

The Effectiveness of Corporate Social Responsibility on Consumer Purchase Intention

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The Effectiveness of Corporate Social Responsibility on Consumer Purchase Intention

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Abstract

The main aim of the present study is to find out the relationship between Corporate Social Responsibility (CSR) and consumer Purchase Intention with the mediating effect of Perceived Quality. Non-probability purposive sampling technique was used for primary data collection. For this purpose, a sample size of 445 consumers who use Sakthi Masala (cooking masala products) are selected by using a well-designed and pre-tested inventory. The findings show that Corporate Social Responsibility has a significant positive influence on Purchase Intention among the consumers. It is also very clear from this study that Perceived Quality mediate at the relationship between Corporate Social Responsibility and Purchase Intention, which indicates full mediation. Suitable suggestions are given in this study.

Key Words: Corporate Social Responsibility, Perceived Quality, Purchase Intention

Introduction

Corporate Social Responsibility (CSR) has many names, such as Corporate Citizenship, Corporate Philanthropy, Corporate Giving, Corporate Community Involvement, Community Relations, Community Affairs, Community Development, Corporate Responsibility, Global Citizenship and Corporate Social Marketing. CSR can be generally

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defined as the organization incurring responsibilities to society beyond profit maximization (Pava and Krausz, 1995). A more specific definition of CSR is offered by Business for Social Responsibility, “operating a business in a manner that meets or exceeds the ethical, legal, commercial, and public expectations that society has of business” (Kotler and Lee, 2005).

Purchase intention can most readily be understood as the likelihood that a consumer intend to purchase a product. The concept of purchase intention is rooted in psychological and behavioral studies; therefore, the theory of reasoned action works well for identifying and understanding associations between CSR and purchase intentions in this study. Armitage and Christian (2004) explained that the theory of reasoned action holds that behavior is solely dependent on personal agency and that control over behavior (e.g., personal resources or environmental determinants of behavior) is relatively unimportant. In other words, the theory of reasoned action was designed to deal with relatively simple behaviors in which the prediction of behavior required only the formation of an intention.

The advantage of CSR is not just making profit or better social performance. Consumers are willing to pay for the higher price for product came from ethical company which includes the company doing CSR activity (Creyer and Ross, 1997). In addition, engaging in CSR activity can also result in better in evaluations of company, and greater company image among consumers (Sen and Bhattacharya, 2001).

Perceived quality is an overall feeling that a customer tends to have about a brand. It is generally based on some underlying quality dimensions on which the customer perceives the product’s performance or delivery. There are various ways in which perceived quality generates value. Firstly, perceived quality gives a powerful reason to the customer to consider and buy a specific brand. Only brands that are perceived to be of quality are considered in a purchase decision: the rest are all eliminated. It is particularly important when a buyer is not motivated to collect information to determine quality objectively, where information is not available and the customer does not have the ability to obtain and process brand information.

The purpose of CSR communication is to increase exposure of the company’s CSR initiatives to the public. The companies will never fully get benefits from CSR initiatives unless the companies communicate those initiatives wisely to stakeholders and public (Maignan and Ferrell, 2004). The way corporate communicate their social initiatives is important. Reporting activities and the fact about socially responsible behavior can lead to better consumers’ perception about the company (Ursa and Jennifer, 2006). Communicating CSR initiatives in form of report can brings transparency and benefits of stakeholders to corporate.

Key Variables

The researchers have identified and defined variables differently. Taking into account the applicability of the identified variables in the context, the variables used in the study are categorized into four parts:

Corporate social responsibility Policy (CSR) is how companies manage their business processes to produce an overall positive impact on society. It covers sustainability, social

impact and ethics, and done correctly should be about core business - how companies make their money - not just add-on extras such as philanthropy.

“CSR is about how companies manage the business processes to produce an overall positive impact on society”. Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large

Environmental protection is the practice of protecting the natural environment by individuals, organizations and governments. Its objectives are to conserve natural resources and the existing natural environment and, where possible, to repair damage and reverse trends. In the industrial countries, voluntary environmental agreements often provide a platform for companies to be recognized for moving beyond the minimum regulatory standards and thus support the development of best environmental practice.

Environmental protection defined Policies and procedures aimed at conserving the natural resources, preserving the current state of natural environment and, where possible, reversing its degradation.

Social Awareness is the ability to take the perspective of and empathize with others from diverse backgrounds and cultures, to understand social and ethical norms for behavior, and to recognize family, school, and community resources and supports. Social awareness is a crucial component of appropriate classroom behavior, which contributes to an environment conducive to learning. Social awareness is also widely established as an important factor in workforce success. One recent employer survey conducted by the Partnership for 21st Century Skills demonstrates that four of the five most important skills for high school graduates entering the work force are linked to social awareness: professionalism, collaboration, communication, and social responsibility.

Economic Development is poverty continues to be one of the world’s most fundamental and urgent issues and no development is real unless it addresses the poverty. The key to poverty alleviation rests in wealth creation. Business is a core human activity and is at its best when it has clear goals and practical targets. It is about balancing the economic, social and environmental issues over the short and longer-term. Business and industry play a crucial role in the social and economic development of a nation.

Literature of review

Chomvilailuk and Butcher (2010) investigated effectively the CSR initiatives on brand preference in the Thai banking sector. Experimental design was used to test the hypotheses in a bank setting. Three CSR initiatives were tested against a predictor variable of perceived brand quality and moderated by age, CSR predisposition and cultural values. The CSR initiatives comprised commitment to CSR; type of CSR programme; and transparency. Written vignettes discussed as press releases but the bank was used as stimulus materials and a survey completed by 219 consumers in Thailand. All three CSR initiatives modest but significant effect on brand preference. The level of influence varied according to age, CSR predisposition and cultural value of individualism, commitment to CSR was found to be a

strong contributor to brand preference. Similarly in those groups with a high-power distance, brand preference was more influenced by CSR initiatives.

Aziz and Mustaffa (2015) reported that nowadays, suppliers in order to maintain and improve their positions against other national and international suppliers take advantage of their brand equity. The aim of this study was to identify the factors influencing industrial brand equity from the perspective of buying center members. 110 questionnaires were distributed among members of the buying center industry and 98 questionnaires were completed for analysis. Research indicates a significant positive effect of perceived quality; brand loyalty, social responsibility of supplier and quality of relationship between the buyer's suppliers on industrial brand equity. The effect of brand awareness on industrial brand equity was insignificant. This comprehensive model includes major factors affecting industrial brand equity that is appropriate for Malaysian suppliers to maintain and improve industrial brand equity in B2B markets.

Mohr and Webb (2005) stated the influence of CSR and price on consumer responses. Scenarios were created to manipulate CSR and price across two domains (environment and philanthropy). The questionnaire each person received contained one randomly assigned experimental or control treatment scenario and scales measuring the appropriate variables. 1997 questionnaires mailed, 51 were returned as undeliverable. Results from a national sample of adults indicate that CSR in both domains had a positive impact on evaluation of the company and purchase intent. Furthermore, in the environmental domain CSR affected purchase intent more strongly than price did.

Curra's et. al. (2009) analyzed the influence of the perception of CSR on consumer-company identification. The analysis involves an examination of the influence of CSR image on brand identity characteristics which provide consumers with an instrument to satisfy their self- definitional needs, thereby perceiving the brand as more attractive. Also, the direct and mediated influences, of CSR-based C-C identification on purchase intention are analyzed. The results offer empirical evidence that CSR generates more C-C identification because it improves brand prestige and distinctiveness; brand attractiveness in the context of CSR communication. Finally, CSR-based C-C identifications able to generate directly better attitude towards the brand and greater purchase intention.

Carvalho et. al. (2010) evaluated the response of Brazilian consumers to CSR initiatives accompanied by a price increase. They demonstrate that the extent to which Brazilian consumers perceived a company to be socially responsible is related to both the basic transactional outcome of purchase intentions as well as two relational outcomes: the likelihood to switch to a competitor and to complaint about the CSR based price increase. More interestingly they find that these relationships are jointly mediated by the consumers' perceptions of price fairness and feelings of personals satisfaction. Perhaps most interesting they find that these mediating effects vary with consumers purchasing power; the mediating effect of price fairness on purchase intention is stronger for lower income than for higher income consumer, whereas the mediating effect of personals satisfaction on switching and complaining intention are stronger for higher income than for lower income consumers.

Research Methodology

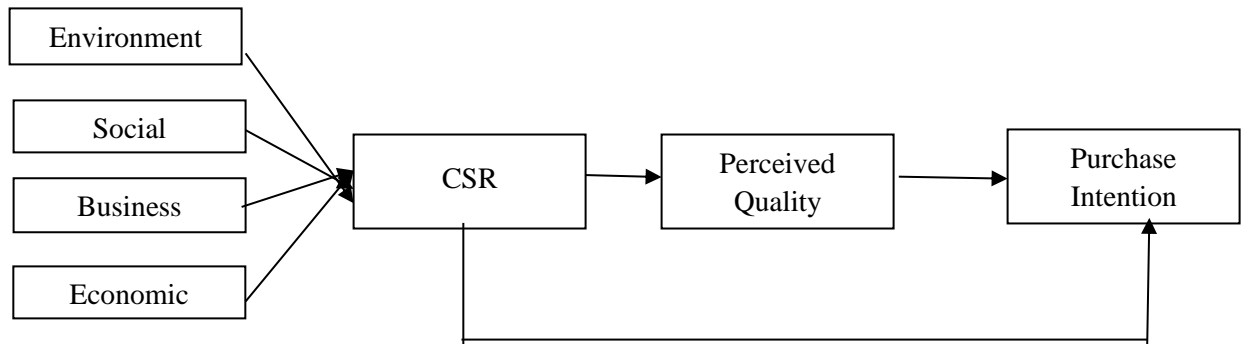
This study is descriptive in nature which describes the dimensions of Corporate Social Responsibility, Perceived Quality and Purchase Intention. Non-probability purposive sampling technique was used for primary data collection. The researcher has analyzed the relationship between the dimensions of CSR. For this purpose, a sample size of 445 consumers who consume Sakthi Masala cooking products are selected by using the inventory developed.

Validity and Reliability

The researcher has done the pilot study and tested the validity and reliability. The study was undertaken at Erode district of Tamil Nādu. The confirmatory factor analysis is used to find out the validity of statements. The obtained Reliability (cronbach's α) values are found to be 0.884 for Corporate Social Responsibility, 0.881 for Perceived Quality 0.973 for Brand Image

CONCEPTUAL FRAME WORK

Several researchers have pointed out that Corporate Social Responsibility (CSR) and implementation of social and ethically responsible activities have a remarkable impact on its purchase intention among the consumers' mind. Mohr and Webb (2005) results from a national sample of adults indicate that CSR in both domains had a positive impact on evaluation of the company and purchase intent. Arren et al. (2006) consumer consider the timing of the social initiative as an informational cue and only the high-fit, proactive initiatives' led town improvement in consumer belief, attitudes and intentions. Curra's et al, (2009) results offer empirical evidence that CSR generates more C-C identification because it improves brand prestige and distinctiveness; brand attractiveness in the context of CSR communication. Finally, CSR-based C-C identifications able to generate directly better attitude towards the brand and greater purchase intention. Carvalho et al, (2010) interestingly find that these relationships are jointly mediated by the consumers' perceptions of price fairness and feelings of personals satisfaction. Perhaps most interesting they find that these mediating effects vary with consumers purchasing power; the mediating effect of price fairness on purchase intention is stronger for lower income than for higher income consumer, whereas the mediating effect of personals satisfaction on switching and complaining intention are stronger for higher income than for lower income consumers. Ferreira (2010) study indicated that companies have the opportunity to respond to their consumers desires of feeling good about a purchase, while achieving their business goals and simultaneously, giving their own contribution of society. Ali et al, (2010) found no relationship between awareness of CSR actives and consumer purchase intention. However significant relationship was observed between service quality and customer satisfaction. Moreover, the study noted no relationship between consumer satisfaction and purchase intention and consumer retention for cellular industry of Pakistan. Ali (2011) found significantly positive influence of CSR on building corporate reputation of doing good and developing customer purchase intention.



Objectives

- To know the CSR initiatives its influence on purchase intention
- To analyze the Perceived quality among the consumers and identify its influence on purchase intention.

HYPOTHESIS

H1: There is a positive relationship between CSR, Perceived Quality and Purchase Intention.

RESULTS AND DISCUSSION

Table- 1: Results of mean, Standard Deviation, One-Way Analysis of Variance and independent Sample ‘t’-test among the consumers in CSR awareness about Sakthi Masala products

Demographic variables	Categories	N	Mean	Std. Deviation	t/F-value	‘p’-value
Gender	Male	288	4.17	0.26	5.153	0.024*
	Female	157	4.23	0.24		
Age	upto-25 Years	43	4.21	0.16	3.959	0.004**
	26 to 30 Years	111	4.20	0.25		
	31 to 35 Years	104	4.26	0.23		
	36 to 40 Years	120	4.15	0.28		
	Above 41 Years	67	4.12	0.29		
Educational qualification	School level	21	4.37	0.14	4.036	0.008**
	Diploma/ITI	45	4.17	0.29		
	Graduate	199	4.17	0.25		
	Post Graduate	180	4.19	0.25		
Marital status	Unmarried	77	4.11	0.24	10.040	0.002**
	Married	368	4.21	0.25		
Occupation	House wife	43	4.21	0.16	1.173	0.320 NS
	Self-employed	121	4.21	0.26		
	Govt employee	120	4.15	0.27		
	Private-Employee	161	4.20	0.25		

Monthly income	Below Rs-10000	49	4.35	0.16	10.606	0.000**
	Rs-10001 - Rs-20000	185	4.15	0.25		
	Rs- 20001 - Rs-30000	121	4.21	0.26		
	Rs-30001 - Rs-40000	59	4.09	0.29		
	Above Rs- 40001	31	4.30	0.11		
Family Type	Nuclear Family	75	4.22	0.26	11.169	.001**
	Joint Family	243	4.16	0.24		
Place of Residence	Urban	71	4.11	0.27	.911	.403 ^{NS}
	Semi-urban	208	4.18	0.23		
	Rural	166	4.24	0.27		
Place of Shopping of Sakthi Masala	Petty Shop	18	4.21	0.16	6.700	.000**
	Grocery Shop	255	4.20	0.26		
	Supermarket	125	4.15	0.27		
	Departmental Store	47	4.20	0.25		
Frequency of Purchase	Daily	82	4.17	0.24	20.077	.000**
	Weekly	147	4.21	0.23		
	Fortnight	127	4.20	0.29		
	Once in a Month	89	3.97	0.19		
Total		445	4.19	0.25		

*- significant at 0.05 level. **significant at 0.01 level.

RESULTS OF ONE-WAY ANOVA

CSR awareness among the consumers of Sakthi Masala Cooking Products is compared according to their demographic variable and the results are presented in Table-1. Gender - wise, the mean scores are found to be 4.17 for male and 4.23 for female; Age-wise the mean scores are found to be 4.21 for up to 25 years, 4.20 for 26-30 years, 4.26 for 31 to 35 years, 4.15 for 36-40 years and 4.12 for above 41 years age groups. Educational qualification-wise the mean scores are found to be 4.37 for School level educated, 4.17 for Diploma/ITI holders, 4.17 for Graduation and 4.19 for Post-Graduation. Marital status-wise mean scores are found to be 4.11 for Unmarried and 4.21 for Married. Occupation-wise the mean scores are found to be 4.21 for Housewives and Self-Employed group, 4.15 for Government Employees and 4.20 for Private Employees. Monthly Income-wise the mean scores are found to be 4.35 for up to Rs.10,000 Income group, 4.15 for Rs.10,001 to 20,000 income group, 4.15 for Rs.20,001 to 30,000 income group, 4.09 for Rs.30,001 to 40,000 income group and 4.30 for above Rs.40,001 income group. Family Type-wise the mean score is found to be 4.22 for Nuclear Family, 4.16 for Joint Family group. Place of residence-wise, the mean scores are found to be 4.11 for urban group respondents, 4.18 for semi-urban residents and 4.24 for rural residents. Place of Shopping - wise the mean score is found to be 4.21 for Petty shop consumers, 4.20 for Grocery Shop, 4.15 for Supermarket and 4.20 for Departmental Store consumer group respondents. Frequency of Purchase-wise the mean score is found to be 4.17 for Daily Consumers, 4.21 for Weekly purchase consumers, 4.20 for Fortnight purchase consumers and 3.97 for once in a month purchase consumer group respondent.

To sum up the results the mean scores of CSR awareness among the consumers of Sakthi Masala Food Products according to the demographic variables, Gender-wise Female group; Age-wise 31 to 35 years groups; Educational Qualification-wise, School level educated; Marital status-wise Married group; Monthly income-wise, up to Rs.10,000 income group; Family size-wise, Nuclear family groups; Place of Shopping-wise Petty shop consumer group; Frequency of Purchase-wise Weekly purchase consumers have more awareness than other group consumer. Further the results of One-Way Analysis Of Variance show that 0.01 level significant differences are found among the respondents according to their Age, Educational Qualification, Monthly Income, Place of Residence, Place of Shopping and Frequency of Purchase the result of independent sample ‘t’ test shows that there is 0.01 level significant difference for Marital Status and Family Type, and 0.05 level significant difference is found in Gender their CSR awareness the towards Sakthi Masala Company.

Table- 2 results of mean, Standard Deviation, One-Way Analysis of Variance and independent Sample ‘t’-test among the consumers in Perceived Quality about Sakthi Masala products

Demographic variables	Categories	N	Mean	Std. Deviation	t/F-value	‘p’-value
Gender	Male	288	4.10	0.44	3.951	.047*
	Female	157	4.19	0.47		
Age	upto-25 Years	43	4.14	0.28	.664	.617NS
	26 to 30 Years	111	4.12	0.51		
	31 to 35 Years	104	4.18	0.47		
	36 to 40 Years	120	4.12	0.47		
	Above 41 Years	67	4.06	0.38		
Educational qualification	School level	21	4.13	0.43	1.256	.289NS
	Diploma/ITI	45	4.07	0.32		
	Graduate	199	4.10	0.49		
	Post Graduate	180	4.18	0.45		
Marital status	Unmarried	77	3.93	0.42	18.865	.000**
	Married	368	4.17	0.45		
Occupation	House wife	43	4.14	0.28	4.496	.004**
	Self-employed	121	4.25	0.47		
	Govt employee	120	4.05	0.46		
	Private-Employee	161	4.09	0.47		
Monthly income	Below Rs-10000	49	4.47	0.40	16.699	.000**
	Rs-10001 - Rs-20000	185	3.98	0.37		
	Rs- 20001 - Rs-30000	121	4.25	0.47		
	Rs-30001 - Rs-40000	59	4.02	0.52		
	Above Rs- 40001	31	4.19	0.42		
Family Type	Nuclear Family	75	4.05	0.46	16.873	.000**
	Joint Family	243	4.22	0.43		
Place of	Urban	71	4.01	0.50	2.860	.058NS

Residence	Semi-urban	208	4.15	0.45		
	Rural	166	4.15	0.43		
Place of Shopping of Sakthi Masala	Petty Shop	18	4.53	0.47	10.531	.000**
	Grocery Shop	255	4.08	0.43		
	Supermarket	125	4.23	0.48		
	Departmental Store	47	3.95	0.40		
Frequency of Purchase	Daily	82	4.14	0.19	20.471	.000**
	Weekly	147	4.11	0.52		
	Fortnight	127	4.33	0.51		
	Once in a Month	89	3.87	0.23		
Total		445	4.13	0.45		

*- significant at 0.05 level. **significant at 0.01 level.

Perceived Quality among the consumers of Sakthi Masala Cooking Products is compared according to their demographic variable and the results are presented in Table-2. Gender -wise, the mean scores are found to be 4.10 for male and 4.19 for female; Age-wise the mean scores are found to be 4.14 for up to 25 years, 4.12 for 26-30 years, 4.18 for 31 to 35 years, 4.12 for 36–40 years and 4.06 for above 41 years age groups. Educational qualification-wise the mean scores are found to be 4.13 for School level educated, 4.07 for Diploma/ITI holders, 4.10 for Graduation and 4.18 for Post-Graduation. Marital status-wise mean scores are found to be 3.93 for Unmarried and 4.17 for Married. Occupation-wise the mean scores are found to be 4.14 for Housewives, 4.25 for Self-Employed group, 4.05 for Government Employees and 4.09 for Private Employees. Monthly Income-wise the mean scores are found to be 4.47 for up to Rs.10,000 Income group, 3.98 for Rs.10,001 to 20,000 income group, 4.25 for Rs.20,001 to 30,000 income group, 4.02 for Rs.30,001 to 40,000 income group and 4.19 for above Rs.40,001 income group. Family Type-wise the mean score is found to be 4.05 for Nuclear Family, 4.22 for Joint Family group. Place of residence-wise, the mean scores are found to be 4.01 for urban group respondents, 4.15 for semi-urban residents and 4.15 for rural residents. Place of Shopping - wise the mean score is found to be 4.53 for Petty shop consumers, 4.08 for Grocery Shop, 4.23 for Supermarket and 3.95 for Departmental Store consumer group respondents. Frequency of Purchase-wise the mean score is found to be 4.14 for Daily Consumers, 4.11 for Weekly purchase consumers, 4.33 for Fortnight purchase consumers and 3.87 for once in a month purchase consumer group respondent.

To sum up the results the mean scores of Perceived Quality among the consumers of Sakthi Masala Food Products according to the demographic variables, Gender-wise Female group; Marital status-wise Married group; Occupation-wise Self-Employee, Monthly income-wise, up to Rs.10,000 income group; Family size-wise, Joint family groups; Place of Shopping-wise Petty shop consumer group; Frequency of Purchase-wise Fortnight purchase consumers have more awareness than other group consumer. Further the results of One-Way Analysis Of Variance show that 0.01 level significant differences are found among the respondents according to their Occupation, Monthly Income, Place of Shopping and Frequency of Purchase. the result of independent sample ‘t’ test shows that there is 0.01 level significant difference for Marital Status and Family Type, and 0.05 level significant difference is found in Gender their Perceived Quality the towards Sakthi Masala Company.

Table- 3 results of mean, Standard Deviation, One-Way Analysis of Variance and independent Sample ‘t’-test among the consumers in Purchase Intention about Sakthi Masala products

Demographic variables	Categories	N	Mean	Std. Deviation	t/F-value	‘p’-value
Gender	Male	288	4.15	0.49	0.034	0.85 ^{NS}
	Female	157	4.16	0.53		
Age	upto-25 Years	43	4.05	0.29	1.729	0.14 ^{NS}
	26 to 30 Years	111	4.25	0.50		
	31 to 35 Years	104	4.16	0.56		
	36 to 40 Years	120	4.12	0.54		
	Above 41 Years	67	4.11	0.42		
Educational qualification	School level	21	3.95	0.66	2.891	0.04*
	Diploma/ITI	45	4.08	0.51		
	Graduate	199	4.12	0.50		
	Post Graduate	180	4.22	0.48		
Marital status	Unmarried	77	4.07	0.45	2.441	0.12 ^{NS}
	Married	368	4.17	0.51		
Occupation	House wife	43	4.05	0.29	5.914	0.00**
	Self-employed	121	4.27	0.53		
	Govt employee	120	4.02	0.51		
	Private-Employee	161	4.19	0.50		
Monthly income	Below Rs-10000	49	4.60	0.34	20.052	0.00**
	Rs-10001 - Rs-20000	185	3.99	0.42		
	Rs- 20001 - Rs-30000	121	4.27	0.53		
	Rs-30001 - Rs-40000	59	4.03	0.52		
	Above Rs- 40001	31	4.15	0.50		
Family Type	Nuclear Family	75	4.05	0.48	24.142	0.00**
	Joint Family	243	4.28	0.50		
Place of Residence	Urban	71	4.01	0.52	3.456	0.03*
	Semi-urban	208	4.19	0.46		
	Rural	166	4.16	0.54		
Place of Shopping of Sakthi Masala	Petty Shop	18	4.48	0.52	13.215	0.00**
	Grocery Shop	255	4.10	0.48		
	Supermarket	125	4.32	0.51		
	Departmental Store	47	3.89	0.44		
Frequency of Purchase	Daily	82	4.38	0.25	11.715	0.00**
	Weekly	147	4.08	0.48		
	Fortnight	127	4.21	0.66		
	Once in a Month	89	3.97	0.34		
Total		445	4.15	0.50		

*- significant at 0.05 level; **significant at 0.01 level; NS – Not Significant

Purchase Intention among the consumers of Sakthi Masala Cooking Products is compared according to their demographic variable and the results are presented in Table-3. Gender -wise, the mean scores are found to be 4.15 for male and 4.16 for female; Age-wise the mean scores are found to be 4.05 for up to 25 years, 4.25 for 26-30 years, 4.16 for 31 to 35 years, 4.12 for 36–40 years and 4.11 for above 41 years age groups. Educational qualification-wise the mean scores are found to be 3.95 for School level educated, 4.08 for Diploma/ITI holders, 4.12 for Graduation and 4.22 for Post-Graduation. Marital status-wise mean scores are found to be 4.07 for Unmarried and 4.17 for Married. Occupation-wise the mean scores are found to be 4.05 for Housewives, 4.27 for Self-Employed group, 4.02 for Government Employees and 4.19 for Private Employees. Monthly Income-wise the mean scores are found to be 4.60 for up to Rs.10,000 Income group, 3.99 for Rs.10,001 to 20,000 income group, 4.27 for Rs.20,001 to 30,000 income group, 4.03 for Rs.30,001 to 40,000 income group and 4.15 for above Rs.40,001 income group. Family Type-wise the mean score is found to be 4.05 for Nuclear Family, 4.28 for Joint Family group. Place of residence-wise, the mean scores are found to be 4.01 for urban group respondents, 4.19 for semi-urban residents and 4.16 for rural residents. Place of Shopping - wise the mean score is found to be 4.48 for Petty shop consumers, 4.10 for Grocery Shop, 4.32 for Supermarket and 3.89 for Departmental Store consumer group respondents. Frequency of Purchase-wise the mean score is found to be 4.38 for Daily Consumers, 4.08 for Weekly purchase consumers, 4.21 for Fortnight purchase consumers and 3.97 for once in a month purchase consumer group respondent.

To sum up the results the mean scores of Purchase Intention among the consumers of Sakthi Masala Food Products according to the demographic variables, Educational Qualification-wise Post Graduate group; Occupation-wise Self-Employee, Monthly income-wise, up to Rs.10,000 income group; Family size-wise, Joint family groups; Place of Residence-wise Semi-Urban group, Place of Shopping-wise Petty shop consumer group; Frequency of Purchase-wise Fortnight purchase consumers have more awareness than other group consumer. Further the results of One-Way Analysis Of Variance show that 0.01 level significant differences are found among the respondents according to their Occupation, Monthly Income, Place of Shopping and Frequency of Purchase and 0.05 level significant differences is found among the respondents according to their Educational Qualification and Place of Residence. The result of independent sample ‘t’ test shows that there is 0.01 level significant difference for Family Type their Purchase Intention the towards Sakthi Masala Company.

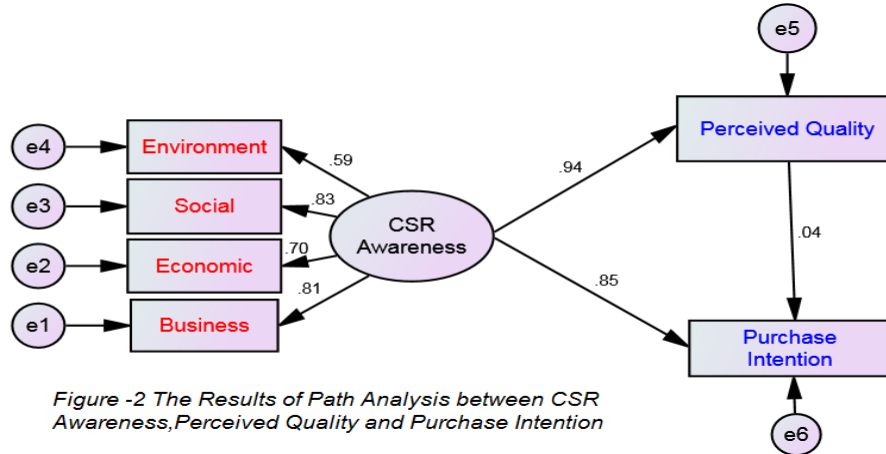


Figure -2 The Results of Path Analysis between CSR Awareness, Perceived Quality and Purchase Intention

RESULTS OF PATH ANALYSIS

The result of path analysis is shown in Figure-2. It is implied from the results that Corporate Social Responsibility has a significant positive influence on Purchase Intention among the consumers. Corporate Social Responsibility dimensions and Perceived Quality show a very good fit of the sample data. All values of Chi-Square, GFI, CFI, RMR, NFI, and RMSEA are in acceptable range. Chi-Square-57.317; degree of freedom-8; probability level-000; CMIN/DF-7.165; GFI-0.970; RMR-0.005; NFI-0.970; CFI-0.974; RMSEA-0.118. The value of β between CSR Awareness, Purchase Intention is indicating that CSR Awareness significantly predicts Perceived Quality and Purchase Intention of consumers. Thus, the hypothesis -1 is accepted.

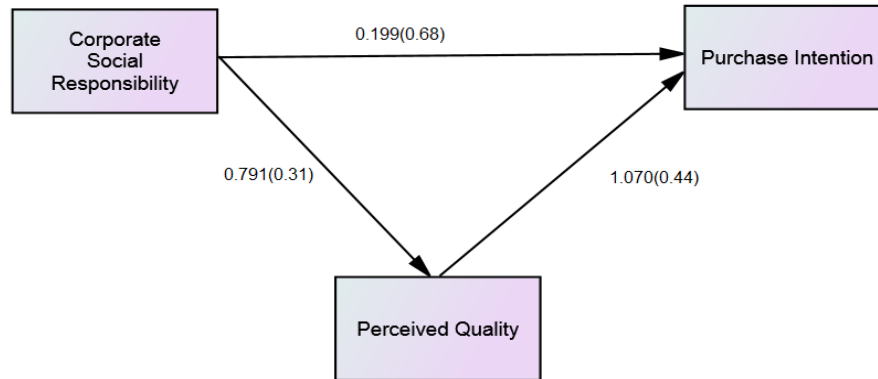


Figure – 3 Mediation of Perceived Quality between Corporate Social Responsibility and Purchase Intention

To test the mediation of Perceived Quality, between Corporate Social responsibility and Purchase Intention Sobel test is used (Figure-3). The indirect effect of the Corporate Social Responsibility on Purchase Intention through the mediating variable Perceived Quality is found to be significant, since the calculated Sobel test statistic is 2.907 and both one-tailed ($p=0.001$) and two-tailed ($p=0.003$) probability values are significant. It is very clear from this result that Perceived Quality mediate at the relationship between Corporate Social Responsibility and Purchase Intention, which indicates full mediation.

SUGGESTIONS

Corporate Social responsibility allows an organization to nurture its assets, which include goodwill, trust and a good reputation. Social responsibility contributes to the improvement of communities and providing solutions to social problems in society. This is in connection with the foregone conclusion that everyone individuals and entities alike have a responsibility to society. CSR is not limited to donating money or other material items. Even a number of hours of doing volunteer work will do, and are likely to be instrumental in helping their brand small, though it is gaining recognition.

Purchase Intention by being socially responsible company it demonstrates ethical practices, customers are becoming increasingly aware about local, national and global issues, and there is no denying that their buying decisions are now being greatly influenced by these issues. Therefore, they tend to buy more from companies that show their concern and their action over issues that also resonate greatly with the customers.

CONCLUSION

The present study provides a number of findings involving both the consumer and the present company. Knowing that number of consumers agree that they would be influenced in their purchasing the Corporate Social Responsibility. Customers indicated that environmental and health qualities would have a high degree of importance when they decided which products to buy, but the results indicate that there is a significant discrepancy between consumer attitudes towards socially responsible products, and their purchasing. We found that there is no relationship between the responsibility of the company and how well its products are selling. More specifically, consumers buy fewer products with well-advertised CSR than products that have CSR advertising with the exception, which shows the highest percentage sales ranking with respect to higher CSR scores.

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