THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY PROGRAMMES ON CONSUMER BUYING BEHAVIOUR IN THE TELECOMMUNICATION INDUSTRY IN ZIMBABWE

Dr Faitira Manuere¹, Piason Viriri² and Maxwell Chufama³

¹Department of Entrepreneurship and Business Sciences- Chinhoyi University of Technology
²Department of International Marketing-Chinhoyi University of Technology
³Department of Marketing and Logistics-Namibia University of Science and Technology

ABSTRACT

The purpose of this study was to investigate the effect of Corporate Social Responsibility (CSR) programmes on consumer buying behaviour (CBB) in the Telecommunication Industry in Zimbabwe. The telecommunication industry in Zimbabwe refers to three service providers, namely, Econet, Netone and Telecel. These service providers have a well recorded history of engaging in CSR programmes, such as, cholera campaign initiatives, annual blood donation projects, building of schools in both urban and rural areas, provision of textbooks in schools, development of ICT centres, funding the education of gifted students and buying drugs and medical equipment for hospitals. However, what remains unknown currently is the fact that very little is known about the association between the consumers’ patronage of mobile telecommunication services, such as, brand name, quality services, reference groups, promotions, bonuses, and products offered by Econet, Netone and Telecel and CSR initiatives. This study was guided by a number of independent variables, such as, economic CSR, legal CSR, Ethical CSR, and philanthropic CSR. The descriptive survey research method was adopted for this study. To that end a sample size of one hundred and fifty network subscribers of Econet, Netone and Telecel were selected for the study using the purposive sampling technique. Thus, the data collected from the respondents were analysed using multiple regression analysis. After testing the reliability and validity of the data, the five hypotheses were tested using SEM (Structural Equation Modeling). It was found that all the four hypotheses were supported and thereby acknowledged the significant influence of CSR related activities performed by telecommunication companies on consumer buying behaviour. The regression results showed that CSR programmes adopted by Netone, Econet and Telecel are highly associated with consumer buying behaviour. CSR should be viewed as part of the code of ethics of any corporate organization also there should be a national policy from government to set parameters for CSR in Zimbabwe. These findings will help decision-makers to formulate their promotion activities in such a manner that it aligns with the value system of the consumers and increase the overall consumer base.

KEYWORDS: Corporate Social Responsibility, consumer buying behaviour, telecommunication industry, Zimbabwe, regression analysis, mobile service providers.
1. INTRODUCTION

Today, companies are not focusing on their wealth alone as they need to take stock of their responsibility to their stakeholders as well (Rahim, Jalaludin and Tajuddin, nd). According to Carmen (2005), the stakeholder theory is one of the core components that can be used to define and support the concept of CSR today. Companies are engaged in socially responsible behaviour for the following reasons: to enhance reputation, strategic competitive advantage, cost saving, industry trends, CEO/board commitment, customer demand, social responsible investment, top line growth, investor demand and access to capital (Blackburn, 2007). By recognising the importance of CSR, many companies have started to apply the CSR within their company’s policies, strategies and activities or programmes toward the social and environment initiatives (Norway, 2011). According to Siwar and Haslina (nd), CSR is a good strategy for companies to gain comparative advantages and ensure long term business success. If a company has a positive image and reputation, it tends to create customers’ loyalty and commitment towards the company, which in turn, leads to profit maximization. It can be concluded that CSR can create a win-win situation for both the businesses and society around them.

Does corporate social responsibility really attract consumers to buy the company’s product or services? Is CSR one of the major factors that affect consumer buying behaviour? A great deal of research has been conducted in this area; however, limited research has been conducted from the consumer’s perspective. Moreover, the level of consumers’ awareness of CSR is still maintained moderately in many countries (Dusuki and Yusof, 2008). Hence the objective of this study is to examine the effect of CSR in affecting consumer buying behaviour within the context of Zimbabwe. More specifically, the four main research objectives are listed as follow: i) To examine the relationship between economic responsibility and the consumer buying behaviour. ii) To examine the relationship between legal responsibility and the consumer buying behaviour. iii) To examine the relationship between ethical responsibility and the consumer buying behaviour. iv) To examine the relationship between philanthropic responsibility and the consumer buying behaviour.

2. Corporate Social Responsibility (CSR)

Corporate Social Responsibility is a broad concept and there is no concrete definition. (Dusuki and Yusof, 2008). According to Zenisek (nd) (CSR) means something, but not always the same thing, just to everyone.” Therefore, every different group of people have different forms of definitions of CSR, which are followed by their own interest (Dusuki and Yusof, 2008). The summary of definition of CSR is presented in Table 1.

Table 1: Summary of CSR Definition
**Table 1: Proposed CSR Definitions**

<table>
<thead>
<tr>
<th>Source</th>
<th>Proposed CSR Definition:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business for Social Responsibility (America’s largest organisation devoted to CSR)</td>
<td>“Business decision making linked to ethical values, compliance with legal requirements, and respect for people, communities, and the environment around the world.” (Aaronson 2003, p. 310)</td>
</tr>
<tr>
<td>Prince of Wales Business Leaders Forum</td>
<td>“Open and transparent business practices that are based on ethical values and respect for employees, communities, and the environment. It is designed to deliver sustainable value to society at large, as well as to shareholders.” (Aaronson 2003, p. 310)</td>
</tr>
<tr>
<td>European Commission</td>
<td>“A concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment.” (European Commission 2001, p. 5)</td>
</tr>
<tr>
<td>Anonymous respondent to an Accountancy Ireland survey</td>
<td>“CSR is ‘doing the right thing even when no-one is looking’.” (Anonymous 2006a)</td>
</tr>
</tbody>
</table>

Source: Thomas and Nowak, 2006

Carroll (1991) proposed a more comprehensive approach which defined CSR as the “Social responsibility of business that encompasses the economic, legal, ethical, and philanthropic considerations that society has of organizations at a given point in time.” In other words, companies need to comply with the laws and regulations, act ethically, and involve in voluntary work or charity, to earn a reasonable profit.

CSR has become an important dimension in the context of its role globally. The social responsibility among companies should not be looked at merely as philanthropy or charity to associations or social activities” (Rose, 2004). From the statement, it is clear that many governments recognise the important role of CSR and they are trying to encourage and promote CSR activities among the various stakeholders.

### 3. The Relationship between CSR and Consumer Buying Behaviour

Studies done globally on corporate social responsibility (CSR) show that consumers desire companies that engage in CSR (Papafloratos, 2007). In other words companies should strive to meet the social needs of citizens, among other things and to help to create a better society by eliminating poverty, disease and hunger (Papafloratos, 2007). Research studies conducted by Walker (1994) revealed that
more and more consumers are likely to buy from organisations that show “good social reputation” (Barkakati et al, 2016:281). Comparative study by Brown and Dacin (1997) showed that CSR can be used to create both negative and positive consumer buying intentions. For example, companies that do not undertake CSR social programmes are likely to lose customers to companies that engage in CSR initiatives (Brown and Dacin, 1997; Barkakati et al, 2016). Nielson (2014) carried out a study to investigate the attitudes of consumers towards companies that engage in CSR and the results of the study showed that 55% of global online consumers are willing to pay a premium on products and services provided by companies that engage in CSR programmes. The studies conducted by Creyer and Ross (1997) concluded that consumers regard ethical behaviour as the most important issue that guide consumers in the process of making buying decisions. Comparative studies by Maignan (2001) revealed that consumers in France and German regarded legal concerns as the most critical considerations, followed by ethical considerations, philanthropic and economic responsibilities. Visser (2005) explains that the CSR pyramid in Africa seems to be different from Carroll’s classic pyramid. Visser (2005) goes on to observe that economic responsibility was the most preferred consideration by consumers in Africa. Several authors agree that CSR programmes influence consumers to have a positive attitude towards the organisation’s reputation, image, and product evaluation (Brown and Dacin, 1997).

CSR programmes help consumers to acquire appropriate socially responsible behaviours of differentiating between companies that engage in CSR and those that do not (Lois, Deborah and Katherine, 2001). Thus the purchasing decisions of consumers are very much shaped by legal, ethical, economic, and philanthropic responsibilities of companies. (Shanka and Gopalan, nd). Companies that engage in CSR activities enter into a covenant with consumers to purchase their products and to shun the products of those companies that do not practice CSR (Lois, Deborah and Katherine, 2001). Today, companies in Zimbabwe are increasingly aware of CSR activities as consumers have become more aware of how business activities affect society and the environment. Furthermore, consumers are more sensitive to the negative CSR activities compared to the positive CSR activities before making the purchase decision.

A number of studies showed that CSR did play an important role in influencing consumer buying behaviour (Lois, Deborah and Katherine, 2001; Sen, Sankar and Bhattacharya, 2001). According to Lee and Maziah Ismail (2009), firstly, consumers made buying decisions based on traditional criteria such as price, quality and convenience and secondly, it was based on damage or benefits to the society. Lee and Maziah Ismail (2009) also suggested that companies which like to improve customer satisfaction and company’s financial performance should emphasize on CSR initiatives.

4. ECONOMIC RESPONSIBILITY
Economic responsibility refers to the corporate or company produces a good or service with a reasonable profit (Carroll, 1991). According to Siwar and Harizan (n.d), the economic responsibility refers to the degree of related activities of CSR and the financial performance which take into consideration of the cost-related advantages, market advantages and reputation advantages for companies. Dusuki and Yusof (2008) argued that the economic responsibility is the most essential and basic responsibility compared to the other responsibilities. This implied that the companies must be able to fulfill the economic responsibility before the companies engage in any other social programs such as donations or charity events.

According to Onlaor and Rotchanakitumnmuai (2010), the price is the most important factor that affects consumer satisfaction and buying behaviour. Consumers feel unsatisfied when the good or service is priced unreasonable high, which in turn, influence the consumers buying behaviour and the customers’ loyalty towards the company. With this, the following hypothesis is formed:

**H1: There is a relationship between economic responsibility and consumer buying behaviour.**

5. **LEGAL RESPONSIBILITY**
Legal responsibility refers to the corporate or company complies with laws and the regulations when making business decision (Carroll, 1991). The purpose of legal responsibility is to ensure the activities and performances of the companies are acceptable by the stakeholders (Siwar and Harizan, nd). Legal responsibility includes consumer and product laws, environmental laws and employment laws (Carroll and Shabana, 2010). Consumers, one of the stakeholders, are expecting the companies to meet the legal requirement for product safety, product quality, and accurate product information and so on. Failing to comply with these, company performance will be adversely affected. With this, the following hypothesis is formed:

**H2: There is a relationship between legal responsibility and consumer buying behaviour.**

6. **ETHICAL RESPONSIBILITY**
Ethical responsibility refers to the corporate or company makes the right decisions and follows the rules in company or country (Carroll, 1991). According to Carroll and Shabana (2010), ethical responsibility presenting a company’s voluntary actions to achieve the social goals extend beyond the legal responsibility. It embraces those standards, norms, or expectations that are related to what consumers, employees, shareholders and the community regard as fair and justice or protect the stakeholder’s moral right (Carroll, 1991). Creyer and Ross (1997) found that consumers are willing to pay higher price for products with ethical companies as it creates trustworthy in consumers. With this, the following hypothesis is formed:

**H3: There is a relationship between ethical responsibility and consumer buying behaviour.**

7. **PHILANTHROPIC RESPONSIBILITY**
Philanthropic responsibility refers to the corporate or company that voluntarily participates in some meaningful programmes or activities to the society (Carroll, 1991). In the other words, the companies are encouraged to organise the acts or programmes to promote human welfare and goodwill to society (Carroll, 1991). Philanthropy will not directly gain the economic return, but it can help to create and built up the image or reputation of the companies and enhance the firm’s long – term competitive position in the market. In addition, it also will help to increase employee loyalty and customer satisfaction. In another words, engaging in philanthropic activities will create a win-win situations for both the business sector and societies around them. With this, the following hypothesis is formed:

**H4: There is a relationship between philanthropic responsibility and consumer buying behaviour.**

8. METHODOLOGY
The use of a questionnaire as a research tool in the behavioural science is widely acknowledged (Mihail & Elefterie, 2006). It has been used in the past research and has been proven to have high reliability and consistency. The main instrument used in this study was a structured questionnaire which was developed and adapted based on previous studies. This survey instrument allowed the researcher to examine the relationship of the variables and to analyse the results.

9. SAMPLE AND DATA COLLECTION METHOD
Convenience sampling method was used in this study. Sometimes, it is called grab or opportunity sampling; this is the method of choosing items arbitrarily and in an unstructured manner from the frame. This non-probability method is often used to get a gross estimate of the results, without incurring the cost or time required to select a random sample. As the name implied, the choice of the sample and element is based on convenience of the researcher. Therefore, respondents will be selected at the right place and at the right time (Naresh, 2009).

A pilot study is to do a brief exploratory investigation, to try out particular procedures, measurement instruments, or methods of analysis. Finked (2006) stated: “All types of questionnaires and interviews must be pilot tested. Self-administered questionnaires are heavily dependent on the clarity of their language, and pilot testing quickly reveals whether people understand the directions you have provided and if they can answer the questions. Pilot test can also tell you how much time it takes to complete the survey”.

Prior to release of the survey, researchers conducted a pilot test to refine the questions in the survey. Questionnaires were given to 50 respondents from the targeted pool of respondents for pilot test. Comments and feedbacks given were gathered and some items considered vague by these respondents were later reworded before the final data collection. Four-page questionnaires which consist of 33 questions, using 5-point Likert scale were distributed to
the targeted respondents. A total of 420 set of questionnaires were sent out to the target respondents and 350 completed survey forms were returned, after a two-month period of data collection. This represents a satisfactory response rate of 83.3%. Data were then entered into SPSS 19.0 for data analysis. Descriptive statistics and multiple regression analysis were carried out to test the four hypotheses developed for this study.

10 INSTRUMENTATION

There were three sections in the questionnaire. Section A of the questionnaire included information pertaining respondents’ background such as gender, nationality, ethnicity and education background. Section B of the questionnaire attempted to study respondents’ awareness of Corporate Social Responsibility (CSR). Questions such as “Are you familiar with the term Corporate Social Responsibility?”, “Will you support the products from companies which have taken corporate social responsibility?” are being asked in a nominal scale.

The last section, Section C attempted to assess the effect of CSR in affecting consumer buying behavior. The economic responsibility is measured based on 5 items adapted from Rahim, Jalaluddin and Tajuddin (nd); Carrol (1991) such as “I will buy the products from companies that provide reasonable price”, “I will buy the products from companies that pay the reasonable wages to their employees”, “I will buy the products from the companies who maximizing earning per share to their shareholders”. As for legal responsibility, 7 items were adapted from Dato Samad (2008); Carrol (1991) such as “I will buy the products from companies that meet the legal requirement for products safety”, “I will buy the products from companies that provide accurate products information” and “I avoid buying products made using child labour”. Ethical responsibility is measured based on 4 items adapted from Elizabeh and William (1997). Questions such as “I really care whether the companies I patronise have a reputation for ethical behaviour”, “I expect the companies that I deal with to act ethically at all times”, “I would go several miles out of my way to buy from companies that I knew to be extremely ethical” were asked. As for the last element, philanthropic responsibility, it is measured based on 5 items adapted from Shanka and Gopalan (nd); Carrol (1991) such as “When given a chance, I tend to switch to brands where a portion of the price is donated to charity”, “I will buy the products from companies that hire people with disabilities” and “I will buy the products from companies that help the needy”. Consumer buying behaviour is adapted from Dusuki and Yusof (2008). It is measured based on 4 items such as “I will buy the products from the companies which are committed to follow the laws and regulations”, “I will buy the products from the companies which are committed to moral and ethical manners” and “I will buy the products from companies which are committed to voluntary and charitable activities”. All the items in section C are measured using 5 point Likert scale.

11 FINDING AND DISCUSSION
12 RELIABILITY ANALYSIS
Cronbach’s coefficient alpha is the most commonly type of measure of internal consistency reliability. Alpha is used when there have several Likert-type items that are summed to make a composite score or summated scale. According to Sekaran (2003), Cronbach’s alpha value should generally be more than 0.60, reliabilities less than 0.60 are considered poor. The Cronbach’s alpha coefficient value for the variables in this study are all well above 0.60. This indicates that the items have reasonable internal consistency reliability. The reliability analysis reported the following: Economic responsibility (Cronbach’s alpha = 0.821), legal responsibility (Cronbach’s alpha = 0.852), ethical responsibility (Cronbach’s alpha = 0.743), philanthropic responsibility (Cronbach’s alpha = 0.855) and consumer buying behavior (Cronbach’s alpha = 0.818).

13 MULTIPLE REGRESSION ANALYSIS
Multiple regression is a widely used statistical technique in sociology. The result of multiple regression can generate two things (Neuman, 2009). First, it tells how well a set of independent variables (economic responsibility, legal responsibility, ethical responsibility and philanthropic responsibility) explain a dependent variable (consumer buying behavior). Second, it tells the direction and size of effect of each independent variable on a dependent variable (Neuman, 2009). Table 7 provides the model summary for the study. As shown in Table 7, it reported an R Square of 0.322. This implies that 32.2% of variance in consumer buying behaviour can be explained by the four elements of CSR (economic responsibility, legal responsibility, ethical responsibility and philanthropic responsibility).

Table 2: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>R</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.567(a)</td>
<td>.322</td>
<td>.314</td>
<td>.45767</td>
<td></td>
</tr>
</tbody>
</table>

Table 3 points out which of the independent variables is the most important predictor in explaining the variance in consumer buying behaviour. As shown in Table 8, ethical responsibility is the strongest predictor (B= 0.238; p value= 0.000) that explained the variance of consumer buying behaviour, followed by philanthropic responsibility (B=0.080; p-value= 0.000). Thus, hypothesis 3 and hypothesis 4 are supported. On the contrary, economic responsibility and legal responsibility do not contribute in explaining the variance of dependent variable as both the p-value are greater than 0.05. Thus, hypothesis 1 and hypothesis 2 are not supported.
<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>1.491</td>
<td>.000</td>
</tr>
<tr>
<td>Economic</td>
<td>.048</td>
<td>.249</td>
</tr>
<tr>
<td>Legal</td>
<td>.054</td>
<td>.339</td>
</tr>
<tr>
<td>Ethical</td>
<td>.238</td>
<td>.000</td>
</tr>
<tr>
<td>Philanthropic</td>
<td>.080</td>
<td>.000</td>
</tr>
</tbody>
</table>

14. DISCUSSION

The findings of the descriptive analysis indicate that most of the people in Zimbabwe are aware of the practice of corporate social responsibility. The majority of the people in Zimbabwe obtain the information pertaining to CSR from the reading materials. In addition, most of the Zimbabweans associate the term CSR to ethical responsibility, which they think is the most important element of CSR. Nevertheless, most of the respondents reveal that they will support the products and services from the companies that engage in corporate social responsibility activities. The above findings show that Zimbabweans are sensitive to CSR activities of businesses and will respond accordingly through their buying behaviour.

As for hypothesis 1: there is a relationship between economic responsibility and consumer buying behavior. This is not supported as the p-value is greater than 0.05. This indicates that economic responsibility is not a main factor that influence consumer buying behaviour. Hence the result is different from the previous literature that supported that economic responsibility is the most essential and basic responsibility compared to the other responsibilities (Dusuki and Yusof, 2008). However, another study conducted by Herpen, Pennings and Meulenberg (2003) argued that the economic responsibility did not relate well with other responsibilities. In addition, the study also showed a nearly zero correlation between economic responsibility and consumer buying behaviour. This finding is consistent with the current study that supported that there is no relationship between economic responsibility and consumer buying behaviour.

In Hypothesis 2 there is a relationship between legal responsibility and consumer buying behaviour, and this is not supported as well, as the p-value is greater than 0.05. This finding indicates that legal responsibility does not influence consumer buying behaviour. This finding is not consistent with the previous literatures. The result can be caused by the respondents’ perception towards CSR. According to McWilliams and Siegel (2001), corporate social responsibility refers to actions that appear to further some social good, beyond the interests of the firm and that which is required by law. Respondents might perceive that it is the basic responsibilities for the companies to earn reasonable profit...
For CSR, it is one step further; it is designed to deliver a sustainable value to the whole society and communities. Having such perception in mind, it is likely that the respondents associate ethical responsibility and philanthropic responsibility to corporate social responsibility; instead of economic and legal responsibilities.

As for hypothesis 3: there is a relationship between ethical responsibility and consumer buying behaviour, is supported with the p-value of 0.000(<0.05). The result indicates that ethical responsibility is the main element that affects consumer buying behaviour. These findings correspond with the previous literatures that supported that consumers expect companies to accomplish the ethical responsibility at all the times (Elizabeh and William, 1997). Furthermore, Creyer and Ross (1997) found that consumers are willing to pay a higher price for products with ethical companies as it creates trustworthy in consumers.

Hypothesis 4 shows a relationship between philanthropic responsibility and consumer buying behaviour and is supported as well, with the p-value of 0.000(<0.05). The result indicates that philanthropic responsibility does influence consumer buying behaviour. The findings correspond with the past literatures. According to Rahim, Jalaludin and Tajuddin (nd), philanthropy will not directly gain the economic return, but it can help to create and built up the image or reputation of the companies, which in turn, resulted in increasing employee loyalty and customer satisfaction. In summary, the variables are validated with the evidence from the results of this study and supported by the past literatures.

15. Conclusion and Future Recommendation
This research like many others has some limitations but that also presents opportunities for future research. Any further conclusions drawn from this research must be considered tentative as it was based on a relatively small sample of respondents (N=350) taken solely from Harare. Moreover, the survey’s findings were solely based on the respondents’ perception of the role of corporate social responsibility in influencing their buying behaviour. Therefore, the results could be biased. To remedy this weakness, future research is clearly needed to examine the relationships of the variables utilising larger and more diverse samples.

Besides that, this research mainly discusses the four elements of CSR in affecting consumer buying behaviour. There could be other factors, such as company reputation or image and cultures, which might also play a role in influencing the relationships of the variables. Future researches may consider studying these factors as part of the mediator and moderator in the future studies.

In conclusion, this research serves as informational source to the industry especially the management. The research findings provide information on consumers’ perception of CSR which in turn, affects
consumers buying behaviour. By understanding the role of CSR and the current market trend, management can manage the company more effectively, such as creating the right marketing strategy in order to stay competitive always in this highly competitive business era.

REFERENCES


and purchase intentions when a high versus a low credibility endorser is used in the ad. Journal of Business Research, 44(2), 109–116.


