# Communication of Corporate Social Responsibility and Loyalty of Customer's In Kuala Lumpur Hypermarket Industry

# Kadhim Ghaffar Kadhim<sup>1</sup>, Amran Harun<sup>2</sup>, Nawzad Majeed Hamawandy<sup>3</sup>, Khowanas Saeed Qader<sup>4</sup>, Rizgar Abdullah Sabir jaf<sup>5</sup>, Diyar Abdulmajeed Jamil<sup>6</sup>. Jwan Sadallah Rashid<sup>7</sup>.

<sup>1</sup>University and Universiti Tun Hussein Onn, Malaysia <sup>2</sup>University and Universiti Tun Hussein Onn, Malaysia <sup>3</sup>Department of Business Administration, Administration Technical College, Erbil Polytechnic University and Universiti Tun Hussein Onn, Malaysia. <u>Nawzad.Hassan@epu.edu.iq</u>.

<sup>4</sup>Department of Accounting and finance, Lebanese French University, Kurdistan Region, Iraq.

<sup>5</sup>Department of Accountancy, University of salahaddin- Erbil, 44002, kurdistan region. <sup>6</sup>Accounting Department, College of Administration & Financial Sciences, Knowledge University-.Iraq.

<sup>7</sup>Department of Business Administration College of Economic, University of salahaddin

Corresponding author: Nawzad Majeed Hamawandy; email: nawzad.hassan@epu.edu.iq

# ABSTRACT

### Purpose of the study

This study aims at contributing to assessing the impact of corporate social responsibility communications on the loyalty of customers in the Hypermarket Industry in Kuala Lumpur. It focuses on deterioration and the lack of quality service in the hypermarket. Design/methodology/approach

The hypotheses of the study are to recognize the relationships between variables CSR communications (corporate website, public relations, advertising, social media) and customer loyalty. Each of them was tested for study scope by regression equation using the SPSS and Smart PLS software. This study enhances its empirical validity by collecting data from 384 respondents in Kuala Lumpur of Malaysia.

### Findings

Results of the statistical analysis show that acceptance of central research hypothesis the existence of a positive relationship between variables CSR communications (corporate website, public relation, advertising, social media) and customer loyalty and this means the corporate social responsibility communications in the applied hypermarket are to

understand the importance of quality services. Quality services from the hypermarket contribute to making the organization's effectiveness more positive to achieve organizational goals and improve overall performance. This results in increased customer loyalty, which requires a joint action starting from the hypermarket management to the simplest employee.

#### Social implications

The research has been concluded with several recommendations. The most important one is that hypermarkets must-have experiences, knowledge, and outstanding abilities to work together for the best performance by the impact on customers to make them more loyal to the hypermarket.

#### Originality/value

This paper establishes the role of variables CSR communications and customer loyalty for the hypermarket industry in Malaysia. Additionally, the empirical results focus on analyzing CSR's impact on customer behavior and strongly encourage hypermarkets to continue investing; CSR communication (corporate website, public relations, advertising, social media) can be strategic marketing tools to promote customer loyalty of hypermarket.

#### Keywords

Corporate social responsibility, customer loyalty, hypermarket, Kuala Lumper

#### **1. INTRODUCTION**

Hypermarkets is undergoing restructuring with new technology being integrated in the industry, any hypermarket that aims at surviving the stiff competition as a result of all these changes, there is need to develop and innovate models of sustainable development that aim at improving the customer loyalty. Linking people and different world is the work of modern technology is the carrier of globalization all over the world (Othman et al., 2020). Due to the introduction of computers to the banking system organizations have adopted the usage of computers in their operations in order to improve efficiency (Ismael et al., 2020). Restatement of financial statements to the market contains new information (Sulaiman et al., 2020). The idea of capital competence is a newly developed concept that is being explored in research (Gardi et al., 2020). The capital market is one of the most important parts of the economy, that it is not covered they're important to anyone (MIR et al., 2020). The use of accounting techniques to generate financial reports, which shows an overly positive view of the business activities and financial position of the company (Hamawandy et al., 2020). Hypermarkets increasingly gain popularity for the purchase of groceries by Malaysian consumers (Kadhim Ghaffar et al., 2019). The initial phase of retail industry in Malaysia was a conventional sundry shop, and it grew into supermarkets and eventually into hypermarkets (Ghaffarkadhim, et al., 2019), Hypermarkets have become a successful venture in Kuala Lumpur and this results to increased hypermarkets in the region (Cuesta, P., Rodriguez, P., Villarreal, R. and Blozis, S., 2018). However, there exist competition from other ventures such as retail shops and supermarkets which may even sell at discounted rates.

There is also high regulation from the government and therefore reduces the earnings calling for innovative strategies to survive in the industry. Its therefore not enough to just open a new hypermarket, there is need to develop growth strategies by conducting SWOT analysis and developing ways of improving customer loyalty to maintain the sales. This therefore creates the need to integrate the management of corporate social responsibility in the hypermarkets industry (Brunninge & Fridriksson, 2017). With hypermarket outlets located within malls and shopping centre, as a facility for Malaysians to relax (Ogiemwonyi, Humran, 2020). The literature review conducted on the outcomes of CSR focusing specifically on the behaviour shown by consumers is minimum. There is therefore less information on the importance of corporate social responsibility especially for customers and how their attitudes towards such a strategy. Through academic research and other investigations have been conducted which show that there is a positive influence caused by CSR on the customer behaviours' variables (Brown & Dacin, 1997). There is rare research's that shed light on CSR communication has researched in relation to the global economic model which determines the how they influence customer loyalty. This therefore creates the need to study and get more knowledge about the principles and procedures for CSR and how it can be used to influence royalty of customers. The main aim of objective of this research is therefore to determine the influence CSR communication (corporate website, public relations, advertising, social media) on customer loyalty in hypermarket of Malaysia.

### 1.1 Research Objective

- 1. Is there a relationship between corporate website and customer loyalty?
- 2. Is there a relationship between public relation and customer loyalty?
- 3. Is there a relationship between advertising and customer loyalty?
- 4. Is there a relationship between social media and customer loyalty?

### **1.2** Proposed Research Question

- 1. To examine the effect of corporate website on customer loyalty.
- 2. To examine the effect of public relation on customer loyalty.
- 3. To examine the effect of advertising on customer loyalty.
- 4. To examine the effect of social media on customer loyalty.

# 2. LITERATURE REVIEW:

# 2.1 Customer Loyalty

Customer loyalty refers to customers being committed to the purchase of goods and the services available in a specific hypermarket location (Singh, A.K., 2019). Hypermarket assumes that the customers' loyalty is achieved by initiating a brand strategy and establishing an emotional attitude regarding to the consumer behaviour of purchasing goods and services. Customers' loyalty is defined as customers' commitment either emotionally or sensibly, to buy repeatedly the preferred goods and services in the particular retailer's market (Szwarc, 2005).

#### 2.2 Corporate Social Responsibility Communication

In a CSR communication strategy, different areas are considered, for example, communicating how a company provides information about the cause itself, which efforts that should be communicated. A company must determine how to communicate its CSR initiatives, which could be through traditional methods, such as commercials. Most companies use their websites to communicate their social responsibility (Esrock & Leichty, 1999), and most companies now use the Internet frequently to publish information. It is fast to publish, and information is easily accessible by those interested, that the targeted use of these transactions and their lack of disclosure or insufficient disclosure is a factor in the fall of companies (Hamawandy et al., 2020). Since the public has easy access to information due to advancements in technology, CSR information is readily available (Wagner et al., 2009, p.77). introduction of computers to the banking system organizations have adopted the usage of computers in their operations in order to improve efficiency (Ismael et al., 2020). Corporate governance systems aim to achieve economic efficiency (Al-Kake & Hasan, 2019). The study utilizes the vast empirical literature available on the subject plus data gathered from various reputable organizations (Baban & Hasan, 2019). Still, a study by Esrock & Leichtys (1999) reveals that organizations are not equal when it comes to highlighting their responsibilities on their websites. Reliability was found to show the highest impact on customer satisfaction followed by tangibility (Ogiemwonyi, Humran, 2020). The study reviews and highlights the influence of environmentally supportive behavior among Malaysian and Nigerian consumers (Ogiemwonyi et al., 2020). better state of improving the process of learning in a bid to enhance their performance while equally creating possibilities to attain their competitive advantages (Jabbar et al., 2019). One of Systembolaget's most important communication channels is the company's website. There is a lot of information to be found regarding the company's CSR work on the website for interested customers. Systembolaget also uses traditional mass media, specifically TV commercials, to inform customers about their social responsibilities and website information (Kadhim, K.G., et 2019). In a CSR communication strategy, many areas are put into consideration, for example, communicating how a company is involved in a specific cause or to provide information about the cause itself, which efforts should be communicated (Du, 2010).

### 2.2.1 Corporate Website

Content simply means the information, data and values that are presented to an audience online through a website. It is supposed to be attractive and engaging to the issue that it aims ata addressing in a specific period (Sinha, Hearst, Ivary, Draisim 2001). For a content to be effective it also needs to be accurate, relevant and useful to the audience which it targets (Cai, Card and Cole 2004). This means that content development must be based on facts obtained through research and can be proved logically or through a scientific procedure. Information that is relevant about a specific product or services offered in the hypermarket is important to the audience as it ensures that consumers make decisions based on the available information (Tan and Wei 2006). The website therefore comprises of information about the quality, quantity and mineral composition of the products in the hypermarket. Therefore,

better product information would influence online consumers to make purchasing decisions (Elliot and Speck, 2005).

### **2.2.2 Public Relations**

Public relations significant management plays an important role in educating consumers or encouraging business executives to develop corporate social responsibility practices (Kadhim Ghaffar et al., 2019). Generally, corporate social responsibility has to do with meeting up to societal obligations beyond traditional economic contributions. Corporate social responsibility and public relations initiatives contribute to similar functions and needs in the organization, ethical actions, organizational reputation, managing crises, stakeholder relationships, society, crisis management, etc. (Siltaoja, 2006; Yoon, Gurhan-Canli, & Schwarz, 2006; Sohn & Lariscy, 2014).

Relationship marketing is the application of various strategies for marketing, communication and customer care services in an organization instead of specializing only on one method. An organization may explain relationship marketing in order to determine named individual customers and also establish a healthy interaction between the organization and its customers (Stone M, Woodcock N, Wilson M; 1996). How customers respond to public relation strategies is determined by how organization presents and targets the need for the audience (Sen S, Bhattacharya CB; 2001).

### 2.2.3 Advertising

In marketing, advertising a business may refer to an effort to encourage promoting of goods and services to the public who are the target consumers (Kadhim Ghaffar et al., 2020). In many cases it is designed to attract the interest and attention of the target consumers who have variety of needs and preferences. The aim is to inform, remind or persuade an individual that a product meets their needs and quality standards. It can be used for corporate improvement and enhancement when the customer relations strategies have improved to persuade new clients to join the hypermarket (Farache, 2009). Advertising can therefore influence the purchasing behaviour of consumers and should be used to create a rapport between the business and consumers of the goods and services to enhance sales (Petley, 2020).

### 2.2.4 Social Media

Social media is a general term that has been used widely to refer to all applications based on the internet developed to improve ideological and also technological advancement. Members of the social media accounts interact through the various platforms virtually and engage on different issues determined by the interest and hobbies of an individual. Other definitions include social media as internet-based forums where there is high rate of interactions and ideas, discussions and creation of other technologies can be based upon. Social media has therefore today due its wide usage become one of the leading influnces to how customers behave. Through social media therefore could be an important tool to be used in order to ensure that there is awareness and information is available about different products from a company (Mangold and Faulds, 2009).

### 2.3 Hypotheses Development and Research Framework

Any website which is developed professionally attracts and arouses the interests of the audience to visit and consider the content in it (Chen, Zhang, Huang 2010). A quality website must therefore be easy to use or navigate throughout the various pages of the site (Tarafdar and Zhang 2008). A website that enhances skills of the audience creates a long-lasting relationship with buyers and sellers and may attract a high number of online consumers (Gangeshwer, 2013). Promotion of CSR activities through the website of the company to the promotion of product or service. By promoting CSR, the company promotes itself, builds a stronger relationship with the current customers, and attracts new ones (Gangeshwer, 2013). Great website design has good accessibility and good quality of website support system. Good design website has an improved secure payment method, online buyers (Liang and Lai 2002). All these attributes of design are used to improve customer loyalty. Also, Website quality is a platform for Information Technology which reaches the effectiveness of the website (Lin, 2008). It provides an effective and efficient e-buying and delivery process of goods or services to the customers, enhancing customer loyalty (Zeithaml, Parasuraman and Malhotra, 2002). Therefore, the following hypothesis is stated:

# H1: If the hypermarket's corporate website is excellent, then this will lead to customer loyalty.

The findings of many previous studies in the area of marketing have shown that there is a correlation between a corporate website and loyalty of customers (Fornell, 2000). After Commitment has been established from the customers, it is important to keep working on maintaining that loyalty because changes in the environment affects the customers behaviour. It is therefore important for continuous programs of CSR and PR which keeps the environment in balance to ensure that the organization is not hit hard by the environmental changes (Bruning, S.D. and Ralston, M., 2000). This is because the consumer loyalty is determined by how they perceive such organizations or companies (Bruning, 2002; Bruning and Ralston, 2001; Hon and Brunner, 2001). Awareness of consumers about an organization on customer relationships could either raise or lower their loyalty towards the company (Ledingham and Bruning, 1998). Such loyalty would mean more sales and enhancement of market share. Therefore, the following hypothesis is stated:

# H2: If the public relations provided by hypermarkets are excellent, then this will lead to customer loyalty.

According to Chioveanu (2008) consumers are influenced by advertising when purchasing a specific brand and leave the other. Advertising is a form of communication to the public about a product or an organization and may improve the customer's loyalty. When there is any changes or misinformation about a certain product, advertising may be used to clarify and reaffirm the consumers that there is no compromise to quality of the products. There is therefore a need for companies to budget for advertising regularly and to facilitate

information and creation of awareness to the potential customers. It ensures that organization stands out in the midst of other competitors in the industry (Agrawal, 1996; Yoo et al., 2000). Studies have shown that there is need for efficiency in advertising as it promotes the loyalty of customers. According to Kirmani and Wright (1989), advertising has a significant role in reinforcing perceived performance and user experience of a specific brand. The use of corporate advertising creates the perception of a strong institution with innovative products and services in retail. Therefore, the following hypothesis is stated:

# H3: If the advertising provided by the hypermarket is excellent, then this will lead to customer loyalty.

Greenberg (2010) agues that using social media will be of important benefit especially on increasing the loyalty as the company will avail information as soon it is requested because the consumers widely rely on it for communication. Online tools may also be used on websites which customers can share on the social media and engage about the products or policies which will bring high traffic to the company's website (Greenberg, 2010, p. 411). Because social consumers demand that peers and companies which they choose to be transparent and original if they will continue buying again and again from the company (Kim and Ko, 2012). Effects of activities such as being active online has been proved to result in to more demand and loyalty to a specific brand. Content of the information on the social media as well as popularity of the website creates more awareness and influences the consumers more in a specific direction (Erdoğmuş and Çiçek, 2012). Social media marketing has been used by luxury brands by entertaining customers provides a platform of interaction on the quality and other aspects of the product. Therefore, the following hypothesis is stated:

# H4: If the social media provided by hypermarket are excellent, then this will lead to customer loyalty.

### 3. METHODOLOGY

In this study, an attempt is made by the researcher to gain insight into the correlation between different variables to find a fitted model. Therefore, to achieve this, the researcher applied a deductive approach to hypothesis testing. In this study, the use of a quantitative method was employed to achieve the study objectives. The study type, methods of data collection, and method of data analysis are planned through the design. Because the study seeks to investigate the influence of CSR Communications (public relations, corporate website, advertising, and social media) on customer loyalty towards hypermarkets in Kuala Lumpur. As a result of the limitations associated with this study, a cross-sectional investigation was conducted. More so, this study is also a correlational study that aims at studying the correlation between the variables under study. The data for this study was collected using the survey method and then analyzed using SmartPLS.

In this study, a survey was carried out to investigate the conceptual model, research questions, and related hypotheses. The survey was carried out among customers in shopping areas. For the collection of data, a questionnaire containing relevant questions was designed by the researcher. The aim of designing this questionnaire is to obtain relevant information that can provide more insight into the phenomenon under study. According to Sekaran (2003) questionnaire has some advantages, including low cost and time required to reach out to a larger number of individuals. According to this scholar, the use of a questionnaire is easier than collecting qualitative data using interviews, which requires more skills. Dillman (2007) noted that the questionnaire is one of the well-established data collection instruments in social science research. The questionnaire used in this study contains measurement scales adopted from previous studies and a thorough review of the literature. The kind of questionnaire used in this study is a Likert scale-type. The use of Likert scales is most appropriate when the survey instrument is self-administered. The ease of administering the Likert-scale kind of questionnaire has become very popular and widely-used (McLeod, 2019). Even though it is acceptable to adopt and adapt a questionnaire to suit the current study, the instrument's modifications could affect the instrument's validity and reliability. In this study, the use of a questionnaire was employed in obtaining data from the selected sample within the Kuala Lumpur area. A structured questionnaire was used as a suitable instrument for data collection, since the researcher knows what is required, as well as how to measure the variables under study. The questionnaire used in this study contains different sections with items covering the Demographic profile of the respondents, as well as questions on the dependent variable (customer loyalty) and independent variables of the study. The section which contains questions related to the independent variables also contain subvariables for measuring the dimensions of corporate social responsibility communication (corporate website, public relation, advertising, social media) as predictors of customer loyalty.



SECTION	SOURCE
customer loyalty	Dehghan, A., &Shahin, A. (2011).
corporate website	Michael Mitrook; 2013
Advertising	Gordon C. Bruner; 2013
social media	Xiachao Wang, Gulara, Abdullayeva; 2011
public relation	Michael Mitrook; 2013

Table 1: The Questionnaire's Sources
--------------------------------------

### 4. RESULTS AND FINDINGS

#### **4.1 Respondent Profile**

This section presents the study respondents' profile, which includes age, gender, education, monthly income, Ethnicity, religion, purchase goods from a hypermarket in Kuala Lumpur or no, and frequency of shopping from the hypermarkets. With regards to age, the result of the descriptive analysis presented in Table 1 shows that 14.3 % of the respondents were within the age range of 18-25 years, followed by 32.3% of the respondents who were aged 26-35 years, 34.1% of them were within the age range of 36-45 years old at 34.1%. Then 19.3% of them were within the age range of 46 and above.

Variable	Group	Number	Percent
Age	18-25	55	14.3
	26-35	124	32.3
	36-45	131	34.1
	46 or over	74	19.3
Gender	Male	166	43.2
	Female	218	56.8
Education	Primary school	34	8.9
	Secondary school	146	38.0
	University	188	49.0
	Postgraduate	16	4.2
Income	Less than Rm 1000	62	16.1

	Rm 1000 to Rm 2999	138	35.9
	Rm 3000 to Rm 4999	125	32.6
	Rm 5000 and above	59	15.4
Ethnicity	Malay	182	47.4
	Chinese	123	32.0
	Indian	55	14.3
	Others	24	6.3
Religion	Islam	182	47.4
	Christianity	125	32.6
	Hinduism	52	13.5
	Others	25	6.5
How many times you shop from the hypermarkets in a week	1 to 3 times	178	46.4
	4 to 6 times	127	33.1
	7 to 9 times	55	14.3
	10 times and more	24	6.3
Purchase goods from Hypermarket in Kuala Lumpur or no	Yes	368	95.8
	No	16	4.2

In terms of gender, more than half of the respondents, which was about 56.8% were females, while the remaining of the respondents (43.2%) were males. With regards to the educational background of the respondents, the Table above reveals that 8.9% of the respondents had only primary school education, 38% had secondary school education, 49% had Bachelor's degree. In comparison, the remaining 4.2% were educated to postgraduate level. For the Income level of the respondents, the results presented in the Table shows that 16.1% of them earned less than Rm 1000, 35.9% of them earned Rm1000-Rm2999, 35.9% of them earned Rm 3000 to Rm 4999 (32.6%), and the remaining 15.4% earned Rm5000 and above. Regarding the fifth aspect, which is Ethnicity, the Table above shows that 47.4% of the respondents were Malay, 32% of them were Chinese, 14.3% were Indians, and the

remaining 6.3% of them belonged to other ethnic groups. For the sixth aspect, the Table above shows that almost half of the respondents were Muslims (47.4%), 32.6% of them were Christians, 13.5% of them were Hindus, and the remaining 6.5% of them belonged to other religions. The seventh aspect, which is the frequency of shopping at hypermarkets, the Table above shows that 46.4% of them indicated that they shopped 1 to 3 times weekly, 33.1% of them indicated that shopped 4 to 6 times weekly, followed by 44% of them who indicated that they shopped 7 to 9 times weekly (14.3%). In comparison, 6.3% of them indicated that they shopped ten times and more weekly. Then for the last aspect, which is whether the respondents purchase goods from any hypermarket in Kuala Lumpur. The above Table shows that the respondents were only required to indicate Yes or No, and the results showed that almost all of them (95.8%) of them indicated that they shopped from hypermarkets in Kuala Lumpur. In comparison, just a few of them (4.2%) indicated that they do not shop in hypermarkets in Kuala Lumpur. Generally, based on the results, it can be said that the majority of the respondents were females, and then most of them were within the age range of 36-45 years. More so, most of them had a Bachelor's degree, and most of them were Muslims. Concerning their income, the majority of them earned Rm1000 TO Rm2999. Also, it was found that most of them agreed that they shopped from hypermarkets in Malaysia, and then most of them indicated that they shopped from hypermarkets 1 to 3 times in a week.

### 4.2 Reliability of the Study's Instruments

The collected data were examined in terms of reliability. In this study, the usable data were obtained from 384 respondents. For reliability measurement of the used instrument, Cronbach's Alpha was used, as proposed in Sekaran & Bougie (2016). in this study, the reliability of all items was tested, and according to Pall ant (2013), to be accepted, the items must be Cronbach's alpha value of at least 0.70. as already mentioned, a pilot study was carried out in this study, on 384 randomly selected customers as respondents. The reliability of all items of all dimensions was ascertained and based on the results. All dimensions achieved high reliability. Meanwhile, for the survey with N=384, the corresponding Cronbach's Alpha values are displayed in the following Table.

Table 3:	Cornbrasl	n's A	lpha '	Values	

. . . . . . . .

No.	Variables	Cornbrash's Alpha
1	Customer Loyalty	.935
2	corporate website	.895
3	public relation	.890
4	Advertising	.895
5	social media	.897

### 4.3 Convergent validity

Convergent validity is employed in knowing to what extent the indicators of a given construct converge to share a high proportion of variance in common (Hair, Black, Babin, & Anderson, 2010). An assessment of the Convergent Validity was carried out by examining AVE, Composite Reliability (CR), and factor loading, as suggested by Hair et al. (2010). As suggested by Hair et al., (2010), a good Convergence Validity is indicated by an AVE that is 0.5 or higher, estimated loadings of 0.7 or higher; and CR od 0.7 or higher. Based on the result shown in Table 2, the AVE values of all the constructs ranged from 0.695 to 0.793, above the recommended threshold value of 0.5. This result reveals that the convergent validity of the study's measurement model is adequate.

Constructs	Average Variance Extracted
	(AVE)
Customer loyalty	0.793
Corporate Website	0.705
Public Relation	0.695
Advertising	0.705
Social Media	0.709

Table 4: Average Variance Extracted value

# 4.4 Fornell-Larcker's criterion

Apart from ensuring the discriminant validity of the measurement model, the crossloading measurement was examined as per the indicator based on Fornell-Larcker's criterion (1981) of measurement criteria. The discriminant validity was determined by comparing the square root of average variance extracted (AVE) with the correlations of the other valiables. It is expected that the latent variable correlations (LVC) should not be more significant than each latent variable. Table 3 shows the square root of the AVE for Customer loyalty, Advertising, Corporate Website, Public Relations, and Social Media.

	Advertising	Corporate Website	Customer loyalty	Public Relation	Social Media
Advertising	0.940				
Corporate website	0.863	0.887			
Customer loyalty	0.809	0.792	0.811		
Public Relation	0.882	0.884	0.751	0.834	
Social Media	0.911	0.859	0.787	0.867	0.842

	Table 5:	Fornell-Larcker's criterion	
--	----------	-----------------------------	--

### 4.5 Hypotheses Testing

In this study, a structural model evaluation was used to validate the proposed hypotheses. To warrant the suggested model's path coefficient, Hair et al. (2011) proposed that an acceptable level of path coefficient should be at least 0.1 with a significant level of the coefficient of at least 0.05 (or 95% confidence level). The level of significance and acceptance of hypotheses was determined using the values obtained from the bootstrapping procedure, which was performed using SmartPLS 3.0. The t-values obtained using SmartPLS 3.0 bootstrapping at 384 resamplings were used to determine the significance of the hypothesis for all constructs. The following positive direction was advocated in this study: To examine the effect of CSR Communications (corporate website, public relations, advertising, social media) on customer loyalty. Based on the statistical assessment of the path coefficients, only when the t-value is greater than 1.96, will the hypothesis be accepted and supported (Hair et al., 2017). The result of the hypotheses testing are presented in Table 4.8.2, which shows that all the four hypotheses that were tested to determine the direct effect were supported, and there was a significant positive influence. Result of immediate effect for the supported hypotheses including H1) the positive influence of Corporate Website on Customer Loyalty (t=3.713; p<0.05), H2) the positive influence of Public Relation on Customer Loyalty (t=3.712; p<0.05), H3) the positive influence of Advertising on Customer Loyalty (t=3.697; p<0.05), H4) the positive influence of Social Media on Customer Loyalty (t=3.728; p<0.05).

140	ie of freshills model paul e		a an		unonomp	
pothesis	path coefficient	Standard	Т	Statistics	Р	res

Table 6: Results model path coefficient beta and r direct relationship

Hypothesis	path coefficient	Standard Deviation (STDEV)	T Statistics ( O/STDEV )		result
H1	Corporate Website -> Customer Loyalty	0.021	3.713	0.000	Accept

H2	Public Relation Customer Loyalty	->	0.021	3.712	0.000	Accept
H3	Advertising Customer Loyalty	->	0.021	3.697	0.000	Accept
H4	Social Media Customer Loyalty	->	0.021	3.728	0.000	Accept

#### **5. DISCUSSION**

One of the topics which have emerged as a relevant topic in the field of marketing is Corporate Social Responsibility communication, as there is an increase in the interest of practitioners and business theorists in the area of CSR, as well as its implications for firms. The findings of the study revealed that customer loyalty is influenced by CSR communication (Corporate Website, Public Relations, Advertising, Social Media), and as such, should be considered by firms as a useful marketing tool for hypermarkets in Malaysia. The result of the statistical analysis confirmed that the main research hypotheses were accepted. Also, the result showed that CSR communication (Corporate Website, Public Relations, Advertising, Social Media), positively influences customer loyalty. This study contributes to the area of marketing by providing insight into the level of CSR in hypermarkets through an examination of the relationship between CSR communication and client contentedness towards hypermarkets. One major way through which a sustainable competitive advantage can be built is by ensuring the customers are satisfied. In this study, the role of CSR factors in enhancing customer satisfaction in hypermarkets.

More so, in this study, an investigation of the moderating effects of hypermarkets in the correlation between CSR and customer loyalty. These findings have several practical and theoretical implications. The study outcomes lead to conclusions that higher CSR levels positively affects customer loyalty. The perception which customers have about CSR is important and has implications for customers. Stronger evaluations of hypermarkets can result from the expectations which customers have towards CSR communication. For customers to demonstrate intentions to repeat business firms if they must increase their CSR so that customers can develop favorable attitudes, thereby resulting in loyalty. This research contributes to the overall understanding of CSR's level in hypermarkets by providing insight into how CSR influences customer loyalty. Therefore, it can be concluded that sustainable competitive advantage can be built through customer loyalty. This means that if firms' carryout extensive CSR communication, the perceptions of customers towards hypermarkets will be positively influenced.

#### 6. CONCLUSION AND RECOMMENDATION

Hypermarket retailing is highly accepted by Malaysian consumers as the main channel to purchase basic household necessities. In general, the development of hypermarkets has been far more aggressive than supermarkets and shopping malls. Moving forward, it is expected that hypermarket retailing in Malaysia will continuously develop with more innovative ideas through collaboration between practitioners and researchers with the consensus of consumers. Retailers should "delight" and "surprise" consumers and should limit consumer's sovereignty and persuade them to act in particular ways. Although the way hypermarkets manage the retail operations should be according to consumer preferences (Uusitalo, 2001), the successful original ideas for retailing come from the retailer and not the consumer. Thus, an innovative strategy is expected to boost the hypermarket brand momentum.

One of the topics that have emerged as a relevant topic in the field of marketing is Corporate Social Responsibility communication, as there is an increase in the interest of practitioners and business theorists in the area of CSR, as well as its implications for firms. The findings of the study revealed that customer loyalty is influenced by Corporate Social Responsibility communication (Corporate Website, Public Relations, Advertising, Social Media), and as such, should be considered by firms as a useful marketing tool for hypermarkets in Malaysia. The result of the statistical analysis confirmed that the main research hypotheses were accepted. Also, the result showed that CSR communication (Corporate Website, Public Relations, Advertising, Social Media) has a positive influence on customers' loyalty towards a product or firm. This study contributes to the area of marketing by providing insight into the level of CSR in hypermarkets through an examination of the correlation between CSR communication and customer loyalty towards hypermarkets.

One of the major ways a sustainable competitive advantage can be built is by ensuring the customers are loyal. In this study, the role of CSR factors in enhancing customer loyalty in hypermarkets. There should be more research conducted to fill all existing gaps and discover potential paths for expansion of the industry. However, the research outcome will only be fully useful if there is strong collaboration with the practitioners who are interested in implementing new innovative ideas. Even though the study was successfully carried out, there are some limitations associated with the study, and based on those limitations, suggestions for future study were given. In line with this, more research should be conducted to fill all existing gaps and discover potential paths for the industry's expansion. However, the research outcome will only be fully useful if there is strong collaboration with the practitioners who are interested in implementing new innovative ideas.

### 7. REFERENCES

- [1] Agrawal, D., 1996. Effect of brand loyalty on advertising and trade promotions: A game theoretic analysis with empirical evidence. Marketing science, 15(1), pp.86-108.
- [2] Brown, T.J. and Dacin, P.A., 1997. The company and the product: Corporate associations and consumer product responses. Journal of marketing, 61(1), pp.68-84.
- [3] Bruning, S.D. and Ledingham, J.A., 2000. Perceptions of relationships and evaluations of satisfaction: An exploration of interaction. Public Relations Review, 26(1), pp.85-95.
- [4] Bruning, S.D. and Ralston, M., 2000. The role of relationships in public relations: Examining the influence of key public member relational attitudes on behavioral intent. Communication Research Reports, 17(4), pp.426-435.

- [5] Ogiemwonyi , Humran, N. (2020). The Relationship between Service Quality Dimensions and Customer Satisfaction towards Hypermarket in Malaysia. International Journal of Psychosocial Rehabilitation, 24(5), 2062–2071. https://doi.org/10.37200/ijpr/v24i5/pr201904
- [6] Bruning, S.D. and Ralston, M., 2001. Using a relational approach to retaining students and building mutually beneficial student-university relationships. Southern Journal of Communication, 66(4), pp.337-345.
- [7] Brunninge, O. and Fridriksson, H.V., 2017. "We have always been responsible": A social memory approach to responsibility in supply chains. European Business Review, 29(3), pp.372-383.
- [8] Cai, L., Card, J.A. and Cole, S.T., 2004. Content delivery performance of world wide web sites of US tour operators focusing on destinations in China. Tourism Management, 25(2), pp.219-227.
- [9] Chen, J., Cheng, Z. and Huang, L., 2007. Determinants of Customer Loyalty in China C2C E-Commerce: From a Social Network Perspectiv.
- [10] Chioveanu, I., 2008. Advertising, brand loyalty and pricing. Games and Economic Behavior, 64(1), pp.68-80.
- [11] Cuesta, P., Rodriguez, P., Villarreal, R. and Blozis, S., 2018. Hypermarket Purchase Loyalty and Corporate Social Responsibility. Back to the Future: Revisiting the Foundations of Marketing, p.300.
- [12] Dillman, D.A. and Smyth, J.D., 2007. Design effects in the transition to web-based surveys. American journal of preventive medicine, 32(5), pp.S90-S96.
- [13] Du, S., Bhattacharya, C. B. and Sen, S. (2010). 'Maximizing business returns to corporate social respon-
- [14] Du, S., Bhattacharya, C. B. and Sen, S. (2010). 'Maximizing business returns to corporate social respon-
- [15] Du, S., Bhattacharya, C. B. and Sen, S. (2010). 'Maximizing business returns to corporate social respon-
- [16] Du, S., Bhattacharya, C. B. and Sen, S. (2010). 'Maximizing business returns to corporate social respon-
- [17] Du, S., Bhattacharya, C.B. and Sen, S., 2010. Maximizing business returns to corporate social responsibility (CSR): The role of CSR communication. International journal of management reviews, 12(1), pp.8-19.
- [18] Erdoğmuş, İ.E. and Cicek, M., 2012. The impact of social media marketing on brand loyalty. Procedia-Social and Behavioral Sciences, 58, pp.1353-1360.
- [19] Esbjerg, L. and Bech-Larsen, T., 2009. The brand architecture of grocery retailers: setting material and symbolic boundaries for consumer choice. Journal of Retailing and Consumer Services, 16(5), pp.414-423.
- [20] Esrock, S.L. and Leichty, G.B., 1998. Social responsibility and corporate web pages: self-presentation or agenda-setting?. Public relations review, 24(3), pp.305-319.
- [21] Farache, F., Perks, K. and Berry, A., 2009, December. The role of advertising in the legitimization of CSR actions: Propositions and a conceptual framework.

In Proceedings of the Australian & New Zealand Marketing Academy (ANZMAC) Conference. Melbourne, CD Rom.

- [22] Fornell, C. and Larcker, D.F., 1981. Structural equation models with unobservable variables and measurement error: Algebra and statistics.
- [23] Gangeshwer, D.K., 2013. E-commerce or Internet Marketing: A business Review from Indian context. International Journal of u-and e-Service, Science and Technology, 6(6), pp.187-194.
- [24] Gangeshwer, D.K., 2013. E-commerce or Internet Marketing: A business Review from Indian context. International Journal of u-and e-Service, Science and Technology, 6(6), pp.187-194.
- [25] Ghaffarkadhim, K., Harun, A., Othman, B.A. and Raja, P., 2019. Hypermarkets in malaysia: Issues of expansion, distribution and corporate social responsibility. International Journal of Psychosocial Rehabilitation, 23(2), pp.659-670.
- [26] Ha, H.Y., John, J., Janda, S. and Muthaly, S., 2011. The effects of advertising spending on brand loyalty in services. European journal of marketing.
- [27] Hair Jr, J.F., Hult, G.T.M., Ringle, C. and Sarstedt, M., 2016. A primer on partial least squares structural equation modeling (PLS-SEM). Sage publications.
- [28] Hair, J.F., Ringle, C.M. and Sarstedt, M., 2011. PLS-SEM: Indeed a silver bullet. Journal of Marketing theory and Practice, 19(2), pp.139-152.
- [29] Hon, L. and Brunner, B., 2002. Measuring public relationships among students and administrators at the University of Florida. Journal of Communication Management.
- [30] Kadhim, K.G., Harun, A., Othman, B., Melhem, I., Mechman, A. and Mohammed, A., THE INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY COMMUNICATION (CSR) ON CUSTOMER SATISFACTION TOWARDS HYPERMARKETS IN KUALA LUMPUR MALAYSIA.
- [31] Kim, A.J. and Ko, E., 2012. Do social media marketing activities enhance customer equity? An empirical study of luxury fashion brand. Journal of Business research, 65(10), pp.1480-1486.
- [32] Kim, J., Ha, S. and Fong, C., 2014. Retailers' CSR: the effects of legitimacy and social capital. International Journal of Retail & Distribution Management.
- [33] Kim, W.G., Ma, X. and Kim, D.J., 2006. Determinants of Chinese hotel customers'esatisfaction and purchase intentions. Tourism management, 27(5), pp.890-900.
- [34] Kim, W.G., Ma, X. and Kim, D.J., 2006. Determinants of Chinese hotel customers'esatisfaction and purchase intentions. Tourism management, 27(5), pp.890-900.
- [35] Ledingham, J.A. and Bruning, S.D., 1998. Relationship management in public relations: Dimensions of an organization-public relationship. Public relations review, 24(1), pp.55-65.
- [36] Liang, T.P. and Lai, H.J., 2002. Effect of store design on consumer purchases: an empirical study of on-line bookstores. Information & management, 39(6), pp.431-444.
- [37] Lin, H.J., 2008. The Study of the Antecedents of Customer Loyalty on Internet Banking in Indonesia, in. Graduate Institute of International Trade, Taiwan.
- [38] Liu, C. and Arnett, K.P., 2000. Exploring the factors associated with Web site success in the context of electronic commerce. Information & management, 38(1), pp.23-33.

- [39] Lorenzo-Romero, C. and Constantinides, E., 2011. Consumer adoption of social networking sites: implications for theory and practice. Journal of research in Interactive Marketing.
- [40] Mangold, W.G. and Faulds, D.J., 2009. Social media: The new hybrid element of the promotion mix. Business horizons, 52(4), pp.357-365.
- [41] McLeod, S., 2019. Likert scale definition, examples and analysis. Simply Psychology, August, 3, p.2019.
- [42] McWilliams, A. and Siegel, D., 2001. Corporate social responsibility: A theory of the firm perspective. Academy of management review, 26(1), pp.117-127.
- [43] McWilliams, A., Siegel, D.S. and Wright, P.M., 2006. Corporate social responsibility: Strategic implications. Journal of management studies, 43(1), pp.1-18.
- [44] Peters, L.D., Pressey, A.D. and Greenberg, P., 2010. The impact of CRM 2.0 on customer insight. Journal of Business & Industrial Marketing.
- [45] Petley, J., 2003. Advertising Library of congress cataloging-in publication data.
- [46] Ranabhat, D., 2018. CUSTOMER LOYALTY IN BUSINESS: views of students of Centria University of Applied Sciences.
- [47] Sekaran, U., 2003. Research Methods For Business, Fouth Edition.
- [48] Sekaran, U. and Bougie, R., 2016. Research methods for business: A skill building approach. John Wiley & Sons.
- [49] 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, 38(2), pp.225-243.
- [50] sibility (CSR): The role of CSR communication'. International Journal of Management Reviews, 12, 8–19.
- [51] sibility (CSR): The role of CSR communication'. International Journal of Management Reviews, 12, 8–19.
- [52] sibility (CSR): The role of CSR communication'. International Journal of Management Reviews, 12, 8–19.
- [53] sibility (CSR): The role of CSR communication'. International Journal of Management Reviews, 12, 8–19.
- [54] Siltaoja, M.E., 2006. Value priorities as combining core factors between CSR and reputation–a qualitative study. Journal of Business Ethics, 68(1), pp.91-111.
- [55] Singh, A.K., 2019. Customer Satisfaction as an Antecedent of Customer Loyalty. International Journal of Research in Social Sciences, 9(6), pp.505-515.
- [56] Sinha, R., Hearst, M., Ivory, M. and Draisin, M., 2001, June. Content or graphics? An empirical analysis of criteria for award-winning websites. In Proceedings of the 7th Conference on Human Factors & the Web.
- [57] Sohn, Y.J. and Lariscy, R.W., 2014. Understanding reputational crisis: Definition, properties, and consequences. Journal of Public Relations Research, 26(1), pp.23-43.
- [58] Stone, M., Woodcock, N. and Wilson, M., 1996. Managing the change from marketing planning to customer relationship management. Long Range Planning, 29(5), pp.675-683.

- [59] Sureshchandar, G.S., Rajendran, C. and Anantharaman, R.N., 2002. The relationship between service quality and customer satisfaction–a factor specific approach. Journal of services marketing.
- [60] Tan, G.W. and Wei, K.K., 2006. An empirical study of Web browsing behaviour: Towards an effective Website design. Electronic Commerce Research and Applications, 5(4), pp.261-271.
- [61] Tarafdar, M. and Zhang, J., 2008. Determinants of reach and loyalty—A study of website performance and implications for website design. Journal of Computer Information Systems, 48(2), pp.16-24.
- [62] Uusitalo, O., 2001. Consumer perceptions of grocery retail formats and brands. International Journal of Retail & Distribution Management.
- [63] Wagner, T., Lutz, R.J. and Weitz, B.A., 2009. Corporate hypocrisy: Overcoming the threat of inconsistent corporate social responsibility perceptions. Journal of marketing, 73(6), pp.77-91.
- [64] Wang, Z., Hsieh, T.S. and Sarkis, J., 2018. CSR performance and the readability of CSR reports: Too good to be true?. Corporate Social Responsibility and Environmental Management, 25(1), pp.66-79.
- [65] Yoo, B., Donthu, N. and Lee, S., 2000. An Examination Of Selected Marketing Mix Elements And Brand Equity" journal of the academy of marketing science.
- [66] Yoon, Y., Gürhan-Canli, Z. and Schwarz, N., 2006. The effect of corporate social responsibility (CSR) activities on companies with bad reputations. Journal of consumer psychology, 16(4), pp.377-390.
- [67] Zeithaml, V.A., Parasuraman, A. and Malhotra, A., 2002. Service quality delivery through web sites: a critical review of extant knowledge. Journal of the academy of marketing science, 30(4), pp.362-375.