Modeling the impact of Corporate Social Responsibility on Customer Based Brand Equity with Empirical study

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Abstract:

The purpose of this study is to propose a model on how corporate social responsibility (CSR) influences Customer based brand equity (CBBE). Four factors have been suggested, that may moderate the role of CSR on CBBE, and these factors are: Customer attitude towards CSR, the perceived nature CSR, Cultural and ideological factors and Market presence, quality and price of CSR products.

Keywords: Corporate social responsibility; Customer based brand equity.

تحدف هذه الدراسة إلى اقتراح نموذج حول كيفية تأثير المسؤولية الاجتماعية للمؤسسات على العلامة التجارية. تم اقتراح أربـع عوامل يمكن أن تكون كمحدد في دور المسؤولية الاجتماعية للمؤسسات على العلامة التجارية؛ هذه العوامل هي: موقف العملاء اتجـاه المسؤولية الاجتماعية للمؤسسات، نظرة التصورية للعميل لطبيعة المسؤولية الاجتماعية للمؤسسات، العوامل الثقافية والإيديولوجية وتـوفر المنتج في السوق والجودة والسعر لمنتحات هذه المؤسسات. ا**لكلمات المُتاحية**:المسؤولية الاجتماعية للمؤسسات؛ العلامة التجارية. 20

الملخص

Literature review

Today's companies are well aware of the fact that Corporate Social Responsibility (CSR) activities are watched closely, not just only by environmental friendly organizations but also by a large number of consumers and stakeholders (Arslan&Zaman. 2014); so companies try to associate CSR to their Brands and take it as a way of its development. Now most studies inthis field is based on knowing what is the differences can CSR make it on Brand equity based on the consumers' view; but yet researchers haven't provided enoughinformation, or a pattern on how consumers perceive and react toward brands sociallyresponsible (Walker& Kent. 2009). On the other hand, there are several experimental studies about the relationship between Corporate Social Responsibility and Brand Equity where it has been concluded that Corporate Social Responsibility cause a considerable change in it (Arslan&Zaman. 2014). This change can be made by many factors like the feeling of ethical obligation of consumers (Robert B.G. 2011) and the cultural difference from a region to another (Maignan, 2001). Others believe that the Invisible Hand (Like Adam Smith theory about market regulation) can exist for the impact of CSR on consumer's purchase decision. (Loiset et al 2001). Also, brand equity derives from creative interactions between the brand and its stakeholders. In other words, the more fulfilled the stakeholders' expectations, the more valuable the brand equity (Jones, 2005), (Lai et al 2010).

Castaldo et al (2009) suggested that there is two conditions must prevail to assure the link between the consumer's perception of CSR activities of the company, and the consumer intention to buy products marketed by that company. These conditions are: the products sold by the company must comply with ethical and social requirements; the other condition company should have an acknowledged commitment to protect consumer rights and interests. CSR have an impact on the consumer attitude even if company's product or production processes are not directly related to it, which can be a tool of a reputation building to any company. Therefore to reach this goal, managers should know the abilities of consumers to accurately evaluate CSR activities and potentially become a strong organizational reputation (Walker& Kent. 2009).

In another way CSR activities might also have a negative impact on brand image. For that reason companies using CSR as a strategy in their businesses should be aware of their customers' attitudes of CSR activities in general and also of activities related to their businesses (Popoli, 2011)bytrying to choose the right steps that Brand equity can be built through Corporate societal marketing which are:

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building brand awareness, enhancing brand image, establishing brand credibility, evoking brand feelings, creating a sense of brand community, and eliciting brand engagement (Hoeffler& Keller. 2002).Hoeffler& Keller suggested three important keys about how CSR programs have their effect on brand. These keys are CSR Awareness and knowledge, CSR Relevance and meaningfulness, and CSR Transferability. From another perspective Popoli (2011) theoretically proposed that the link between CSR strategy and brand image can be articulated in the following sequence: CSR demand- CSR response - Brand image.

CONCEPTUALIZING, MEASURING AND MANAGING CUSTOMER BASED BRAND EQUITY

Brand and Brand Management

The brand is and has been defined in many different ways over the years, depending on the perspective from which the brand is perceived. Often that depends on the academic background of the author/originator of the different definitions. The American Marketing Association (AMA) defined the brand in 1960 as: A name, term, sign, symbol, or design, or a combination of them which is intended to identify the goods or services of one seller or a group of sellers and to differentiate them from those of competitors. (Heding et al, 2009). Others defined it as a complex multidimensional construct whereby managers augment products and services with values and this facilitates the process by which consumers confidently recognize and appreciate these values (Atony& Riley, 1998).

Because product features are easily copied, brands have been considered a marketer's major tool for creating product differentiation, and to insure this situation marketers had to manage their brands to maintain or raise the stakeholders' perception level about the brand. This brand management is a process of creating, coordinating and monitoring interactions that occur between an organization and its stakeholders, such that there is consistency between an organization's vision and stakeholders' beliefs about a brand. Brand management mainly based on brand equity. Atony& Riley, (1998) mentioned that a real brand management begins much earlier, with a strategy and a consistent integrated vision. Its central concept is brand identity, not brand image. For Keller, 2013, p.58) brand management involves the design and implementation of marketing programs and activities to build, measure, and manage brand equity.

Brand Equity

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Brand equity is one of the significant concepts in brand management. Aaker (1991) defined brand equity as "a set of assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or that firm's customers".

Brand equity consists of four dimensions: brand awareness, brand associations, perceived quality of brand and brand loyalty. These dimensions may be used to explore the findings of marketing and consumer behavior research in relation to brand equity and take it as background for measuring brand equity (doulides&Chernatony, 2009).*Brand awareness* is "the ability for a buyer to recognize or recall that a brand is a member of a certain product category" (Aaker, 1991). Thus, brand awareness consists of both brand recognition and recall (Keller, 1993). *Brand associations* is "anything linked in memory to a brand" and brand image as "a set of associations, usually in some meaningful way."(Aaker1991). The associations have a level of strength based on experiences that customer can have with the brand (Keller, 1993). *Perceived quality* is "the consumer's judgment about a product's overall excellence or superiority" (Zeithaml,1988).*Brandloyalty*isthe attachment that a customer has to a brand."Aaker (1991).

Definition and Dimensions of Customer-Based Brand Equity

The brand equity construct has been viewed from two major perspectives in literature (doulides&Chernatony, 2009). The first focused on the financial side of the Brand, the second on the customer based side.

The conceptualizations of consumer-based brand equity have mainly derived from cognitive psychology(doulides&Chernatony, 2009). Keller (1993) offered a definition of customer-based brand equity as "the differential effect that brand knowledge has on consumer response to the marketing of that brand". This response to the marketing of a brand can be translated into various stages of the purchase decision making sequence such as preference, choice intentions and actual choice (doulides&Chernatony, 2009).

Building Customer-Based Brand Equity

Keller (2001) suggested a constructed set of six "brand-building blocks" with customers in a form of a pyramid: salience, performance, imagery, judgments, feelings, and resonance. These blocks are grouped into four steps to build Customer based brand equity: Brand Salience describes the brand identity and revolves around the question who am I? Companies should work on how to get a high level of salience, which means that consumer, is aware of both the depth and width of the brand. The second step; Brand performance and brand imagery, is based on the intrinsic (Performance) and extrinsic (image) characteristics of a brand. The brand performance refers to product and service features and how it fits with customer expectation. The brand imagery is the ways how the brand attempts to meet customers' more abstract psychological or social needs. The brand performance and brand imagery construct a Brand meaning where consumer can make associations to the brand. The third step, Brand judgments and brand feelings refers to how customers respond to the brand, its marketing activity, and sources of information; this response is based on the rational (judgments) and emotional (feelings) evaluation. The judgments include Quality, Credibility, Consideration and Superiority. For the feelings it includes Warmth, Fun, Excitement, Security, Social approval and Self-respect. The forth step is Brand resonance; this step answering the question whether the consumer willing to set a relationship with the brand. It translates the level of psychological bond customers have with the brand, and how much the consumer is involved with the brand.

Measuring Customer-Based Brand Equity

There is not a unique measure for brand equity needed to be taken when we want to assess it (Baker et al. 2005).it is a complex and multi-faceted concept, it needs to becaptured through a set of measures rather than a single measure(doulides&Chernatony, 2009).

The most famous measuring of CBBE is drawn from Aaker's and Keller's conceptualization of brand equity (Yooa&Donthu, 2001). As discussed above about the dimensions of Brand equity and the blocks of CBBE. Aakerproposed four measures related toconsumer-based brand equity which are loyalty (including willingness to pay price premium andsatisfaction), perceived quality (including perceived quality and leadership), differentiation(perceived value, brand personality, organizational associations) and brand awareness (Yooa&Donthu, 2001). Keller (1993) proposed two basic approaches to measuring customer-based brand equity. The *"indirect"* approach, which assess the potential sources of customer-based brand equity by measuring brand knowledge. The *"direct"* approach assesses the impact of brand knowledge on consumer response to different elements of the firm's marketing program.

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Recently, Netemeyer et al. (2004) suggested a scale based on four facets of consumer-based brand equity: perceived quality, perceived value for cost and brand uniqueness, which can make an impact on purchase intention and behavior, the willingness to pay a price premium as a result of it. They suggested alsootherfacets of consumer-based brand equity, such as brand awareness, familiarity and popularitydoulides&Chernatony, (2009) in their literature review of CBBE, classified the measurement of CBBE into two approaches (direct or indirect). Direct approaches to brand equity measurement attempt to measure the phenomenon directly by focusing on consumers' preferences or utilities, while indirect approaches measure brand equity through its demonstrable manifestations.

CORPORATE SOCIAL RESPONSIBILITY AND CUSTOMER

The dimensional model of corporate social responsibility

Corporate social responsibility is the "organization's obligation to maximizeits positive impact and minimize its negative effects in being a contributing memberto society, with concern for society's long-term needs and wants" (Lantos, 2001).

Caroll (1991) presented a classification of CSR activities in a form of a pyramid. This pyramid includes four kinds of CSR activities. These four categories are: *Economic Responsibilities* (provide goods and services to societal members), *Legal Responsibilities* (Law is society's codification of right and wrong. We have to obey it), *Ethical Responsibilities*(standards, norms, or expectations that reflect a concern for what Stakeholders regard as fair, just, or in keeping with the respect or protection of stakeholders' moral rights) and Philanthropic *Responsibilities* (Contribute resources to the community;improve quality of life). These responsibilities have always existed to some extent but today just ethical and philanthropic functions have taken a significant place.

Quazi& O'Brien, (2000) proposed two-dimensional model of corporate social responsibility based on the Benefits and costs of CSR actions and Responsibility wideness. This proposed model has four distinct quadrants. Each quadrant is named asfollows:

-Classical view: This is concerned with the classical view of social responsibility in which there is no provision to look beyond a narrow view of profit maximization as it is seen to generate a net cost to the company without any real benefit flowing from an activity.

-Socio-economic view: This quadrant represents a narrow view of social responsibility but accepts that adopting some degree of social responsibility will lead to net benefit to the company in terms, for

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example, of avoiding costly and embarrassing regulation, building good customer relationships, good supplier relationships or the politics of networking. In this context, social responsibility can be justified even if a manager holds a narrow view. In this perspective business can simultaneously perform the dual function of profit maximization while serving social demand.

-*Modern view*: Modern view captures a perspective in which a business maintains its relationship with the broader matrix of society where there are net benefits flowing from socially responsible action in the long run, as well as in the short term. This is a modern view of social responsibility and includes the stakeholder view.

-Philanthropic view: This quadrant depicts a broader view of social responsibility in which business agrees to participate in the charitable activities even though this is perceived as a net cost. This impetus may come from altruistic or ethical feelings to do some good for society. This can be associated with the philanthropic view.

CSR awareness

Most of the research on consumer response has not taken the awareness problem into account (Lois et al. 2001) because the main characteristic of the CSR concept is still thelack of agreement on what it really means. This may be due to the vagueness and intangibility of the term, its ambiguity or simply to the fact that compared to other business functions.MoreoverServaes& Tamayo (2013) found thatthe lack of customers' awareness about CSR initiatives is a major limiting factor in their ability to respond to the marketing initiatives. Similarly, potential customers must be fully aware of CSR characteristics for CSR differentiation to be successful.Theadvertising like the only solution to reduce the information gap betweenCSR and customers, which, in turn, makes it morelikely that customers will find out about the firm'sCSR involvement, and reward the firm for its CSR efforts.Moreecently, relating advertising to CSR, researchers suggested that CSR-related advertisingand media coverage may increase consumerawareness of CSR. This, in turn, increases the demandfor socially responsible behavior and the returns to engaging in such behavior. To realize this awareness the information intensity isconsidered as one of the key elements in the CSR-value relation.

Costumer responses to Corporate Social Responsibility

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CSR is a broad and complex concept that is challenging to measure its impacts. Many surveys attempted to measure the size and composition of the consumer segment that is affected by CSR, while the experiments attempt to determine whether CSR has a significant impact on consumer responses. These responses can be formulated by the payment of higher prices for an ethical company's products. (Lois et al. 2001), or More positive image of a firm if it offers support to a cause they care about.

Lois et al. (2001) found in their analysis that three types of customers' responses to CSR activities which are:

-Precontemplators: where this typedo not base their purchasing on CSR. This type of consumers are subdivided into two group: the first believe that companies should be actively involved in their communities, but they still base their purchasing on traditional criteria (i.e., price, quality, and convenience). The second group of consumers believe that companies are unable to really help or that CSR interferes with the true purpose of business.

-Contemplators: Also, this type is devised into two groups. The first group are hypothetically supporting CSR, but they don't think will have an impact on improving conditions for society that it is not worth basing their purchasedecisions on it. The second group of contemplators believes that the buying based on CSR is a good idea, but they still rarely do it because they have not really know and have enough information about CSR.

-The Action Group: The people in this group have stronger beliefs about CSR, but CSR is still not a determinant of most of their purchasing behavior. Again this type divided into two groups. The first group want to be Socially Responsiblecustomerbut it is difficult to learn about the good things that companies are doing. The second group is cynical about company motives for CSR and about media reports.

-Maintainers: ThisTypeof people are Social responsible customers which are divided also into two groups. First the strongest issue is just the environment for this group. The second are knowledgeable about a range of CSR issues and also about specific company behaviors.

A CONCEPTUAL MODEL FOR THE IMPACT OF CSR ON CBBE

The relationship between corporate social responsibility and customer based brand equity

In the last two decades many researches has been conducted to find out the effect of Corporate Social Responsibility activities on brand equity. In many researches the results indicate that the primary factor which is responsible for the emergence of Corporate Social Responsibility is consumers (Arslan& Zaman,2014).Pivato, et al (2008) supposed that consumer perceptions about a company socially oriented are associated with a higher level of trust in the brand and its products.Generally, socially responsible activities engender favorable attitudes and purchase intentions (Ross, et al, 1992), but Cause marketing has been shown in some instances to foster negative perceptions toward a company when they engaged in cause or societal supporting activities, and also even if some studiesshowed that while the majority of consumers regard business ethics as important, this attitude does not always translate into their intentions (Walker& Kent, 20).Polansky& Wood (2001) found that the over commercialization of some activities designed to benefit society may in fact harm the attitudes of consumers targeted by these activities.

CSRin each stage in CBBE Pyramid

The power of a brand is in what resides in the minds of customers (Hoeffler& Keller 2002). The challenge for companies in building a strong brand by CSR activities is ensuring that customers is linked to the right type of brand elements. Hoeffler& Keller (2002) suggested how CSR programs are in each of this element regarding to CBBE construct:

Brand awareness:

If companies desire to link responsibility to their brand, their customers need to know that they are responsible. When investigating consumers' perceptions of CSR activities and associations linked to these activities, first it is essential to ensure that company's customers are in fact aware of these CSR activities. Customer awareness is essential for the brand and also for the company's responsibility. Otherwise it would be difficult for a brand to benefit from its responsible activities. If awareness is low, the effect of CSR on brand equity is only theoretical, not of practical relevance (Pomering&Dolnicar 2009).

Enhancing Brand Image

Severalkinds of imagery-related associationswould seem to be able to be linked to a brand through CSR.

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Two such types of associations are (1) *user profiles*(The CSR may enable consumers to develop a positive image of brand users to which they also may aspire, for example, in terms of being kind and generous and doing good things) and (2)*personality and values* (CSR could bolster the sincerity dimension of a brand's personality such that consumers would perceive the people behind the brand as caring and genuine).

Brand credibility

Brand credibility refers to the extent to which the brand as a whole, is perceived as credible in terms of three dimensions: *expertise* (being competent and innovative and being a market leader), *trustworthiness* (being dependable and keeping customer interests in mind), and *likability* (being fun, interesting, and worth spendingtime with). More important, CSR could affect all three considerations, as consumers may perceive a firm willing to invest in CSR, as caring more about customers and as more dependable, at least in a broad sense, as well as likable for "doing the right things."

Evoking Brand Feelings

In terms of brand feelings, two categories of feelings are particularly applicabletoCSR(1) social approval (Enhanced levels of feelings of social approval will be created when CSR provides consumers with external symbols to signal their affiliation to others) and (2) self-respect (To accentuate these types of feelings, CSR can give people the notion that they are doing the right thing and that they should feel good about themselves for having done so).

Creating a Sense of Brand Community

A CSR with a well-chosen cause can serve as a rallying point for brand users and a means for them to connect to or share experiences with other consumers or employees of the company itself.

Eliciting Brand Engagement

Participating in a cause-related activity aspart of a CSR for a brand is certainly one means ofeliciting active engagement. A CSR program of "strategic volunteerism," whereby corporate personnel volunteertheir time to help administer the nonprofit program, could be used to engage consumers actively with both thecause and the brand.

Presentation of the model and discussion.

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In this theoretical study it is suggested four elements companies must take it into account to know better how their CSR activities can have an impact on the Brand equity based on customer. These elements are: (1) Customer attitude towards CSR, (2) Nature of CSR, (3) Cultural and ideological issues and (4) Market presence, Quality and price of CSR products.

Before starting the discussion of this model we must assume that the consumer is in the stage of awareness or at least have heard about company's CSR involvement, so we can study whether or not and how CSR has an impact on CBBE.

1. Customer attitude towards CSR

Customer attitude means all the beliefs, feelings and behavioral intentions towards brands socially responsible. Studies proved that Consumers tend to feel secure when dealing with a firm which is active in Corporate Social Responsibility (Serafeim& Ioannou2014), and are reluctant to buy goods and services from businesses which are involved in socially or ethically irresponsible activities (Chen&Bouvain, 2005).

The attitude of customer towards brand socially responsible influenced by several factors related to customer, these factors is: Moral Responsibility, The perceived effectiveness of CSR in alleviating social problems and social norms (Gielissen, 2011).

*-Moral Responsibility:*Moral responsibility consists of the reactive attitudes, for example resentment and gratitude, we hold towards each other as co-members of the moral community (Fahlquist 2008). In cognitive psychology, human been is seeking always for the good and better of the community. The moral responsibility makes a consumer to have a positive attitude towards Brands socially responsible.

The perceived effectiveness of CSR in alleviating social problems: The notion that CSR should be perceived to be effective in alleviating the social problems is supported widely in literature. Gielissen (2011) found that consumers buy SR products because they think they are effective alleviating social problems (like Social benefits of Fair trade, environmentally friendly products...)

-Social norms: Thebehavior is influenced by social norms. The social norms can be a reason for departure from rational choice in the contextof environmental behavior. The positive opinions about CSR may therefore also be an argument for having a positive attitude toward brands Gielissen (2011).

2. Nature of Corporate social responsibility

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The consumer's perception of the type of CSR activities which a company is involving in, has a key concept in affecting CBBE. It has been shown that the perception of these dimensions may differ from a consumer to another according to demographical, psychological, cultural factors (Maignan, 2001; Walker, 2009; Lois et al, 2001). Arslan & Zaman, (2014) mentioned that the firms which focus much on Philanthropic responsibility received more favorable brand attitude, and consumers evaluate them more positively as compared to firms which are more indulge in sponsorships and cause related marketing.ForMaignan (2001), that marketing actions with a social dimension generate consumers' support for the organization.

The concept of association of these dimensions to CBBE can be easy to recognize if the marketing of the brand is clear; so the brand knowledge will be associated with the dominant CSR dimension. As stated before the differential effect that the brand can make is the most persuasive corporate social marketing program that customer want to see. From another point of view, we can see the effect of CSR without any classification of it and take it as whole halo of effect(Klein&Dawar, 2004).

3.Cultural and ideological issues

Many of the studies and researches were conducted according to USA cultural environment. Some researches proved that the perception structure of CSR differ from culture to another (Magnan, 2001; Visser, 2005). Visser (2005) suggests that Carroll's CSR Pyramid may notbe the best model for understanding CSR in general, and CSR inAfrica in particular. Most critically, it is suggested that the relative priorities of CSR in Africa are likely to be different from the classic, American ordering. This finding remains speculative and provocative and would therefore benefit from further empirical research.Hence, research into alternative CSR theories and frameworks is encouraged.

Maignan (2001) found that for French consumers, legal responsibilities were positioned as the most important corporate social responsibilities followed by ethical responsibilities in the second position. German consumers considered both legal and ethical responsibilities as the most important corporate duties. These assessments suggest that French and German consumers are mostly concerned about businesses conforming to social norms, not about businesses achieving high levels of economic performance.

4. Market presence, Quality and price of CSR products

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Recent investigations demonstrate that the relationship between CSR and ethical consumerism is not always direct and evident. The results are in many cases contradictory and establish numerous factors that affect whether a firm's CSR activities translate into consumer engagement and loyalty(Lois A. et al, 2001). They include tradeoffs with traditional criteria (like price, quality, and convenience) and lack of information, corporate brand dominance, and the type of CSR,consumers' personal support for the CSR issues, and their general beliefs about CSR. It has beenproven that consumer have the willing to pay for products Socially responsible if they are available and stated that it is difficult to reach to those products (Lois et al, 2001).

Through what it mentioned, companies must be aware of consumers' perceptions of their CSR activities in order to benefit those perceptions when building a brand and brand equity. Moreover if companies want to enhance Customer based brand equity through Corporate Social Responsibility; it will be needed to coordinate those four elements together and to make sure that the customer perceives the right message.

The empirical study

Questionnaire design

The questionnaire contained nineteen statements relating to a three factors of the proposed model (Attitude towards CSR, Nature of CSR and Market presence, Quality, Price of CSR Products) and a simple view about Customer based brand equity on socially responsible brands. For the fourth factor (Cultural and ideological issues) it was analyzed separately according to the need of using many variables (Country and CBBE) together to assess the factor. These statements were formulated from the theoretical study. Respondents were asked to indicate whether they agreed or disagreed with each statement. In this study the statements were positively worded and were placed randomly. Each statement was linked to a 5 point Likert scale with 1 "strongly disagree" to 5 "strongly agree".

Sample and data collection

The sampling technique used in this study is convenience sampling. The questionnaire was posted in internet for International students groups. This diversification helps in studying the effect of cultural and ideological issues about CSR.

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After receiving first responses on the questionnaire, it's been noticed that there is vague in understanding some questions so adjustments were made to be more simplified. After the adjustments, the total answers received are 71 answers which 5 of them was invalid and 66 valid.

ANALYSIS AND RESULTS

Data analysis

The data were processed with statistical package SPSS 20 and LISREL 9.20 Student Edition.

Respondent profile

62% of respondents are male and 38% female, 35% of them are PhD students or more and 56% are master degree students and 9% are bachelor's degree and also 62% are in the field of economics and the rest are in the other field of social, natural and technique science.

Reliability Analysis

The reliability aspect, according to the result of Table I, showed that the Cronbach α value was greater than 0.6 for all the measurement dimensions except the market presence, price and quality of CSR products which was under 0.6. It means that the research variables of the three dimensions are in the acceptable range just for the last dimension which means there is no consistency among the variables.

Table 1: Reliability test				
	N of	Cronbach's		
	Items	Alpha		
Customer attitude towards CSR	4	.637		
The nature of CSR activities	5	.671		
Market presence, price and quality of CSR products	4	.115		

Table 1:Reliability test

Confirmatory factor analysis

To measure the model fitness we conducted a confirmatory factor analysis (CFA). The findings in Figure I indicate that RMSEA is 0.077 bigger than 0.05 which means that our proposed model has a mediocre fit.

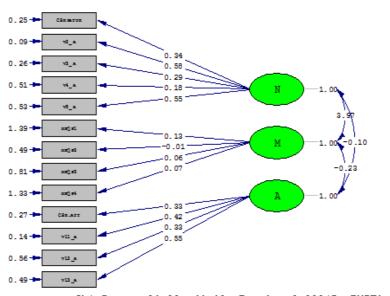


Figure 1: Confirmatory factor analysis

Chi-Square=86.28, df=62, P-value=0.02247, RMSEA=0.077

Component Factor Analysis

To know more about the model fit and what are the potential factors which might have an effect besides what we proposed we took a Component Factor analysis. Component factor analysis was employed to uncover underlying attitude dimensions. To make the findings, a Varimax Rotation was performed on an initial factor solution. We took these criteria to make the findings:

- The value of each Eigen value is greater than 1.0.
- The factor loadings after Varimax rotation are greater than 0.5.
- The cumulative explained variations greater than 0.5.
- No variable has significant loading on more than one factor.

The KMO and Bartlett's Test to measure the sampling adequacy was performed (Table 2), KMO must be over 0.5 to be meaningful. KMO in this study for all the items of the model was 0.627 which confirm a high adequacy of sample.

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Table 2:KMO and Bartlett's Test				
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.627		
	Approx. Chi-Square	186.646		
Bartlett's Test of Sphericity	df	78		
	Sig.	.000		

The Component Factor analysis is done with Varimax rotation and it extracted four factors which explained 59.43 percent of the total variance (Table 3). Table 4 shows the varimax rotated matrix for all four factors. Factor 1 captures the items that support that the nature of CSR used by brands has an effect on CBBE. Factor 2 covers the items of Customer attitude towards CSR. Factor 3 included two items of market presence and the nature of CSR. Factor 4 is based on the quality of CSR products.

Table 3Total variance explained

Component	Eigenvalue	% of Variance	% Cululative variance
1	2.782	21.402	21.402
2	2.236	17.197	38.599
3	1.443	11.099	49.698
4	1.266	9.736	59.433

Table 4 Rotated Component Matrix

	Component			
	1	2	3	4
CSR.N Support CSR brands because it complies with legal regulations	.786	054	.294	.136
CSR.N Support CSR brands because it alleviates some social problems		.044	.000	.055

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CSR.N Support CSR brands because it promotes the well-being of the society.	.663	219	.068	364	
MPQP Market presence	.645	105	456	.096	
CSR.ATT CSR increase the level of trust I have in a brand.	.012	.759	098	.067	
CSR.ATT Support CSR brands because it's my duty	.216	.714	.230	.040	
CSR.ATT work for a company which are SR	174	.710	173	.094	
CSR.ATT I used to buy socially responsible brands very often.	219	.501	.326	199	
CSR.N Support CSR brands because it supports non-governmental organizations working in problematic areas.	.188	431	.267	.377	
MPQP MARKET PRESENCE ONE STORE	.003	185	.781	.081	
CSR.N Support CSR brands because it preserves the natural environment	.492	.206	.554	149	
MPQP Quality	106	003	092	.818	
MPQP Price	.283	.268	.373	.474	

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Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

For the fourth factor which is Cultural and ideological issues we run an analysis of variance (one way ANOVA test) to test whether this factor has a significant effect on customer based brand equity. For the dependent variable we measured CBBE based on six items (Awareness, Associations, Quality, Loyalty) and then we measured the mean of those items into one variable. The independent variable was the countries. In this study we classified the countries like this (Turkey 30%, Algeria 29%, Afghanistan 20%, Asian countries 17%, African countries 4%). The table 5shows a degree of significance of 0.002 under 0.05 which emphasis our hypothesis that the cultural differences have an impact on customer based brand equity.

Table 5ANOVA Test

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.335	4	1.084	4.683	.002
Within Groups	14.117	61	.231		

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Total	18.452	65		
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Discussion

After running a confirmatory factor analysis it showed that the proposed model has not a good fit so we made a component factor analysis to uncover the underlying dimensions and to find the factors which fits to the variable set. The varimax rotated table showed that there is three explainable factors, first was about the nature of CSR second about the attitude towards CSR and the third is the quality of CSR products. For the factor of price and market presence they showed that don't have a big impact on CBBE. The study proved that customers accept to buy the CSR product even if the price is higher than 10% or if it takes them to go to another store to find it. For the quality most of responds didn't accept to buy the CSR brands if the quality is not good compared to other brands. For that reason our hypothesis is rejected about the factor of Market presence, price and quality of CSR products to just under the factor of quality and for the price and market presence it doesn't have a big impact.

Cultural and ideological issues test showed that there is a difference in level of CBBE over the countries which emphasis our hypothesis that cultural issues have an impact on CBE.

As a conclusion we can say that the factors that have an impact on CBBE are: (1)the Nature of CSR activities used by companies, (2) The attitude of customers towards CSR, (3) Cultural Issues and (4) The quality of CSR products.

Conclusion

As a conclusion, customer attitude, CSR perception, Products quality and cultural and ideological issues may play a role in the effect of CSR on CBBE, therefore the proposed model can be used to explain this effect, with the elimination of the market presence and the price of CSR products. These two last factors cannot be a moderator for the relationship between CSR and CBBE. Also we can

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say that the proposed factors are not exclusive in this effect. Other factors can be mentioned in the model that may strength the relationship, because the authors tried to include the most mentioned ones in literature.

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