

The Influence Of Corporate Social Responsibility Communication (Csr) On Customer Satisfaction Towards Hypermarkets In Kuala Lumpur Malaysia

By

Kadhim Ghaffar Kadhim

E.mail: kadhum.alyousif@yahoo.com

Amran Harun

E.mail: Amranh@uthm.edu.my

Bestoon Abdulmaged

E.mail: Bestoon2011@yahoo.com

Ishaq Melhem

E.mail: Ishaq.melhem@yahoo.com

Ali Mechman

E.mail: Ali Mechman1800@gmail.com

Ahmed Mohammed

E.mail: Amh.iq90@gmail.com

Abstract

This study aimed at identifying the effect of corporate social responsibility communications on customer satisfaction towards hypermarket. In this study, corporate social responsibility communications was investigated based on four dimensions including, public relation, corporate website, social media, and advertising. 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 communication (Corporate Website, Public Relation, Advertising, Social Media) has a positive effect on customer satisfaction. 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 Communication can only yield optimal performance and customer satisfaction if it is combined with knowledge, experiences and outstanding abilities in the use of public relations, corporate website, social media and advertising.

Keywords: Corporate Social Responsibility Communication, Corporate Website, Public Relation, Advertising, Social Media and Customer Satisfaction.

Introduction

A modern retailing format that provides everything under one roof is known as a hypermarket. Hypermarket sells variety of products and it is a channel for distribution of these products (Kaliappan et al., 2009; Esbjerg and Bech-Larsen, 2009) it is self-service based (Swoboda et al., 2007). It is also seen as a normal retailing industry that sells different type of goods in large quantity within an outlet. Hypermarkets sell variety of departmental store

groceries and products (Arnold et al., 2000, Malaysian Magazines, 2003, Arnold et al., 2000), it is usually between 2,500 square meters (27,777.7 square feet) to over 8,000 square meters (86,000 square feet) in size (Malaysian Magazines, 2003) including parking area and diverse services. This modern retailing is based on 1) fixed prices 2) entertainment 3) service 4) no obligation to buy, and 5) scale (Knee, 2002). Many consumers prefer to frequently buy and use goods sold in hypermarkets (Arnold and Luthra, 2000). According to (Dupuis and Prime, 1996) Carrefour was the first hypermarket introduced in 1963. In 1959, Carrefour was established as a supermarket and was later converted to hypermarket to compete in the retail industry (Liao et al., 2008). Originally the concept of a hypermarket was based on three major components which are 1) one-stop shopping in large buildings, 2) low prices and 3) large parking space (Dupuis and Prime, 1996).

The relationship between an organization and the society is explained using the concept of corporate social responsibility (CSR) (Juholin, 2004; Snider et al., 2003). In businesses, corporate social responsibility is an important element which leads to improved organizational image and customer satisfaction (Maignan et al., 2005). The major influencing factor in organizational image is corporate social responsibility, it therefore pushes organizations to invest more in activities that have to do with corporate social responsibility (Mattila, 2009; Virvilaite and Daubaraite, 2011). In short, it could be said that if corporate social responsibility practices are implemented strategically, it improves an organization's performance or its competitive advantage (Stanaland et al., 2011). However, corporate social responsibility communication needs to be established first in order to create a positive organizational image. When the organization's social value with regards their corporate social responsibility, initiatives is understood by users, they are more willing to associate themselves with the organization (Basil and Erlandson, 2008).

Literature Review

2.1 Customer Satisfaction

For a business to be successful, one of the top tools is business satisfaction. Customer satisfaction is seen as a total assessment using the total sales and consumption experience with the good or service over time (Fornell et al., 1996). Marketing helps improve customer satisfaction also it determines the customer expectation on how the goods and services are being facilitated by the companies. An important outcome is actionable information on how to further make customers satisfied (Oliver 1999.) An important factor of business strategy is customer satisfaction. Also, product repurchase and customer retention are very important in business strategy. However, the most important topics needed to meet or surpass customer satisfaction are; the product and its characteristics, functions, sales activity and reliability. Customer support helps Satisfy customers and usually they rebound and buy more. They also work as a network to reach other possible customers by sharing their experiences apart from them just buying more (Hague & Hague 2016). Therefore, when a customer is gotten by an organization, a good relationship should be built with the client. The quality of goods and services should be able to satisfy the customers. Certainly, in consuming qualitative products, customers have benefitted from this (Rebekah & Sharyn 2004.). Therefore, firms need to know their customers better. However, in order to get feedback from customers, trust must be built between the company and customers. According to Hill, et al., (2003) Customer-oriented product or service could be developed by doing this. to fulfil corporate social responsibility, many companies work hard (Lewis, 2003, p. 361). For companies who engage in CSR, there are different strategic advantages that could be gotten which is a cause for concern to many stakeholders but, if looking at the consumer, it may lead to customer satisfaction and loyalty.

The consumer will also spread positive word-of-mouth (Bhattacharya & Sen, 2004, p.20; Du et al., 2010, p.9). By engaging in CSR, customer profits and benefits can be earned and have led to a shift in the debate on CSR from whether to engage in it, to how (Bhattacharya & Sen, 2004, p.10). It is important for Systembolaget as well. Additionally, companies depend on continued support from consumers, though companies seek to maximize profit, they still need to satisfy consumers. Consumers' are skeptical towards companies, their practices, have an effect on the well-being of the society and have made companies start communicating about their CSR efforts and therefore have increased significantly over the past years (Wagner et al., 2009, p.77). Skepticism may be seen as "consumer disbelief or distrust of the actions of the marketer" (Forehand & Grier, 2003, p.350). Moreover, it is important that companies genuinely communicate their CSR efforts because of consumers' high level of skepticism (Bronn & Vrioni, 2001, p. 208). CSR of hypermarkets seem to be expanding, they intentionally pick out more sustainable suppliers for their goods and work on channels to save energy (CBL, 2012). Larger companies have positively adopted CSR although some companies in the non-food retail area seem to be reluctant (HBD, 2012a). The retailing sector takes one third of consumers' expenses, half of which are on "daily expenses" (HBD, 2012b). Often, consumers intentionally choose fair or sustainable products and force companies to pay more attention to CSR (Deloitte, 2012; HBD, 2012). In the supply of consumer goods that involve choices that have to do with the society, retailing companies play a vital role.

2.2 Corporate Social Responsibility Communication

In a CSR communication strategy, different areas are considered for example communicating how a company provides information about the cause itself, which efforts that should be communicated (Du et al., 2010, p.10). It is important that a company determines how to communicate their CSR initiatives which could be through the product packaging or traditional methods, such as commercials (Du et al., 2010, p.13). Most companies' use their websites to communicate their social responsibility (Esrock & Leichty, 1998, p.306) and most companies now use the internet frequently to publish information. It is fast to publish and information is easily accessible by those interested (Wanderley et al., 2008, pp, 369-370). the advantages of using a website as a means of communication medium are; it easily gets to active consumers, i.e. those who look for information themselves compared consumers' who are not active and have to be reached through traditional mass-media, and it also helps companies get feedback and have a more interactive conversation with its customers (Esrock & Leichty, 1998, p.306). Although consumers are interested in the engagement of companies in CSR, most consumers do not keenly seek out information about companies' engagement in CSR, (Dawkins, 2005, p.116). Since the public has easy access to information as a result of advancement in technology, CSR information is readily available (Wagner et al., 2009, p.77) but a study by Esrock & Leichtys (1998, p.314) reveal that organizations are not equal when it comes to highlighting their responsibilities on their websites. One of Systembolaget's most important communication channels is the company's website. There is a lot of information to be found with regards the company's CSR work on the website for interested customers. Systembolaget also uses traditional mass media specifically TV commercials, to advertise and inform customers about their social responsibilities in addition to the website information (L. Rogeman, 2015). In a CSR communication strategy, many areas are put into consideration for example communicating how a company is involved in a specific cause or to provide information about the cause itself, which efforts should be communicated (Du et al., 2010, p.10).

2.2.1 Corporate Website

There are many ways to market an online business (Chaffey et al., 2009). According to Chaffey et al. (2009) companies allowing listing of a company on website is the first step for them to go into internet marketing; such as the online yellow pages. Secondly, corporate website creation is a way of creating online awareness. This is also known as “brochureware”, usually it contains the vital information of a company and its products (Chaffey et al., 2009, p.23, 217). Brochureware is an online version of the paper corporate brochure. After a corporate website is created, the interactivity of a website progressively increases, firstly by accepting queries from customers through email, also by integrating other marketing functions to make the site more active and by offering products for online sale (Chaffey et al., 2009, p.218). According to Tang and Li (2009), companies now use CSR to reveal their practices regarding energy conservation, labour conditions, environmental protection and other areas of business operations. One of the major tools through which companies and members of society maintain interaction is through corporate social responsibility (Branco and Rodrigues, 2008), also competitiveness is improved through this (Porter, 2006), brand awareness is stimulated (Scharf and Fernandes, 2012), corporate profits are balanced with society’s prosperity (Tjia and Setiawati, 2012), and a good corporate image is built (Hinson, 2011).

2.2.2 Public Relations

Generally, corporate social responsibility has to do with meeting up to societal obligations beyond traditional economic contributions, Corporate social responsibility and public relations initiatives contribute to similar functions and needs in the organization, ethical actions, organizational reputation, managing crises, stakeholder relationships, society, crisis management etc (Siltaoja, 2006; Yoon, Gurhan-Canli, & Schwarz, 2006; Sohn & Lariscy, 2014). The two fields in academic research and professional application are connected by these similarities. An “important management role” was identified by PR practitioners of public relations to educate and advise clients or encourage business executives to create CSR programs. Promoting philanthropic actions and relationship-building initiatives, communicating the organization’s CSR programs and acting as a model of ethical standards were also identified (Kim & Reber, 2008). These findings show that public relations play an active role in applied professional practice, but also illustrate the different methods to involving public relations in CSR programs. Public relation tries to improve the quality of relationship between key stakeholders and an organization. The ability of PR professionals to scan the social, political and historical environment to contribute to the development of CSR program is emphasised. Furthermore, organization-public relations are fostered by both PR and CSR with individuals and community groups through PR tactics and CSR activities (Clark, 2000).

2.2.3 Advertising

The act of giving public notice or announcing publicly is known as advertisement according to the dictionary (Tyagi & Kumar, 2004). In the field of marketing and business, advertising is defined as an encouraging promotion of goods or services to the public, which aims at getting the attention of people, and increasing the sales for these goods and services (Petley, 2003) In today’s world, advertising has become very popular and common. According to (Trehan; 2011), Companies must attract and convince consumers who will be interested in buying their products and services because the market is controlled by consumers. Therefore, in communication, advertising is very important. Advertising is very common (McWilliams et al., 2006) identified the advantages of CSR advertising, especially for corporate reputation protection and improvement. Persuasive and informative CSR advertising were also differentiated by the authors: persuasive CSR advertising tries to influence consumers with regards the products with CSR features, while informative CSR advertising mainly informs the

public about the CSR managerial practises of the company and the features of CSR (ANZMAC; 2009)

2.2.4 Social Media

The domination of Web 2.0 technologies and social media has enlightened many internet users. One of the most important is social networking. Social networking through online media is a variety of digital sources of information that are produced, initiated, circulated, and used by Internet users as a way of informing one another about products, services, brands, issues and personalities (Chauhan & Pillai, 2013). Companies now know that there is need to focus on personal two-way relationships development with consumers to promote interactions (Li & Bernoff, 2011). Social media provides both customers and companies with new ways of interacting with one another. As a result, an important part of the company's promotion mix is firm-created social media communication (Mangold & Faulds 2009). By allowing former passive information consumers to become their own creators and transmitters of information, social media has changed building relationship practices and information sharing (K. Lee et al., 2013). Because of the opportunity provided to interact with the public, social media have become very attractive to organizations (Yang & Lim, 2009). Looking at CSR communication, social media lets corporations set and present a CSR agenda without modification by traditional gatekeepers or Medias. The communication patterns are changed to any-to-any and many-to-many communication from traditional one-to-one or one-to-many communication (Capriotti, 2011). Because of these advantages, it is recommended that CSR activities are communicated through interactive media, however research has reveal that in terms of topics and volumes, corporations' use of social media is limited (Moreno & Capriotti, 2009).

2.3 Hypotheses Development and Research Framework

Findings of many previous studies in the area of marketing have shown that there is a correlation between corporate website and level of customer satisfaction (Anderson et al., 1997; Fornell, 2000; Rust et al., 1995; Zeithaml et al., 1990). Therefore, it is expected that the probability of a satisfied customer visiting a website again will be higher than that of a customer that is less satisfied. The high level of competition over customers is one of the unique features of internet retailing. Online shoppers, in comparison to traditional shoppers, have a remarkably lower switching cost. Previously, millions of dollars have been spent by internet retailers who aim to build a brand name, as well as acquire customers. This has been used by such retailers as an implementation of the "build customer base now and make profit later" strategy, which emerged from the concept of a loyal customer base is an asset that is highly valuable, and intangible; this is the so-called "customer equity". According to Kogan (1965), when public relations is applied, the customers are regarded as first among equals in terms of the services or the organization, and are highly motivated and influenced to tune their behaviour in a manner that favours the products and services of the organization. Regardless of the critical roles of public relation in creating awareness, there is a great need of its inputs in the conceptualization of the image. This fact is emphasised by Ehikwe (2005), who believes that public relations is a strategy used in preparing the minds of the customers before they get certain services, and this may occur prior to, during or subsequent to the delivery of services. If public relations is used prior to the delivery of the service, it focuses on the organization while the minds of the prospective customers are being prepared for future patronage. On the other hand, if it is used after the delivery of service, then it focuses on the reinforcement of satisfaction and unending patronage by customers. The main aim of using public relations in product and corporate promotions is to polish the organization's image, as well as their services, improve the

confidence of customers by means of relationship management. It also seeks to provide adequate and relevant information. Based on this the following hypothesis is stated:

H1: Corporate Website has a significant influence on customer's satisfaction towards hypermarket

The findings of the study carried out by Grewal (2010) revealed that customer satisfaction is positively influenced by advertising. Nevertheless, previous studies have not presented the details on the nature of the relationship, and if it is applicable to other industries. Thus, this study aims at providing insight on how advertising affects the antecedents and consequences of satisfaction. Customer satisfaction can be affected by advertising, which frames the consumption experience of the customers, and it also sends credible signals of the quality and value of the product to its prospective customers. Mehta et al. (2008) noted that there are three classifications of the effect of advertising, which include transformative, persuasive or informative. Informative advertising aims at creating awareness on the product, its value and attributes, and this in turn increases the customers' knowledge of the brand quality (Mehta et al., 2008). The main aim of persuasive advertising is to "change some pre-behavioral mental state" (Deighton 1984, p. 763). In a study carried out by Zorita (2008), it was noted that the best tools that can be used by companies to increase corporate sales include promotions and advertising. Newlands and Hooper (2009) explained that merchandise factor is sometimes focused on in-store location as well as the shopping route so that the customers can be positively influenced. Furthermore, the customers buying behaviour is influenced by the visual presentation of goods in the stores. Therefore, the following hypothesis is stated:

H2: Public Relation has a significant influence on the customer's satisfaction towards hypermarket

The use of social media is another strategy that can be used to influence the satisfaction of customers, because when social media are used vivid multimedia features are presented. These features include graphics, pictures, colours, sound, and interactive components. Vividness leads to increased level of perception of the accessibility of information, thereby leading to perception of superior quality. It also leads to creates higher expectations, which in turn has an influence on satisfaction [de Vries, Gensler, and Leeflang, 2012 and Hennig-Thurau, Hofacker, and Bloching, 2013). With this paradox, a basis is created for the comparison of the effect of different aspects on the general customer satisfaction across traditional channels and social media. Therefore, the following hypothesis is stated:

H3: Advertising has a significant influence on customer's satisfaction towards hypermarket.

The use of social media is another strategy that can be used to influence the satisfaction of customers, because when social media are used vivid multimedia features are presented. These features include graphics, pictures, colours, sound, and interactive components. Vividness leads to increased level of perception of the accessibility of information, thereby leading to perception of superior quality. It also leads to creates higher expectations, which in turn has an influence on satisfaction [de Vries, Gensler, and Leeflang, 2012 and Hennig-Thurau, Hofacker, and Bloching, 2013). With this paradox, a basis is created for the comparison of the effect of different aspects on the general customer satisfaction across traditional channels and social media. Therefore, the following hypothesis is stated:

H4: social media is significantly influencing the customer's satisfaction towards hypermarket

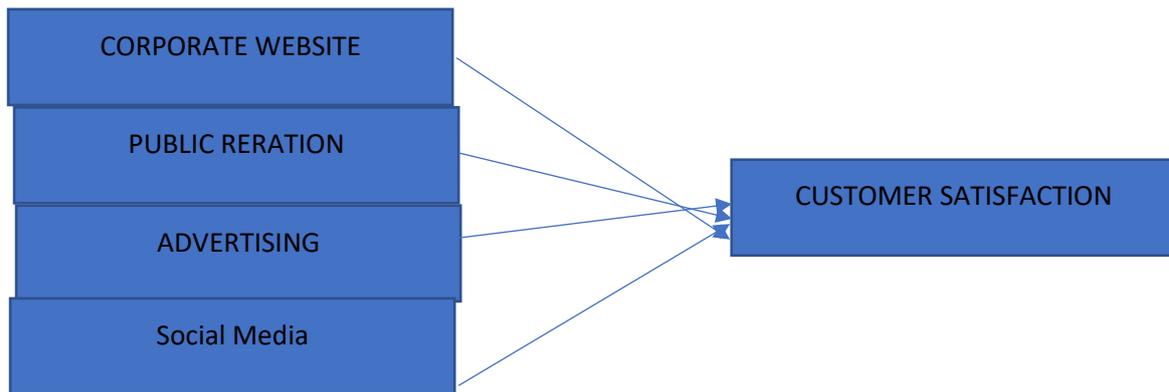


Figure 1. *Model of CSR communication, consumer satisfaction.*

Methodology

In this study, an attempt is made by the researcher to gain insight on the correlation between different variables with the aim of finding a fitted model. Therefore, to achieve this, the researcher applied a deductive approach to hypothesis testing. In this study, the use of quantitative method was employed to achieve the study objectives. By means of the design, the study type, methods of data collection and method of data analysis are planned. Due to the fact that the study seeks to investigate the influence of CSR Communications (public relation, corporate website, advertising and social media) on customer satisfaction towards hypermarkets in Kuala Lumpur. As a result of the 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 data for this study was collected using the survey method, and then analysed using SmartPLS.

In this study a survey was carried out with the aim of investigating the conceptual model, 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 (2003) 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 the collection of qualitative data by means of interview, 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 validity and reliability of the instrument. In this study, the use of a questionnaire was employed 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 data collection, since the researcher has knowledge on what is required, as well as how to measure the variables under study. The questionnaire used in this study contains different sections with items that covering

the Demographic profile of the respondents, as well as questions on dependent variable (customer satisfaction) and independent 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 communication (corporate website, public relation, advertising, social media) as predictors of customer satisfaction.

Table 1: *The Questionnaire's Sources*

Section	Source
customer satisfaction	William O. Bearden, Richard G. Netemeyer; 1999
corporate website	Michael Mitrook; 2013
advertising	Gordon C. Bruner; 2013
social media	Xiachao Wang, Gulara, Abdullayeva; 2011
public relation	Michael Mitrook; 2013

Results and Discussion

4.1 Respondent Profile

This section presents the profile of the study respondents, 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 result of the descriptive analysis presented in Table 1 shows that 14.3 % of the 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.

Table 2: *Respondent's Profile*

Variable	Group	Number	Percent
Age	18-25	55	14.3
	26-35	124	32.3
	36-45	131	34.1
	46 or over	74	19.3
Gender	Male	166	43.2
	female	218	56.8
Education	Primary school	34	8.9
	Secondary school	146	38.0
	University	188	49.0
	postgraduate	16	4.2
Income	Less than Rm 1000	62	16.1
	Rm 1000 to Rm 2999	138	35.9
	Rm 3000 to Rm 4999	125	32.6

	Rm 5000 and above	59	15.4
Ethnicity	Malay	182	47.4
	Chinese	123	32.0
	Indian	55	14.3
	others	24	6.3
Religion	Islam	182	47.4
	Christianity	125	32.6
	Hinduism	52	13.5
	others	25	6.5
How many times you shop from the hypermarkets in a week	1 to 3 times	178	46.4
	4 to 6 times	127	33.1
	7 to 9 times	55	14.3
	10 times and more	24	6.3
Purchase goods from Hypermarket in Kuala Lumpur or no	yes	368	95.8
	no	16	4.2

In terms of gender, more than half of the 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 primary school education, 38% had secondary school education, 49% had Bachelor's degree, while the remaining 4.2% were educated to postgraduate level. For the Income level of the respondents, the results presented in the table shows 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, most of them had Bachelor's degree, and majority of them were 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 collected data were examined in terms of reliability. In this study, the usable data were obtained from 384 respondents. For reliability measurement of the used instrument, Cronbach's Alpha was used, as proposed in Sekaran & Bougie (2016). In this study, the reliability of all items was tested, and according to Pallant (2013), in order to be accepted, the items must have a Cronbach's alpha value of at least 0.70. As already mentioned, a pilot study was carried out in this study, on 384 randomly selected customers as respondents. The reliability of all items of all dimensions was ascertained and based on the results, all dimensions achieved high reliability. Meanwhile, for the survey with N=384, the corresponding Cronbach's Alpha values are as displayed in the following Table.

Table 3: Cronbach's Alpha Values

No.	Variables	Cronbach's Alpha
1	Customer Satisfaction	.912
2	corporate website	.895
3	public relation	.890
4	Advertising	.895
5	social media	.897

The table above is showing that all variables in this study achieved good Cronbach's Alpha, as all items obtained values are greater than 0.7. Hence, the scales were proven to be reliable and usable in the examination of the model proposed in the study.

4.3 Convergent validity

The use of Convergent Validity is employed in knowing to what extent the indicators of a given construct converge share a high proportion of variance in common (Hair, Black, Babin, & Anderson, 2010). An assessment of the Convergent Validity was 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 Convergent 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. Based on the result which is shown on Table 2, the AVE values of all the constructs ranged from 0.695 to 0.740, which is above the recommended threshold value of 0.5. This result reveals that the convergent validity of the study's measurement model is adequate.

4: Table Average Variance Extracted values

Constructs	Average Variance Extracted (AVE)
Customer Satisfaction	0.740
Corporate Website	0.705
Public Relation	0.695
Advertising	0.705
Social Media	0.709

Note: The AVE values for each item must be at 0.50 or higher to indicate an adequate convergent validity (Fornell and Larcker, 1981).

4.4 Fornell-Larcker's criterion

Apart from ensuring the discriminant validity of the measurement model, the cross-loading measurement was examined as per the indicator based on Fornell-Larcker's criterion (1981) of measurements criteria. The discriminant validity was determined by comparing the square root of average variance extracted (AVE) with the correlations of the other variables. It is expected that the latent variable correlations (LVC) should not be larger than each latent variable. Table 3 shows the square root of the AVE for Customer Satisfaction, Advertising, Corporate Website, Public Relation and Social Media.

Table 5: *Fornell-Larcker's criterion*

	Advertising	Corporate Website	Customer Satisfaction	Public Relation	Social Media
Advertising	0.940				
Corporate Website	0.863	0.887			
Customer Satisfaction	0.767	0.753	0.860		
Public Relation	0.882	0.884	0.751	0.834	
Social Media	0.911	0.859	0.787	0.867	0.842

4.5 Results model path coefficient beta and r direct relationship

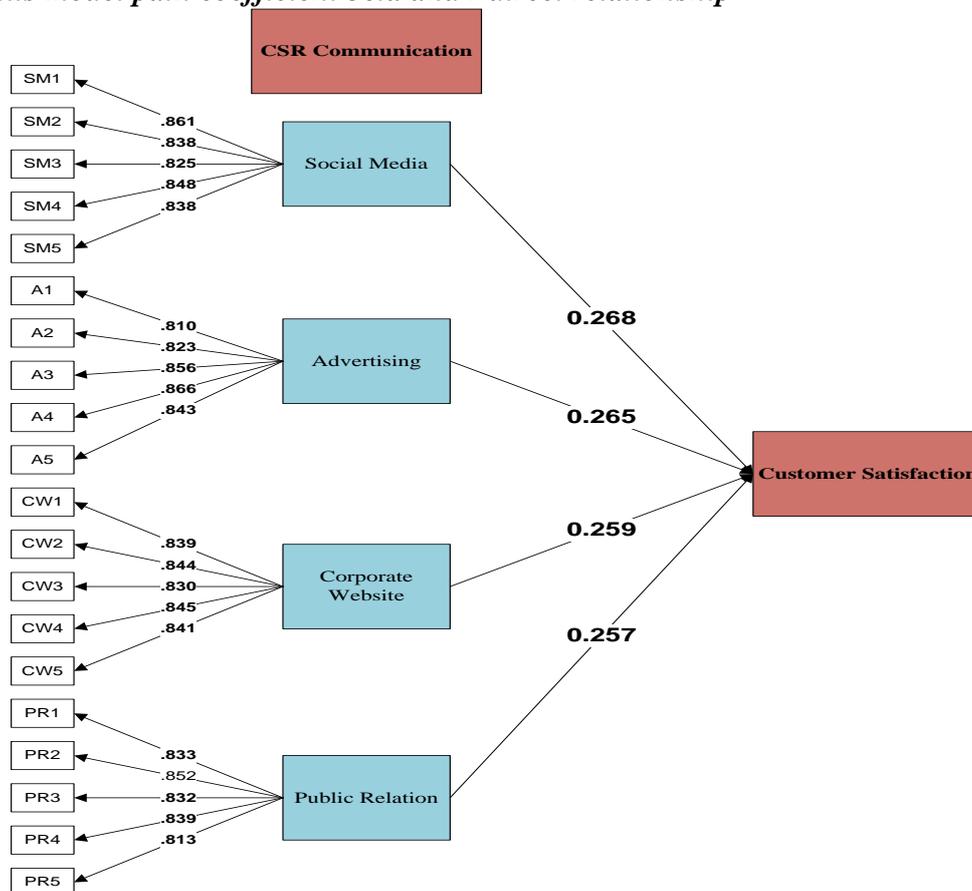


Figure 2: *Results model path coefficient beta and r direct relationship*

In this study, structural model evaluation was used to validate the proposed hypotheses. To warrant the path coefficient to the suggested model, Hair et al. (2011) proposed that an accepted level of path coefficient should be at least 0.1 with the significant level of the coefficient of at least 0.05 (or 95% confidence level). The level of significance and acceptance 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 using SmartPLS 3.0 bootstrapping at 384 resampling were used to determine the significance of the hypotheses for all constructs. The following positive direction was advocated in this study: To examine the effect of CSR Communications (corporate website, public relation, advertising, social media) on customer satisfaction. Based on the statistical assessment of the path coefficients, 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 supported and there was a significant positive influence. Result of direct effect for the supported hypotheses including H1) the positive influence of Corporate Website on Customer Satisfaction ($t=3.825$; $p<0.05$), H2) the positive influence of Public Relation on Customer Satisfaction ($t=3.821$; $p<0.05$), H3) the positive influence of Advertising on Customer Satisfaction ($t=3.786$; $p<0.05$), H4) the positive influence of Social Media on Customer Satisfaction ($t=3.831$; $p<0.05$).

Table 6: Results model path coefficient beta and r direct relationship

Hypothesis	path coefficient	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	result
H1	Corporate Website -> Customer Satisfaction	0.027	3.825	0.000	Accept
H2	Public Relation -> Customer Satisfaction	0.027	3.821	0.000	Accept
H3	Advertising -> Customer Satisfaction	0.028	3.786	0.000	Accept
H4	Social Media -> Customer Satisfaction	0.028	3.831	0.000	Accept

Conclusion

One of the topics that has emerged as a relevant topic in the field of marketing is Corporate Social Responsibility communication, 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 communication (Corporate Website, Public Relation, Advertising, Social Media), 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 communication (Corporate Website, Public Relation, Advertising, Social Media) has a positive influence on the satisfaction of customers towards a product or firm.

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 correlation between CSR communication and customer satisfaction towards hypermarkets. One of the major ways 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 has several practical and theoretical implications. Based on the findings of the study, it can be concluded that a higher level of CSR 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 communication. 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 communication, the perceptions of customers towards hypermarkets will be positively influenced.

References

- Arnold, S. J., & Narang Luthra, M. (2000). Market entry effects of large format retailers: a stakeholder analysis. *International Journal of Retail & Distribution Management*, 28(4/5), 139-154.
- Arnold, S. J., & Narang Luthra, M. (2000). Market entry effects of large format retailers: a stakeholder analysis. *International Journal of Retail & Distribution Management*, 28(4/5), 139-154.
- Author, P.; Yang, X.; Rivers, C. Antecedents of CSR Practices in MNCs' Subsidiaries: A Stakeholder and Institutional. *J. Bus. Ethics CSR MNCs* 2009, 86, 155–169.
- Bearden, W. O., & Netemeyer, R. G. (1999). *Handbook of marketing scales: Multi-item measures for marketing and consumer behavior research*. Sage.
- Bhattacharya, C. B., & Sen, S. 2004. Doing Better at Doing Good: When, Why and How Consumers Respond to Corporate Social Initiatives. *California Management Review*. Vol. 47, No. 1, pp. 9–24.
- boundaries for consumer choice. *Journal of Retailing and Consumer Services*, 16(5), 414-423.
- Bronn, P, S. Vrioni, A, B. (2001). Corporate social responsibility and cause-related marketing: an overview. *International Journal of Advertising*, 20(2), 207-222.
- Bruner, G. C. (2009). *Marketing Scales Handbook: A compilation of multi-item measures for consumer behavior & advertising research*. v. 5 (Vol. 5). GCBII Productions.
- Carroll - 1999 - *Business and Society* 38 (3):268-295. Corporate Social Responsibility Evolution of a Definitional Construct.
- CBL (2012). Jaarverslag 2011. Leidschendam: CBL. Retrieved from: http://www.cbl.nl/fileadmin/user_upload/CBL_JV2011_web.pdf
- Chauhan, K., and A. Pillai. 2013. "Role of Content Strategy in Social Media Brand Communities: A Case of Higher Education Institutes in India." *Journal of Product & Brand Management* 1 (22): 40 – 51.
- Clark, C. E. (2000). Differences between public relations and corporate social responsibility: An analysis. *Public Relations Review*, 26(3), 363-380.
- de Vries, L., Gensler, S., and LeeFlang, P.S.H., "Popularity of Brand Posts on Brand Fan Pages: An Investigation of the Effects of Social Media Marketing", *Journal of Interactive Marketing*, 26 (2), 2012, pp. 83–91
- Deighton, John (1984), "The Interaction of Advertising and Evidence," *Journal of Consumer Research*, 11 (December), 763-70.

- Deloitte (2012). Consumentenonderzoek 2012. The Netherlands: Deloitte. Retrieved from: <http://actueel.deloitte.nl/branches/consumentenmarkt/consumentenonderzoek-2012/>
- Dillman, D. A. (2011). Mail and Internet surveys: The tailored design method--2007 Update with new Internet, visual, and mixed-mode guide. John Wiley & Sons.
- Dong, Y., and Peng, C.-Y. J. (2013). Principled missing data methods for researchers. SpringerPlus, 2(1), 222.
- Du, S., Bhattacharya, C. B., & Sen, S. (2010). Maximizing business returns to corporate social responsibility (CSR): The role of CSR communication. International journal of management reviews, 12(1), 8-19.
- Dupuis, M., & Prime, N. (1996). Business distance and global retailing: a model for analysis of key success/failure factors. International Journal of Retail & Distribution Management, 24(11), 30-38.
- Ehikwe, A. E. (2005). Advertising and other promotional strategies. Enugu: Precision Publishers Limited.
- Esbjerg, L., & Bech-Larsen, T. (2009). The brand architecture of grocery retailers: setting material and symbolic
- Forehand, R, M. Grier, S. (2003). When Is Honesty the Best Policy? The Effect of Stated Company Intent on Consumer Skepticism. Journal of Consumer Psychology, 13(3), 349-356.
- Fornell, C., Johnson, D.M., Anderson, W. E., Cha, J. & Bryant, E B. The American Customer Satisfaction Index: Nature, purpose, and findings, Journal of Marketing; 1996. Available: <http://triton.nfh.uit.no/dok/fornell-1996.pdf>. Accessed 18 April 2017.
- Fornell, C., Johnson, D.M., Anderson, W. E., Cha, J. & Bryant, E B. The American Customer Satisfaction Index: Nature, purpose, and findings, Journal of Marketing; 1996. Available: <http://triton.nfh.uit.no/dok/fornell-1996.pdf>. Accessed 18 April 2017.
- Grewal, Rajdeep, Murali Chandrashekar, and Alka V. Citrin (2010), "Customer Satisfaction Heterogeneity and Shareholder Value," Journal of Marketing Research, 47 (August), 612-26.
- Hague, P & Hague, N. 2016. Customer Satisfaction Survey: The customer experience through the customer's eyes. London: Cogent Publication.
- Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2010). Multivariate data analysis (Vol. 6).
- Hair, J. F., Celsi, M., Ortinau, D. J., & Bush, R. P. (2008). Essentials of marketing research. New York, NY: McGraw-Hill/Higher Education.
- Hair, J. F., Ringle, C. M., & Sarstedt, M. (2011). PLS-SEM: Indeed a silver bullet. Journal of Marketing theory and Practice, 19(2), 139-152.
- Hennig-Thurau, T., Hofacker, C.F., and Bloching, B., "Marketing the Pinball Way: Understanding How Social Media Change the Generation of Value for Consumers and Companies", Journal of Interactive Marketing, 27 (4), 2013, pp. 237–241.
- Hill, N., Brierley, J. & MacDougall, R. 2003. How to measure customer satisfaction? USA: Gower Publishing Ltd.
- Hooper, M. J., & Newlands, D. (2009). Performance Management: Survey Evidence of Appraisal and Evaluation from Libyan Corporations. Journal of Economic and Management.
- Juholin, E. (2004). For business or the good of all? A Finnish approach to corporate social responsibility. Corporate Governance, 4(3), 20–31.
- Kaliappan, S.R., Alavi, R., Abdullah, K. & Zakauallah, M.A. (2009). Spillover effects of foreign hypermarkets on domestic suppliers in Malaysia. International Journal of Retail & Distribution Management, Vol. 37 (3), pp. 226-249.

- Kim, S. Y., & Reber, B. H. (2008). Public relations' place in corporate social responsibility: Practitioners define their role. *Public Relations Review*, 34(4), 337-342.
- Kline, R.B. (2011), *Principles and Practice of Structural Equation Modeling*, Guilford Press, New York, NY.
- Knee, C. (2002). Learning from experience: five challenges for retailers. *International Journal of retail & distribution management*, 30(11), 518-529.
- Lewis, S. (2003). Reputation and corporate responsibility. *Journal of Communication Management*, 7(4), 356-366.
- Li, C., & Bernoff, J. (2011). *Groundswell: winning in a world transformed by social technologies*, vol.
- Liao, S. H., Chen, C. M., & Wu, C. H. (2008). Mining customer knowledge for product line and brand extension in retailing. *Expert systems with Applications*, 34(3), 1763-1776.
- Magazines, M. (2003). *Malaysia Freezes Hypermarket Construction*. George Town.
- Maignan, I., Ferrell, O. C., & Ferrell, L. (2005). A stakeholder model for implementing social responsibility in marketing. *European Journal of Marketing*, 39(9/10), 956-977.
- Mangold, W. G., and D. J. Faulds. 2009. "Social Media: The New Hybrid Element of the Promotion Mix." *Business Horizons* 52 (4): 357- 365.
- Mattila, M. (2009). Corporate social responsibility and image in organizations: for the insiders or the outsiders? *Social Responsibility Journal*, 5(4), 540-549.
- McWilliams, A.; Siegel, D. *Corporate Social Responsibility: A Theory of the Firm Perspective*. *Acad. Manag. Rev.* 2006, 26, 117-127. *Sustainability* 2018, 10, 698 14 of 15.
- Mehta, Nitin, Xinlei Chen, and Om Narasimhan (2008), "Informing, Transforming, and Persuading: Disentangling the Multiple Effects of Advertising on Brand Choice Decisions," *Marketing Science*, 27 (May-June), 334-55.
- Moreno, A., & Capriotti, P. (2009). Communicating CSR, citizenship and sustainability on the web. *Journal of Communication Management*, 13, 157-175.
- Oldenbanning, R. (2013). *Excellent leadership in Public Relations: A question of experience and the PR practitioner*.
- Oliver, R.L. 1999. Whence consumer loyalty. *Journal of Marketing*. Volume 63, pp 33-44.
- Osborne, J. W. (2014). *Best Practices in Exploratory Factor Analysis: CreateSpace Independent Publishing Platform*.
- Pallant, J. (2013). *SPSS survival manual*. McGraw-Hill Education (UK).
- Petley, J. (2003) *Advertising*. Library of Congress Cataloging – in - Publication Data.
- Porter, M. (2006), "Mapping social opportunities", *Harvard Business Review*, Vol. 84 No. 12, pp. 86-87.
- Rebekah, B. & Sharyn, R. 2004. Customer satisfaction should not be only goal. *Journal of Services Marketing*, Vol.18 Issue 7, PP 514-523.
- Roberto Scharf, E., & Fernandes, J. (2013). The advertising of corporate social responsibility in a Brazilian bank. *International Journal of Bank Marketing*, 31(1), 24-37.
- Rogeman, L. (2015). Thesis work. [e-mail] (personal communication, March 2, 2015).
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. John Wiley & Sons.
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. John Wiley & Sons.
- Siltaoja, M. E. (2006). Value priorities as combining core factors between CSR and reputation— a qualitative study. *Journal of Business Ethics*, 68(1), 91-111.
- Sohn, Y. J., & Lariscy, R. W. (2014). Understanding reputational crisis: Definition, properties, and consequences. *Journal of Public Relations Research*, 26(1), 23-43.
- Srivastava, A. K., & Kumar, V. (2011). Analysis of software reliability data using exponential power model. *IJACSA Editorial*.

- Stanaland, A. J. S., Lwin, M. O., & Murphy, P. E. (2011). Consumer perceptions of the antecedents and consequences of corporate social responsibility. *Journal of Business Ethics*, 102(1), 47–55.
- Swoboda, B., Haelsig, F., Morschett, D. & Schramm-Klein, H. (2007). An intersector analysis of the relevance of service in building a strong retail brand. *Managing Service Quality*, Vol. 17 (4), pp. 428-448.
- Swoboda, B., Haelsig, F., Morschett, D., & Schramm-Klein, H. (2007). An intersector analysis of the relevance of service in building a strong retail brand. *Managing Service Quality: An International Journal*, 17(4), 428-448.
- Tabachnick, B. G., Fidell, L. S., & Ullman, J. B. (2007). *Using multivariate statistics* (Vol. 5). Boston, MA: Pearson.
- Wagner, T., Lutz, R. J., & Weitz, B. A. (2009). Corporate hypocrisy: Overcoming the threat of inconsistent corporate social responsibility perceptions. *Journal of marketing*, 73(6), 77-91.
- Wallach, M. A., & Kogan, N. (1965). Modes of thinking in young children.
- Wanderley, L. S. O., Lucian, R., Farache, F., & de Sousa Filho, J. M. (2008). CSR information disclosure on the web: a context-based approach analysing the influence of country of origin and industry sector. *Journal of business ethics*, 82(2), 369-378.
- Wanderley, L. S. O., Lucian, R., Farache, F., & de Sousa Filho, J. M. (2008). CSR information disclosure on the web: a context-based approach analysing the influence of country of origin and industry sector. *Journal of business ethics*, 82(2), 369-378.
- Wang, X., & Abdullayeva, G. (2011). *The Relationship Between Use of Social Media and Customer Relationship From E-commerce Model Perspective*.
- Winkle-Wagner, R. (2009). *The unchosen me: Race, gender, and identity among Black women in college*. JHU Press.
- Yeung, P. (2014). *SPSS survival manual. A step by step guide to data analysis using IBM SPSS* [Book Review]. *Aotearoa New Zealand Social Work*, 26(4), 92.
- Yoon, Y., Gürhan-Canli, Z., & Schwarz, N. (2006). The effect of corporate social responsibility (CSR) activities on companies with bad reputations. *Journal of consumer psychology*, 16(4), 377-390.
- Zikmund, W. G. (2003). *Business Research Methods*, Mason, Ohio, South-Western. X the Restaurant Behaviour of the Berlin People.