Influence of Corporate Social Responsibility on Loyalty and Valuation of Services
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This paper tries to shed some more light on the concept of corporate social responsibility from a consumer’s perspective. For this research paper, the authors conducted a market research survey based on mobile telephone subscribers in the Spanish market, collecting the consumers’ direct perceptions about the behavior of the operating firms in terms of economic, ethical-legal and philanthropic issues. The research confirmed that these are the three dimensions of corporate behavior from a consumer’s perspective. (The concept referring to sponsorship of social events was eliminated from the philanthropic dimension because it was more commercial in nature.)

From the literature review, it became clear that studies oriented towards the consumers need to be developed even more since the consequences of socially responsible actions in this segment are still unclear. The authors proposed a hypothesis that firms’ socially responsible behavior had a direct and positive influence on users in their overall valuation of the service. This was confirmed by the research. However, no direct relation between the perception of social responsibility and consumers’ loyalty towards the firm was observed. Nevertheless, corporate social responsibility does influence loyalty indirectly via the overall valuation the user makes of the service received.

The authors also conclude that a company with well defined ethical codes and a clear philosophy of social commitment, respect for the environment and honesty in its relationships with the stakeholders will be able to achieve better economic results.

The first step to improve the socially responsible activities of a firm is to understand the meaning and implications of this philosophy. It is important to subscribe to international codes and initiatives in order to formalize the policy with regard to this matter. Also one must realize that the influence on consumers’ attitudes will take effect only when the users perceive that the firms do indeed carry out socially responsible actions. Defining ethical codes is simply not enough. A company should also communicate intelligently its social orientation and its environmental involvement. It can use the internet and the mass media for this.

There are various limitations in this paper though. The authors have come to their conclusions by testing in only a specific sector in the services market. It is necessary to broaden the study to other environments too. Also the authors have worked with global constructs of social responsibility, overall valuation and loyalty and not with each dimension individually. There is also a need to further develop the measuring scale of social responsibility from the consumers’ perspective. More research is required in this sector so that future authors can have a deep understanding of how consumers understand social responsibility.

Taking into account the scarcity of studies oriented towards consumers, the current work does provide some new ideas about the components of social responsibility and its benefits to service providers. At the same time, it would stimulate new research that can deepen our knowledge of commercial implications of companies’ efforts and investment in socially responsible behavior.

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