Journal of Business and Economics, ISSN 2155-7950, USA November 2016, Volume 7, No. 11, pp. 1895-1906 DOI: 10.15341/jbe(2155-7950)/11.07.2016/015 © Academic Star Publishing Company, 2016

http://www.academicstar.us



The Role of Corporate Social Responsibility in Influencing Brand Loyalty: Evidence from the Ghanaian Telecommunication Industry

Prince Kodua, Bedman Narteh, Mahama Braimah, Priscilla Mensah (University of Ghana Business School, Ghana)

Abstract: Though Corporate Social Responsibility has been of concern to theory and practice, research investigating customers' reaction to the different Corporate Social Responsibility dimensions is scant, particularly in sub-Saharan Africa. Moreover, the relationship between corporate social responsibility and brand loyalty has been under researched. The current study explores the relationship between the dimensions of Corporate Social Responsibility; ethical, legal, and philanthropic and their relationship with brand loyalty using 350 subscribers of mobile networks. The results indicate that CSR dimensions with the exception of legal responsibility are significantly associated with brand loyalty.

Key words: corporate social responsibility; brand loyalty; telecommunication; Ghana

JEL code: M

1. Introduction

There is a growing body of literature on the Corporate Social Responsibility (henceforth referred to as CSR) construct (Maignan et al., 2005; Ramasamy & Yeung, 2009; Carroll & Shabana, 2010). In the marketing literature, CSR has gradually come to be considered a good strategic marketing tool that has significant influence on consumer behavior or reactions (Maignan et al., 2005; Sen et al., 2006). Pertinently, this is attributed to the increased consumer demand for more than high-quality products and preference for brands that are socially reputed even at higher prices when evaluating similar products/services (Trudel & Cotte, 2009). Additionally, the competitive advantages a firm may gain by concentrating on such non-economic factors also account for the growing interest (He & Lai, 2014).

Though marketing scholarship has witnessed an increased focus on the subject in relation to consumer reactions and studies have proposed a direct association between CSR and consumer responses, the empirical evidence remains rather conflictive. Generally, several studies submit to the significant influence of CSR on consumer-related outcomes such as brand choice and recommendations, purchase intention and customer loyalty (Sen & Bhattacharya, 2001; Werther & Chandler, 2005). However, other studies argue that CSR has no relevance for consumer decisions (Castaldo et al., 2009) on the basis that consumers may fail to recognize the bad social behaviour of companies when purchasing. Some studies also demonstrate that the relationship between a company's CSR activities and consumer reaction is not always apparent (He & Lai, 2014). For instance, Salmones et al. (2005)

Prince Kodua, Ph.D., Lecturer, University of Ghana Business School, University of Ghana; research areas/interests: brand management, corporate social responsibility, consumer behaviour. E-mail: pkodua@ug.edu.gh/pkodua@staff.ug.edu.gh.

observed no direct relationship between social responsibility perceptions and consumers' loyalty towards a company, though Werther and Chandler (2005) found that CSR had a direct positive effect on brand loyalty. A recent study in the Hong Kong cosmetic industry (He & Lai, 2014) also revealed that CSR has an indirect relationship with brand loyalty through functional and symbolic image. The lack of coherence among these studies lends credence to Maignan's (2001) submission that the CSR construct has variations of dimensions with differing influence on consumer behavior in diverse contexts. What's more, the concept of CSR and most empirical studies on the subject are predominantly from developed economies such as the US, UK and Singapore (Maignan, 2001; Becker-Olsen et al., 2006) with arguably few focusing on developing countries (Ramasamy & Yeung, 2009; Shergill, 2012) and Sub-saharan Africa (Ameshi et al., 2006). A bit more recently Lindgreen et al. (2010) reverberates Maignan's (2001) position by arguing that what constitutes CSR in the developed countries may be less useful in other contexts. In addition, studies on CSR have spanned such contexts of the service industry as banking (Moharana, 2013; Mandhachitara & Poolthong, 2011), hospitality and tourism (Martinez & del Bosque, 2013), and healthcare (Smith, 2010).

Our review of the literature, however, indicates a paucity of research linking CSR to brand loyalty even though brand loyalty is a major issue facing telecommunication companies today (Henry & Quansah, 2013). In our opinion, a study of the influence of CSR on brand loyalty is suitable and also opportune. Given the likely difference that may exist in the relative priorities of CSR between developed and developing countries and the international scope of corporate activities today, it is imperative for businesses to know consumers' perception of CSR and how it influences their attitude and behaviour from other developments. Such a study will offer managers with decision points on how to retain and ensure customer loyalty to their brands. The objective of the current study is to identify the dimensions of CSR and to determine the relative importance of these dimensions in influencing brand loyalty based on data collected from subscribers in the telecommunication industry in Ghana. The choice of the telecommunication industry as a reference point is based on the active engagement of companies in this sector in social activities which situates them as socially responsible, and the dearth of literature on the telecommunication sector generally with respect to CSR. In addition, the growing importance of the industry in the Ghanaian economy and the increased competitive pressures providing subscribers with suitable alternatives make the industry a fitting choice for the study.

2. Contextual Background: The Ghanaian Telecommunication Industry

The telecommunication industry in Ghana is one of the most competitive sectors in the country (Henry & Quansah, 2013). There are currently 6 service providers operating in the country with a subscriber base of 27,551,503 (National Communication Authority, 2013). It is important to mention that Ghana is one of the pioneering countries to liberalize and deregulate its telecommunications sector within Africa. For instance, the privatization and re-privatization of Ghana Telecom (GT) in 1996 and 2008 respectively, was a major catalyst for an extraordinary growth in market competition across the mobile, internet and fixed-line sectors. The second national operator, Westel, was also re-privatized, in 2007, becoming a member of the Zain Group, one of Africa's leading mobile operators. The Group was taken over by Bharti Airtel of India in 2010. The arrival of an additional two new international submarine fibre optic cables in 2012 and 2013 has significantly increased international bandwidth, and has added considerable competition to a sector previously dominated by GT through its interest in the SAT-3/WASC cable. Another development in the industry that affected the competitive landscape is the mobile

number portability facilitated by the Government of Ghana (Henry & Quansah, 2013).

As a result, customers have become well-informed with a lot of options and sophisticated in their demands compelling most companies to implement value added strategies to delight them. As CSR has been suggested as a marketing tool for influencing consumer decision and behavior (Maignan et al., 2005; He & Lai, 2014), the current study provides empirical evidence about its impact on brand loyalty in the Ghanaian telecommunication industry. For telecommunication companies, the need to retain and ensure that they deliver value to customers has never been more important.

3. Literature Review and Hypotheses Development

3.1 Corporate Social Responsibility and Brand Loyalty

The concept of CSR has been discussed by several post-millennial marketing scholars (Becker-Olsen et al., 2006; Staudt et al., 2014). From the earliest definitions provided by Bowen in 1953, the terminologies used for explaining and the meaning attributed to the concept keeps evolving. Despite the lack of consensus on an overarching definition and contents of CSR practices (Carroll & Shabana, 2010), a widely accepted CSR framework, includes four dimensions: economic, legal, ethical and philanthropic as conceptualized by Carroll (1991). Extant literature has shown that firms experience various benefits for pursuing corporate social responsibility such as improved image and competitiveness, positive influence on customer acquisition and retention, and employee motivation and business performance (Hinson & Kodua, 2012). More importantly, other scholars have linked CSR with brand loyalty (Werther & Chandler, 2005).

Brand loyalty is seen as a vital objective for a firm's survival and growth, as such, building a loyal customer base has become a major marketing goal and an essential basis for developing competitive edge (Mandhachitara & Poolthong, 2011). Understanding loyalty cultivation is thus regarded a critical element in maximizing and delivering long-term corporate profitability (Oliver, 1999). Brand loyalty according to (Oliver, 1999) refers to a deeply held dispositional commitment, which induces users to resist situational influences and marketing efforts that might have the potential to cause brand switching behaviours. Brand loyalty is expected to result from a person's overall disposition toward the brand based on the supposition that it is the final outcome of a consumer's brand evaluation (Dick & Basu, 1994). For this reason, brand loyalty is viewed in terms of behaviour and attitude in the marketing literature. Maignan (2001) proposes that defining the multidimensionality of CSR based on the different expectations of the various stakeholders is the best way to measure the concept. On the basis that consumers are the largest stakeholder group for firms (Ramasamy & Yeung, 2009), this study focuses on their perception of CSR. Furthermore, premised on the view of Smith et al. (2001) that except in some special conditions consumers are not concerned with the economic responsibilities of a firm, we focused on ethical, legal and philanthropic responsibilities. In the next section, we discuss these dimensions of CSR and their possible relationship with brand loyalty and also formulate hypotheses to guide the empirical investigation.

3.2 Legal Responsibility

Legal responsibility has frequently been referenced by existing literature as an essential dimension of CSR and scholars have pointed to the role of legal responsibilities in influencing consumer perception and decisions (Klein & Dawar, 2004; He & Lai, 2014). A company's legal responsibility is to follow the laws that legislators enforce to protect employees, stockholders, consumers and suppliers (Carroll, 1991). Though legal responsibilities are indispensable requirements in the functioning of businesses regardless of further changes in consumers'

mindset, the knowledge of a brand obeying the laws sends signals that give consumers confidence in their choice (He & Lai, 2014). Legal responsibilities serve as an 'insurance policy' for consumers when evaluating product/service quality (Klein & Dawar, 2004). As brand loyalty is expected to result from a consumers' overall disposition toward the brand (Dick & Basu, 1994), legally responsible behavior projects companies as reliable and dependable in delivering quality services that satisfy customers. This will make them loyal. On this ground, we propose the first hypothesis as follows:

H1: Customer perception of corporate legally responsible behavior has a positive and significant relationship with brand loyalty

3.3 Philanthropic Responsibility

According to Gan (2006), Philanthropy in its initial forms and by definition, shoulders a certain degree of altruism and magnanimity. Crane and Matten (2004), are of the view that philanthropic responsibility relates to contribution to society in order to improve the general quality of life. Philanthropic responsibility is a means of firms meeting their economic responsibility by improving corporate reputation (Yusof et al., 2015). Ramasamy and Yeung (2009) in their evaluation of Chinese consumers' perception of CSR, found philanthropic responsibility as the least important to consumers. Yusof et al. (2015) also found philanthropic responsibility as the least influencing factor on loyalty in the Malaysian retail banking industry. However, in developing parts of the world, the purpose of philanthropic responsibilities in an organization is to advertise the corporate social responsibility demonstrations (Arora & Puranik, 2004). Philanthropic responsibility which is discretionary, is conventionally used by firms to show their obligation to society, and is likely to stimulate goodwill and influence customer attitudes and behavior. In view of this, the second hypothesis is thus stated as:

H2: Customer perception of corporate philanthropic behavior has a positive and significant relationship with brand loyalty

3.4 Ethical Responsibility

Ethical responsibility largely denotes moral principles that guide behavior (Creyer, 1997) that may not be essentially codified into laws but are expected by society (Carroll, 1991). The ethical or unethical behavior of a firm may have a substantial influence on consumer attitude towards that brand based on the supposition that consumers expect ethical corporate behaviour which serves as a point of reference for evaluative and purchase decisions (Creyer, 1997; Ranjan & Sahu, 2014). Illustratively, Creyer (1997) found that customers reward ethical behavior by a willingness to pay higher prices for that firm's product/service. Furthermore, research has shown that when consumers become aware of unethical procedures and activities, they shun brands/companies partaking in such activities (Sen & Bhattacharya, 2001). Businesses whose prime objective is to maintain good relationships with customers, clearly define and implement ethical values. This is likely to engender loyalty among customers. As such, we hypothesize that:

H3: Customer perception of corporate ethically responsible behavior has a positive and significant relationship with brand loyalty.

Following the literature review, this study argues that the three CSR dimensions will be positively and significantly related to brand loyalty. Figure 1 illustrates the proposed model of CSR and brand loyalty.

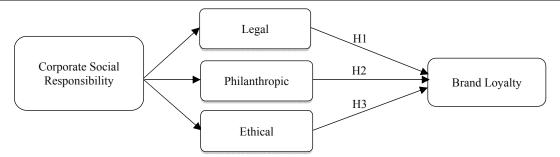


Figure 1 Conceptual Framework for Corporate Social Responsibility and Brand Loyalty

4. Methodology

4.1 Survey Instrument

Consistent with previous studies on CSR (He & Lai, 2014), a survey was conducted via the use of questionnaires. The design of the questionnaire was based on multiple-item measurement scales developed from literature. Consisting of a total of 21 items, all of the variables were measured on a 5-point likert scale. The first section of the questionnaire elicited demographic information and the second section obtained information pertaining to respondents' perceptions of the dimensions of CSR of their mobile service providers. Legal and ethical responsibilities were adapted from Salmones et al. (2005) and Carroll and Shabana (2010) and were each measured with four items. Philanthropic responsibility was measured with six items and was drawn from the literature (Kotler & Lee, 2005; Carroll & Shabana, 2010). Finally, the dependent variable — brand loyalty — was also culled from the literature (Quester & Lin, 2003; Keller, 2008) and measured with seven items.

4.2 Population, Sample and Data Collection

A convenience sample was drawn from the subscribers of the six major mobile telecommunication companies; MTN, Vodafone, Tigo, Airtel, Expresso and Glo given that there is no sample frame for mobile telecommunication service subscribers. The data was collected in July 2015 through self-administered questionnaire distributed to 400 sampled customers at workplaces, university campuses and shopping malls out of which 377 were successfully retrieved. After a thorough data-cleaning process, 27 cases were discarded because they were incomplete and therefore unfit for analysis. Finally, 350 completed questionnaires were used for the analysis. The data was analyzed using descriptive statistics, exploratory factor analysis, and multiple regression analysis.

5. Data Analysis and Results

5.1 Descriptive Statistics

From the statistics illustrated in Table 1, it is evident that all the respondents had at least some form of secondary and postsecondary education and therefore understood the implications of the study. Table 2 shows the details of the descriptive analysis of each of the scale variables (measures of the construct in the conceptual framework) used in the survey instrument particularly based on mean and standard deviation results. From the table the highest mean was 4.0429 (Contributes in cash and in-kind towards general community welfare) while the lowest was 3.0314 (Make me ignore or overlook certain bad or negative publicity or aspects of the brand).

Table 1 Demographic Profile of Respondents (N = 350)

	Sample Co	omnosition	
Profile of Respondents	N	%	
Number of networks subscribed to	1V	/0	
One	134	38.3	
Two	151	38.3 43.1	
Three	51	14.6	
Four	14	4.0	
Main network	100	20.4	
MTN	138	39.4	
Vodafone	84	24	
Tigo	81	23.1	
Airtel	43	12.3	
Expresso	2	0.6	
Glo	2	0.6	
Length of subscription			
1-2 years	69	19.7	
3-4 years	77	22	
5-6 years	93	26.6	
7-8 years	71	20.3	
9-10 years	11	3.1	
Above 10 years	29	8.3	
Age			
18-30 years	268	76.6	
31-40 years	57	16.3	
41-50 years	25	7.1	
Gender			
Male	157	44.9	
Female	193	55.1	
Educational qualification			
Senior Secondary School	68	19.4	
Commercial/ Vocational School Certificate	6	1.7	
Polytechnic/ University Diploma or Degree	184	52.6	
Master's Degree or Postgraduate Diploma	92	26.3	

5.2 Exploratory Factor Analysis and Rotated Principal Component Loadings

The 21 items used for the scales for the constructs were factor analyzed and subjected to principal components analysis (PCA). Prior to performing PCA, the suitability of data for factor analysis was assessed. Inspection of the correlation matrix revealed the presence of many coefficients with acceptable values of 0.3 and above. The Kaiser-Meyer-Olkin (KMO) value was .870, exceeding the recommended value of 0.6 (Kaiser, 1974) and Bartlett's Test of Sphericity reached statistical significance (Approx.: Chi-square = 2995.974, df = 210, sig. = 0.000), supporting the factorability of the scale variables. The principal components analysis also revealed the presence of four components with eigenvalues exceeding 1. The four-component solution altogether explained a total of 58.41% of the variance, with the highest component contributing 31.07% and the lowest component contributing 6.66%.

Table 2 One-Sample Statistics (Descriptive Statistics) (N = 350)

Variables	Code	Mean	SD
Operates in a manner consistent with expectations of regulations and law	LR1	3.7400	0.94753
Meets minimal legal requirements related to goods and services	LR2	3.5400	0.94693
Fulfills its legal obligation to shareholders, suppliers, distributors etc.	LR3	3.5914	0.86076
Obeys various federal, state and local regulations	LR4	3.9229	0.78838
Contributes in cash and in-kind towards general community welfare	PR1	4.0429	0.95809
Contributes directly in cash and in-kind toward behaviour change campaigns	PR2	3.5057	0.97752
Makes direct contributions to specific charity or social cause	PR3	3.8914	0.89551
Contributes toward community development through employee volunteerism	PR4	3.5200	0.92924
Funds institutions through provision of grants	PR5	3.4229	0.99485
Donates toward other socially responsible programmes in the community	PR6	3.8714	0.94432
Operates in a manner consistent with expectations of societal and ethical norms	ER1	3.6000	0.94247
Prevents unethical behaviours in order to achieve organizational goals	ER2	3.3971	0.92683
Behaves ethically/honestly with its customers	ER3	3.3000	1.06184
Gives priority to ethical principles over achieving economic performance	ER4	3.2714	1.00031
Increase my trust and attachment to the brand	BL1	3.3914	1.06437
Heighten my commitment to buy/rebuy the brand consistently in future	BL2	3.3371	1.07886
Increase my likelihood to choose the company's brand over competing brands	BL3	3.3886	1.11406
Make me recommend the brand to other persons	BL4	3.3800	1.12086
Enhance my likelihood to pay slightly higher prices for the brand without complain	BL5	3.0743	1.13560
Heighten my willingness to stay with the brand and ignore other brands	BL6	3.2886	1.05691
Make me ignore or overlook certain bad or negative publicity or aspects of the brand	BL7	3.0314	1.13129

To aid in the interpretation of these four components, the 21 variables were rotated using a combination of Orthogonal (Varimax) and Oblique (Direct Oblimin) rotation as the extraction method. Particularly for consumer-based research, the variable loadings for exploratory factor analysis are considered high if they are all .5 or greater to be retained for analysis (Hair et al., 2010). All the variables met the 0.5 threshold and were retained. A further assessment of the internal reliabilities of the 21 construct variables was conducted. As a result, the internal reliabilities of the four factors were assessed using Cronbach's alpha coefficient. Only factors that meet the minimum value of 0.6 as postulated by (Hair et al, 2010) were accepted for further analysis. Also, in order to test the value of the variables that loaded onto the factors, item — to total correlation was set above 0.3 (Tabachnick & Fidell, 2007). Table 3 presents a comparison of the principal component extraction of the various rotation methods as well as the internal consistency measures on the variables of the various constructs.

5.3 Multiple Regression Analysis

In order to test the stated hypothesis for the study, a multiple regression analysis was performed. The three CSR dimensions were used as the independent variables while brand loyalty was used as the dependent variable. Table 4 provides a summary of the multiple regression least squares results for the independent and dependent variables. The results from the regression analysis indicate that there is a strong and significant reliability between variables used for the constructs (F = 44.809, prob. F-stats < 0.05) confirming significant reliabilities of constructs (see Field, 2005). The R-Square value in the model summary depicts the degree of variance in the dependent variable which is explained by the independent variables. From the regression model, the R-squared of .529 gives an indication that the CSR practices (Philanthropic, Ethical, and Legal Responsibility) explain 52.9% of the variance in consumers' brand loyalty towards telecommunication services. Results in the regression model indicate that regarding the individual factors, Ethical Responsibility was found to be the highest contributor of

CSR dimension towards brand loyalty (β = 0.428, t = 8.171, P = 0.000 < 0.05); the second was Philanthropic Responsibility (β = 0.133, t = 2.526, P = 0.001 < 0.05). Although Legal Responsibility was positively related to brand loyalty, it was statistically insignificant (β = 0.063, t = 1.266, P = 0.206 > 0.05). This reveals that in the present study, Legal Responsibility was not a significant contributor to consumers' brand loyalty towards telecommunication services. The results thus provide support for hypotheses H2 and H3 while H1 was rejected in the current study.

Table 3 Rotated Component Matrix and Internal Consistencies

		Principal Component Loadings			Internal Consistencies		
		Orthogonal (Varimax)	Oblique (Direct Oblimin)	Variance Explained	Cronbach's Alpha	Item-total Correlation	Alpha if item is deleted
Items	Variables						
Factor 1	BL4	0.834	0.857	62.837	0.899	0.777	0.875
	BL2	0.817	0.856			0.780	0.875
	BL3	0.810	0.833			0.742	0.880
	BL6	0.777	0.791			0.716	0.883
	BL1	0.743	0.788			0.701	0.884
	BL5	0.735	0.764			0.687	0.886
	BL7	0.572	0.617			0.537	0.903
Factor 2	PR3	0.767	0.776	45.829	0.761	0.587	0.704
	PR1	0.689	0.696			0.496	0.727
	PR6	0.665	0.698			0.522	0.720
	PR4	0.601	0.635			0.484	0.730
	PR5	0.598	0.635			0.489	0.729
	PR2	0.535	0.580			0.441	0.742
Factor 3	ER4	0.730	0.775	59.407	0.772	0.582	0.713
	ER3	0.691	0.750			0.659	0.670
	ER2	0.673	0.699			0.530	0.740
	ER1	0.576	0.628			0.531	0.740
Factor 4	LR3	0.747	0.774	52.962	0.702	0.558	0.588
	LR4	0.707	0.718			0.472	0.643
	LR1	0.690	0.709			0.471	0.643
	LR2	0.653	0.672			0.442	0.662

Note: Extraction Method: Principal Component Analysis. Rotation Method: Varimax and Direct Oblimin.

Table 4 Multiple Regression Analysis Results

		S. E	β	T	Sig.
(Constant) ^a		0.097		1.928	0.000
Legal		0.069	0.063	1.266	0.206
Philanthropic		0.074	0.133	2.526	0.012
Ethical		0.062	0.428	8.171	0.000
R	0.529			S. E of estimate	0.487
R-Square	0.480			F-statistics	44.809
Adj. R-Square	0.474			Prob. (F-stats.)	0.000

Note: a Dependent variable: Brand Loyalty

6. Discussion and Conclusion

The study examined the relationship between CSR and brand loyalty in the Ghanaian telecommunication industry. The results from the study show that CSR has multiple dimensions, which is consistent with previous studies (Carroll & Buchholz, 2011; He & Lai, 2014). The results also indicate that these dimensions have positive impact on customer behavior towards the telecommunication service providers investigated. This also resonates with current views in the marketing literature, which suggest customers' CSR perception impacts positively on brand loyalty (Werther & Chandler, 2005; Yousof et al., 2015). On the individual dimensions, the results demonstrate that ethical responsibility is the major driver of brand loyalty towards mobile telecommunication service providers. This generally comprises giving priority to ethical principles over achieving economic performance and behaving honestly in relationships with customers. Besides, the trust and attachment that results towards the brand, customers' perception of ethical responsibility increased their commitment to buy and rebuy the brand consistently in the future. The result is consistent with the findings of previous studies (Yousof et al., 2015; Nochai & Nochai, 2014) that show that ethical responsibility is positively associated with customer behavior.

Furthermore, the results also indicated that customers' perception of philanthropic responsibility demonstrated by mobile telecommunication companies could also trigger their loyalty to the brand. The results show that contributions made towards general community welfare and development or towards specific charity, social cause or behavioural change campaigns through provision of grants or direct donations either in cash or in-kind, can influence customer loyalty towards their telecommunication brand. This result is inconsistent with some research (Page & Feam, 2005; Bucic et al., 2012) who found that philanthropic behavior of brands have no significant positive influence on consumers' behavior and is not the primary concern when consumers buy. These views support (Becker-Oslen et al., 2006) who asserts that rational consumers are less willing to sacrifice basic functional features of products for the philanthropic behavior of a brand. In addition, this study found out that legal responsibility which encompasses the brand's consistent regard for federal law and industry regulations in its operations might not ultimately result in customer loyalty towards the brand. This was however, inconsistent with some previous research (Nochai & Nochai, 2014). This is plausibly underscored by the assumption that, since legal responsibilities are obligations that have always existed and will continue to exist for organizations notwithstanding further changes in the mindset of consumers, our findings suggest it is of less relevance to subscriber's loyalty in the telecommunication industry in Ghana.

Marketing literature has pointed to loyal customers as the lifeblood of organizations and are critical for maximizing business profitability (Oliver, 1999). This study has demonstrated that CSR is a way of ensuring customer loyalty to mobile telecommunication brands. Specifically, our results demonstrate that dimensions such as ethical and philanthropic responsibilities significantly influence brand loyalty in the telecommunication sector. This study has contributed to extending the dimensions of CSR and brand loyalty framework in the context of telecommunication. Importantly, notwithstanding its general recognition as an important aspect of CSR, legal responsibility was found not to significantly contribute to customers' loyalty towards a brand. This study adds to the body of knowledge on loyalty as the result indicates that customer's loyalty towards a brand transcends products and service features and functionalities. It can be concluded that customers are likely to continue patronizing services of a mobile telecommunication company that they perceive as ethically and philanthropically responsible. This study highlights the need for managers to employ the dimensions of CSR to engender customer

loyalty toward their brands. Ethical responsibility was the major influencer of brand loyalty in the Ghanaian telecommunication sector followed by philanthropic responsibilities. This heightens the essence of dealing honestly and transparently with customers. Additionally by contributing to the general development and welfare of society as well as continuously delivering on their promise of efficient and reliable services to customer; telecommunication companies could build relationship with customers which could translate into loyalty towards their brand.

6.1 Limitations and Future Research Directions

The study has some limitations that should be considered when interpreting the results. The study is confined to the telecommunication industry in Ghana. The results could hence not be generalized across other major Ghanaian services sectors such as banking and insurance. Thus further studies into other sectors of the economy would be valuable in order to validate the findings of the current study. Furthermore, since the study was based entirely on the Ghanaian telecommunication industry there is an opportunity to replicate the study in other countries, especially those with conditions similar to those prevailing in the Ghanaian context, in order to improve the generalizability of the results. Moreover, the study adopted a convenience sampling technique coupled with a moderate sample size which also affects the generalizability of the empirical results. We recommend that future research could increase the sample size and adopt more robust sampling techniques in order to strengthen the generalizability of future findings. In addition, this study focused on only three dimensions of CSR. Future studies could explore the relationship between other dimensions such as economic responsibility and brand loyalty.

References:

- Ameshi K., Adi B., Ogbechie C. and Amao O. (2006). "Corporate social responsibility in Nigeria: Western mimicry or indigenous influences", *Journal of Corporate Citizenship*, Vol. 24, pp. 83-99.
- Arora B. and Puranik R. (2004). "A review of corporate social responsibility in India", Development, Vol. 47, No. 3, pp. 93-100.
- Becker-Olsen K. L., Cudmore B. A. and Hill R. P. (2006). "The impact of perceived corporate social responsibility on consumer behavior", *Journal of Business Research*, Vol. 59, No. 1, pp. 46-53.
- Bucic T., Harris J. and Arli D. (2012). "Ethical consumers among the Millennials: A crossnational study", *Journal of Business Ethics*, Vol. 110, No. 1, pp. 113-131.
- Carroll A. B. (1991). "The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders", *Business Horizons*, Vol. 34, No. 4, pp. 39-48.
- Carroll A. B. and Buchholtz A. K. (2011). *Business and Society: Ethics, Sustainability and Stakeholder Management* (8th ed.), Australia: South-Western College Publications.
- Carroll A. B. and Shabana K. M. (2010). "The business case for corporate social responsibility: A review of concepts, research and practice", *International Journal of Management Reviews*, Vol. 12, No. 1, pp. 85-105.
- Castaldo S., Perrini F., Misani N. and Tencati A. (2009). "The missing link between corporate social responsibility and consumer trust: The case of fair trade products", *Journal of Business Ethics*, Vol. 84, pp. 1-15.
- Crane A. and Matten D. (2004). Business Ethics, Oxford: Oxford University Press.
- Creyer E. H. (1997). "The influence of firm behavior on purchase intention: Do consumers really care about business ethics?", *Journal of Consumer Marketing*, Vol. 14, No. 6, pp. 421-432.
- Dick A. S. and Basu K. (1994). "Customer loyalty: Toward an integrated conceptual framework", *Journal of the Academy of Marketing Science*, Vol. 22, No. 2, pp. 99-113.
- Field A. (2005). Discovering Statistics Using SPSS (2nd ed.), London: Sage publications.
- GanA. (2006). "The impact of public scrutiny on corporate philanthropy", Journal of Business Ethics, Vol. 69, No. 3, pp. 217-236.
- Hair J. F., Black W. C., Barbin B. J. and Anderson R. E. (2010). *Multivariate Data Analysis* (7th ed.), Upper Saddle River, NJ: Printice Hall.
- He Y. and Lai K. K. (2014). "The effect of corporate social responsibility on brand loyalty: The mediating role of brand image", *Total Quality Management and Business Excellence*, Vol. 25, No. 41732, pp. 249-263.

- Henry B. and Quansah M. (2013). "Mobile telecommunication networks choice among Ghanaians", *Management Science Letters*, Vol. 3, No. 7, pp. 1839-1850.
- Hinson R. E. and Kodua P. (2012). "Examining the marketing-corporate social responsibility nexus", *International Journal of Law and Management*, Vol. 54, No. 5, pp. 332-344.
- Kaiser H. (1974). "An index of factorial simplicity", Psychometrika, Vol. 39, pp. 31-36.
- Keller K. L. (2008). Strategic Brand Management: Building, Measuring, and Managing Brand Equity (3rd ed.), New York: Prentice Hall.
- Klein J. and Dawar N. (2004). "Corporate social responsibility and consumers' attributions and brand evaluations in a product-harm crisis", *International Journal of Research in Marketing*, Vol. 21, pp. 203-217.
- Kotler P. and Lee N. (2005). *Corporate Social Responsibility: Doing the Most Good for Your Company and Your Causes*, New Jersey: John Wiley and Sons.
- Lindgreen A., Swaen V. and Campbell T. T. (2010). "Corporate social responsibility practices in developing and transitional countries: Botswana and Malawi", *Journal of Business Ethics*, Vol. 90, No. 3, pp. 429-440.
- Maignan I. (2001). "Consumer perceptions of corporate social responsibility: A cross cultural comparison", *Journal of Business Ethics*, Vol. 30, No. 1, pp. 57-73.
- Maignan I., Ferrell O. C. and Ferrell L. (2005). "A stakeholder model for implementing social responsibility in marketing", *European Journal of Marketing*, Vol. 39, pp. 956-977.
- Mandhachitara R. and Poolthong Y. (2011). "A model of customer loyalty and corporate social responsibility", *Journal of Services Marketing*, Vol. 25, No. 2, pp. 122-133.
- Martínez P. and del Bosque I. R. (2013). "CSR and customer loyalty: The roles of trust, customer identification with the company and satisfaction", *International Journal of Hospitality Management*, Vol. 35, pp. 89-99.
- Moharana S. (2013). "Corporate social responsibility: A study of selected public sector banks in India", *IOSR Journal of Business and Management*, Vol. 15, No. 4, pp. 1-9.
- Nochai R. and Nochai T. (2014, May). "The effect of dimensions of corporate social responsibility on consumers' buying behavior in Thailand: A case study in Bangkok", in: *International Conference on Economics, Social Sciences and Languages*, Singapore, available online at: http://icehm.org/siteadmin/upload/5031ED0514068.pdf.
- Oliver R. L. (1999). "Whence consumer loyalty: Special issue", Journal of Marketing, Vol. 63, No. 4, pp. 33-34.
- Page G. and Feam, H. (2005). "Corporate reputation: What do consumers really care about?", *Journal of Advertising Research*, Vol. 45, No. 3, pp. 305-311.
- Quester P. and Lin Lim A. (2003). "Product involvement/brand loyalty: Is there a link?", *Journal of Product and Brand Management*, Vol. 12, No. 1, pp. 22-38.
- Ramasamy B. and Yeung M. (2009). "Chinese consumers' perception of corporate social responsibility (CSR)", *Journal of Business Ethics*, Vol. 88, pp. 119-132.
- Ranjan N. and Sahu T. (2014). "Impact of ethical advertisement on customer loyalty", *International Journal of Economics, Commerce and Management*, Vol. 2, No. 1, pp. 1-8.
- Salmones M. G., Crespo A. H. and del Bosque I. R. (2005). "Influence of corporate social responsibility on loyalty and valuation of services", *Journal of Business Ethics*, Vol. 61, pp. 369-385.
- Sen S. and Bhattacharya C. B. (2001). "Does doing good always lead to doing better? Consumer reactions to corporate social responsibility", *Journal of Marketing Research*, Vol. 38, pp. 225-243.
- Sen S., Bhattacharya C. B. and Korschun D. (2006). "The role of corporate social responsibility in strengthening multiple stakeholder relationships: A field experiment", *Academy of Marketing Science*, Vol. 34, No. 2, pp. 158-166.
- Shergill S. S. (2012). "Consumer perception towards the corporate social responsibility: A case study of India", *European Journal of Business and Management*, Vol. 4, No. 4, pp. 47-57.
- Smith A. D. (2010). "Corporate social responsibility in the healthcare insurance industry: A cause-branding approach", *International Journal of Electronic Healthcare*, Vol. 5, No. 3, pp. 284-302.
- Smith W. J., Wokutch R. E., Harrington K. V. and Dennis B. S. (2001). "An examination of the influence of diversity and stakeholder role on corporate social orientation", *Business and Society*, Vol. 40, No. (3), pp. 266-294.
- Staudt S., Shao C. Y., Dubinsky A. J. and Wilson P. H. (2014). "Corporate social responsibility, perceived customer value, and customer based brand equity: A cross-national comparison", *Journal of Strategic Innovation and Sustainability*, Vol. 10, No. 1, pp. 65-87.
- Tabachnick B. G. and Fidell S. L. (2007). Using Multivariate Statistics (6th ed.), Boston: Pearson/Allyn & Bacon.

Trudel R. and Cotte J. (2009). "Does it pay to be good?", MIT Sloan Management Review, Vol. 50, No. 2, pp. 61-68.

Werther W. B. and Chandler D. (2005). "Strategic corporate social responsibility as global brand insurance", *Business Horizons*, Vol. 48, No. 4, pp. 317-324.

Yusof J. M., Manan H. A., Karim N. A. and Kassim N. A. M. (2015). "Customer's loyalty effects of CSR initiatives", *Procedia-Social and Behavioral Sciences*, Vol. 170, pp. 109-119.