

123

by K Kam

Submission date: 21-Apr-2020 03:07PM (UTC-0500)

Submission ID: 1303925636

File name: harith_12345.docx (27.55K)

Word count: 5349

Character count: 31210

THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES (CSR) ON CUSTOMER SATISFACTION TOWARDS HYPERMARKETS IN KUALA LUMPUR MALAYSIA

Abstract

This study focused on identifying the effect of activities related to corporate social responsibility on customer satisfaction towards hypermarket. In this study, corporate social responsibility activities were investigated based on four dimensions including, community support, environmentally friendly, sell locally produced products, treating employees. The use of a survey was employed, in which questionnaires were distributed to the respondents, which were 384 customers of selected hypermarkets located within the area of kuala lumpur. An analysis of the collected data was performed using SmartPLS. Based on the result of the statistical analysis, corporate social responsibility activities (community support, environmentally friendly, sell locally produced products, treating employees). This aspect has a desirable consequence on the satisfaction of customers. A conclusion of the study was drawn and a number of recommendations were given based on the findings. One of the major conclusions of the study is that corporate social responsibility activities can only yield optimal performance and customer satisfaction if it is combined with knowledge, experiences and outstanding abilities in the use of community support, environmentally friendly, sell locally produced products, treating employees.

Keywords: corporate social responsibility activities, community support, environmentally friendly, sell locally produced products, treating employees and customer satisfaction.

1.1 Introduction

Hypermarkets increasingly gain popularity for the purchase of grocery by Malaysian consumers. With the increase in demand many retailers are joining the competition in an effort to extend their revenue from the grocery market motivated by the observation that their grocery market has very high chances of growing rapidly (Abu & Roslin, 2008).

According to Heng et al., (2011), the recent decades have witnessed a growth of hypermarkets not only in Malaysia but also in several other parts of the world.

According to Li and Green (2010) a client who is contented has higher chances of frequenting the same shopping store. This in turn will increase the volumes of goods bought from particular shopping store of customer choices and those which the clients are contented with. The result is an increase in sales and income as well for these stores which is often the main objective of any business operator. The operators of these shopping stores are therefore obliged to exclusively satisfy the needs of the customers following the realization that customer contentedness' is vital to the increase of sales and revenue subsequently.

This realization has aroused the curiosity of organizations as they strive to pinpoint the different needs of their clients, and if need be, spend a lot of their resources in the same. The shopping store owners therefore emphasise that their operators must satisfy the needs of their clients as it is their fulfilment of these needs that determines customer contentedness which results in a particular store having a competitive advantage in the particular goods it sells (Abu & Roslin, 2008).

The business sector is witnessing high competition and this does not leave shopping stalls out. Being that each business has an ultimate goal of making profit, every business must therefore take into consideration the feedback that it receives from its clientele concerning the services and products the business deals in (Gomez et al., 2004).

The improvement in the living standards as well as the increase in individual's purchasing powers worldwide is largely responsible for the growth of hypermarkets. Malaysia also follows suit and this has led to an increase in competition in the hypermarket business sector. According to Mui (2003), in 2002, Malaysia had twenty two hypermarkets. This number increased to two hundred and ninety six in 2011. (Hasliza et al., (2012) notes that this trend is expected to continue over the years. In line with these statistics, the hypermarket owners in Malaysia should make customer needs and feedback a priority as this is the only way they can survive the growing competition. The leader in this business shall emerge upon exceedingly meeting this criteria.

According to Marketline (2016), an annual growth rate of 4.9% of the market value for the grocery retail market as well as the food sector in Malaysia is expected in the years 2015-2020.

The operators of hypermarkets are required to research and identify all the impediments to the satisfaction of their customers. Working on these impeding factors shall then give them a competitive advantage in the business. This way they can gain from the market expansion.

Hypermarkets face competition from other forms of retail businesses like shops that sell goods on discounts, convenience stores that sell goods to clients at their convenient times, and large selling stores that specialize in sales of specific products. This competition continues to shrink the market share of hypermarkets despite their rampant growth in numbers. It is wiser that hypermarket operators besides opening new shopping stores, they should also invest in new strategies for growth. One of the growth strategies to consider is the incorporation of the corporate social activities into the hypermarket organizational strategy. The strategy can be based on the assumption that as businesses engage in corporate social responsibility activities, they attract more customers who shall then repay the cost of these activities (Schramm-Klein, et al., 2015).

Interestingly, very little is known about the importance of corporate social responsibility activities on hypermarket businesses. The perceptions of hypermarket owners on corporate social responsibilities are not known as well. This is because of the absence of sufficient literature on the role and impact of corporate social responsibility on the behaviour and satisfaction of customers (Maignan & Ferrell, 2004).

Some literature however reveals that corporate social responsibility has a positive impact on different aspects of consumer behaviour including influencing customer attitudes towards a certain business organization, the organization's brands (Brown & Dacin, 1997), and further the entire assessment of the business organization (Kim, et al., 2014; Mohr & Webb, 2005). Hildebrand et al., (2011) observe that the identification of customers with a certain business organization is also influenced by corporate social responsibility. The brand image as well as customer loyalty is also positively impacted by corporate social responsibility (Cotte & Trudel, 2009).

However, there is not enough evidence to show that corporate social responsibility as a global model, influences customer satisfaction. More research on the perceptions of corporate social responsibility as well as the relationship between corporate social responsibility and customer satisfaction in the hypermarket sector is required. The research should focus on the impact of corporate social responsibility activities like environmental friendly policies and community support programs on the satisfaction of the business customers.

2.Literature Review

2.1 Customer Satisfaction:

Westbrook and Reilly (1983), define customer satisfaction as the feeling of excitement that a client feels upon purchasing a certain item from a business outlet. The feeling is connected to both the item and the service offered by the seller of the item. The satisfaction of clients is thus one of the vital aspect to consider in retail businesses. This satisfaction results to customer loyalty, it increases the performance of sales and ensures businesses have a high rate of retaining their customers (Darian et al., 2001).

Hoq and Amin (2010) also define customer satisfaction as the uncontrollable desire that clients have and it prompts them to seek services and buy items from specific selling stores. Since customer satisfaction is proportional to the service experience and after purchase contentment, it is a very strategic and basic factor for any business.

According to Kotler (2001), customer satisfaction involves the definition of the feelings that a customer feels upon the enjoyment of a purchased item. It is also the liking of customers of a certain service or item after they compare their purchase expectation and the actual during purchase and after purchase experience.

2.2 Corporate Social Responsibility Activities

corporate social responsibility's definition is a tactic not only for fulfilling a company's moral obligation to the community, but also a way for the firm to align its interests with its stakeholders to decrease risks and safeguard the continuity of the company's business (de Freitas Brandão et al., 2017). Patrus et al. (2013) claims that any company that is socially responsible, puts in place appropriate organizational values for the improvement of the social status of the individuals whom it affects by its organizational activities.

Likewise, retailers who participate in Corporate Social Responsibility activities can positively enhance the relationship between retailer and customer (Potdar, Guthrie & Gnoth, 2018). CSR has been studied from many different perspectives and in contexts such as the relationship between CSR and employees' perceptions (e.g. Azim, 2016; de Freitas Brandão et al., 2017), the positive influence of ownership concentration on CSR (Crisóstomo & Freire, 2015) and the relationship between consumers' CSR perception (Cruz, 2017).

Furthermore, researchers undertaking researches on corporate social responsibility should also analyse other impacts of the corporate social responsibility activities. Most corporate social responsibility activities are designed to build relationships (Clarkson, 1995).

Murray and Montanari (1986) observe that an appropriate corporate social responsibility results in an organization getting positive outcomes and this makes corporate social responsibility a vital marketing approach that is worth investing in. These activities should also be treated as offers that an organization gives to the public out of goodwill. Corporate social responsibility activities in this study comprised of community support, environmentally friendly, local products and treating employees.

2.2.1 Community Support

The Community support definition of corporate social responsibility activities is relevant and should be taken into consideration in the assessment of the reactions invoked by a company's corporate social responsibility information in the customers (Sen & Bhattacharya, 2001). There are diverse and multiple domains of corporate social responsibility activities. While conducting the corporate social responsibility relationship of a company with its clients, it is wise to consider corporate social responsibility support. This support refers to the support that customers accord the corporate social responsibility activities that a certain company is conducting (Sen & Bhattacharya, 2001).

Socrates sums up various corporate social responsibility domains. This includes; a database which sums up all the corporate social responsibility records of a company and their appropriate definitions. This database is defined as the Corporate Social Ratings Monitor (Kinder et al., 1999).

There are other five important domains which include; environmental and product support, employee support, diversity support and community support activities (Sen & Bhattacharya, 2001).

Any business that is socially responsible, prioritizes the development of both strong, beneficial and mutual relationships between the community of operation and the business itself. It is noteworthy that the greatest consequences of corporate social responsibility activities are felt at the local community level. The effect of corporate social responsibility at the community level could also involve supporting the local communities both socially and economically to maximize their scarce resources and training communities to be eco-friendly. Building the

resilience of local communities is also a good way of executing corporate social responsibility. Both these activities and the collaboration, maximum participation and consultation of the local communities by business organizations, not only benefit the community but also benefit the business organizations immensely (Taylor, 2016).

2.2.2 Environmentally Friendly

An environmental-friendly definition of corporate social responsibility activities involves those activities that do not harm the environment rather, positively contribute to the conservation of the environment (Sruthiya, 2017).

There is a huge engagement of business organizations in corporate social responsibility activities as a means to give back to the communities they operate in. environmental protection is a key aspect that businesses take into consideration in their execution of corporate social responsibility activities including dealing in products that are environmental-friendly (Jansson, 2010; Pickett-Baker, 2008; Ramayah, Lee, & Mohamad, 2010). Businesses also creating appropriate workplace climates that are supportive of the development of eco-friendly behaviours (Nik Ramli, 2007). The studies on the impact of corporate social responsibility have therefore become a key consideration for business organizations to come up with eco-friendly policies and engagement in activities that are widely acknowledged as or corporate social responsibility Environmentally Friendly.

Many studies have also regarded corporate social responsibility Environmentally Friendly activities as the activities which involve companies going extra miles by intergrating environmental aspects into their organizational values, their stake-holder interactions and in the actual business operation activities. These activities are therefore the specific contributions business organizations engage in to protect the environment without negatively affecting their economic outcomes but enhancing sustainable development.

Rahman and Post (2012) have put in a lot of efforts in analyzing appropriate studies. They have also strived to create an understanding of what environmental-friendly corporate social responsibility involve and have made noteworthy conclusions. According to them, environmental friendly corporate social responsibility activities and diverse and involve the exploration of customer needs. The foundations upon which the green business organizations are built, have prompted the need for research on the environmental aspects of corporate social

responsibility. Any business organization that desired to have a comprehensive and effective management strategy, must incorporate aspects of environmental protection and sustainability (Velasquez-Manoff, 2009).

2.2.3 Sale locally Produced Products

Locally produced products definition of corporate social responsibility activities refers to the products that are either grown or produced in a particular local areas and therefore have a specific local identity (Nummedal & Hall, 2006).

Hypermarkets, currently have different compartments including stalls where chicken and fresh food is sold, cakes with traditional flavours and other unique food stuff selling stalls. Initially the traditional markets were regarded as the best sources of fresh foods as one could purchase different fresh food varieties on one stop (Goldman et al. 1999).

The reliability, availability, quality and price of fresh food are vital aspects to consider as they greatly influence the purchase power of customers and their purchase decisions.

Sloan et al., (1984) observe that a high degree of good's freshness is determined by the quality of these goods. Food freshness is thus a key variable in influencing the decision of customers to either buy or not buy fresh food (Munoz 1998; Verbeke & Viane 1999).

2.2.4 Treating Employees

Treating employee's definition of corporate social responsibility activities involves the provision of equal opportunities for training to all employees and is a crucial aspect in corporate social responsibility (P.; Yang, 2009 and McWilliams, 2002). At the same time more employee involvement in corporate social responsibility activities enhances employee creativity. Employee engagement in corporate social responsibility activities helps them to evaluate themselves and make personalized interpretations of these activities as conducted the business organizations employing them (Brasileira, R.; Gestão, D.; Negócios, D.; Azim,,2016).

The self-evaluation together with the perceptions created, influence the behaviours and attitudes of these employees towards their organizations. (Lee, S.-Y.; Seo., 2017).

Corporate Social Responsibility to employees also involves the organization encouraging its employees to take part in voluntary activities as they implement various organizational policies that are important in their career and skill development.

these organizations, involve the top-level management paying a lot of attention to the needs of its employees and striving to implement work-flexible policies which in turn enable the create a

life balance both at work and at home (Turker, 2009 and Singhapakdi, 2015). It is very advisable for organizations to provide equal training opportunities to all its employees as an aspect of corporate social responsibility. Research has shown that training programs encourage and help employees to come up with new and creative ideas (Gist, 1989). Appropriate training programs help employees to understand the activities their organizations engage in as well as understand their work environment better (Barrett, 2001).

2.3 Hypotheses Development and Research Framework

This study is aimed at analyzing the impact that corporate social responsibility activities have on the satisfaction of customers of hypermarkets in Kuala Lumpur. From the framework, four hypotheses are proposed for this study according to discuss literature.

Organizations that are regarded as customer-centered are those whose main objective is the satisfaction of their clients (Rashid et al., 2013). Business organizations therefore make more profits if they concentrate on giving the best value to their customers as this ensures customer satisfaction.

Such customer-centred organizations also commit themselves to delivering quality and innovative services to their business partners, their employees and the local communities. McDonald and Lai (2010) advise that client-oriented aspects of corporate social responsibility greatly impact the attitudes of clients. These aspects are also an insinuation of the organizations' commitment to society which also helps improve their corporate reputation as organizations meet their economic objectives. Business organizations are also required to develop clear ethical values and implement them as one of their primary objectives. This is relevant in maintaining healthy customer relationships. Clearly defined and implemented ethical values have become more of a requirement for businesses whose primary goals are to maintain good relationships with customers. This assumption is used to hypothesize that:

H1: Community Support has a vital influence on customer's satisfaction towards hypermarket

Local products have a reasonable impact on the satisfaction of customers. In this context, local food refers to the health benefits that consumers enjoy following the consumption of the foods. Consumers therefore define functionality in two aspects; the existence of a health-based food product and the health benefits obtained from consumption of these functional foods. These two aspects are very vital and often become the bait-trap for consumers utility-consumption basis

(Laverack, 2013). In line with this, the health benefits consumers obtain from a certain food, determine their decision to buy that food product again. Cranage, Conklin and Lambert (2004) further support this proposition.

Clients who highly regard their health, consider selecting the healthy foods that are locally available and those that satisfy their physical interests (Yoon & George, 2012). My work in line with this hypothesis is stated:

H2: Sale locally Produced Products has a significant influence on customer's satisfaction towards hypermarket

The environmentally friendly products are those that are comprehensive of all the product features besides adding value to the companies that produce them (Polonsky, 1995). Business continuity as well as its sustainability are dependent on the way business organization handle environmental challenges (Baker & Sinkula, 2005).

Several organizations therefore engage in production of eco-friendly products and engage in conservation activities like recycling, energy conservation and pollution reduction (Baker & Sinkula, 2005).

Products that are quality and eco-friendly are treasured by customers and contribute to their satisfaction (Chang & Fong, 2010). This creates a conclusion that eco-friendly products greatly influence customer satisfaction in any marketing mix.

On the impact of environmental-friendly products on the satisfaction of clients, as well as its impact on customer loyalty are key for consideration by organizations. This is because an organization can gain a competitive advantage through its engagement in the development of environmental-friendly products and making it a marketing strategy (Chang & Fong, 2010). It was thus very important to deeply analyse the actual consequences of environmental-friendly products and the marketing activities of these products on the satisfaction of customers.

Therefore, it was important, to empirically examine the actual impact of environmentally friendly products marketing practices on customer satisfaction. In line with this the following hypothesis is stated:

H3: Environmentally friendly has a key influence on customer's satisfaction towards hypermarket

The close association of the satisfaction of customers with the satisfaction of employees does not produce positive results. Studies however reveal that both customer satisfaction and the satisfaction of employees, have a positive relationship (Spinelli and Canavos, 2000; Matzler and Renzl, 2007).

9

The service-profit chain advises that when employees are given a favourable internal work environment they become more satisfied. As a result the employees who are loyal to their organizations then serve customers wholeheartedly and this ensures the clients are satisfied. At the same time, Vilares and Cohelo (2000) also reveal that the perception of employee satisfaction, the perception of employee loyalty and the perception of the commitment of employees greatly impact how the quality of a product and the quality of a product service delivery. It can therefore be concluded that the satisfaction of employees besides affecting the commitment and loyalty of these employees, also determines the satisfaction of customers based on different variables. Based on this, it is hypothesized that:

H4: Treating Employees has a significant influence on customer's satisfaction towards hypermarket

2.4 CONCEPTUAL FRAMEWORK

5

In general, corporate social responsibility is better defines as the engagement of corporate organizations in activities that promote social responsible behaviors aimed at responding to the demands of society, the needs of influential majorities, as well as considering the role of those activities in increasing competitiveness. It involves balancing societal needs with business needs. Corporate social responsibility can therefore be executed in different formats including undertaking eco-friendly activities, selling locally produced goods, proper treatment of employees as well as community supportive programs. These activities inspite of the format, are aimed at showing how responsible an organization is and how it respnds to the needs of the community it operates in as these aspects determine its survival.

Bhattacharya and Sen (2004) note that clients are more responsive to corporate social responsibility activities that impact them directly. If these activities are attractive to clients, they will more likely identify with the organization (Ailawadi et al., 2014). These factors therefore influence key changes that firms execute.

3. Methodology

quantitative methods were employed to achieve this study' objectives. By means of the design, the study type, methods of collecting data and methods of analysing data are planned. Since the study seeks to investigate the influence of CSR Activities (community support, Environmentally Friendly, sell locally produced products, treating employees) on customer satisfaction towards hypermarkets in Kuala Lumpur. Consequently, there are limitations associated with this study, a

cross-sectional investigation was conducted. More so, this study is also a correlational study which aims at studying the correlation between the variables under study. The findings for the study were collected using survey methods, followed by analyses using SmartPLS. In this study the conceptual model was investigated using a survey, research questions and related hypotheses. The survey was carried out among customers in shopping areas. For the collection of data, a questionnaire containing relevant questions was designed by the researcher. The aim of designing this questionnaire is to obtain relevant information that can provide more insight on the phenomenon under study. According to Sekaran, U., & Bougie, R. (2016) questionnaire has some advantages which include, low cost and time required to reach out to a larger number of individuals. According to this scholar, the use of questionnaire is easier than using interviews to gather qualitative data which requires more skills. Dillman (2007) noted that the questionnaire is one of the well-established instruments of data collection in social science research. The questionnaire used in this study contains measurement scales which were adopted from previous studies, and through review of literature. The kind of questionnaire used in this study is a Likert scale-type. According to Hair, Wolfinbarger, Ortinau, and Bush (2008) the use of Likert scales is most appropriate when the survey instrument is self-administered. Due to the ease of administering the Likert-scale kind of questionnaire, it has become very popular and widely-used (Zikmund, 2003). Eventhough, it is acceptable to adopt and adapt a questionnaire to suit the current study, modifications made to the instrument could affect the effectiveness of the instrument. In this study, questionnaires were also key in obtaining data from the selected sample within the Kuala Lumpur area. Based on the suggestion of Sekaran & Bougie (2016), a structured questionnaire was used a suitable instrument for gathering data, since the researcher is well vast with the study requirements, and variable measurements. The questionnaire covered the Demographic profile of the respondents, as well as questions on controllable variables and other variables of the study. The section which contains questions related to the independent variables also contain sub-variables for measuring the dimensions of corporate social responsibility Activities (community support, Environmentally Friendly, sell locally produced products, treating employees

4. Results:

4.1 Respondent Profile

This section presents a profile of the respondents in the study, which includes age, gender, education, monthly income, ethnicity, religion, purchase goods from hypermarket in Kuala Lumpur or no, and frequency of shopping from the hypermarkets. With regards to age, the

outcomes of descriptive analyses presented in Table 1 illustrates that 14.3 % of all respondents were within age range of 18-25 years, followed by 32.3% of the respondents who were aged 26-35 years, 34.1% of them were within the age range of 36-45 years old at 34.1%, and then 19.3% of them were within the age range of 46 and above.

On gender basis, over half of the study respondents, which was about 56.8% were females, while the remaining of the respondents (43.2%) were males. With regards to the educational background of the respondents, the table above reveals that 8.9% of the respondents had only the primary school level of education, 38% had attained secondary school education, 49% held a Bachelor's degree, while the remaining 4.2% were educated to postgraduate level. For the Income level of the respondents, outcomes in the table reveal that 16.1% of them earned less than Rm 1000, 35.9% of them earned Rm1000-Rm2999, 35.9% of them earned Rm 3000 to Rm 4999 (32.6%), and the remaining 15.4% earned Rm5000 and above. with regards to the fifth aspect, which is Ethnicity, the table above shows that 47.4% of the respondents were Malay, 32% of them were Chinese, 14.3% of them were Indians, and the remaining 6.3% of them belonged to other ethnic groups. For the sixth aspect, the table above shows that almost half of the respondents were Muslims (47.4%), 32.6% of them were Christians, 13.5% of them were Hindus, and the remaining 6.5% of them belonged to other religions. The seventh aspect, which is frequency of shopping at hypermarkets, the table above shows that 46.4% of them indicated that they shopped 1 to 3 times weekly, 33.1% of them indicated that shopped 4 to 6 times weekly, followed by 44% of them who indicated that they shopped 7 to 9 times weekly (14.3%), while 6.3% of them indicated that they shopped 10 times and more weekly. Then for the last aspect, which is whether the respondents purchase goods from any hypermarket in Kuala Lumpur. The above table shows that the respondents were only required to indicate Yes or No, and the results showed that almost all of them (95.8%) of them indicated that they shopped from hypermarkets in Kuala Lumpur, while just few of them (4.2%) indicated that they do not shop in hypermarkets in Kuala Lumpur. Generally, based on the results it can be said that majority of the respondents were females, and then most of them were within the age range of 36-45 years. More so, a majority had Bachelor's degree, and were also Muslims. With regards to their income, majority of them earned Rm1000 TO Rm2999. In addition, it was found that majority of them agreed that they shopped from hypermarkets in Malaysia, and then most of the indicated that they shopped from hypermarkets 1 to 3 times in a week.

4.2 Reliability of the Study's Instruments

The information gathered from the 384 participants was analysed on reliability.

¹¹ Cronbach's Alpha was used, to test the reliability of the instruments as Sekaran & Bougie (2016) advise. All the items were tested for reliability and to ensure acceptability they maintained at least 0.70 of the Cronbach's alpha value. (Pallant, 2013). A prior study which involved 384 customers selected randomly was done. All items were tested for reliability based on all the requirements and they were all reliable. The survey results with N=384, their respective Cronbach's Alpha values are as depicted.

The above table shows how all variables attained good Cronbach's Alpha, because all items attained values of 0.7. The scales were also reliable.

4.3 Convergent validity

Convergent Validity is employed in knowing to what extent the indications for different aspects have a common variation (Hair, Black, Babin, & Anderson, 2010). Convergent Validity was analysed carried out by examining AVE, Composite Reliability (CR), and factor loading as suggested by Hair et al. (2010). As suggested by Hair et al, (2010), a good Convergence Validity is indicated by an AVE that is 0.5 or higher; estimated loadings of 0.7 or higher; and CR of 0.7 or higher. According to the results on Table 2, the AVE sum of all construct values were in the range of 0.681 to 0.740. This exceeds the recommended threshold value of 0.5. The result reveals the adequacy of the study's convergent validity.

4.4 Fornell-Larcker's criterion

the cross-loading measurement and the discriminant validity were examined against the indicators of Fornell-Larcker's criterion (1981) criteria for measurement. The discriminant validity of the discriminant was further determined by the square root of average variance extracted (AVE) being compared to other variables. It is expected that the latent variable correlations (LVC) should not be larger than each latent variable. Table 5 shows the square root of the AVE for Customer Satisfaction, community support, environmentally friendly, sell locally produced products, treating employees.

4.5 Results model path coefficient beta and r direct relationship

the structural model of evaluation determined the validity of proposed hypotheses. For the path coefficient to be acceptable, Hair et al. (2011) notes that at least 0.1 should be used as an accepted level of path coefficient. Likewise, at least 0.05 should be used as the significant level coefficient.

The level of acceptance and significance of hypotheses was determined using the values of obtained from the bootstrapping procedure which was performed using SmartPLS 3.0. The t-values which were obtained on SmartPLS 3.0. Bootstrapping of 384 resampling was used to determine the significance of the hypotheses for all constructs. The following positive direction was advocated: to understand the impact of CSR Activities (community support, environmentally friendly, sell locally produced products, treating employees) on customer satisfaction. It is only when the t-value is greater than 1.96 that the hypothesis will be accepted and supported (Hair et al., 2017). The result of the hypotheses testing is presented in Table 4.8.2, which shows that all the four hypotheses that were tested to determine direct effect, were proven and a positive influence obtained.

5. Discussion and Conclusion

One of the topics which has emerged as a relevant topic in the field of marketing is Corporate Social Responsibility Activities, as there is an increase in the interest of practitioners and business theorists in the area of CSR, as well as its implications for firms. Findings of the study revealed that customer satisfaction is influenced by Corporate Social Responsibility Activities (community support, environmentally friendly, sell locally produced products, treating employees), and as such should be considered by firms as an effective marketing tool for hypermarkets in Malaysia. The result of the statistical analysis confirmed that the main research hypotheses were accepted. Also, the result showed that CSR Activities (community support, environmentally friendly, sell locally produced products, treating employees) positively influences customer satisfaction.

Despite the fact that the study was successfully carried out, there are some limitations associated with the study, and based on those limitations, suggestions for future study were given. This study contributes to the area of marketing by providing insight on the level of CSR in hypermarkets through an examination of the relationship between CSR Activities and client contentedness towards hypermarkets. One major way through which a sustainable competitive advantage can be built is by ensuring the customers are satisfied. In this study, the role of CSR factors in enhancing customer satisfaction in hypermarkets. More so, in this study an investigation of the moderating effects of hypermarkets in the correlation between CSR and customer satisfaction. These findings have several practical and theoretical implications. The study outcomes lead to conclusions that higher CSR levels positively affects customer satisfaction. The perception which customers have about CSR is important and has implications

for customers. Stronger evaluations of hypermarkets can result from the expectations which customers have towards CSR Activities. For customers to demonstrate intentions to repeat a business firms if they must increase their CSR so that customers can develop favourable attitudes, thereby resulting satisfaction. This research contributes to the overall understanding of the level of CSR in hypermarkets by providing insight on how CSR influences customer satisfaction. Therefore, it can be concluded that sustainable competitive advantage can be built through customer satisfaction. This means that if firms' carryout extensive CSR Activities, the perceptions of customers towards hypermarkets will be positively influenced.

ORIGINALITY REPORT

7%

SIMILARITY INDEX

1%

INTERNET SOURCES

4%

PUBLICATIONS

6%

STUDENT PAPERS

PRIMARY SOURCES

1

"Encyclopedia of Corporate Social Responsibility", Springer Science and Business Media LLC, 2013

Publication

1%

2

Submitted to Anglia Ruskin University

Student Paper

1%

3

Submitted to University of Winchester

Student Paper

1%

4

s3.amazonaws.com

Internet Source

<1%

5

Submitted to Vaasan yliopisto

Student Paper

<1%

6

Nik Ramli Nik Abdul Rashid, Shaiful Annuar Khalid, Nor Irwani Abdul Rahman.

"Environmental Corporate Social Responsibility (ECSR): Exploring its Influence on Customer Loyalty", Procedia Economics and Finance, 2015

Publication

<1%

7	Pedro Cuesta-Valiño, Pablo Gutiérrez Rodríguez, Estela Núñez-Barriopedro. "The impact of corporate social responsibility on customer loyalty in hypermarkets: A new socially responsible strategy", Corporate Social Responsibility and Environmental Management, 2019 Publication	<1 %
8	Submitted to University of Strathclyde Student Paper	<1 %
9	Submitted to Higher Education Commission Pakistan Student Paper	<1 %
10	Lilis Surienty, T. Ramayah, May-Chiun Lo, Azlin Natasha Tarmizi. "Quality of Work Life and Turnover Intention: A Partial Least Square (PLS) Approach", Social Indicators Research, 2013 Publication	<1 %
11	Submitted to University of Mauritius Student Paper	<1 %
12	www.ehow.com Internet Source	<1 %
13	erepository.uonbi.ac.ke Internet Source	<1 %

14	Aradhna Krishna, Uday Rajan. "Cause Marketing: Spillover Effects of Cause-Related Products in a Product Portfolio", Management Science, 2009 Publication	<1 %
15	Submitted to University of Wales Institute, Cardiff Student Paper	<1 %
16	Submitted to University Der Es Salaam Student Paper	<1 %
17	Submitted to Curtin University of Technology Student Paper	<1 %
18	Gelareh Abooali, Zahed Ghaderi, Badaruddin Mohamed. "Conceptualizing and validating the psychic distance construct in the context of tourism", Anatolia, 2014 Publication	<1 %
19	Submitted to IMI University Centre Student Paper	<1 %
20	Submitted to The Robert Gordon University Student Paper	<1 %