2.3.3 Economical dimension

The economic dimension defines corporate social responsibility, focusing on economic and financial perspectives. Typical examples are "contributing to economic development," "preserving corporate profits," and "business management" (Kim, 2015). Carroll (1979) highlights the economic dimension of CSR as follow: CSR is the most important social responsibility of corporates, because society expects that people can get a profit by selling goods and services which are produced by companies. Carroll (1991) stipulates that the economic dimension should be carried out in a way that maximizes earnings per share, as profitably as possible, and maintains competitive advantage and high operational efficiency. According to Wheeler and Beatley (2014), corporates must seek out the sustainable plan for economic viability for all employees and local staffs who are affected by the task of the workers. Matten (2006) argues two concepts of the economic dimension, a broad and narrow notion. Because the narrow notion of economic sustainability focuses on the economic outcome of the business, the responsibility of management is to develop, produce, and sell products that ensure the corporate's long term financial outcome. A broad concept of the economic sustainable dimension incorporates corporates' attitude toward the way of running business and impact on the economic system. (Matten, 2006).

Uddin, Hassan, & Tarique (2008) refer that economic performance of corporates affects

all stakeholders: For example, if corporates gets good outcomes, then employees gain higher salaries so that they purchase products and services with taxes as a customer and it influences the government and local industry communities to get benefits. In other words, it is called a multiplier effect (Uddin, Hassan, & Tarique, 2008). This is the most important reason for the existence of corporates and why the first obligation of a corporation is to strengthen economic function (Matten, 2006).

#### 2.4. The Role of CSR

As businesses become more globalized, the role of CSR enlarges. Nelson (2002) addressed the role of CSR summary i) risk management, ii) protection and enhancement of reputation and brand equity, iii) confidence building and operating licenses, iv) improvement of resource efficiency and access to capital, v) respond to or pre-empt regulations, vi) establishment good relationships with current and future employees, customers, business partners, socially responsible investors and regulators, and host communities, vii) encouragement of innovation and fresh ways of thought, viii) build opportunities of future market (Nelson, 2002).

Since the 20th century, many researchers have investigated the concept of CSR and showed the effectiveness of various CSR activities and dimensions of CSR (Carroll, 1979; Dahlsrud, 2008; Xia, Olanipekun, Chen, Xie, & Liu, 2018). Existing research conducted by Lindgreen and Swaen (2009) argues that CSR can be an effective tool to create a competitive value for corporation so that it leads customers to demonstrate loyalty. Because of this reason, corporate social responsibility has become a central issue in all big corporates and SMEs. In particular, policymakers and researchers have turned their attention to recent debates on CSR, and a controversial issue has been raised whether it brings positive effects or negative effects.

On one hand, some argue that CSR causes positive effects for the demand of people. Corporates have to consider society's needs. From this perspective, the American Chamber of Commerce states (1973) that for fulfilling society's needs and economic performance, businesses must reconfigure its objectives so that its social purpose is equal to its economic goal. Zaharia and Zaharia (2013) explain that through CSR activities, corporates can catch a favorable impression and use behaviors, to differentiate products, to make good fame, and help to build a favorable relationship between employers and employees.

On the other hand, however, others argue that CSR is just a play for corporates' reputation, not a real action. In the words of those expressing a negative view, CSR is more like smoke and mirrors than reality (Pendleton, 2004). Corporates tend to show more of their actions and commitment to CSR because of numerous requirements for information and accountability in the business sector that affect society and the environment (Jenkins, 2006). In sum, then, the view of this paper is whether CSR leads to a positive effect or not.

This study posits that CSR is an effective method to solve society's needs and to promote corporate's reputation. Leao-Aguiar, Ferreira, and Marinho empathized that CSR is becoming an important issue in all industries. Studies on CSR tend to focus on corporate's sustainability, employee welfare, and environmental issues. (Leao-Aguiar, Ferreira, & Marinho; 2005).

#### III. Theoretical Background

#### 3.1 Attitude

Fishbein and Ajzen (1975) refer to attitudes as learned behaviors that respond

consistently in a favorable or adverse way in relation to a given subject. In Ajzen's research (2005), Attitude is defined as a tendency that responds desirably or undesirably to a person, object, organization, or event and its characteristic attribute are evaluative and hypothetical. According to Aaker, Kumar and Day (2008), attitude is regarded as a psychological structure, and it is a method of intangible conceptualization.

To understand attitude as an academic concept, it is good to refer to 'A theory of reasoned action'. According to this theory, behavior is composed of attitudes, subjective norms, and intentions (Fishbein & Ajzen, 1975). Ajzen and Fishbein (1980) posit that attitude is a function of beliefs. In general, a person who believes that doing a given action will lead to a mostly positive result will maintain a favorable attitude to perform the action, and will often lead to undesirable behavior if it leads to a negative result (Ajzen & Fishbein, 1980). In other words, when a person evaluates the performance of behavior positively or negatively, this element is named attitude toward the behavior (Ajzen & Fishbein, 1980).

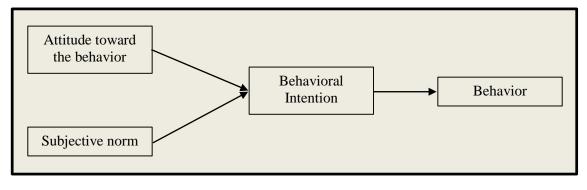


Figure 2. Model of theory reasoned action

Source: Fishbein and Ajzen (1975)

### 3.2 Customer Satisfaction

Many researchers defined customer satisfaction in their research. One of them, Yi classified the definition of customer satisfaction into the concept of "outcome-oriented

approach" and "progress oriented approach" (Yi, 1990). In terms of classification of "outcome", It regards the customer's cognitive status of the sacrifice he experiences as appropriate or inappropriate compensation (Howard & Sheth 1969). And Churchill and Surprenant (1982) explain that satisfaction is the overcoming of purchasing and use of the consumer by comparing the rewards and costs in relation to the expected outcome (Churchill & Surprenant, 1982). Satisfaction in "process" is evaluated as the consumption experience if it is at least better than anticipated (Hunt 1977), Engel and Blackwell define satisfaction as an assessment that the purchasing experience corresponds to previous beliefs, as good as it was regarded to be" (Engel & Blackwell, 1982).

Examining the impact of customer satisfaction on the maintenance of relationships is important because all interactions between customers and sellers can affect the relationship between them (Bendapudi & Berry, 1997). Trust in the partner is built on credibility that has been maintained (Bitner, 1995). If customers have satisfied experiences with the service provider, they perceive trust so that it makes them repurchase or reuse products. If the customer is satisfied with the service provider, they can purchase or reuse the product through trust. Satisfaction with past experiences can make customers leave or make customers positive decisions (Levitt, 1981). As such, satisfaction with past consumption experience is the main factor in the acceptance of customer relationship (Bendapudi & Berry, 1997).

#### 3.3 Customer Loyalty

Customer loyalty is important theme in business, because it contributes to better financial results and sustainable competitiveness (Grönroos, 2009; Tartaglione, Cavacece, Russo & Granata, 2019). According to Peter (2003), customer loyalty to the product is regarded to be the same concept with service loyalty, since customers who already have experienced a

service that respects their minds who want to change the product. The brand image of the business offers important factors on customer loyalty. Customer loyalty can be regarded as those who repurchased a brand or good, or considered only a certain brand or good and regardless of the information of a brand seeking (Newman & Werbel, 1973; Caruana, 2003). Kandampully and Suhartanto (2000) characterize loyal customers as customers who repurchase as much as possible from the same brand or provider and continue to spread word of mouth or maintain a positive attitude toward the brand or provider. Picón, Castro, and Roldán (2014) refer that loyalty has two aspects, which are behavioral and attitudinal. These two aspects are linked with the brand loyalty (Caruana, 2003). Dick and Basu (1994) argue that when researchers measure the behavior on brand loyalty, the proportion of purchase, purchase sequence, and the probability of purchase are included. According to a study by Bhote (1996), customer loyalty is the key to business success rather than customer satisfaction in terms of the company. This customer loyalty allows customers to spread word-of-mouth advertising for the product or service satisfactorily.

# IV. Hypotheses Development

As it is mentioned earlier, Elkington's triple bottom line theory was introduced, which explain the main pillars of CSR, social, environmental, and economic responsibility to make sustainable business (1997). Illustration of existing research (Xia, Olanipekun, Chen, Xie, & Liu, 2018) also categorized CSR dimensions into the social, environmental, and economic dimension, because these three dimensions were most utilized in previous studies. With the flow of academic researches, this study set the dimension of CSR into social, environmental, and economic responsibility

In the context of satisfaction and loyalty, previous studies (Normasari, 2013; Picón, Castro, & Roldán, 2014; Picón, Castro, and Roldán, 2014; Themba, Razak, & Sjahruddin, 2019.) indicated the result that the greater the customers' level of satisfaction, the greater the loyalty customers show to their provider (Picón, Castro, and Roldán, 2014).

This study proposes that CSR dimension variables are highly correlated with attitude, satisfaction, and loyalty of consumers in terms of CSR. This study modifies the model proposed by Choi and La (2013), and He and Li (2011) to formulate hypotheses. Each variable measures perceived CSR dimension and is hypothesized to be correlated with attitude as illustrated in Figure 3.

As the theories of attitude, customer satisfaction, and customer loyalty propose, this study assumes that higher levels of CSR dimension lead to higher levels of attitude, satisfaction, and loyalty, which is captured by a positive correlation between variables.

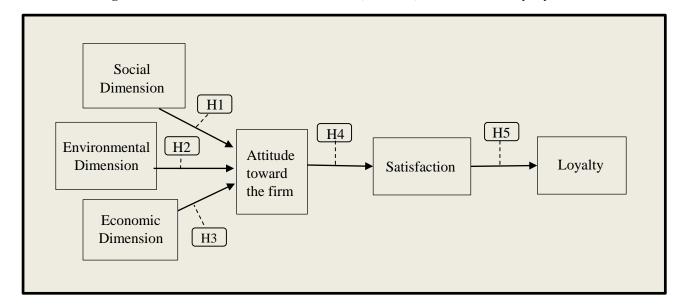


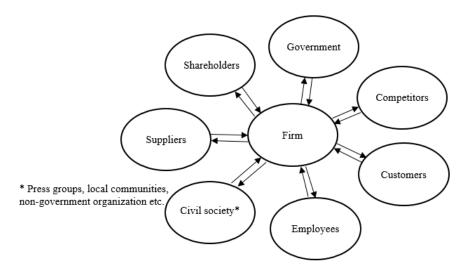
Figure 3. Structural Model of CSR Dimension, Attitude, Satisfaction & Loyalty in CSR

#### 4.1 Effects of Social Dimension on Attitude to the Firm

To respond the public expectation of the impact between the satisfaction of corporate actions on the environment and society, corporates have focused on strategies for CSR, because they are the power of the market economy so that corporates achieve a positive outcome. (Commission of the European Communities, 2003).

As mentioned in the previous chapter, corporates are perceived as a citizen in society. For this reason, corporates should not just consider only their profit, but they have to think about social benefit when running a business (Leao-Aguiar, Ferreira, & Marinho; 2005). According to Porter and Kramer (2006), corporate social responsibility has surfaced as an unavoidable priority for business leaders in the world. Klein and Dawar (2004) research that CSR affects consumers' attribution, that is linked with brand evaluations and purchase intentions. According to Mohr and Webb (2005), the social dimension of CSR includes numerous behaviors such as donating to nonprofits, offering employee well-being, and human right issues. Porter and Kramer (2006) posit that successful corporates need to make a healthy society, and contribute to qualified education, health care, and equal opportunity for a productive workforce so that these safe conditions not only attract customers but lower the international costs of accidents. Mohr and Webb (2005) insist that corporates, which have social responsibility have to consider all the stakeholders, whether directly related or not. This view is related to stakeholder theory. According to Freeman (1984), corporates are influenced by stakeholders, as the definition of stakeholder is "Any group or individual who can affect or is affected by the achievement of the firm's objectives" (Freeman, 1984).

Figure 4. Stakeholder theory of the firm (adapted from Crane and Matten, 2004)



Thus, it is hypothesized that

H1: Perceived social dimension of CSR affects attitudes toward firms.

#### 4.2 Effects of Environmental Dimension on Attitude to the Firm

Nowadays, corporates are recognizing that they are members of the society so that they have a responsibility to reduce environmental issues (Chaudhary, Tripathi, & Monga, 2011). The business operations of corporates have caused serious environmental pollution and abuse of natural resources (Uddin, Hassan, & Tarique, 2008). To solve these problems, companies must strive for environmental social contribution activities that have exceeded the bare minimum of meeting legal requirements (Arsić, Stojanović, & Mihajlović, 2017). Choi and Ng's research (2011) show that consumers are positively affected by corporates, which run their affairs according to a sustainable strategy in terms of their purchase intention and attitude on corporates. Montoro Rios, Martinez, Monero, and Soriano (2006) investigate that the environmental performance of a brand is highly linked with the brand attitude from a customer. In other words, a corporate's brand, which is greatly interested in making environmental performances, is beloved by customers. According to the American Marketing Association,

"Green Marketing" means marketing and improvement of a product that minimize the environmental hazard (Chaudhary, Tripathi, & Monga, 2011). As environmental issues appear severely, consumers have been concerned about environmental sustainability. For this reason, corporates promote green marketing, which focuses on environmental sustainability strategy (Choi & Ng, 2011). The promise of maintaining an environment-conscious business ("environmental efficiency"), respecting consumer concerns, and doing business in a consumer-friendly manner is a good example of a responsible business from an environmental point of view (Commission of the European Communities, 2003). Therefore, this is hypothesized,

H2: Perceived environmental dimension of CSR affects attitudes toward firms.

#### 4.3 Effects of Economic Dimension on Attitude to the Firm

Dahlsrud (2008) researched the economic dimension of CSR roles for the contribution of economic development, corporate profit preservation, and business management in terms of corporate's side. It is regarded as an effective tool to manage issues, which occur in the interaction with three critical external stakeholders: customers and consumer association, suppliers and business partners, and investor or shareholders. (European Commission, 2003). According to Kim (2015), CSR improves the efficiency of the entire socioeconomic system and provides greater economic benefits. The more the company is unethical and acts illegal, the more social cost such as surveillance cost and restoration cost will be incurred, but the spending cost is reduced if the corporate voluntarily carries out CSR (Kim, 2015).

Thus, it is hypothesized that

H3: Perceived economic dimension of CSR affects attitude toward firms.

#### 4.4 Effects of Attitude on Customer satisfaction to the Firm

Oliver (1997) concludes that emotional loyalty reflects a benevolent attitude or taste based on satisfactory use. According to Fishbein and Ajzen (1975), thoughts and feelings about alternative behaviors affect performance only through the influence of subjective attitudes and subjective norms on specific behaviors of interest. The theory of reasoned of action is summarized as follows: The behavioral beliefs are assumed to have a fundamental effect on the human being's attitude toward performance, while the normative beliefs influence the individual's subjective norm on behavioral performance (Madden, Ellen & Ajzen, 1992). According to Wu and Wang's research (2014), consumers' attitudes can be affected by brand images which are functional image, symbolic image and experiential image. Through these research it is noticeable that consumer's behavior can be affected by brand attitudes leading to brand satisfaction, loyalty, and repurchase (Wu & Wang, 2014). This leads to the following hypothesis:

H4: Attitude toward firms on CSR affects Customer satisfaction.

### 4.5 Effects of Customer satisfaction on Loyalty to the Firm

Consumer satisfaction takes an important role to the marketing sector and action because consumer satisfaction is the result of marketing activity and the process that leads people to purchase (Churchill & Suprenant, 1982). Bettman (1979) believes satisfaction mediates consumer learning from previous experiences and describes key post-purchase activities such as complaints, word of mouth, and product use. As mentioned earlier, customer satisfaction is very important because it leads to continuous purchase of the product if the customer has experience of satisfaction (Bendapudi & Berry, 1997; Levitt, 1981). Gremler (199) posits that a meaningful measure of customer loyalty incorporates the measurement of

attitude and behavior. Engel, Blackwell, and Miniard (1990) define satisfaction as a result of a subjective point of view, which means that alternatives (brands) meet or go beyond expectancy. According to Giese and Cote (2000), there are three elements defining satisfaction: i) consumer satisfaction regards a rational or an emotional reaction; ii) the reaction is included in some elements, such as expectancy, product, consumption pattern; and iii) the reaction comes from the accumulated experience at a specific time such as after buying product, after decision. Bloemer and Kasper (1995) find from their research that commitment to brands is an essential condition for true brand loyalty, so explicit satisfaction is related to genuine brand loyalty. In other words, satisfaction and loyalty are positively related. This leads to hypothesize the following,

**H5:** Customer satisfaction toward the firms on CSR affects loyalty.

#### V. METHODOLOGY

Data for this study were collected through an online survey. This survey was administered to 130, and a total of 104 respondents completed the survey, yielding a response rate of 80%. This survey included questions regarding demographic factors such as gender, marital status, age, level of education, and occupation. This study applied a 7-point Likert scale from 1= very strongly agree and 7 = very strongly disagree. The items made for this survey are based on the scale of existing research (Elkington, 1997; Sztumski, 2006) and have been modified for study purposes.

This study measures Cronbach's alpha to test of reliability for each variable. The values of the Cronbach's alpha were 0.852 for social dimension, 0.904 for environmental dimension, 0.897 for economic dimension, 0.867 for attitude.

#### VI. DATA ANALYSIS

# 6.1. Demographics

Of the 104 respondents, 62% were female and 38% were male, and 74% were single, and 26% were married. Regarding age, 3% were 19-24 years old, 84% were 25-34 years old, 9% were 35-44 years old, 4% were 45-54 years old. According to the level of education, 3% were high school or less, 13% were graduated from college, 37% were attending 4 -year university, 47% were master's degree or beyond. With regards to the occupation, 20% were student, 46% were office worker, 1% was self-employed, 21% were government worker, 1% was homemaker, and 11% were others.

Table 2. Summary of Demographics

Variable	Percent (%)	Variable	Percent (%)
Gender		Level of Education	
Male	38	High School or below	3
Female	62	Attending vocational university	-
Marital Status		Graduated from college	13
Single	74	Attending 4-year university	37
Married	26	Master's degree or beyond	47
Age		Occupation	
Under 19	-	Student	20
19 - 24	3	Office worker	46
25 – 34	84	Self-employed	1
35 – 44	9	Government worker	21
45 – 54	4	Homemaker	1
55- 64	-	Others	11
65 and over	-		

# 6.2. Hypothesis Testing

The study applied factor analysis to check the validity of the major construct. Using principal components analyses as the extraction method and Varimax rotation methods with Kaiser Normalization, the most relevant data emerged (Kim & Cho, 2016). The results of factor

analysis show that successfully represented the major constructs, with Eigenvalues greater than 1.00 which provides (Kim & Cho 2016). Table 3 summarized the result of factor analysis for social, environmental, economic dimensions of CSR.

Table 3. Component Matrix: Social / Environmental / Economic Dimensions of CSR

Items			Components	
Factors	Scale Items		2	3
SD 3	Corporate's CSR activities towards equal opportunity are important.	.864		
SD 2	Corporate's CSR activities towards public health are important.	.812		
SD 1	Corporate's CSR activities towards human/labor rights are important.	.789		
SD 4	Corporate's CSR activities towards reducing poverty are important.	.775		
SD 5	Corporate's CSR activities towards education are important.	.717		
ENV 3	Corporate's CSR activities towards management of carbon emissions are important.		.891	
ENV 2	Corporate's CSR activities towards reducing pollution and waste are important.		.858	
ENV 4	Corporate's CSR activities towards use of resource efficient materials are important.		.850	
ENV 1	Corporate's CSR activities towards environmental protection are important.		.834	
ENV 5	Corporate's CSR activities towards sustainable design are important.		.834	
ECO 2	Corporate's CSR activities towards economic growth are important.			.890
ECO 4	Corporate's CSR activities towards economic stability are important.			.888
ECO 5	Corporate's CSR activities towards sustainable design are important.			.863
ECO 3	Corporate's CSR activities towards employee's economic stability are important.			.800
ECO 1	Corporate's CSR activities towards economic advantage to the local community are important.			.770

The Social, environmental, and economic dimensions of CSR are then associated with

the attitudes toward the Firm. Attitude was also subject to factor analysis which is shown in Table 4.

**Table 4. Component Matrix: Attitude** 

	Components	
Factors	Scale Items	1
Att 4	Companies that actively participate in CSR activities will be more committed to their core business.	.866
Att 1	Companies' products and services that make CSR activities are more trustable than those companies that do not have their CSR activities.	.854
Att 3	When using the products or services of companies with CSR activities, Customers feel more secure than other companies without CSR activities.	.842
Att 2	When purchasing a company's goods or services that make CSR activities more active, my purchase seems to be more valuable.	.822

Regression analysis was applied to test the hypotheses using factor scores. Table 5 represents the results of multiple regression analysis for CSR Dimensions on Attitude toward the Firm. Overall, the ANOVA analysis showed that the models were significant at 0.00 level with F=23.543 (r-square = 0.414). The findings indicate that hypothesis H3 is accepted, but not rest of the hypothesis 1 and 2. In other words, economic dimension of CSR was the only independent variable that is related to Attitude toward the Firm.

Table 5. Effects of CSR dimensions on Attitude toward the Firm

Variable (Independent -> dependent)	Standardized Coefficient (t-value-Sig)
Social Dimension → Attitude (H1)	-1.740 (-1.663)
Environmental Dimension → Attitude (H2)	-3.771 (-1.810)
Economic Dimension → Attitude (H3)	6.124 (2.210**)

<sup>\*\*</sup> Significant at 0.05 level (2-tailed)

Then, the Study applied factor and regression analysis for the effects of Attitude on Satisfaction. Table 6 shows the results of the analysis: the ANOVA finds the models significant at 0.01 level with F=38.449 (r-square=.274). Based on the finding, hypothesis H4 is accepted.

Table 6. Effects of Attitude on Satisfaction of Consumers

Variable (Independent -> dependent)	Standardized Coefficient (t-value-Sig)
Attitude → Satisfaction (H4)	0.523 (6.201**)

<sup>\*\*</sup> Significant at 0.05 level (2-tailed)

Table 7 represents the results of multiple regression analysis for effects of satisfaction on loyalty of consumers. Overall, the ANOVA analysis showed that the models were significant at 0.00 level with F=81.059 (r-square = .443). The findings indicate that hypotheses H5 is accepted.

Table 7. Effects of Satisfaction on Loyalty of Consumers

Variable (Independent -> dependent)	Standardized Coefficient (t-value-Sig)
Satisfaction → Loyalty (H5)	0.665 (9.003**)

<sup>\*\*</sup> Significant at 0.05 level (2-tailed)

In conclusion, the result of hypotheses testing of CSR Dimensions on attitude toward the firm is summarized in Table 8.

Table 8. Summary of Effects of CSR Dimensions toward Attitude

CSR Dimension	<b>Hypothesis Testing</b>	Result
Social	Social D $\rightarrow$ Attitude toward the Firm (H1)	Not Accepted
Environmental	Env D $\rightarrow$ Attitude toward the Firm (H2)	Not Accepted
Economic	Eco D → Attitude toward the Firm (H3)	Accepted

Lastly, the result of hypothesis testing from the impact of customer's attitude toward the firm on customer's satisfaction, and the impact of satisfaction on customer's loyalty is summarized in Table 9.

Table 9. Summary of Effect of Satisfaction and Loyalty

Group	Hypothesis Testing	Result
Satisfaction	Attitude→ Satisfaction (H4)	Accepted
Loyalty	Satisfaction → Loyalty (H5)	Accepted

#### VII. Conclusion

#### 7.1 Findings

This study investigated the effect of social, environmental, and economic dimensions of CSR on attitude, customer satisfaction, and customer loyalty toward the firm. The reason why this study focused on three dimensions to set as hypotheses is that these three dimensions are the mainstream of CSR that was applied in the triple bottom line as three main pillars (Elkington, 1997).

As a result of this study, H1 and H2 were not accepted, and only H3 were accepted that economic dimension of CSR affects attitude toward firms. It is needed to analyze the reasons why social and environmental dimensions of CSR do not affect attitude toward firms. This survey was conducted in Korea. Therefore, it is meaningful approach to find that what features of CSR in Korea make this result by considering corporate environment.

Social dimension of CSR activities categorized into social welfare, human capital management, communication and information, management innovation in an organization, secure employment and safe workplace management etc. (Santos, 2011). As corporates are regarded as a citizen, they surely participate in community's issues (Leao-Aguiar, Ferreira, & Marinho, 2005). Corporate citizenship makes corporates to work for social rights, in particular in the developing countries, helping homeless people, enhancing working conditions and guarantee civil rights, and political rights (Matten, 2006).

This study explains one of the results of the study that social dimension of CSR was not accepted in this study. First, the chaebol culture of corporates in Korean might be the possible reason. The chaebol corporates have grown into global corporates capable of

competing on the world stage based on the full support of the dictatorship regime of the past industrialization era and the sacrifice of the people, and most of the big corporates in Korea now belong to the chaebol corporates (www.redian.org). However, as a side effect of chaebolled growth, a lot of corruption occurred through the transactions of politicians and chaebols, which gave people distrust of chaebol corporates (www.mk.co.kr). Even though big corporates have conducted various scholarship and donation projects for the social dimension of CSR, the credibility of CSR seems to be low because there is more societal damage due to the unequal profit structure of chaebol corporates than the benefits of such projects. It is also seen that chaebol corporates need to improve their organizational management innovation because there is still a rigid culture in communication between employers and employees (Lee, Hwang, Seo, & Han, 2003). Therefore, it can be regarded that this chaebol-led corporate culture in Korea made people don't trust social dimension of CSR activities (Jung, 1996).

Second, in terms of the social dimension of CSR, some people assume that there may be a distrust of using CSR activities as a means of receiving indulgences of corporates so that it could be used as the justification for returning corporate profits to society (Kim & Lee, 2015). From this situation in Korea, therefore, 'H1. Perceived social dimension of CSR affects attitudes toward firms.' was not accepted in this study.

About the environmental dimension of CSR, corporates have been promoting various CSR activities to protect the environment. Because of the indiscreet economic activities of corporates, threats to the global ecosystem are naturally under pressure to run business in a more sustainable direction that focuses on the environmental dimension of the CSR (Hennigfeld, Judith, Pohl, & Tolhurst, 2006). A study by Babiak and Trendafilova found that managers are solely responsible for ensuring and enforcing environmental laws and regulations

and implementing green practices in business and management aspects (Babiak, Kathy & Trendafilova, 2011). Therefore, it was regarded that the economic dimension of CSR affects customers' attitude toward firms. However, this study result shows that the environmental dimension of CSR does not affect customers' attitude toward firms.

Euromap (2016) released Plastics Resin Production and Consumption in 63 Countries Worldwide. As a result, the per capita use of plastics in Korea (61.97kg in 2015) was the second most followed by Belgium (88.2 kg in 2015). Taiwan followed with 60.17kg, Israel with 55.47kg and Czech Republic with 49.36kg in 2015 (Euromap, 2016). It shows that Korea has less paid attention to consider the environment than in other countries. (www.hani.co.kr).

Based on Carroll's four-part model of CSR, fulfillment of economic responsibility is the fundamental requirement of CSR to satisfy (Carroll, 1991). The reason of business is not only to make profit and share it to shareholders and employees, but also contribute to customers with good quality of product with reasonable price (Matten, 2006). Through this research, the results show that economic dimension of CSR affects valid effect to make customer's attitude among three dimension of CSR. Before acquiring this result, it was regarded that customer's attitude toward the CSR makes all the main dimensions which are social, environmental and economic dimension. However, the result showed that only economic dimension of CSR affects statistically valid effect on customer's attitude.

#### 7.2 Managerial Implications

This study provides managerial implications. This study found that customers are becoming more interested in corporates when corporates fulfill the role of CSR at the economic dimension. When corporates provide good quality products to consumers at the right price, which is the business of the corporate, consumers have much trust in the corporates and have

a positive effect on the corporates than corporates do their CSR activities for social and environmental dimensions. Therefore, corporates should do their best to fulfill their corporate social responsibilities with good quality and good price. In particular, customers can be satisfied and loyal when purchasing good quality goods at low prices through various promotions. With this reason, regular promotional marketing should be continued to give corporates the more opportunity to secure customers of various support groups.

### 7.3 Political Implications

CSR activities are essential for sustainable management on a global scale. As the share of CSR in the world grows, corporates that are not proficient in CSR activities may have obstacles to exports, so government-level CSR activities can help the national economy (Business Institute for Sustainable Development, 2018). Throughout this study, it is discovered that CSR affects customer satisfaction and customer loyalty. So it is necessary that corporates run CSR activities for sustainable management. However, because of some challenges, small and medium enterprises (SMEs) cannot proceed CSR management properly. It is not only affect customer satisfaction and loyalty, but the national economy.

In recent years, there has been an increasing number of exporting companies requesting CSR management information (www.korcham.net). According to the Survey on CSR Risk of Export Corporates published by Business Institute for Sustainable Development (2018), more than half (54%) of the responding companies were asked to submit a CSR evaluation report to the global customer during the export and supply process (Business Institute for Sustainable Development, 2018). One out of every five companies surveyed (19.1%) failed to pass, which hurt exports (www.korcham.net).

In the case of SMEs, it is difficult to be deeply involved in CSR, knowing that they have

difficulties in exporting because of their weak economic base and lack of manpower (IBK Economic Research Institute, 2017). The Korean government is pursuing a 'Socially responsible management basic plan for fostering SMEs from 2017 to 2021' (Ministry of SMEs and Startups, 2016). There are three strategies: Raising awareness and understanding of CSR management, strengthening capacity through CSR consulting and stakeholder partnership, and creating a SMEs-friendly CSR infrastructure through CSR research and incentives to promote CSR management (Ministry of SMEs and Startups, 2016). As this plan is the step to strengthen CSR-friendly management system and also national economy, Government needs to concentrate on the specific strategy.

To effectively run the government's strategy, this study has policy implications. First, the government needs to run a training course on "Understanding CSR Assessment System for Overseas Exports and Establishing CSR Management System" centered on SMEs that have been restricted in exports because they could not reach the CSR evaluation. Second, the Government should provide personnel expenses for CSR professionals to help SMEs operate sustainable management stably. Although SMEs know how important CSR management important is, why they fail to set the sustainable management system? One of the important reasons is the lack of employee. Most SMEs are running out of budget so that their employees are in charge of not specific task but several tasks. With this working condition, it is difficult to establish the CSR management system. To solve this problem, Government's support for CSR professionals' expenses will help.

### 7.4 Limitations and Opportunities for Future Research

This study has some limitations. First, this study has a small sample size so that it was insufficient to analyze the CSR dimension and attitude toward firms, customer satisfaction, and

customer loyalty accurately. Second, questionnaire items of the survey did not contain much various information about social, environmental, economic dimensions, customer satisfaction and loyalty of CSR. Third, this study does not address the issue of CSV (Creating Shared Value), which is currently an alternative to CSR. Future research needs to be dealt with in depth about CSR present and value creation of CSV. In sum, at the global level, CSR is an important tool for identifying good companies and will become even more important in the future. In sum, now that CSR is no longer a company choice but an obligation, research on CSR should be actively pursued.

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### **Online Resources**

https://www.mk.co.kr/news/economy/view/2019/03/159135/

 $http://www.korcham.net/nCham/Service/Economy/appl/KcciReportDetail.asp?SEQ\_NO\_C0\\10=20120932111\&CHAM\_CD=B001$ 

http://www.redian.org/archive/121985

https://www.csr-in-deutschland.de/DE/Was-ist-CSR/was-ist-csr.html;jsessionid=A5C864C00ADBBC0C92864F85E1D6AB7D

http://www.hani.co.kr/arti/society/environment/838969.html

https://kosri.com/datacenter-2/report/

# Appendix 1.

[Exploring CSR Dimensions that affect customer satisfaction and loyalty]

Corporate Social Responsibility (CSR) is a Concept of returning corporate's profit to society through good deed. It is a business approach that contributes to sustainable development by handing economic, social and environmental benefits to all stakeholders. The purpose of CSR is to drive change towards sustainability.

		그룹사별 주요 사회공헌 활동
SAMSUNG	삼성그룹	삼성드림클래스 도서 벽지 지역 중학생 대상 교육 지원 사업 연말 이웃 사랑 성금 삼성전자 등 주요 계열사 참여. 올해 500억원 기탁
Нушпоя	현대자동차그룹	기프트카 캠페인 저소득층 대상 창업용 차량 지원 H-점프스쿨 대학생을 미래 핵심 인재로 육성, 저소득층 청소년에게 교육 나눔 지원
SK	SK그룹	행복나눔재단 400개 사회적 기업에 임팩트 투자, 판로 지원, 인센티브 지원 사회적 기업 전문 사모 투자신탁 사회적기업 발굴과 성장, 발전 지원
<b>®</b> LG	LG그룹	LG의인상 국가와 사회정의를 위해 자신을 희생한 의인에게 위로금 등 전달 유트로핀 지원 사업 저신장 아동 대상 성장호르몬제 지원 사업
LOTTE	롯데그룹	롯데액셀러레이터 스타트업(신생 벤치) 대상 창업 지원금, 사무 공간, 전문가 자문 등 제공 슈퍼블루 캠페인 장애인에 대한 인식 개선 및 자립 지원

자료: 각 사

[Example of CSR activities in Korea]



### LG사이언스홀 바로가기

자라나는 어린이들의 과학에 대한 흥미 유발을 통하여 과학 인재 양 성에 기여하고자, 1987년부터 서울 및 부산에서 운영하고 있는 과학 체험관입니다.



### 사랑의 다문화학교 바로가기

2010년부터 다문화 청소년 대상의 체계적인 과학/언어 교육을 통하 여, 그들이 한국의 건강한 성인으로 성장할 수 있도록 지원하고 있습 니다.



### LG HOPE Community 활동 (에티오피아)

지난 2012년부터 단순한 시혜성 후원이 아니라, 에티오피아 사람들 의 '자립'을 지원하는 후원을 통하여 UN이 추구하는 '지속 가능한 개 발' 활동에 기여하고 있습니다.



### 젊은 꿈을 키우는 화학캠프 (LG화학) 바로가기

2005년 이후 5,200여명의 중학생 대상으로 지속적으로 개최되는 프 로그램이며, 2박 3일 캠프 활동을 통하여 화학에 대한 관심 증대 및 올바른 인성 함양을 지원하고 있습니다.



### 스마트 아카데미 (LG CNS) 바로가기

LG CNS 직원들의 재능기부를 통해 IT에 관심있는 청소년들이 실제 프로그래밍 기술을 익히고 IT특강, 대학연계 활동 등을 통해 실질적인



IT역량을 높이고 IT에 대한 꿈을 펼칠 수 있도록 지원하고 있습니다.



SK이노베이션

### 자발적인 자원봉사 문화 정착 노력

SK주식회사

장학퀴즈 후원을 통한 인재 양성 및 행복나눔계절 구성원 자원봉사 등 자발적인 봉사 활동 문화 정착을 위해 노력하고 있습니다.

### 사회적기업 육성을 통한 사회적가치 창출

사회적기업 발굴 및 육성을 통해 혁신적인 방식의 사회문제 해결은 물론 취약계층 일자리 창출과 지역경제 활성화 등 지속가능한 사회적 가치를 창출합니다.



# 타이어

2×11 %

### SK텔레콤

### ICT 역량 활용한 사회 가치 창출 프로그램

ICT 분야취약계층의 역량강화, 정보격차 해소를 위한 ICT 지원 사업과 자원재활용, 일자리 창출을 위한 사회적기업 지원 등을 추진하고 있으며, 4차 산업혁명을 선도하는 ICT 제품/서비스를 통해 사회문제 해결에 기여하고 새로운 사회가치를 창출하고 있습니다.

### SK네트웍스

#### 사회적 가치창출 비즈니스 모델 구현을 통한 저소득층 생활 환경 개선 기여

사회적 가치창출 비즈니스 모델 시행을 통해 취약 계층 지원은 물론 더 나은 사회를 위해 노력하고 있습니다.

# Part 1. Screening question

1. Have you heard about CSR? (Corporate social response	onsibility)(	)Yes	(	)No
If you as	nswer No, you can	stop he	re.	
2. Have you ever participated in the CSR program?	(	)Yes	(	)No
<ul><li>3. Do you know which companies run their CSR activ</li><li>4. Do you think Company's CSR activities affect your</li></ul>			(	)No
5. What kind of activities do you think companies need				)No
( ) Education ( ) Volunteer work ( ) Fundra	aising ( ) Meet o	commu	nity	's needs
( ) Awareness campaign(ex. The disabled, Single	mother, etc.) ( )	)		
( ) Other suggestion				
6. Do you have an intention to consider to buy CSI companies?	R doing company's Strongly Disagree	s produ		han other Strongly Agree
	1 2 3	4	5	6 7

## Part 2. CSR Dimension

1)	Social Dimension	Strongly Disagree					gly ree	
a.	Corporate's CSR activities towards human/labor rights are important	1	2	3	4	5	6	7
b.	Corporate's CSR activities towards public health are important	1	2	3	4	5	6	7
c.	Corporate's CSR activities towards equal opportunity are important.	1	2	3	4	5	6	7
d.	Corporate's CSR activities towards reducing poverty are important.	1	2	3	4	5	6	7
e.	Corporate's CSR activities towards education are important.	1	2	3	4	5	6	7

2) Environmental Dimension	Strongly	Strongly
,	Disagree	Agree

a.	Corporate's CSR activities towards environmental protection are	1	2	3	4	5	6	7
	important.							
b.	Corporate's CSR activities towards reducing pollution and waste	1	2	3	4	5	6	7
	are important.							
c.	Corporate's CSR activities towards management of carbon	1	2	3	4	5	6	7
	emissions are important.							
d.	Corporate's CSR activities towards use of resource efficient	1	2	3	4	5	6	7
	materials are important.							
e.	Corporate's CSR activities towards sustainable design are important.	1	2	3	4	5	6	7
1			1	1				•

3)	Economic Dimension	Strongly									Strong			gly
,		Di	sagree			Ag	ree							
a.	Corporate's CSR activities towards economic advantage to the local	1	2	3	4	5	6	7						
	community are important.													
b.	Corporate's CSR activities towards economic growth are important.	1	2	3	4	5	6	7						
c.	Corporate's CSR activities towards employee's economic stability	1	2	3	4	5	6	7						
	are important.													
d.	Corporate's CSR activities towards economic stability are important.	1	2	3	4	5	6	7						
e.	Corporate's CSR activities towards sustainable design are important.	1	2	3	4	5	6	7						

## Part 3. Customer Satisfaction

Cu	stomer Satisfaction	Strongly Disagree								Stro			gly ree
a.	Companies' products and services that make CSR activities are more trustable than those companies that do not have their CSR activities.	1	2	3	4	5	6	7					
b.	When purchasing a company's goods or services that make CSR activities more active, my purchase seems to be more valuable.	1	2	3	4	5	6	7					
c.	I am satisfied with my purchase if it contributes to CSR activities.	1	2	3	4	5	6	7					

# Part 4. Customer Loyalty

Cu	istomer Loyalty	Strongly				Strongly Disagree												S	trong	
		וע	sagr	ee	Agr			ree												
a.	I am willing to recommend the company's products or services that	1	2	3	4	5	6	7												
	make the CSR activities more active.																			
b.	I am willing to repurchase or reuse products / services of companies that	1	2	3	4	5	6	7												
	make CSR business more active.																			
c.	I consider companies' sustainable production processes and CSR	1	2	3	4	5	6	7												
	businesses when purchasing goods or services.																			

d.	Even if the products or services of a companies that carry out	1	2	3	4	5	6	7
	sustainable production processes and CSR activities are not of the							
	highest quality, I am willing to purchase continuously.							

# Part 5. Demographic Question

1. Sex:
( ) Female ( ) Male
2. Marital status:
( ) Single ( ) Married
3. Age:
( ) Under 19 years ( ) 19 to 24 ( ) 25 to 34 ( ) 35 to 44
( ) 45 to 54 ( ) 55 to 64 ( ) 65 years and over
4. Level of education:
( ) High school or less ( ) Attending vocational university
( ) Graduated from College ( ) Attending 4-year university
( ) Master's degree or beyond
5. Occupation:
( ) Student ( ) Office worker ( ) Self-employed ( ) Government worker
( ) Homemaker ( ) Others

Thank you!