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# INVESTIGATING EFFECT OF CORPORATE SOCIAL RESPONSIBILITY ON CONSUMER BUYING BEHAVIOUR

## A SURVEY OF LISTED COMPANIES IN KENYA

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**Abstract**

*Corporate social responsibility (CSR) is one of the marketing strategies that are widely used in the industrial field for the purposes of creating customer awareness, enhancing product penetration into the market and boosting firm’s profitability. The study mainly examined the extent to which CSR affect consumer buying behaviour in organizations. The study was in CSR because it is so rich, current, ongoing and challenging. In one way or another, organizations are involved in the CSR as they continue to do business. Many at times, marketers and CSR practitioners in general of various companies have been looking at CSR as just a mere tool for ‘social concern’ that is, doing it to be seen as “a good neighbour”. This perception needs to be erased off from the marketers’ minds and a different approach on in handling the CSR must enter the stage with the resolve of strengthening their firms’ brand equity.*

*Keywords: CSR, Consumer Buying Behaviour, Customer Awareness, Consumer Increase in Numbers, Stakeholder theory, Brand Equity.*

## INTRODUCTION

It is a fact that CSR is a technique which has and continues to be used in many organizations to communicate with the public indirectly about the existence of a certain firm and its products and/or services being offered. In most cases CSR is carried out as way to show gratitude to the community by giving back. CSR, therefore, is a marketing concept often used in Kenya and indeed globally by many organizations to engage in philanthropic work by giving back to the community aiming at being seen as a good neighbour by the immediate community next to the organization in question. Quite often than not, CSR has been implemented in many organizations majorly to help the society and not the companies necessarily benefiting from the exercise; but only to enhance favourable view of the public (clients or customers) towards that particular firm (Kotler and Armstrong, 2008).

Globally, with businesses focusing on generating profits, sustainability was not a popular concern among companies up until recently. Now, in an era of globalization, multinational corporations and local businesses are no longer able to conduct destructive and unethical practices, such as polluting the environment, without attracting negative feedback from the general public (Jatana and Crowther, 2007). With increased media attention, pressure from non-governmental organizations and rapid global information sharing, there is a surging demand from civil society, consumers, governments, and others for corporations to conduct sustainable business practices (Barkin, 2002). In addition, in order to attract and retain employees and customers, companies are beginning to realize the importance of being ethical while running their daily operations. The corporate response has often meant an adoption of 'a new consciousness', and this has been known as CSR since the 1970s (Hoeffler and Keller, 2002).

On the other hand, Sorsa, (2008) argues that in any case, companies are now expected to perform well in non-financial areas such as human rights, business ethics, environmental policies, corporate contributions, community development, corporate governance, and workplace issues. Some examples of CSR are safe working conditions for employees, environmental stewardship, and contributions to community groups and charities. Moser and Miller, (2001) further reveal that the problem is that many companies that claim to be socially responsible often do not live up to such a standard. Because CSR is becoming more commonplace among corporations, there are concerns that some companies promote an image of CSR whether or not they have a true strategy in place and the results to show for. Accountability and transparency are key to conducting business in a responsible manner (Kapoor and Sandhu, 2010).

In Africa, for example, the Nigerian government has come up with a legislation which, if passed, will make it mandatory for companies to pay 3.5% of their gross profit to corporate social responsibility initiatives (Idemudia, 2011). In Kenya today CSR is well practiced but not as regulated as in Nigeria. There are a variety of organizations doing businesses, ranging from product-oriented marketing and service-oriented marketing. The notable companies that have come out strongly in this initiative of “giving back to the society” are Kenya Airways, Safaricom, Airtel, Kenya Power (KP), East African Breweries Limited (EABL), Kenya Television Networks (KTN), Nation Television (NTV), Co-operative Bank, Equity Bank, Coca Cola, Brookside Dairy, New Kenya Cooperative Creameries (KCC), to mention but a few. All these companies and many others operating in the country in one way or another, do practice CSR. Hence, the area of CSR has been chosen because it is so rich, current, on going and challenging. In one way or another, organizations are involved in the CSR as they continue to do the business. If so, what are their goals and objectives of doing so? Are they doing it for sake of doing it or for the purposes of profiting the organization as well? If it is for the purposes of the later, then how best and ethically can it be carried out, to the sense that both parties (a company and customers) can benefit from the concept.

## LITERATURE REVIEW

This study is underpinned on stakeholder theory, which instead of starting with a business and looking out into the world to see what ethical obligation is there; it starts in the world Kotler and Keller, (2006). It lists and describes those individuals and groups who will be affected by the company’s actions and asks, “What are their legitimate claims on the business?” Or “what rights do they have with respect to the company’s actions?” Simply put, stakeholder theory affirms that those whose lives are touched by a corporation hold a right and obligation to participate in directing it Kotler and Keller, (2006). Therefore, they’re stakeholders in the company and their voices must contribute to corporate decisions. The five cardinal stakeholders mainly include but not limited to shareholders, workers, customers, suppliers, and community Kotler and Armstrong, (2008). It is therefore, upon the organizations before, during or after carrying out the CSR to be as transparent as possible; because this is an important value for those promoting stakeholder ethics. On the other hand Baker and Hart, (2008) assert that what’s certain is that stakeholder theory obligates corporate directors to appeal to all sides and balance everyone’s interests and welfare in the name of maximizing benefits across the spectrum of those whose lives are touched by the business. CSR is likely to loose its value if the stakeholders are not fully involved or left unawares to the facts.

There are varied arguments, for and against CSR programmes. Foster et al, (2009) note that the economists viewed it as a manager's responsibility to generate profits for their shareholders, thus to act in any other way would be a betrayal of this special responsibility. They saw addressing social problems as being the province of government rather than company managers. Economists did not believe that managers should spend other people's money on some perceived social benefit, and thought that to do so was misguided (Michell et al, 2001). Eisingerich et al, (2011) further argue that a corporation's core responsibility is to increase shareholders' value and not to be responsible for societal issues. On the other hand, Bryer, (2010) aver that a corporation can maximize its company value only by voluntarily taking actions on external issues, specifically pollution.

The other criticism is that CSR is too costly. Spending of company's money brings with it the lost opportunity to spend the money on other priorities, such as research and development (Moser and Miller, 2001). CSR also encourages consumer cynicism, that is, many consumers regard CSR initiatives as little more than public relations exercises (Jobber, 2007). Furthermore, CSR is a form of risk management in that there are real penalties for companies that are not environmentally or socially responsible. For instance, media criticisms of companies such as Nike, that they involve child labour in the developing countries could be harmful since they could be perceived as being irresponsible (Moore, 2001; and Sorsa, 2008).

Foster et al, (2009) further observe that apart from the said criticisms, CSR leads to enhanced brand or corporate image and reputation. A strong reputation in environmental and social responsibility can help a company build trust and enhance the image of its brands. Also if a company is moving to a new area or new market, or enhancing a new site such as distribution centre, store or factory, it helps to be seen as trustworthy and a 'good neighbour' (Kotler and Keller, 2006).

Finally, CSR improves access to capital i.e. organizations that are committed to CSR have access to socially responsible investment (SRI), where investors take into account considerations such as a company's environmental and socially responsible activities. Currently the strength of the arguments for CSR programmes are driving companies increasingly towards the adoption of socially and environmentally responsible strategies (Moser and Miller, 2001).

The practice of CSR is subject to much debate and criticism. Proponents argue that there is a strong business case for CSR, in that corporations benefit in multiple ways by operating with a perspective broader and longer than their own immediate, short-term profits (Akpan, 2006). Critics, however, argue that CSR distracts from the fundamental economic role of businesses (Amalric et al, 2004 and, Anderson and Bieniaszewska, 2005).

Others such as Blowfield and Frynas (2005) and Barrientos (2008) argue that it is nothing more than superficial window-dressing while to some, it is an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations. CSR has been redefined throughout the years. However, it is essentially supposed to aid an organization's mission, acting as a guide to what the company stands for and will uphold to its consumers (Arora and Puranik 2004; and Barkin, 2002).

Many firms have introduced customer relationship marketing programs to optimize customer interactions. Some marketing observers encourage firms to formally define and manage the value of their customers (Leone et al, 2006). The concept of customer equity can be useful in that regard. Although customer equity can be calculated in different ways, one definition of customer equity is in terms of "the sum of lifetime values of all customers". Customer lifetime value (CLV) is affected by revenue and cost considerations related to customer acquisition, retention, and cross-selling (Barrientos, 2008). Several different concepts and approaches relevant to the topic of customer equity have been put forth.

Lee and Park, (2010); Bond, (2008) and Biggs and Ward, (2004) argue that social responsibility of corporations should be monitored by the state, not corporations whose fundamental principals are the interests of their owners, employees and customers, rather than society as a whole. In this view, a CSR practice by a corporation is a waste of resources, that is, practicing CSR is not a way to maximize resources because the issue lies outside corporate responsibility but within government purview. Finally, the third group of researchers has not found any particular relationship between CSR and a firm's financial performance. They found no particular impact of CSR on risk-adjusted stock return (Amalric et al, 2004).

Kluge and Schomann (2008) remark that management initiatives concerning CSR clearly show that companies understand that it is in their own interest to consider public opinion, particularly when it comes to the social and environmental dimensions. Multinational companies (MNCs) are especially vulnerable in this regard, due to the nervous reactions of the stock exchange, public and consumer opinion. In an electronically connected world, the ability to react to developments immediately and wherever one might be represents an ever present danger to companies that come to be associated with, for example, violating basic rights or some other form of misbehavior. Consequently, there is a strong motivation to take sensitive investor relations seriously and not only in traditional business terms. This is the view held by Arora and Puranik, (2004).

From these studies, three general schools of thought exist; there are those that see a positive, negative, or no relationship between CSR and a firm's financial performance. Therefore, there is no consensus on what constitutes virtuous corporate behavior and as an area of inquiry; CSR is still emerging and very challenging. However, previous researches on CSR have found out that it leads to enhanced corporate image and reputation Foster et al, (2009); Krishnan and Chaudhry, (2007), while Antoni and Portale, (2010) found out that the adoption of good practices of CSR in social cooperatives has a very important role in determining the impact on workers' social capital.

A growing body of evidence further asserts that corporations can do well by doing good corporate job (Pohle and Hittner, 2011). Well-known companies have already proven that they can differentiate their brands and reputations as well as their products and services if they take responsibility for the well-being of the societies and environments in which they operate. These companies are practicing CSR in a manner that generates significant returns to their businesses (Smith, 2010; Porter and Krammer, 2002). Banerjee, (2001) notes that empirical results show that both the adoption of CSR formal instruments and the implementation of a multi-stakeholder ownership are positively related to the creation of social capital intended as cooperative social network, trust, and relational skills.

The profitability argument asserts that doing good (CSR) leads to doing well (improved financial returns. However, the empirical support for this claim is inconclusive (Paul et al, 2010). Kapoor and Sandhu, (2010) maintain that firms already pursuing strategies based on these intangible assets are more likely to use CSRs to enhance these assets than other firms; and firms with already strong reputations or high levels of brand equity are most likely to benefit from the impression of being socially responsible. Lai et al, (2010) on other hand hold that CSR and corporate reputation have positive effects on industrial brand equity and brand performance. However, Godfrey et al, (2010) observe that doing good CSR leads to doing well (improved financial returns).

Furthermore, several studies outlining the theoretical mechanisms that could drive such a relationship have been done, including improved reputation (Moore, 2001), brand equity (Mohr and Webb, 2005; McWilliams and Siegel, 2000), better employee relations (Soch and Sandhu, 2008), or the overall quality of management (Sorsa, 2008; Biggs and Ward, 2004). Firms already pursuing strategies based on these intangible assets are more likely to use CSRs to enhance these assets than other firms, and firms with already strong reputations or high levels of brand equity are most likely to benefit from the impression of being socially responsible (Paul et al, 2010). On the other hand Lee and Park, (2010) argue that when CSR is tightly integrated to the management operations, both economical and social targets become easier resulting in improvement in the social and financial performance (in terms of profitability) of the company. These are same sentiments echoed by Porter and Krammer, (2002) and Blowfield, (2004).

Prieto-Carron et al, **(**2006); Lee and Park, (2010) and Perry and Singh, (2002) hold that CSR increases organizations ability to attract and retain employees, that is, many employees are attracted to employers who are active in social issues. Kapoor and Sandhu, (2010) argue that there is no detrimental impact or penalty from allocation of some resources towards corporate social actions, rather such investments might be beneficial in terms of more profits. Firms should therefore give adequate consideration to their social responsibility (Idemudia, 2011). The managers should not think CSR as an optional activity rather it should be integrated with business strategy like other business issues (McWilliams and Siegel, 2000).

This seems to suggest that policy strategy aimed at fostering the adoption of CSR practices by social cooperatives would also positively affect the creation of workers' social capital. To this end, Smith, (2003) and Mandl, (2005) affirm that possible strategies could be the inclusion and adoption of CSR practices among the criteria for obtaining public works contracts that are relevant in social cooperative business and fiscal incentives. Nevertheless, to avoid the risk of perverse incentives, fiscal concessions should be limited to the specific costs strictly connected with the adoption of CSR instruments, such as consultancy or verification costs associated with the implementation of a CSR management system. This view is shared with Barrientos and Smith, (2007), Paul (2001) and United Nations Research Institute for Social Development (UNRISD)**, (**2003).

Furthermore, Young and Thyil, (2009) and Jatana, (2007) argue that CSR is a significant new dimension in organization's rhetoric. But it is clear that organizations vary in their approach to corporate governance and the extent to which a broad view of social responsibility incorporating labour is integrated into values, statements and organizational policies. The importance of recognizing labour as a stakeholder in improving organizational performance has been highlighted by a number of researchers and supported by a range of arguments based on strategy, morals, ethics and relationships. For example, Ite (2004), Idemudia (2011) and Lund-Thomsen **(**2005) hold this view.

On the other hand, Smith, (2010) remarks that CSR influences job satisfaction and employee retention in an organization. It is no secret that many employees consider it a benefit, working for a socially responsible employer (Jenkins, 2005). Aware of this, CSR-engaged employers say employee satisfaction is a major reason behind their CSR efforts. A PricewaterhouseCoopers survey found that 56% of employees say attractiveness to employees has a 'considerable impact' on their approach to CSR (Butler, 2006). In addition, attraction of talent, loyalty to a particular firm and employee motivation have all been reasons explaining why CSR can be a source of competitive advantage for a firm (Eisingerich, 2011).

Studies show that customer loyalty seems to be one of the most reliable measures for predicting sales and financial growth, and it is certainly an important goal of most companies. Veerapongi, (2011) held that customer loyalty seems to be one of the most reliable measures for predicting sales and financial growth, and it is certainly an important goal of most services companies. By linking CSR activities with increased customer value, or developing new sources of customer value, companies can gain a competitive advantage (Peloza and Shang, 2011). Lambardo, (2011) further reports that consumers give more responsibilities to firms, expect environmental-friendly behaviour from them but do not give an appropriate weight to the CSR activities in their purchase behaviour.

Socially responsible companies mostly enhance their brand image and reputation which generate strategically important goodwill and enhanced customer loyalty from a CSR perspective (Dibb et al, 2012). Typically, a consumer is drawn to a company and a brand that has a good reputation for providing service and products and delivering value, as defined by the customer. Although essentially all successful companies can do this, if a company can do it in a socially responsible way, they can differentiate themselves from the competition (Chapple and Moon, 2005). A company known as being socially responsible can also benefit from its reputation within their community by having the ability to attract consumers and trading partners (Anderson and Narus, 2007).

From the foregoing discussions, therefore, we can conclude that CSR is a well researched area but what is lacking in these arguments is the effects of its dimensions on consumer buying behaviour in the organizations more precisely in the Kenyan perspective. This is basically what this research was intended to achieve as knowledge-gap measure.

## RESEARCH OBJECTIVES

Specifically the study is set to achieve the following objectives;

i. To establish the understanding of CSR among company practitioners on product extensions among listed companies.
ii. To evaluate the extent to which CSR affect consumer increase in numbers among listed companies.

## HYPOTHESES

$H_o$: CSR does not significantly affect consumer increase in numbers.

$H_A$: CSR does significantly affect consumer increase in numbers.

## METHODOLOGY

The study adopted a cross-sectional survey research design. A cross-sectional survey research design was appropriate for this study because it involves a close analysis of a situation at one particular point in time to give a ‘snap-shot’ result and it allows for generalization of information related to the target population (Mugenda, 2008; Collis and Hussey, 2003). The target population of the study consisted 52 quoted or listed companies in Nairobi Securities Exchange (NSE) (NSE Website, 2012). The 52 respondents of the study were company personnel who were in charge of CSR practices in their organizations. The study adopted a census technique, whereby all companies listed in the NSE were involved in the study. This is because the respondents’ number was too small to be sampled and manageable within the constraints of the study (Nassiuma, and Mwangi, 2004; Gupta and Gupta, 2009). The study used primary data collected using questionnaires, which had both unstructured and structured questions. Descriptive and inferential statistics were used to present the findings.

In testing the hypotheses, the study employed Multiple Linear Regression Analysis (MLRA) to examine the effect of CSR on product extensions. The formula for this was;

$$y_i\ (CIN) = ß_0 + ß_1\ CI\ \&\ RD + ß_2 HR + ß_3 EC + ß_4\ PCCR + ß_5\ SR + \varepsilon$$

Where:

$y_i$ Consumer Increase in Numbers (dependent variable)

$ß_0$ Constant variable

$ß_1$ Community Involvement and Rural Development

$ß_2$ Human Resources e.g. retirement fund benefit plans

$ß_3$ Environmental Contribution

$ß_4$ Product Contribution and Customer Relations

$ß_5$ Shareholders’ Relations e.g. payment of dividend to shareholders

$\varepsilon$ An error term

## ANALYSIS AND FINDINGS

### Response Rate

Out of 52 questionnaires that were issued to respondents, only 46 were successfully completed and returned for analysis hence giving the study 88.5% response rate. Those who failed to participate were 6 respondents comprising of 11.5%. Table 1 below demonstrates the response rate.

Table 1: Response Rate

| Respondents | Number of respondents | Percentage (%) |
|---|---|---|
| **Expected responses** | 52 | 100 |
| **Received responses** | 46 | 88.5 |
| **Un-received responses** | 6 | 11.5 |

### Nature of Practicing CSR in the Companies

The results revealed that 100% of the respondents were fully practicing CSR as they do their businesses. No respondent reported that they don't practice CSR. This therefore shows that CSR is a very crucial marketing strategy for any serious organization, which intends to do some good business for a longer period and enhance a long lasting relationship with both the target and potential target audience.

### Companies' Views on CSR

With regard to the companies' collective view on CSR undertakings in their organizations, the research revealed that 100% of the respondents held that practicing CSR is very important. This is a clear indication that CSR practice will continue being relevant in modern day business. This reveals a positive understanding of CSR among practitioners. The salient concern however, is how significantly it can be done to effectively bring the desired proceeds into the firms by influencing consumers' buying behaviour.

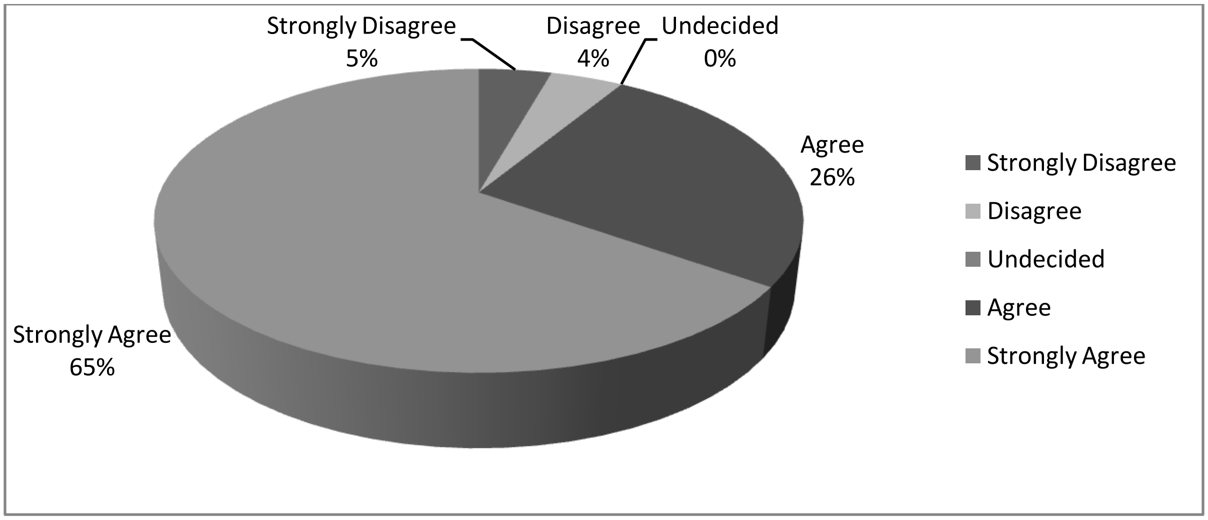
### Levels of CSR Perception by Companies

The study was interested in evaluating the perception held by firms on the effects of CSR on specific aspects. Those aspects are discussed individually in order to clearly see the managers' actual perception against each of the aspect as shown below:

### Companies' Perception of CSR as a Social Concern

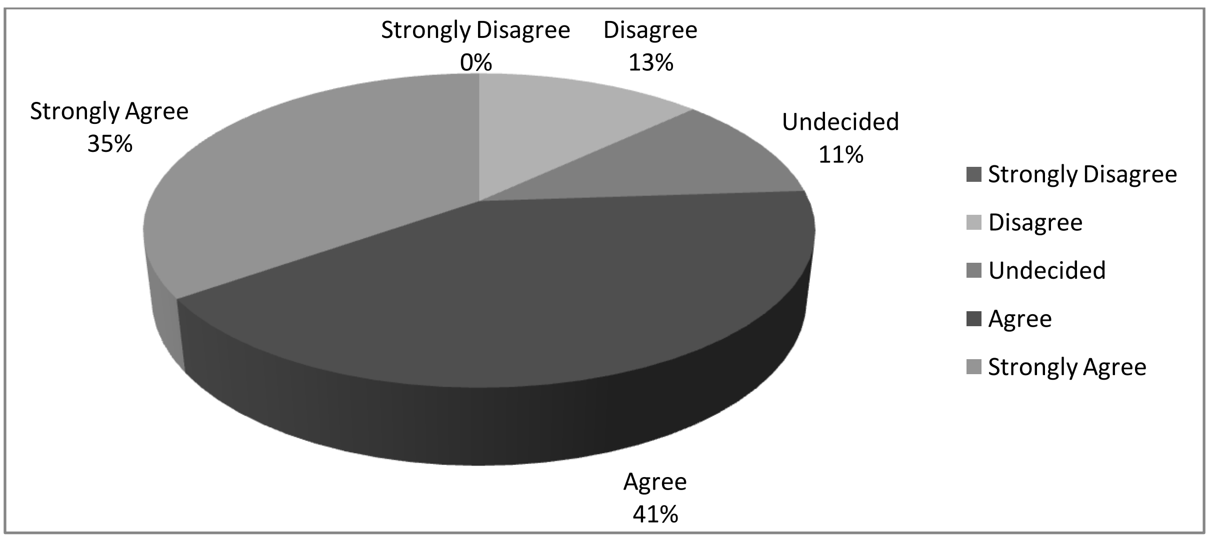
Majority of the respondents, about 65%, strongly agreed that CSR is only done as social concern, whilst 26% agreed that CSR is mainly executed in firms as a social concern. Those who strongly disagreed with that notion comprised of 5%, whereas 4% just disagreed with the view. This implies that in many companies CSR strategy is only done for the sake of doing it, just to create a good perception among the public (customers) but not for the purposes of boosting profits in the long run.

Figure 1: Companies' Perception of CSR as a Social Concern




### Effects of CSR on Enhancing Firm's Image

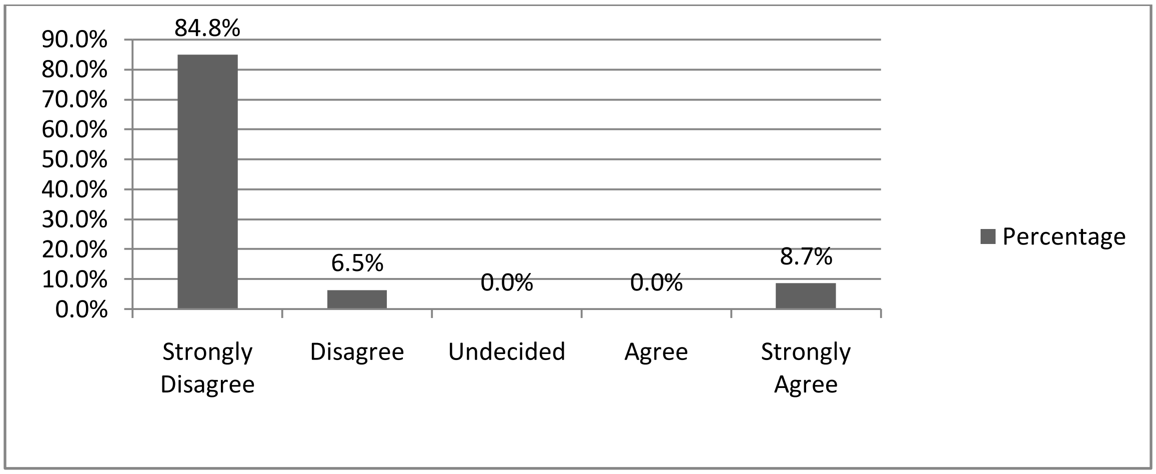
Figure 2: Effects of CSR on Enhancing Firm's Image




It was the interest of the study to further determine if carrying out CSR enhances company's image among the public. The findings were very interesting, showing that 35% and 41% of the firms' managers held that they strongly agree and agree respectively that indeed CSR enhances company image before the public once it has been conducted. Whereas only 13% of them disagreed to the idea, 11% were not sure. This implies that although there is majority consent on the effects CSR has on company's image; it is still disturbing to find that up to now there are those practitioners who do not know the importance of CSR to an organization. Unless there is serious sensitization and education towards its use, chances are that it may be neglected by many organizations in future.

**Perception of CSR as a Waste of Resources**

Figure 3: CSR Perceived as a Waste of Resources

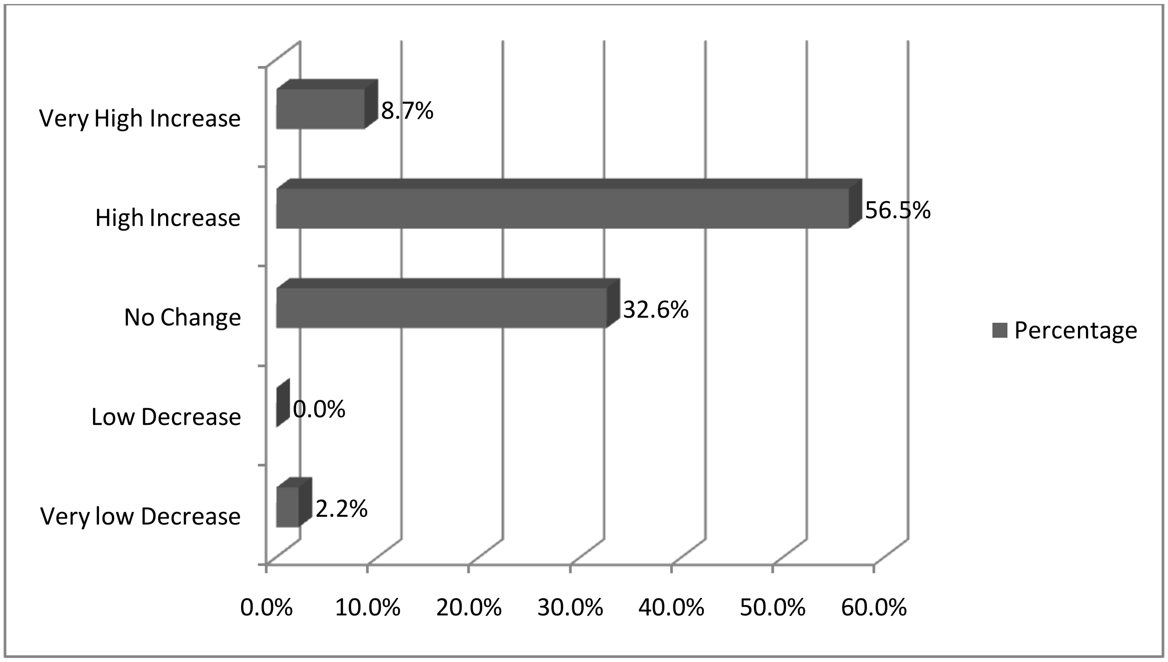



The study intended further to establish the industry practitioners' perception on CSR against resources. The findings positively showed that CSR does not waste organizations' resources. This is so because an overwhelming majority of 84.8% strongly disagreed with that view, while 6.5% also disagreed and only a paltry 8.7% strongly agreed that indeed implementation of CSR is a waste of company's resources. Though not consistent with the previous findings, this is a good picture. This means quite a good number of company management do not really know how to deal with CSR as a strategy to take care of consumers' satisfaction, firm's profits and society's well being. Hence, serious awareness needs to be initiated for full adoption of CSR practices in companies.

**Change in Increase in Consumer Numbers**

In trying to establish if CSR, after it has been carried out, has any impact on customer numbers, the results revealed that 8.7% indicated that there is a very high increase in customer numbers, whilst 56.5% asserted that there is a high increase in numbers. About 32.6% of respondents observed that there is no change realized after the exercise. There was 0% response on low decrease, while a meager 2.2% of the respondents believed that there is a very low decrease in customers increase. This implies that CSR in deed influences customers' buying behavior (customer numbers) if professionally implemented. The defining factor here is how a company carries out the practice among their targeted public, what it's meant for and how it is understood.

Figure 4: Change in Increase in Consumer Numbers




**Extent of Change in Increase in Consumer Numbers**

Table 2: Extent of Change in Increase in Consumer Numbers

| Responses | Frequency | Percentage (%) |
|---|---|---|
| **Very Small Extent** | 3 | 6.5 |
| **Small Extent** | 8 | 17.4 |
| **Undecided** | 9 | 19.6 |
| **Large Extent** | 21 | 45.7 |
| **Very Large Extent** | 5 | 10.8 |
| **Total** | **46** | **100** |

In trying to determine to what extent CSR influence consumer numbers on incremental basis, about 6.5% of the respondents held that to very small extent customers do increase in numbers as a result of CSR implementation in an area. While 17.4% said to large extent customers do increase, 19.6% were non-committal. A convincing number of respondents 45.7% believed that to a large extent CSR pushes customer numbers up whilst 10.8% maintained to a very large extent CSR influences increase in customer numbers. This is a clear testimony that CSR if well employed can yield good proceeds to organizations as it has the ability to influence consumers' buying behaviour.

## Hypothesis Testing

### *Effects of CSR on Increase in Consumer Numbers*

Table 3: ANOVA Output

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 5.740 | 5 | 1.148 | 4.878 | .001[a] |
| | Residual | 9.413 | 41 | .235 | | |
| | Total | 15.152 | 46 | | | |

a. Predictors: (Constant), SR, CI & RD, PC & CR, HR, EC

b. Dependent Variable: Consumer Numbers Increase

Table 4: Effects of CSR Dimensions on Consumer Numbers Increase

| **CSR Dimensions** | **Beta** | **t** | **Sig.** | **VIF** |
|---|---|---|---|---|
| Constant Variable | 1.62 | 2.472 | .018 | |
| Community Involvement & Rural Dev't. | .277 | 2.173 | .036 | 1.049 |
| Human Resources | .314 | 2.291 | .027 | 1.210 |
| Environment Contribution | .131 | .894 | .376 | 1.391 |
| Product Contribution & Customer Relations | .030 | .225 | .823 | 1.150 |
| Shareholder Relations | .205 | 1.346 | .186 | 1.490 |

The study aimed at establishing the effect of CSR on consumer increase in numbers in the listed companies. The findings revealed that the entire model had $F_{5,\ 46}$=4.878, P=.001 and $R^2$=.301 (table 3). This showed that there is a strong positive linear relationship between the predictor variables and consumer numbers increase in the market.

In table 4 above exhibits various significances each variable had against consumer number increase in organizations.

Table 5: Correlations between Predictor Variables with Consumer Numbers Increase

| | CI & RD | HR | EC | PC & CR | SR |
|---|---|---|---|---|---|
| **CI & RD** | 1 | 0.09 | 0.022 | 0.199 | 0.109 |
| **HR** | 0.086 | 1 | .322* | 0.216 | .371* |
| **EC** | 0.022 | .322* | 1 | 0.219 | .504** |
| **PC & CR** | 0.199 | 0.22 | 0.219 | 1 | .292* |
| **SR** | 0.109 | .371* | .504** | .292* | 1 |

**P≤ 0.05 **P≤ 0.01*

A correlation matrix revealed that each outcome variable was significantly correlated with each other outcome variable. The implication for this is that CSR has a significant effect on increase in consumer numbers among listed companies. Thus the study rejected the null hypothesis and accepted the alternative one that CSR does significantly affect consumer increase in numbers. Therefore, this implies that if CSR is systematically implemented it has the capacity to bring fortunes to the organizations to some extent.

## DISCUSSION

The study findings suggest that CSR has statistically significant effect on consumer numbers increase. In as far as consumer numbers increase due to CSR is concerned, Bashar, (2010) indicates that there is a strong linear relationship between CSR activities and consumers' buying behaviour. These sentiments are supported by Rahim et al, (2011). While Peloza and Shang, (2011) argue that CSR activities have the potential to create several distinct forms of value for customers, and this is what the study found. The essence of these findings is that CSR as a marketing strategy can be relied upon by various company managements to influence on, change or improve customer numbers. What matters, however, is how and when to use the various CSR activities for effective results.

## CONCLUSION

From the observations made in the course of this study it revealed that in all the companies studied, CSR is being carried out; it was also established that all the managers and/or practitioners consider CSR to be an important marketing strategy to be practiced in organizations. The study further discovered that CSR has a strong positive effect on increase in consumer numbers. In conclusion, therefore, CSR affects consumer buying behaviour of a given company. However, practicing of CSR in a firm is a therefore a tactful balancing act between company profits, consumer needs and societies' interests without compromising any.

CSR is a reliable strategy to be adopted in firms for consumer numbers enhancement. But since CSR involves a variety of tactics (dimensions or activities), none among them can be used alone to bring desirable proceeds unless they are integrated with the others. It is therefore, imperative to note that apart from combining CSR activities other strategies such as sales promotion, personal selling, advertisement, direct marketing and public relations and publicity should be brought on board. Thus 'coordinated marketing' should be emphasized for successful outcomes in business operations.

## RECOMMENDATIONS/ IMPLICATIONS

Based on the findings of this study the following are recommended;

To the company top management: CSR should be implemented with a different approach of "brand equity building" for the company, as well as taking interests of the society without compromising customer's needs and wants. Managers should drop the mentality that CSR is only done so as to be seen as 'a good neighbour'.

To company marketers and public relations managers: For CSR to work effectively and efficiently to produce the desired results in an organization, various CSR dimensions should be integrated. Coordinated marketing should be highly emphasized, whereby the various marketing functions such as sales promotion, brand and product management, personal selling, advertising, direct marketing and public relations and publicity should be integrated. The CSR practitioners should not be too dogmatic emphasizing one CSR dimension or a few over the others.

Managers should also in the first place have passion for CSR for it to work and get embraced fully in the organizations where they work. The support for this should not be wavering or else nothing concrete would be achieved from it (CSR implementation). Thereafter, they should create awareness among their employees on CSR and its role in the concerned company.

Furthermore, it is imperative upon each company managers to adopt a different approach to CSR implementation through establishing CSR department, instead of combining it with other departments like human resources, public relations and marketing as in the case of many organizations. Doing this will give CSR department autonomy in carrying out the various CSR activities in a more planned, focused and organized way.

Finally, Managers should also ensure that CSR dimensions are carried out in companies and as they do that, they should remain smarter because the market and customer tastes are very dynamic. Thus they should ever remain vigilant to move with the market trends for the betterment of the business.

## LIMITATIONS OF THE STUDY

Like any other research, the study faced some limitations. To begin with, some respondents in the target companies were reluctant to divulge the much required information for the study and this was a big challenge. The study, however, made use of supportive documents from relevant authorities to prove that the activity was a genuine research case carried out purposely for academic reasons. In addition, during the study respondents were assured that all responses would be treated with utmost confidentiality they deserved.

Some of the respondents were very hostile and unapproachable. However, the study went ahead and worked with those who were willing to participate in the study and thus formed the response rate; that is why out of the targeted 52 respondents, 46 complied, which represented 88.5% response rate, while 6 (11.5%) did not.

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