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# The Behavioral Ramification of CSR and Service Quality: Which one is the stronger predictor of behavior?

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**Abstract:** Fierce competition and globalization has transformed the playing field of the businesses. Abundant choices of the products have overall increased the expectation of the customers while decreasing their loyalty. The organizations are looking for unique ways to get hold of the customers' patronage. CSR has emerged out to be a leading research theme in majority of the consumer behavior literature. By the same token service quality is believed to influence consumer behavior. Following the trail, the main research focus in the field of marketing is to have a better understanding of the dynamic nexus between service quality and buying behavior.

This study strives to explore the relationship among corporate social responsibility (CSR), service quality (SQ), corporate image, and consumer buying behavior in the context of the fast food industry, the second largest industry of the country having 180 million consumers. A cross sectional quantitative examination was conducted. A sample size of 1530 respondents from restaurant industry operating in Pakistan was considered for the study.

The result of the study shows that both CSR and service quality can enhance consumer buying behavior but the positively perceived CSR is a stronger predictor of consumer buying behavior than service quality. Corporate image is partially mediating the relationship between CSR/SQ and consumer buying behavior.

Therefore, CSR is more important and promising marketing strategy towards improving the consumers' positive assessment about the organization, building positive corporate image, influencing consumer buying, contributing towards unique competitive characteristics and eventually gathering the customers' patronage.

Keywords: Corporate Social Responsibility (CSR), Service quality, Corporate image, Consumer buying behavior, Mediating effect

## I. INTRODUCTION

Consumers depict the lifeblood for the organizations. In the current turbulent and competitive market conditions, organizations are trying to identify the most significant factors that can help them to attract and retain their customers in the long run. Failing to do so will not only hurt the bottom line of the organizations but will also limit the chances of overall growth. That had become a probable reason of the fact that enormous studies have been conducted in gauging the antecedents for an improved financial performance (Fornell, 1992; Babakus, Bienstock, & Van Scotter, 2004). Similarly marketing scholars have identified that better service quality is a fundamental business strategy to improve consumer behavior. In order to achieve the desired performance levels, the organizations are striving hard to provide distinct value proposition in the form of services to their customers effectively.

Recently CSR has been widely studied by marketing scholars as a significant strategy to improve consumer buying behavior. In that research stream, many scholars have figured out a positive relationship between CSR and consumer response (Civero et al., 2017). Additionally, CSR involvement is considered a crucial marketing strategy and business activity which has significant impact on consumers purchase behavior (Shukla, Goel & Tiwari, 2019; Wang, 2018).

Therefore, considering the growing interest of scholars in CSR and its significance in predicting consumer behavior and the substantial role of service quality (Arıkan & Güner, 2013), the current study aims to examine how both CSR and service quality can impact the consumer buying behavior. Which of the either variableholds more importance while predicting the consumer's buying behavior? Theoretically, the researcher believes that CSR may be a more significant predictor of consumer buying behavior as compared to service quality. This belief is strengthened by the notion that CSR relates more to the satisfaction of the individuals' higher – order needs, while on the other hand service qualityrelates more to the satisfaction the lower-order needs of the individuals (Vlachos et al., 2009). Resultantly, consumers

are naturally more anxious about satisfying the higher-order needs as compared to lower-order ones. Moreover, examining the consumer buying behavior is vitalbecause all the strategies in marketing domain are based on it.

Some scholarsalso believed that consumers might be unwilling to prefer CSR over the traditional determinants, which may be anindicative of the fact that CSR is an abstract concept and has no direct relationship with the organizations' ability to deliver goods or services in efficient and effective way (Auger et al., 2003). According to this notion, organizations are now more motivated to use intangible assets, like the corporate image to gain a competitive edge over traditional assets because former one is not easy to imitate (Bhattacharya & Sen, 2004; Yasin, 2017). Both CSR and service quality are a significant predictor of corporate image. Therefore, current study suggests that service quality and CSR have indirect impact on consumer behavior through the mediating role of corporate image. Based on all the above discussion, this study aims to investigate the direct and indirect impact of CSR and service quality on consumer buying behavior in totality which has not been done before.

Therefore, genuine understanding of what the customers expect from the organization, which can have a positive influence on their buying behavior has turned out to become a significant issue and a necessity for the profitable operation of the organization.

## II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

# 2.1. Corporate Social Responsibility

The concept of CSR has posed an issue in the academic research and business practices over the course of last five decades (Dentchev, 2009; Carroll & Buchholtz, 2006). Bowen (1953) carried out the initial CSR theoretical development. Although copious amounts of research have been conducted on this subject, still, the definition of CSR has always been debated by the scholars (Lee, 2008). This debate is instigated by the fact that CSR is indeed a broad concept in its scope, and thus many scholars have provided their own definition. Carroll (1979) suggested that CSR encompasses certain expectations that the society has from an organization at given point in time. These expectations are from the economic, ethical, legal and philanthropic domains. The view point of Carroll (1979) was extended by Dahlsrud (2008)and presented five types of CSR which are economic, environmental, stakeholder, societal and voluntariness. A broad and narrow view of CSR was presented by (Devinney, 2009). The broad view focused on environmental responsibility, social obligations and legal obligations whereas, narrow view was related to the organization's obligation to earn profit.

This study follows the model presented by Carroll (1979) and focuses on the four dimension of CSR which are economic, legal, social and ethical. Given that these four dimensions may directly influence the consumer buying behavior of the customers, they are strongly associated with the fast food industry context.

#### 2.2. CSR and Corporate Image

Corporate image (CI) is the impression of the company over its customers (Nguyen and Leblanc, 2001). According to Lai et al., (2010)the stakeholders' social concerns are addressed by corporate image of the organization. CSR activities bear the tendency of creating a collective perception of the public towards a company (Abimbola, & Kleyn, 2012). This perception must be stimulated by consistent and apt communication of the CSR activities of the organization. However, if the company employees the internally-controlled channels as opposed to the reactive communication channels for this communication of CSR activities, they are considered deceitful by the consumers (Wagner, Lutz, & Weitz, 2009). Past studies are testiment to the fact that the companies those are engaged in CSR initiatives are able to portray a positive image of them only througheffective communication, and this positive image is rewarded by the customers in the form of purchases made by them (Brown and Dacin; Folkes and Kamins, 1999; 1997 Murray and Vogel, 1997).

Engagement in CSR activities has been a success factor in creating a positive corporate image (Golob & Bartlett, 2007). This positive image augments customers' loyalty and provides the organization its desired

sustainability and competitive edge (Lantos, 2001). Even a negative corporate image can be switched to a positive one by investing in CSR initiatives with stakeholders' welfare as the motive.

However, the existing literature is insufficient in providing the evidence whether this view is applicable in a developing economy like Pakistan. This impact of CSR on corporate image is not extensively explored in Pakistan especially in the restaurant industry which accounts for the second largest industry in Pakistan. Considering these gaps in the CSR literature and based on four CSR dimensions presented by Carroll (1979), the devised hypothesis is as follows:

H1: CSR has a significant positive effect on Corporate Image

# 2.3. CSR, Corporate image and Consumer Buying Behavior

A study on CSR suggested that the challenges faced by organisations in developed countries in the implementation of CSR initiatives are entirely different from the ones faced by companies in the developing countries (Visser et al., 2010). In developing countries, business systems have largely delegated responsibilities to the private sector because of numerous issues like poor governance and weak institutions. Additionally, the multinational companies operating in such developing countries are faced with several cultural, religious, and complex social challenges (Werhane 2000). Even though CSR as a concept has been, for the most part, identified as a need of the hour, very little is known about its impacts on consumers' minds and behaviors (Vahdati, Mousavi, & Tajik, 2015). Restaurants are such an organisation where the cunsumer of the end product is present inside the organization and production and consumption is taking place simultaneously (Davis et al., 2008). If the CSR initiatives are perceived as positive by the customers, they in turn incentivise the restauant by consuming its products (Akanno et.al., 2015).

## 2.4 Social Identity theory and CSR- Consumer Behavior Relationship

The social identity theory provides individuals a sense of belonging to a certain group. A feeling of trust and positive emotions emerges among the individuals who enjoy similiarity being the part of that group (Ashforth and Mael, 1989). Subsequently the perceptions and behavior of the member are influenced by the social group (Teng, 2017). Moreover when individuals identify themselves as a part of a certain social group, they strive to conform to the established norms of that group because the conformance in the social group strengthens their individual identity (Ambrose et al., 2018). For example Teng (2017) studied the gaming community and he found out that the members of the gaming community influence the perception and behaviors of the fellow members.

The contemporary studies on CSR have set the stage for further exploration of this concept in light of consumer buying behavior and its mechanisms and contigencies are required to be investigated in the context of devolping economies. Thus, in the light of the available literature, there is a lack of studies that attempts to find the relationship of CSR, corporate image and consumer buying-behavior in developing economy, specifically in the fast-food restaurant industry. This gives rise to the second and third hypotheses of the study:

H2: CSR has a significant positive influence on consumer buying behavior H3: Corporate image mediates the relationship between CSR and consumer buying behavior

# 2.5. Service Quality

Organizations try to deliver the best services from their end, but customers are seldom satisfied as quality of the services offered doesn't fulfil the expectation of customers. It is identified that service quality is a difference between the consumers' expectation about service and the actual satisfaction they experienced after availing the services (Churchill & Surprenant, 1982).

The service quality definition and its measurements are disputed areas among scholars. Holbrook and Corfman (1985) provided perceived quality concept as a global value judgment. They suggested that the quality refers to general approval, so the "quality" expresses that something is "good." Further, they noted the term quality as an imprecise concept. They defined three dimensions of quality and stated: The first dimension distinguishes between definitions that regard quality as something present implicitly in an object as opposed to some explicit aspect or function thereof. The second-dimension contrasts more mechanistic definitions of quality with those more humanistic in nature. The third dimension distinguishes conceptual definitions of quality from those definitions which are operational in nature

(Holbrook & Corfman, 1985: page, 32-33). Later in 1985, Maynes brought the service equation back to track by putting customers back in the equation. However, this idea was distinct from the earlier one because he considered quality as a normative concept. He suggested that quality could be defined and measured better if the weighted average of quality characteristics is used. He stated "Finally, it is worth noting that the quality scoring systems utilized by Consumers Union and all its counterparts confirm in essence, though not to form, to the model proposed here" (Maynes. 1985: page 197).

There is one definition which was given by Parasuraman (1985), which is less controversial from others. "Service quality as perceived by the customer is the degree and direction of the discrepancy between customer's service perceptions and expectations (Parasuraman, et al., 1985: page 41)". The scale provided by Maynes (1985) is further refined by Parasuraman et al (1985). They examined the four major service quality characteristics which are "inseparability/simultaneous, intangibility, perishability and heterogeneity" experienced by the customers. They developed a measurement scale called SERVQUAL thus measuring the five dimensions of quality which were "Tangibility, reliability, responsiveness assurance and empathy". The updated version of is considered as the most suitable scale for the measurement of service quality (Zeithaml et al., 1988). Given the notion that these five dimensions of quality may directly affect the corporate image and consumer behavior, we incorporated SERVQUAL in our study.

#### 2.6. Service Quality and Corporate Image

It was discovered by O'Cass & Grace (2004) that the service quality which leads to a pleasant experience, influences the attitudes. It is evident that after the evaluation of the service, if the customers perceive that high quality service has been delivered to them, they will develop a positive and desirable corporate image of the organization. The corporate image has turned out to be a critical management tool for these organizations and an increasingly complex concept that needs a further detailed analysis of its various elements (Flavian et al, 2004). Huang (2001) studied corporate image and service quality in the context of convenience stores, finding that service quality has a positive effect on corporate image. In addition, this study finds that service quality has a positive effect on corporate image and purchase intention. In an era of "customer first", companies which achieve excellence in service quality will be in a better position to beat the competitors. There must be a never-changing urge to understand, what the needs of the customers are, and strive to provide customers a service, which ought to be fast, reliable and customized. Lin (2005) also suggested that customer satisfaction and loyalty increase on account of a positive perpetual image, and this positive corporate image can be sought through better service quality. The study by Peng (2011) showed that service quality has a significant positive effect on corporate image. However after detailed review of the literature, it is found out that service quality has not been examined in context to the development of the corporate image. Irfan & Ijaz (2011) compared the service quality of private and public hospitals in Pakistan. They concluded that private hospitals share the burden of public health care facilities by serve better quality as compared to public hospitals.

Ali & Raza (2015) have examined the impact of service quality on customer satisfaction in Islamic banking in Pakistan. They studied the influence of different dimesions of SERQUAL on customer satisfaction. The results showed that there is a positive relationship among the dimesions of SERVQUAL on customer satisfaction. Based on the review of literature and above discussion in this section, it has become evident that majority of the research about service quality is related to banking sector and a few about health care industry. There is a lack of research available to explore the link between service quality, corporate image and consumer buying behavior in Pakistan specifically in context to fast food industry. Considering the gap mentioned above, the devised hypothesis will be as follows:

H4. Service quality has positive impact on the corporate image

# 2.7. Service quality, corporate image and consumer buying behavior

Fornell (1992) emphasized the significant influence of service quality on customer buying behavior and purchase intentions.Lin (2005) also suggested that customer satisfaction and loyalty increase on account of a positive corporate image, and this positive image can be sought through a better service quality. The study by Huang et al., (2014) pointed out that the service quality has a "significant positive effect on customer behavioral intentions". However, in Pakistan majority of the service quality research is focussed on studying the link between service quality and customer satisfaction in banking industry and some of the research is relevant to health care industry.

Based upon the detailed review of literature, it is evident that there is a lack of research in exploring the link among service quality, corporate image and consumer buying behavior in Pakistan specifically in context to the fast food restaurant industry. Therefore, append below are the hypotheses H2 and H3 emerged from these circumstances.

## H5: Service quality has positive impact on consumer buying behavior

H6: Corporate image mediates the relationship between service quality and consumer buying behavior

## 2.8. Corporate image and consumer buying behavior

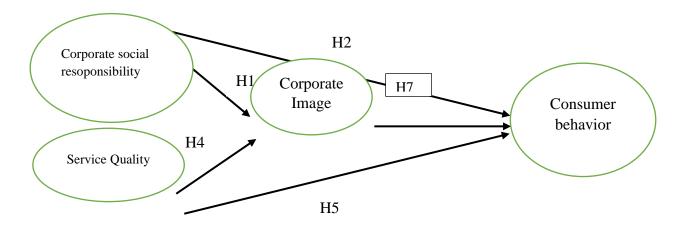
The behavior of customers is impacted by the positive corporate image (Nan & Heo,2007). The relationship among corporate reputation, corporate retention and customer retention was explored by (Nguyen & Leblanc, 2001). The result inferred that a positive corporate image ensures customer retention and loyalty with the organisation. A similar study was conducted in the FMCG industry of Pakistan by Shabbir et al. (2010) where the relationship between customer relationship management and consumer buying in intention was explored with the mediating role of corporate image. The results indicated that the relationship between the two mentioned variables was being partially mediated by corporate image. Based on the literature, it can be safely deduced that insufficient studies have been conducted to find the impact of corporate image on consmer buying behavior in a developing economy especially in context of fast food industry. Keeping in view the above mentioned gap, the fourth hypotheisis of this study is mentioned below:

H7: Corporate image has a significant positive influence on consumer buying behavior.

# 2.9 Conceptual Model

A graphic display of the interrelationships in the conceptual model is given in Figure 1.

## Conceptual model for the studyFig.1



III. MATERIAL AND METHODS

## 3.1. Population and sample

It was planned to target consumers of the fast-food restaurants in Pakistan as the study population. Pakistan has more than 350 cities and every city has several fast-food restaurants. So, the number of restaurants was too large or unrecorded in all cities of Pakistan. Sampling frame considered for this study was derived from the list of restaurants registered with the relevant revenue boards of Pakistan. Therefore, the sample of this study considered the fast-food restaurants' consumers of five popular cities of Pakistan which are Lahore, Islamabad, Karachi, Quetta and Peshawar. 297 restaurants were short listed by using the sample calculator. Multistage sampling technique was incorporated to select from the

sampling frame. Five respondents from each of 297 restaurants, who were present at the restaurants, were asked to fill the survey questionnaires.

## 3.2. Instrument and Measurement of Variables

A self-administrated questionnaire was used with closed-ended questions. ". 16-Items scale of Carroll (1979) has been used to measure the CSR on a 5-point Likert scale. The scale had a Cronbach's alpha value of 0.89. A 22-item measure of service quality as provided by Parasuraman et al., (1985) with a 5-point Likert scale was used for this purpose. The reliability of the scale was 0.90. A 5-item scale developed by Nguyen and Leblanc (2001) was adopted with a 5-point Likert scale for corporate image. The reliability of this scale was 0.86. A 16-item scale of Zeithmal (1996) was used to measure consumer buying behavior. The reliability of this scale was 0.90. The evaluation of the variables was based on interval scale and five point Likert scale 1= strongly disagree to 5= strongly agree were used to measuring these variables.

#### 3.3. Data Collection

A cross sectional survey was conducted in this study and the respondents were approached individually for data collection. The researcher with his hired team managed to personally visit 297 fast-food restaurants in five cities of Pakistan. Questionnaires were distributed to consumers who were availing the services at that time in the fast food restaurant with an aim to target five consumers from each restaurant. Completed questionnaires were collected back immediately to guarantee a high response rate. 1485 questionnaires were distributed among the respondents of five different cities of Pakistan i.e. Lahore, Islamabad, Karachi, Quetta and Peshawar but only 1425 questionnaires were returned for further analysis, thus depicting a response rate of 95%.

#### IV. ETHICAL CONSIDERATIONS

The information gathering for this research occurred through the researcher's personal visit to potential respondents who were consumers, availing services of 297 fast-food restaurants in five cities of Pakistan. In the same manner, potential respondents were given a descriptive statement at the start of questionnaire that elucidated the reason for this study, guaranteed the anonymity and confidentiality of respondents, educated them regarding their entitlement to leave the study whenever they wish to, and it was also explained that the returning of completed questionnaires will be considered as indication of agreeing to participate in research. The collected data was kept safe at the researcher's custody. The names of the respondents were not demanded in the questionnaire to ensure its full confidentiality. Finally, the researcher designed the questionnaire by keeping in mind the respondents' sensitivity and not posing any question that could be addressed by false data and might evade socially unwanted inquiries.

## V. DATA ANALYSIS

A total of 1425 received questionnaires were carefully recorded in MS excel and SPSS. While the data entry was taking place, the post-coding of 1425 survey questionnaires was conducted followed by the rigorous scrutiny of the data regarding consistency, completeness and legitimacy. With the use of descriptive statistics, a total of 80 questionnaires were excluded from the data because of missing values in the responses. Unengaged responses were identified using the standard deviation (SD) technique. All such records, which had a value of Standard Deviation below 0.5, were removed as it indicated that these respondents answered all the questions of the survey in the same manner.

# 5.1. Reliability and Validity

## 5.1.1 Reliability of the questionnaire

An inter-item correlation matrix was developed for each construct in order to evaluate the internal consistency of the constructs. There was no negative correlation found among the items of the same construct. Afterwards, the value of Cronbach's Alpha was also calculated for each of the three constructs under study. The Cronbach's Alpha value of 0.7 and above is considered to be the acceptable range of reliability. The Cronbach's alpha values for the individual constructs and overall questionnaire are shown in Table 1. It can be clearly seen that the Cronbach's Alpha values of the entire constructs are well above 0.7.

## 5.1.2 Validity of the Questionnaire

Bryman (2015) suggested that face or content validity should be considered as a minimum threshold to confirm the validity of a scale which is an intuitive procedure and has to be established by the researcher. In order to achieve face and content validity, a session was conducted of group comprised of quality experts, practitioners and academics to examine the degree to which the items of the construct were actually measuring the aforementioned constructs. The 53 items of measures of corporate social responsibility, service quality corporate image and consumer buying behavior were left over for data collection after that session and further confirmation took place after the pilot study.

Table 1 Reliability of the questionnaire

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Constructs	Number of items	Cronbach's Alpha			
Corporate Social Responsibility	16	0.895			
Service Quality Perceptions	19	0.878			
Corporate Image	5	0.844			
Consumer Behavior	13	0.869			
Overall Reliability of the questionnaire	53	0.946			

## VI. RESULTS

## **6.1 Descriptive Statistics**

The result of the descriptive analysis is shown in Table 2. It can be seen that majority 61 % respondents were male and 39% constituted female. The analysis of the age depicted an interesting result. The major chunk of the respondents was under 30 years of age (60%), which supports the notion that youngsters are fond of fast food. Descriptive analysis suggested that majority of the respondents were of a younger age and were either students or at the beginning stage of their career, that supports the above mentioned notion of their presence at a fast food restaurant.

Table 2 Demographic profile of the respondents

Sr.	Characteristics	Frequency	Respondents
1	Gender		
	Male	758	61%
	Female	480	39%
	Age		
2	20-30	741	60%
	31-40	345	28%
	41-50	130	10%
	Above 51	22	2%
3	Education		
	High School	156	13%

	Bachelor	700	55%
	Post Graduate	28	28%
	PhD	35	4%
4	Occupation		
	Student	441	36%
	Employee	461	37%
	Businessman	265	21%
	Household	71	6%
5	Income Level		
	Less than 50,000	761	62%
	51,000-100,000	268	21%
	101,000 - 150,000	136	11%
	Above 150,000	73	6%

# 6.2 Exploratory Factor Analysis (EFA)

We used SPSS 23 to conduct exploratory factor analysis (EFA). Keeping in mind the requirements of SEM, maximum likelihood extraction method with pro-max rotation was used to extract factors. Since the survey questionnaire was comprised of 53 items which were used to measure the four constructs, all 53 items were included in EFA analysis. EFA was conducted using the threshold of Eigen value greater than 1. Resultantly, it was found that the pattern matrix divided these 53 items into four factors by using the rule of eigenvalue > 1 (Lattin et al., 2003). The total explained variance of all variables was 42%. There were seven items belonging to both service quality perception and CSR and were causing a problem of cross loading with corporate image; therefore, they were deleted from further analysis because of their cross loading with other factors. After removing seven items, EFA was run again using the same technique.

## 6.3 Validity of the items and model fit

After extracting the three factors through EFA, we conducted the confirmatory factor analysis (CFA) to ensure the validity of items and model fitness. CFA model fitness results are given in Table 3, which shows that the values of all fitness indices for proposed factor model are within threshold value range and model fit is acceptable. Figure 2 representing the CFA and its results in detail.

Table 3: Model Fit Summary for Measurement Model

Measure	Estimate	Threshold	Interpretation
CMIN	3256.184		
DF	965		
CMIN/DF	3.374	Between 1 and 3	Acceptable
CFI	0.913	>0.95	Acceptable
SRMR	0.042	<0.08	Excellent
RMSEA	0.044	<0.06	Excellent

PCLOSE	1	>0.05	Excellent

## **6.4 Correlation Analysis**

Initially, Bi-variate Pearson Correlation analysis was calculated among all study variables to analyse the relationships and their directions between the constructs, as given in Table 4. The outcomes of correlation analysis indicated that all control variables except income level were significantly correlated with study variables e.g., the gender has a significant negative correlation with CSR ( $-0.18^{**}$ ), service quality ( $-0.15^{**}$ ), corporate image ( $-0.20^{**}$ ) and consumer buying behavior ( $-0.23^{**}$ ). Similarly, the age and education have significant positive correlation with CSR ( $-0.11^{**}$ ), service quality ( $-0.15^{**}$ ), corporate image ( $-0.15^{**}$ ), and consumer buying behavior ( $-0.15^{**}$ ), though, the income level of respondents is only correlated with the service quality significantly ( $-0.08^{**}$ ).

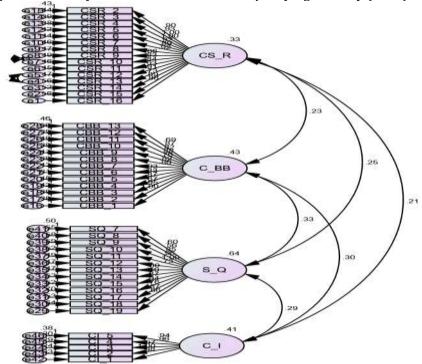


Figure 2: Measurement Model of CSR, Service quality, Corporate image & Consumer buying behavior

It is noticeable that there is a significant correlation between all study variables which provides an initial support to the proposed model. For example, both the independent variables, CSR and service quality have a significant positive correlation with corporate image  $(0.63^{**}, 0.63^{**})$  and consumer buying behavior  $(0.68^{**}, 0.71^{**})$ . It is worth mentioning that these values justify every proposed relationship among the study variables.

**Table 4: Correlations Analysis** 

Sr#	Variables	1	2	3	4	5	6	7	8
1	Gender	1							
2	Age	19**	1						
3	Education	05	.32**	1					
4	Income Level	20**	.48**	.35**	1				

5	CSR	18**	.12**	.10**	.04	1			
6	Service Quality	15**	.15**	.13**	.08**	.62**	1		
7	Corporate Image	19**	.15**	.09**	.03	.63**	.63**	1	
8	Buying Behavior	23**	.15**	.06*	.04	.68**	.71**	.79**	1

Note: \* significant at 5% level, \*\* significant at 10 % level, \*\*\* significant at 1 % level

## 6.5 Relationship among study variables and structural model

After testing the measurement model and multivariate assumption, we build a structural model based on the research hypotheses. The structural model represents the relationship between CSR, service quality, corporate image, and buying behavior as shown in Figure 3. It is noticed that the value of path coefficients of the structural model for all the hypotheses are significant. The model fitness was also checked for the structural model which showed that the model was acceptable. Standardized regression weights for all possible paths of the structural model are given in Table 5. Regression estimates for all paths of the model were statistically significant.

The first hypothesis H1 of this study was the direct relationship between CSR and corporate image. In the structural model, this hypothesis is drawn by a single head arrow between CSR and corporate image. The values of direct effect for this relationship is  $0.40^{***}$  which shows that the consumers with higher CSR perception will have a positive corporate image as given in table 6. Therefore, hypothesis H1 is supported.

**Table 5: Standardized Regression Weights for Structural Model** 

Path of variable	Estimate	P Value
CSR> Corporate Image	0.39	***
CSR> Buying Behavior	0.25	***
Service Quality> Corporate Image	0.40	***
Service Quality> Buying Behavior	0.31	***
Corporate image> Buying Behavior	0.43	***

Note: \* significant at 5% level, \*\* significant at 10 % level, \*\*\* significant at 1 % level

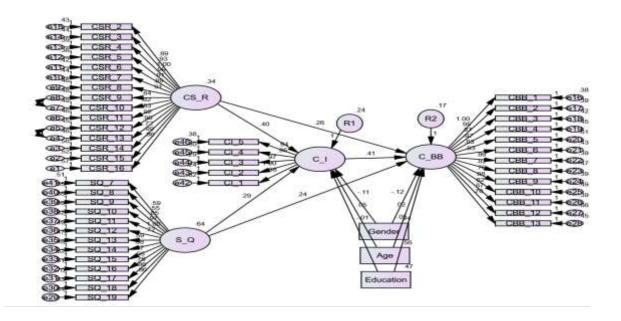


Figure 3: Structural Model of CSR, Service Quality, Corporte image & Consumer Buying Behavior

The hypothesis H7 of the study shows the relationship between corporate image and consumer buying behavior. It was proposed that positive corporate image will positively impact the consumer buying behavior. The value of the direct effect of this relationship is  $0.41^{***}$  as shown in table 6 which shows that positive corporate image will have a significant positive impact on consumer buying behavior. The hypothesis H7 is supported.

Hypothesis H3 of the study shows that corporate image mediates the impact of CSR on consumer buying behavior. Findings of the analysis suggest that there is a significant indirect effect of CSR on consumer buying behavior as the effect value of this relationship is  $0.156^{***}$  which completely supports the proposed mediating path in hypothesis H3. As both the direct and indirect effect between CSR and consumers buying behavior are significant, therefore it can be inferred that corporate image acts as a partial mediator in this relationship.

**Table 6: Structural Equation Modelling Results** 

Hymothogog	Direct Effect	Indirect Effect	P Value
Hypotheses	β value	β value	
CSR> Corporate Image	0.40		***
CSR> Buying behavior	0.26		***
Service Quality> Corporate Image	0.29		***
Service Quality> Buying behavior	0.24		***
Corporate Image> Buying behavior	0.41		***
CSR> Corporate image> Buying behavior		0.16	***

		***	
Service Quality> Corporate image> Buying behavior	0.12		

Note: \* significant at 5% level, \*\* significant at 10 % level, \*\*\* significant at 1 % level

The hypothesis H6 is showing the mediation of corporate image between service quality and consumers buying behavior. As given in table 6, the indirect value for this relationship is  $0.118^{***}$ , which shows the support of hypothesis H6. As both direct and indirect effects between service quality and consumers buying behavior are significant, therefore corporate image is a partial mediator between service quality and consumer buying behavior.

#### VII. DISCUSSION ON THE FINDINGS OF THE STUDY

The main purpose of this study was to understand the role of CSR and service quality, in changing the consumer buying behavior with a mediating role of corporate image and also to discuss how the findings of the current study will be helpful to answer the research questions raised in order to fulfil the study aims.

According to the findings of the study H1, CSR has a significant positive effect on corporate image in the fast food restaurant industry of Pakistan. The results are in line with prior studies (Amoroso and Roman, 2015; Rahim et al., 2011), which suggested that CSR positively influences the consumers by creating a good market reputation.

The result of the hypothesis H2 reveals that positively perceived CSR impacts the consumer buying behavior positively. This finding is aligned with various prior studies (Amoroso & Roman, 2015; Rahim et al., 2011; Becker-Olsen et al., 2006; Fatma et al., 2016) which suggest that CSR has a positive effect on consumers' behavior if it is well embedded and well communicated to consumers.

The result of the hypothesis H4 infers that the service quality will positively impact corporate image. The Finding is in line with the results of the prior studies. (Grönroos, 1984; LeBlanc & Nguyen, 1996; Nguyen & LeBlanc 2001) established that the organizations can improve the corporate image through improved technical quality and functional quality.

The Hypothesis H5 infers that service quality positively impacts the consumer buying behavior. This finding is in line with studies based on data from other industries conducted to examine the impact of service quality on consumer behavior. For example, Chien and Chi (2018) conducted a case study in the National Farmers' Association (NFA), to examine the impact of service quality on consumer satisfaction. They reported that consumers who have positive perception about the service quality of NFA are more satisfied.

The hypothesis H7states that corporate image influences the consumer buying behavior. The results of the study show that positive corporate image perceived by the consumers of the fast food restaurants of Pakistan positively impacts the buying behavior. A well managed communication is instrumental in portraying the desired image in the minds of the customers which can influence behavior (Gray & Balmer, 1998).

The hypothesis H3 is one of the most significant and a novel finding of this study, which shows thatthe impact of CSR on consumer buying behavior is partially mediated by corporate image. This finding is consistent with other similar studies, attempted to explore the mechanism between CSR-consumer behaviors. Several studies determined that CSR could enhance the corporate image (Cornwell & Coote, 2005; Andreassen & Lindestad, 1998) which in turn impacts the behavioral intentions of customers (Nan & Heo, 2007; Grönroos, 1984).

The hypothesis H6 and the results of this study also show that corporate image mediates the relationship between service quality and consumer buying behavior. This result is consistent with the study by Li and Liu (2018) conducted in airline industry, which reveals that service quality has a strong impact on consumers' perception about brand image which in turn impact their purchase intentions positively.

Finally, major and interesting finding of this study is that CSR is a stronger predictor of consumer buying behavior as compared to the service quality as evident from its effect value as shown in Table 6. These findings bear novelty in the body of knowledge because, till now there is no study available in CSR and service quality literature to determine that which factor is most significant in predicting consumer behavior except one very recent study of 2017. Yasin (2017) conducted a study to examine the capacity of CSR and service quality to predict the customer's affective commitment. They reported that effect value of CSR and customer affective commitment is greater than effect value of service quality and affective

commitment. Subsequently this study contributes to that specific part of literature that examines the comparative effect of CSR and service quality.

#### VIII. MANAGERIAL IMPLICATIONS

In a quest to maintain and sustain a competitive advantage, building a strong and loyal customer base is the main ingredient of this journey. The modern customer is more concerned about the issues pertaining to public welfare and society at large. If an organisation is actively participating in the CSR activities and is communicating those initiatives to the customers, there are high chances that customer will become loyal to that organisation. This research has several managerial implications. The fast-food restaurants should engage themselves in CSR initiatives and work on various mediums to communicate those initiatives to the customers. Though genuine CSR is noteworthy, still effective CSR communication is a corner stone for developing customer loyalty as 'transparency encourages competitiveness' (Chen and Wongsurawat, 2011, p.56). CSR initiatives demand fast-food industry to put their products and services for sales at a reasonable price, comply with law, participate and sponsor public events and aim to promote the overall social wellbeing of the society at large. This will help them to register a positive corporate image in the minds of the customers which eventually will influence their buying behavior in their favour.

## IX. LIMITATIONS AND FUTURE RESEARCH

This study examined the influence of CSR and service quality on buying behavior of consumers in fast-food industry. We selected fast foods because of time and resource constraint, the future studies can include full service restaurants, cafeterias and fine dining restaurants. Furthermore, the study was cross sectional in nature and self-administered questionnaire was adopted to collect data. The limitation can be overcome by using multi-time cross sectional design with time break. In future, researchers may replicate the study in different countries and different industries as consumers from different industries and countries may have their unique perceptions about CSR and service quality, so in turn CSR and service quality may show different kind of relationship with consumer behavior.

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