IMPACT OF CSR ON CORPORATE REPUTATION, CUSTOMER LOYALTY AND ORGANIZATIONAL PERFORMANCE

Zia Ullah

Department of Business Administration, Lahore Leads University Lahore;
chairperson.ba@leads.edu.pk

Naveed Ahmad

UCP Business School, University of Central Punjab, Pakistan;
 naveeddgk2010@gmail.com

Zahra Nazim

Institute of Business and Health Management, Dow University Karachi
zahranazim@yahoo.com

Muhammad Ramzan

Institute of Social and Cultural Studies, University of the Punjab Lahore
qramzan@hotmail.com

ABSTRACT

Promoting corporate social responsibility (CSR) has become a crucial task in marketing strategy for the banks. Due to growing interest of academicians and policy makers, the concept of CSR is receiving a lot of attention in recent times. With this background, the present research empirically investigates how banks' CSR activities generate positive organizational outcomes in the form of corporate reputation (CR), customer loyalty (CL) and organizational performance (OP). Working with a sample of 308 banking customers in Pakistan, Structural equation modeling technique was used for data analysis of present write-up. The results show that CSR positively influences CR, CL and OP in banking sector of Pakistan . Banks must include CSR in their long-term strategic plans to improve overall customer experience because banks' CSR activities result in customer identification which improves their repute and ultimately enhances OP.

Keywords: Corporate social responsibility, corporate reputation, customer loyalty, organizational performance

INTRODUCTION

The growth of corporate social responsibility (CSR), which began in 1950, has now had a major impact on the global business world. More than 12,000 companies in 170 countries have signed up to the UN Global Compact to transform their business into a sustainable and socially responsive manner (UN, 2014). Similarly, the KMPG survey found 79% of the 4,900 global companies have officially announced their CSR plans. After the founding of the 1960s, research models in CSR began in the 1970s, with researchers first experimenting with the integration of CSR and performance of organizations. The course of study examined the relationship between CSR and organizational performance (OP), and the meta-analysis study also reported positive correlation (Blasco & King, 2017). However, previous research has focused heavily on western economic development including business power and market development, So this is a good reason to discuss the "implementation" of CSR relations in Pakistan which is a developing nation an unlike developed nations, in Pakistan Business environment is not so strong and developed. In addition, the researchers argue, most of the research was done on economic performance scenarios and they recommend the inclusion of non-financial outcomes of CSR activities such as corporate reputation (CR) and customer loyalty (CL) (Chun & Bang, 2016). Against the current history of uncertainty and difficult business environment, reputable companies have become crucial for business success, due to the asymmetric information between the company and its customers, weakens the ability of customers to predict future (Bianchi, Bruno, & Sarabia-Sanchez, 2019) . CR helps to regulate the disparate information of the people sharing basic decisions they make on the organization reputation. Researchers argue that the choice of stakeholders to work with the company usually depends on the reputation of the company. Therefore, this study examines the impact of CSR on financial performance, corporate reputation and customer loyalty (Lin-Hi & Blumberg, 2018).

Corporate Social Responsibility (CSR) and Corporate repute (CR) are growing as CSR is the largest set of tools to enhance sustainable development in developed and developing countries. Reputation management is important for companies that have their core business and develop their competitive advantage and different methods based on development assets such as new, highly intelligent foundations and high cultural foundations. No matter how important and difficult it may be to adapt the intangible assets, such as CR and brand management. As a result, they contribute to the rapid growth of high-profit of the companies (Yadav, Dash, Chakraborty, & Kumar, 2018). CR is gaining importance these days because it is associated with corporate governance scandals such as, dangerous products and services, corruption, political involvement and more. Bankruptcy of well-known companies, taking responsibility for them. Commercial simulation, due to the lack of credibility of business policies, has attracted the attention of many scholars in recent years. There are many theoretical and highly empirical studies on reputation of organizations to ensure the successful organization of brands is highly comprehensive, allowing them to differentiate themselves from their counterparts (Vogler & Eisenegger, 2020). The most common problem in this area of research is marketing, branding and communication. There is significant evidence for a correlation between CSR, CR and financial activity. CSR, reporting in organizations is increased recently, combined with reputation. The repute of the organization represents the broad scope of the organization and is associated with the positioning of the brand. However, there is no clear consensus among experts on the relationship between CSR, CR, OP and CL as different studies have poised different meanings, making it more difficult to develop

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some universal policies (Ashraf, Ilyas, Imtiaz, & Tahir, 2017; Iglesias, Markovic, Bagherzadeh, & Singh, 2020; Ling, 2019; Park, 2019).

Numerous studies have attempted to clarify the relationship between CSR and OP. Ling (2019), investigated the relationship between CSR and profit margins in relation to economic value and found that there is a good correlation between CSR and reputation of the company. B.-J. Kim, Kim, Leroy, and Simons (2019) discuss the relationship between CSR and finances, implementing positive-negative differences of CSR impact on hotel, restaurant, and airline financing, theory based on positive- and negative impact. The study recommends the integration of results across multiple industries to help organizations make informed decisions about CSR activities, and provide more accurate information on the impact of CSR work on OP. Similarly, Loosemore and Lim (2017) examined the relationship between CSR and OP. The study shows a good correlation between OP and CSR. Recent studies have shown good examples of selected organizations showing strong correlations between CSR and profitability and in a similar vein, Nguyen and TU (2020) examined the relationship between CSR and economic outcomes:. The authors confirm that CSR companies are more financially better than non-CSR companies.

Bankruptcy and financial crises wreaked havoc on many commercial banks in 2008, resulting in the closure, merger and acquisition. Customer's confidence was deteriorating and it was needed to be completely restored. The decline in consumer confidence in banks has led to a decline in satisfaction and trust, and has affected their loyalty level which became a constant misfortune of the banking sector. However, consumer loyalty has a significant impact on business performance, as it is directly related to lower market prices and higher profits. Similarly, in this era of intense competition, companies are trying to compete with their competitors through a variety of marketing approaches, emphasizing the fact that inclusion of generalized liability (CSR) is a good way to keep a business afloat (Mensah, Agyapong, & Nuertey, 2017). Homogenization (standardization in the financial sector) also makes it difficult for banks to take advantage of the quality of services, environment and location of customer retention. So these days, finding ways to restore trust and restore customer loyalty has become a priority for banks around the world. Studies have shown that CSR is a good marketing strategy to find a loyal customer. CSR encourages customers to stay true to the organization's core goal - to increase value through good behavior, and participation. It can also be noted that customers can share CSR with each other in terms of their trust, brand name, brand type and loyalty. Thus, CSR helps companies to improve co-operation by improving customer loyalty (Ashraf et al., 2017; Chun & Bang, 2016). In the end, it becomes a good tool of competition for most companies in any business venture. Therefore, this study examines whether social interactions of behaviors affect honest people. Based on the results obtained, applications can be made to develop a business plan, CSR actions to improve the company's position in the market, in the minds of customers. So the present study is a pioneer study which takes into consideration these gaps in the context of a developing country like Pakistan. Moreover the current study is pioneer as it contributes in existing literature by introducing three constructs such CR, CL and OP which can be enhanced through CSR activities whereas previous studies largely ignored this relationship.

Although the extant literature provides evidence between the relationship of CSR , CL, CR and OP,(Akbari, Mehrali, SeyyedAmiri, Rezaei, & Pourjam, 2019; Ali, Danish, & Asrar-ul-Haq, 2020; Ashraf et al., 2017; Bagh, Khan, Azad, Saddique, & Khan, 2017; Glaveli, 2020; González-Rodríguez, Martín-Samper, Köseoglu, & Okumus, 2019; Grover, Kar, & Ilavarasan, 2019; B.-J.

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Kim et al., 2019; M.-S. Kim & Thapa, 2018; Vogler & Eisenegger, 2020) but majority of these studies were conducted into developed countries and such findings cannot be generalized into developing countries context for two logical reasons, first there is a difference between developed and developing nations in terms of infrastructures, resources, rules and regulations and level of knowledge so the CSR results from these countries will not be logical to apply in developing countries. Second, the concept of CSR is highly contextual in its nature, hence it is perceived and defined differently in different settings so once again it will not be wise to generalize its results to a developing country context such as Pakistan. Likewise, in the context of banking sector of Pakistan, limited attention has been paid to CSR relation with OP, CR and CL. So there is a dire need to bridge this gap in extant literature, with this background the novelty and contribution of this study is well justified.

Literature Review

CSR and Corporate Reputation

Compared to the history of climate uncertainty, fierce competition, growing demand for transparency and social responsibility, new 21st century challenges are emerging, causing companies to be more concerned with reputation. Signaling theory is very useful for explaining how it affects the reputation stemming from CSR (Szwajca, 2018). Signaling theory states, when buyers and sellers have the asymmetric information, they look for signs to tell the difference between a trusted company and a untrusted company. The signaling theory identifies the various CSR programs of the organization to build good indicators to improve the organization's repute. The social responsibilities of the organization show that it is good for shareholders. Specifically, when companies' CSRs are reported and advertised, this increases their reputation and trust (Yadav et al., 2018). There are different ways to define CR in different cases, and as it happens, there is no universal definition. Based on similarities, Fombrun, Gardberg, and Sever (2000) provided a "general overview of organizational perceptions of past, future perspectives" that describes the full organizational interest in all key areas of the organization. The extant literature shows that the definition of Fombrun is generally accepted in management studies (Chintrakarn, Jiraporn, & Treepongkaruna, 2020; Javed, Rashid, Hussain, & Ali, 2020; Zhang & Cui, 2020) . CR in the organization is quality, which reflects the degree to which customers know the company as "good". However, Fombrun (2012), finds that interpreting definitions of symbols and ancestors is difficult to measure the construct of CR.

He therefore revised the definition of CR as a "collective assessment of the beauty of a particular firm to stakeholders for a divisional reference". Thus, Bianchi et al. (2019) cautioned policy makers that CR is built on "a strong, good reputation among many different actors". Thus, they described the CR as of "judging the multifaceted assessment of an organization". The decision of the company to join or stay away from CSR actions may change the reputation. Listening to stakeholders, including them in the collective decision-making process to give the organization acceptance and trust.

A company's reputation is defined as a "reflection" of joint decisions regarding the organization's financial, social and environmental impact assessment (Park, 2019). In this case, organizations can earn good reputation via focusing on CSR activities (Sánchez-Torné, Morán-Álvarez, &

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Pérez-López, 2020). Consumer feedback regarding CSR is reflected in the act of purchase of products or services, as CSR measures lead to a clear choice, results and reporting (Kelley, Hemphill, & Thams, 2019). As a result, CSR measures create a CSR image and help companies improve their company reputation, this helps companies to overcome competition in the market (Odriozola & Baraibar-Diez, 2017). CSR helps companies to gain a good reputation across a wide range of stakeholders, from customers to employees, creditors, customers and organizations. del Brío and Lizarzaburu (2017) found that companies with established CSR foundations have a good reputation. CSR can also be used to boost CR., we therefore propose the following hypothesis

H1: CSR has a positive impact on CR

CSR and Customer Loyalty

Loyal customers are the main objective of any organization, especially in the face of strong competition, financial problems and international crises. It is a pronged goal for the survival and growth of the organization, a fundamental force for the development of a well-functioning capacity. CL can mean giving the customer commitment to his or her company his or her strong relationship with the brand, which may not adversely affect normalcy. Loyal customers refer to the intention to use a wide range of behaviors to demonstrate motivation to maintain a relationship with a particular organization, including increased pricing, good communication, and sales of company products (Shabbir, Shariff, Yusof, Salman, & Hafeez, 2018). Consumers are the most important asset of any company, which is limited and directly affects the profitability of the firm. Loyal customers bring different benefits to the company, but building customer loyalty is not very easy; This is a long process that does not work in the first place, it can also lead to loss. But loyal customers increase their sales for more products over time. At the same time, they are willing to buy and use other products from a wide range of products of a trusted company, so that they can enjoy long-term benefits. Ending the cost of customer service loyalty can also be done (Moisescu, 2017). They do not understand price changes more than other consumers . Loyal customers like to share with their friends, acquaintances their products they use, and create and spread a word that is very useful, more trustworthy and trustworthy than social media. Loyal customers are a great source of new ideas for improving the quality of products and services. Loyal customers are involved in many things (price, quality, products / services available, satisfaction, etc.).

Buyers are more confident, best buyers are more likely to give trust to social trusted companies . Numerous studies have shown a positive relationship between understanding CSR and CL (Ashraf et al., 2017; Chun & Bang, 2016; Moisescu, 2017). Customers are grateful to companies participating in CSR activities, supporting local activities, and more. These actions can build high loyal customers. Increasing competition in the market means that companies need to explore new ways to differentiate products, attract customers and retain customers, which means employing a CSR-based business assumed to be a good way to differentiate companies (Osakwe & Yusuf, 2020). People express opinions of companies that stimulate their social behavior and their relationships with the company and its products. Hence it is stated

H2: CSR is positively associated with CL

CSR and Organizational performance

Different theoretical assumptions suggest that CSR affects OP. Different stakeholders expect different, employees need good wages and incentives, customers think at a high level, creditors wait for payment on time, communities need are indebted to their special concern for the development of community (Galdeano, Ahmed, Fati, Rehan, & Ahmed, 2019). Businesses must balance the interests of different parties. Therefore, the survival and success of companies depends largely on their ability to meet the needs of stakeholders. If diverse stakeholders are unable to work together, integrated business processes will be severely affected (Nguyen & TU, 2020). We argue that if companies handle different stakeholders carefully, these unequal shareholders will respond positively to the organization, helping it to continue to operate effectively. In addition, solving problems faced by different people will ultimately contribute to OP and, ultimately, provide a better indication of CSR work.

The stakeholder management controls the costs incurred by the shareholder and, subsequently, impairs the performance (Loosemore & Lim, 2017). On the other hand, if companies handle unresponsiveness for their stakeholders, the stakeholders will be affected. These people stop purchasing company products, file a lawsuit and start using bad words for the organization (). In addition, instrumental perspective of stakeholder theory postulates that CSR is an important tool that companies use as tools to improve OP. it further describes how to have a harmonious relationship with different stakeholders. Various studies argue that protecting the rights of all stakeholders help the company improve performance (B.-J. Kim et al., 2019). Hence, it is stated.

H2: CSR is positively associated with OP

Table1: Literature chart showing CSR relationship with CR, CL and OP

| No	Variables	Relationship	Source
1	CSR ⟶ OP	+	(Abbas, 2020; Ali et al., 2020; Farouk & Jabeen, 2018; González-Rodríguez et al., 2019; M.-S. Kim & Thapa, 2018; Latif et al., 2020; Ling, 2019; Loosemore & Lim, 2017; Saha, Cerchione, Singh, & Dahiya, 2020)
2	CSR ⟶ CR	+	(Benitez, Ruiz, Castillo, & Llorens, 2020; González-Rodríguez et al., 2019; Grover et al., 2019; Javed et al., 2020; Jeffrey, Rosenberg, & McCabe, 2019; Kelley et al., 2019; Kowalczyk & Kucharska, 2020; Lizarzaburu & del Brío, 2018)
3	CSR ⟶ CL	+	(Akbari et al., 2019; Contini, Annunziata, Rizzi, & Frey, 2020; Cuesta-Valiño, Rodríguez, & Núñez-Barriopedro, 2019; Glaveli, 2020; Han, Yu, & Kim, 2019; Raza et al., 2020)
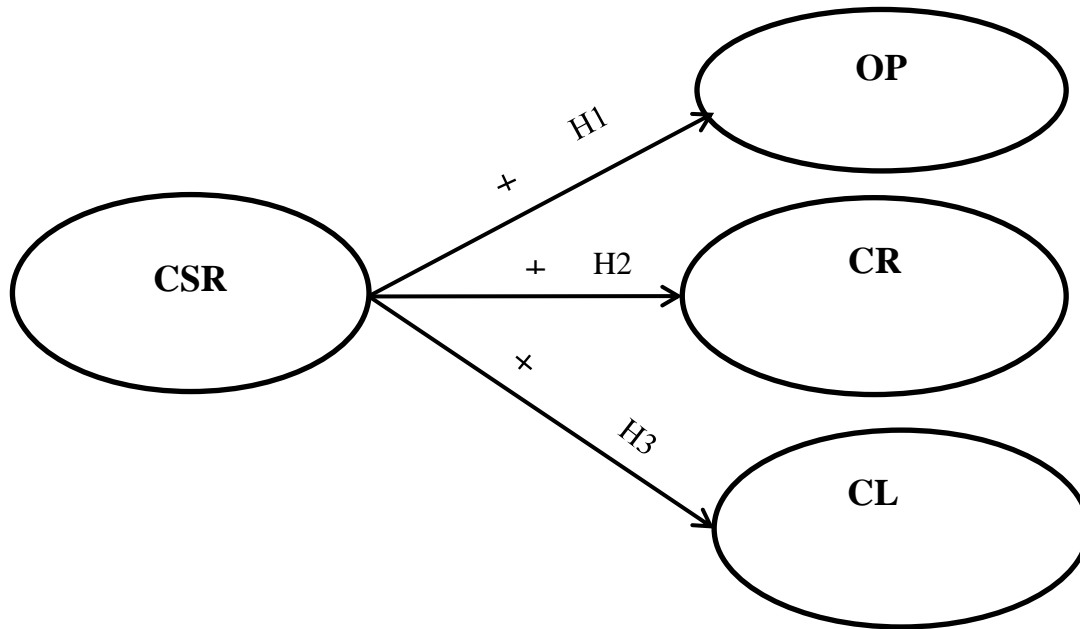
Figure1: Proposed Research Model Of Present Study showing relationship of CSR with OP, CR and CL, Source: Authors' Conception

Sample and Population

The present study targeted the people who use services of private banks of Pakistan. For this purpose the sample was chosen from Lahore city of Pakistan that is one of the largest city of country. For the sake of data collection, the researchers visited different banking branches located at different locations of Lahore city, likewise, we visited these branches in different timings (morning, evening) of the day. We invited banking customer to participate in the survey when they were leaving the branch or they were present into ATM area. The data collection using this approach is also supported by Khan, Ferguson, and Pérez (2015) and Shah and Khan (2019). The researchers selected four major banks such as NBP, UBL, HBL and MCB to represent the banking sector of Pakistan. The reason for choosing these banks lie in the fact that these four banks operates almost in every city of Pakistan and each of them is having a large network of branches throughout the country. The convenient sampling strategy was implied in this regard, we included the individuals, above 18 years of age and having a bank account, as respondent of our survey. The data was cross sectional in nature that provides information on one point of time. The sample size of present study was 377 that is calculated by using online sample calculator at 95% level of confidence available on www.raosoft.com. The researcher distributed 400 questionnaires in order to get response rate close to the sample size. Eventually we collected 308 fully filled questionnaires that were useable for data analysis.

Questionnaire And Variables

In present study there are four variables like CSR, Corporate reputation and customer loyalty. CSR was measured using the scale developed by Alvarado-Herrera, Bigne, Aldas-Manzano, and Curras-Perez (2017). This scale is consisted of 24- items. similarly This researchers measured corporate reputation (CR) using three items adapted from the study of Veloutsou and Moutinho (2009). Similarly the construct of customer loyalty was adapted fromDagger, David, and Ng (2011) that consists of 3-items. Finally the scale of organizational performance was taken from Farooq and Rayees (2014). All the items of questionnaire were rated on a five point likert scale ranging from strongly disagree to strongly agree.

Results and Analysis

Demographic Profile of respondents

The sample demographic are presented in table 1. Most of the respondents in our survey were male since Pakistan is a dominant male society, and it is perplexing for the household women to visit banks for financial matters. Someway, we managed to collect responses from 110 women. Moreover, data were purposely collected from educated individuals since they have awareness about the CSR concept of banks.

Table 2: Demographics of respondents

	Frequency	**%**
Gender		
Male	198	64.3
Female	110	35.7
Age		
20 or less	21	6.8
21-30	146	47.4
31-40	82	26.6
Above 40	59	19.2
Education		
Matric	26	8.4
Intermediate	66	21.4
Graduate	121	39.3
Master	79	25.7
Higher	16	5.2

In order to establish the assumption of reality, we refer to the argument of Brown (2015), who contends that the normality of data in SEM-based approach is established when standard deviation is between ±1.5, Skewness ±3, and Kurtosis between ±10. Our results are satisfactory in this regard (see table 3).

Table 3: Data descriptive and normality

Variable	Mean	Std. Deviation	Skewness	Kurtosis
CSR	3.98	0.69	-0.79	0.21
CL	4.11	0.73	-0.77	0.53
CR	4.27	0.86	-0.81	0.26
OP	4.55	0.79	-0.84	0.48

Common Method Variance (CMV)

As the data for present study for all variables were collected from the same respondents, so there is chance of the occurrence of common method bias (CMV), to address the potential threat of CMV, the researchers took different steps, for instance , the researchers remained present during the phase of data collection in order to address an ambiguity in the minds of respondents. Similarly, the researchers, used simple language in questionnaire in order to avoid any confusing or double meaning of the words, likewise, the question items were scattered randomly in order to break any potential sequence developed by the respondents while rating their responses.

Later on, the researchers conducted Harmon single factor test (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003) by loading all variable to a single factor in order to know if a single factor is explaining more than 50% variation of total variance. The results reveal that there was no single dominant factor, as the maximum variance explained by the single factor was 32.6% which is within the range. Hence, all these steps, insure the researchers that the data don't suffer from the issue of common bias.

Confirmatory Factor Analysis

Confirmatory factor analysis assesses the accuracy and reliability of the data used in the study. The standard adjustment criteria are described in Table 4. Researchers assess the reliability and validity of measures to ensure the reliability of research (Ping, 2004). Researchers have studied the convergent validity of the as suggested by Hair, Celsi, Ortinau, and Bush (2010) loading items that exceed the recommended barrier value (0.5). The statistically significant of AVE was greater than the value (0.5) suggested by Fornell and Larcker (1981). In addition, discriminant validity was measured by the square root of AVE, which is greater than the pairwise correlation (Hey et al., 2010) and is given in Table 6. Researchers assessed an appropriate model fitting by using a two model indices called absolute and comparative fit indices. These indices include IFI, CFI, TLI and RMSEA listed in Table 5.

Table 4: Results of CFA

Variable	AVE	Cronbach alpha	COR	Loading range
CSR	0.56	0.88	0.91	0.57-0.82
CL	0.58	0.90	0.93	0.59-0.86
CR	0.61	0.87	0.89	0.53-0.83
OP	0.59	0.86	0.87	0.53-0.88

*AVE= average variance extracted; COR= composite reliability

Table 5: Model fit indices

Variable	IFI	TLI	CFI	RMSEA
CSR	0.90	0.91	0.94	0.067
CL	0.92	0.93	0.92	0.072
CR	0.89	0.88	0.91	0.066
OP	0.90	0.89	0.89	0.058

Over all fit indices of measurement Model: ($\chi 2$ /df = 3.22, CFI= 0.90, GFI=0.89, IFI=0.91 and RMSEA= 0.065)[***]

Table 6: Descriptive Stats and Discriminant Validity

Construct	Mean	SD	CSR	CL	CR	OP
CSR	3.41	0.59	**(0.75)**			
CL	3.46	0.56	0.51[**]	**(0.76)**		
CR	3.22	0.63	0.42[**]	0.46[**]	**(0.78)**	
OP	3.61	0.68	0.54[**]	0.39[**]	0.48[**]	**(0.77)**

Table 7 shows the results of hypotheses testing for all major three hypothesis. According to the results of table 7 the impact of CSR on the reputation of the organization is positive and significant as mentioned by beta value and p-value(B = 0.184, p <.05) so our H1 is supported. The results obtained for H2 showed that CSR is positive and has a significant impact on CL of the organization (B = 0.49, p <.05). which means that CSR is causing positive impact on consumer loyalty so the second hypotheses of the study H2 is also proved to be true statistically. Finally the results of H3 are also discussed in table 5, as it is evident from table 5 that the results for H3 are also supportive and positive as mentioned by positive beta value and p- value (B= 0.38, p <.05). so it is proved that H3 is supported. Hence all the results of present study are showing significant results and all three hypotheses are approved.

Table 7: Results of Hypotheses testing

Construct		Beta	SE	P-value
CSR $\longrightarrow$	CR	0.18	0.068	0.000[**]
CSR $\longrightarrow$	CL	0.49	0.071	0.000[**]
CSR $\longrightarrow$	OP	0.38	0.062	0.000[**]

($\chi 2$ /df = 2.77, **CFI**= 0.97, **GFI=0.94**, **IFI**=0.93 and **RMSEA**= 0.062)[***]

*** model fit indices for measurement model

Discussion and Conclusion

This study explored how CSR programs are based on reputation and OP along with CL. The study found that CSR programs can help organizations improve their reputation. Our findings are consistent with previous studies (Bianchi et al., 2019; Vogler & Eisenegger, 2020), who reported

positive effects of CSR on reputation. When companies think of stakeholders , they respond positively and positively to the company. The inclusion of companies in CSR operations is well defined by these customers. Socially responsive companies are valued by stakeholders compared to their competitors. Consumers prefer companies that often use contact programs. Informed by partners and organizations in response to CSR, this recognition is growing. The unwavering loyalty of the stakeholders has made them ambassadors of the name of that company. CSR develops a positive attitude towards the company and its products, strengthening its reputation, as people share values in the production of products. When organizations report CSR activity internally and externally to customers, they carefully evaluate the organization. Thus, CSR helps companies build a sustainable environment and generate popular distributions. CSR eventually result in financial benefits to the corporations. The results of our study are similar to the results of previous studies (Galdeano et al., 2019; B.-J. Kim et al., 2019), who reported a positive effect of CSR on economic conditions. Companies that can effectively manage their potential customers may induce customer value and encourage performance. Various researchers have found an increase in sales of goods for companies concerns about people being satisfied (Ling, 2019; Loosemore & Lim, 2017; Nguyen & TU, 2020).

Different good CSR programs for different people help the company to be more efficient in business operations. CSR supports organizations in many ways. Social assistance programs help companies to increase the value of their products, retain and attract as many buyers as possible, and increase sales and generate revenue. In addition, CSR attracts interested people who are willing to respond positively, helping companies improve quality. Increased efficiency and lower cost result in better OP. Happy employees are rewarded by the company and high productivity by reducing revenue. Satisfying customers to pay companies through frequent and big sales incentives willing to give the company capital, which helps the company reduce its capital costs. Those who are willing to return the company to a lower cost to maintain human relationships, are willing to share the company's responsibility with each other, and reduce the cost of goods (Ashraf et al., 2017; Chun & Bang, 2016; Moisescu, 2017).

The above arguments reflect that the CSR owner improves financial performance. This study confirms CSR's role in building loyal customers in the Pakistani banking sector. That is, when companies make a CSR-funded transaction, they make every effort to provide benefit to their stakeholders , including customers and employees. Customers support organizations through their good manners. Investing in CSR ensures that banks participate in more charitable activities, prioritizing the interests of stakeholders . Thus, they communicate emotions to the client through branding actions, which ultimately lead to loyalty.

Theoretically, this study attempts to address some of the gaps in the consumer literature on CSR domain. In this case, the paper contributes to the literature in three ways: First, the results of the study support that CSR influences customer loyalty, organizational performance and corporate reputation in positive manner. This study helps to better understand that CSR has a positive effect on customer loyalty, especially in the context of banking consumers. Likewise the results also support that CSR enhance CR of banking institute in Pakistani context, the study also confirms that CSR has a positive impact on bank performance. Second, the article provides an additional explanation of the results reported by previous researchers in the domain of CSR literature with developing country context. Understanding CSR structure allows additional information to understand the likely impact CSR, may have on banks. Results have many

implications for management, including CSR implementation guidelines such as the importance of CSR standards for CSR success. In other words, the proposed model demonstrates the importance of each step so that managers do not waste their CSR efforts by focusing only on one aspect, as the results of present study confirms that CSR has multiple outcomes for banking organizations. Third, the present study adds to the exiting literature in terms of consumer context whereas majority of previous studies in CSR domain, largely focused on the relationship of CSR and organizational performance , but this study strengthens the existing literature of CSR in terms of consumer context.

Implications

This research has a significant impact on theory and practice. This study contributes to the CSR literature by assessing the impact of CSR on CR, CL and OP the Eastern context, i.e. Pakistan whereas most of the previous research on CSR were conducted in western context. Further, it contributes to the literature by increasing the value of CSR as it is proved by the results of present study that CSR is a significant contributor for enhancing CR, CL and OP. This study is important for business organizations in Pakistan. This study was conducted in banking sector of Pakistan and its results advise business managers to perform socially responsible tasks, as these activities will help them to increase the bank's reputation and improve performance along with enhancing customer loyalty.

These results can have significant implication for managers who want to build lasting relationships with their banking clients. First, as the importance of shareholder perspectives grows, today's banking institutions need to effectively manage their relationships not only with many shareholders, but also with many stakeholders including consumers. Gaining deep respect is not through attractive marketing campaigns, but through consistent work. The major strengths of banking institutions should be based on ethical principles rather than agency valuations. Working with a long-term vision and prudent behavior in the financial sector is one way to keep human and social values above economic problems. Adopting a strategic plan means restructuring capitalism by introducing not only economic indicators, but also profit standards that ensure better distribution of wealth to the population and society (). All entrepreneurs need to decide what to do and how to compare their behavior with their values. The decision to behave socially responsible is an example of good organizational behavior. CSR can be a tool for organizing banks to maintain customer relationships, as these activities - especially community programs - can help to send positive signals to the consumers and increase their perception of banks. Managers should carefully review the reputation of the company as it plays a very important role in the evaluation of any bank. In addition, general policies to meet the different needs of a community have a positive impact on consumers. These ideas influence customer feedback within the organization and increase credibility. Therefore, it is important for modern banks to understand the importance of effective CSR communication with different stakeholders and to formulate their positive views.

Limitations

There are some limitations of present study which may serve as future directions for upcoming researchers on the same area. First limitation of present study lies with the nature of the data, as

the data for present study was cross-sectional in nature, hence causality is a big question. Therefore, the future researchers are required to devise some mechanism of data collection in a longitudinal manner. Second limitation of present study is that, the researchers used non probability sampling for data collection which may generate some potential issues related to generalizability and sample representativeness, so the future studies are required to go with some of probability sampling technique such as random sampling. Third limitation is that the study only focused Lahore city of Pakistan, although it is a metropolitan city having a large population, but still, focusing only on once city is somehow is not rational, in this respect, the future researchers are suggested to include more cities with an even larger sample in order to get better and reliable results. Lastly, the researchers in present study only tested direct relationship of CSR with CR, OP and CL whereas there are some evidences in existing literature that introducing some mediating variable in the context of CSR, can better explain CSR phenomenon. In this regard the future researchers are suggested to include some mediating variables such as top management commitment to CSR, CSR training or organizational culture towards CSR may be some of potential mediators for future studies.

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