Impact of Corporate Social Responsibility on Consumer Response in Pakistan: A Mediating Role of Positive Moral Emotions, Attitude, and Consumer-Company Identification

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Abstract

Many companies and brands are using CSR to enhance the brand image, goodwill and to gain the confidence and trust of the people. The purpose of this study is to investigate how CSR initiatives got converted into consumer favorable responses. We proposed a theoretical framework, modifying Dedeke's (2015) model that hypothesized that CSR activities affect responses of the consumers towards corporate brands both directly or indirectly through mediating roles of moral emotions, attitude and consumer-company identification (CCI). Positive emotions were further broken down into awe, gratitude, and elevation, whereas consumer responses were measured in terms of purchase intention (PI), recommend intention (RI), and loyalty. To establish the empirical validity, a quantitative study was conducted, a close-ended Likert scale type questionnaire was developed whilst data were gathered from 300 adult consumers from Karachi, Pakistan by using convenient sampling. Data were analyzed using Confirmatory Factor Analysis and SEM. The results concluded that CSR has a significant positive impact directly on consumer responses (Purchase Intention, Recommend

Intention but not on loyalty) whereas CSR has a significant positive effect on all three positive emotions, attitudes and CCI. However, Positive Emotions have an insignificant effect on consumer responses. Apart from gratitude affecting loyalty. Hence there is a positive mediatory effect of CCI for all dimensions of customer responses. Whereas gratitude and attitude also mediate loyalty and PI respectively.

Keywords: corporate social responsibility (CSR), positive moral emotions AGE, attitude, consumer company identification (CCI), and consumer responses

1. Introduction

1.1 Background of the Study

In this modern era of intense competition where different corporations involved in innovations and technological progress, likewise there is a new trend of corporate social responsibility persisting in the corporate world. Most of the CSR initiatives are taking place in developed countries, but today it's being implemented in emerging countries like Pakistan as well for sustainable growth. Today, both managerial functions and researchers have considered CSR as one of the most important strategic methods that yield a competitive distinction (Du, Bhattacharya, & Sen, 2010). Since there is a huge concern for CSR actions in the general public, therefore top companies are now being involved in the activities related to public well-being and changing their business practices and more focusing on social welfare activities and CSR has now considered as the legal, legitimate and the most critical actions for business tycoons. (Wang, Chen, Yu, & Hsiao, 2015; Gelb & Strawser, 2001).

Past surveys have shown that consumers are more focusing on CSR activities and have set high expectations toward companies doing ethically and socially adequate duties and have deeply concerned about how CSR initiatives are effectively handled by the firms. (Dawkins & Lewis, 2003; Schmeltz, 2012). CSR considered to be the responsibility beyond the company's interest and thus has a significant impact on the shareholders. Turker (2009) defined CSR as a duty beyond the business interest with a positive result on the shareholders. Many research studies define it as a social welfare effort, but now things are changing therefore corporate managers considered it as a strategic effort that will help them in adding values to the firms. (Staudt, Shao, Dubinsky, & Wilson, 2014). CSR is "the commitment of the business to contribute economics developments working with employees, their households, local community, and society to a better quality of life, in ways that are both good for the business and good for development" (Chung, Yu, Choi, & Shin, 2015).

As discussed, past scientists and employees have perceived CSR as a brand-building part in the present business settings and have discovered that CSR leads to brand trustworthiness, positive relations, perceived quality contributing comprehensively toward the improvement of brand value. Some researchers concluded that while making decisions about purchasing anything, selecting and referring the brand to others and firm credibility; CSR has the most influential effect. value (Boccia & Sarnacchiaro, 2017; Luffarelli & Awaysheh, 2018; Salmones, Crespo, & Bosque, 2005). Customers will be more attracted to those corporate brands working on CSR-broadened emotional values and will be less focused on corporate brands offering competitive pricing. (Lynch & De Chernatony, 2004). While assessing the value of two same brands, the consumers will stick to those corporate brands opting for societal actions. Therefore, academics revealed that those corporations carrying out ethical and societal activities will be enticing to consumers. (Saleh et al., 2015). Contrary to these studies, some of the researchers have identified that consumers don't make purchase decisions when companies performing CSR (Castaldo, Perrini, Misani, & Tencati, 2010; Chomvilailuk & Butcher, 2010). There could be many reasons behind e.g. change in taste, fashion trends, culture, expenditure, change of product choices, CSR awareness, economic

stability and the influential impact of CSR actions consequently lead to contrary impact.

1.2 Problem Statement

Customers usually purchase those brand commodities or services that help solve their problems. Before buying any brand product they first evaluate the core qualities, brand corporate image, attitude, react to commercials and have some other thought-provoking aspects as well. When the consumers are aware of the corporate social responsibility actions, brand awareness eventually goes high and it induces consumer purchasing intention. (Laroche, Kim, & Zhou, 1996; Sen & Bhattacharya, 2001; De Wolf, Mejri, & Lamouchi, 2012; Shim, Eastlick, Lotz, & Warrington, 2001)

Social responsibility consumer behavior is usually the conduct of a person being socially involved and working toward social change. These consumers look for more information and data related to the brand products, consumes and disposes of it in such a way that enhances the pros and reduce some disastrous effects on the environment and the society (Mohr et al., 2001; Safi et al., 2013).

Some studies have been conducted where the conclusion of the impact of CSR on consumers is different. Some researchers have gathered information that those corporations who perform CSR activities, consumers will only buy products and will spend more whereas those corporations do not perform CSR activities, consumers will not spend money by purchasing products from them. Some academies if the corporations involved in unethical practices then they will be punished in short. Concisely you will get, what you do in return. The relationship between CSR and consumer responses is not simply a direction that suggests that there are also some variables performing a mediating function.

Thus, a question arises under what conditions CSR influences consumers. We will focus on the diversity of consumer–company identification (CCI), AGE and attitude.

1.3 Gap Analysis

In the early 21st century, some of the researchers including Haidt and his colleagues identified a few of the limitations of this inquiry and hence provided an alternative based on moral emotions (Algoe & Haidt, 2009; Haidt, 2003). Many kinds of researches have been conducted to find out the consumer emotional responses to the company's corporate social responsibility, some of the moral emotions include gratitude, elevation, pride, and guilt came out one of the key indicators of consumer responses towards the corporate brand.

This current study to fill the gap, some suggestions have been provided that include moral emotions, attitude and CCI are the most significant indicators for identifying the major effect of the company's social or ethical activities on consumer response towards the brand. Hence by adding some of the mediators like moral emotions, attitude and CCI we thus have given a stronger relationship test than some of the research studies been done in the past years when each mediator was studied individually. Precisely it means we will be holding other things constant; the impact of each mediator will be tested.

Moreover, in the previous research study where AGE was considered as positive moral

emotions altogether whereas in this study each positive moral emotion such as awe, gratitude; and elevation are mediated between CSR and Purchase Intention, Recommend intention and loyalty individually. Hence, our work purposes to investigate the mediation effect of awe, gratitude, and elevation individually between CSR and PI, RI and loyalty which is also seen as a gap.

1.4 Significance

Awareness of consumer buying actions leads vendors to be familiar with their loyal buyers. Moreover, it would allow different marketers to devise appropriate advertising approaches. (Safi & Ramay, 2013). If vendors know the purchasing actions of the buyers, they will identify in what way buyers gather information and what will be the reasons behind purchasing. (Vahdati et al., 2015).

In the business setting, the corporations can enhance the stake holder's identification with the system by doing CSR activities in Pakistan. CSR activities have a greater and significant impact along the degree of the consumers' responses. Corporations take effective CSR initiatives just after going through a substantial procedure of consumer behavior to CSR, eventually, it would affect consumer responses and work for the betterment of business functioning. Thus, our paper attempts to build a structure, including CSR, CCI, AGE, consumer responses such as PI, RI and Loyalty and analyzes using a structured questionnaire to describe the method of CSR influencing consumer responses in Pakistan. Also, giving suggestions to Pakistani companies to effectively execute CSR marketing tactics.

1.5 Research Objective

The core objective of conducting this study is:

- To investigate the major significant impact of corporate social responsibility activities and actions on the reaction of the consumers (purchase intention, recommend intention and loyalty) towards corporate brands directly

- To distinguish the positive influence of corporate social responsibility activities indirectly by adding mediators such as moral emotions (fear, gratitude, and elevation) on the reaction of the consumers (purchase intention, recommend intention and loyalty) indirectly

- To distinguish the positive influence of corporate social responsibility activities indirectly by adding mediator includes attitude on the reaction of the consumers (purchase intention, recommend intention and loyalty) indirectly

- To identify the positive influence of corporate social responsibility activities indirectly by adding mediator includes CCI on the response of the consumers (purchase intention, recommend intention and loyalty) indirectly

1.6 Research Questions:

- Do CSR activities have a direct significant impact on purchase intention, recommend intention and loyalty?

- Do CSR activities have a direct significant impact on awe, gratitude; and elevation?

- Do CSR activities have a direct significant impact on attitude?

- Do CSR activities have a direct significant impact on CCI?

- Does Awe have a mediating relationship between CSR and purchase intention, recommend intention and loyalty?

- Does Gratitude have a mediating relationship between CSR and purchase intention, recommend intention and loyalty?

- Does Elevation have a mediating relationship between CSR and purchase intention, recommend intention and loyalty?

- Does Attitude have a mediating relationship between CSR and purchase intention, recommend intention and loyalty?

- Does CCI have a mediating relationship between CSR and purchase intention, recommend intention and loyalty?

2. Literature Review

Researchers and corporations are more focusing on CSR initiatives and the reaction to them by consumers. Corporations after doing such CSR efforts, it is still unclear how the consumers respond to their initiatives.

2.1 CSR and Consumer Responses

In developing countries, many researchers have examined different papers to explore consumer responses to CSR actions. Some researchers revealed that the ethical practices of companies considered a crucial part while purchasing their products. On the other hand, different studies have also been conducted to examine the impact of CSR on consumer responses in developing nations such as Pakistan. Romani et al. (2013) conducts research and reveals that a company's CSR actions influence consumer reactions to spread a positive image of the company. Ali (2011) and Sarfraz, (2014) also find out the greater impact of CSR on the intention of the consumer. Ali (2011) finds that CSR has a positive influence on consumer purchase intention. Similarly, many researchers find that CSR has also a significant impact on recommend intention and loyalty as well.

Hence based on the above studies, the following hypothesis has been proposed:

H1: There is a direct positive relationship between CSR and consumer response which are (H1a) Purchase intention; (H1b) Recommend intention; and (H1c) loyalty.

2.2 Elicitation of Moral Emotions, Attitudes, and CCI by CSR Activities

2.2.1 CSR Actions and Emotions AWE, Gratitude and Elevation

The CSR initiatives by the companies and their performances are usually the main reason behind the evocation of the positive moral emotions AGE. Those companies evoking different feelings of elevation and awe are usually admired for doing some exemplary work done by them, and the emphasis should be on the instant emotional states from the insight of these works. Similarly, Gratitude thus defining as appreciation and a feeling of thankfulness. This feeling is induced usually when a consumer satisfied with the brand and in return, they give respect to the company by showing some gratefulness. Past study shows that corporate moral activities (Romani et al., 2013a) and corporate green activities (Xie et al., 2015) lead to felt appreciation by buyers toward organizations, in specific situations. Concisely, (AGE) form an association of felt the moral goodness and achieve a holistic halo.

H2: CSR has a direct positive relationship with the positive moral emotions AGE which is (H2a) Awe (H2b) Gratitude (H2c) Elevation

2.2.2 CSR Actions and Attitudes

Buying intent is the behavioral attitude of the consumer; it isn't a similar inclination the client has toward a brand, however the inspiration or cognizant method for an activity they will perform (Spears & Singh, 2004). Lii and Lee (2012) found that there is a strong connection between the brand attitude and buying intent with regards to CSR. According to Pomering and Dolnicar (2009), CSR may be effective in eliciting favorable consumer attitudes, while recent research, like the study by López and Smith (2014), underlines that knowing which CSR domains are relevant to consumers is key to the formation of consumer preferences and attitudes, and consequently for maximizing the impact of CSR initiatives**.**

H3: CSR has a direct positive relationship with the attitude

2.2.3 CSR Actions with Consumer-Company Identification

Lichtenstein et al. (2004) revealed that when a corporation undertakes CSR initiatives, to the degree where it triggers the consumers that their personal qualities overlay with the company's qualities, the consumers may support the company. Hence those people aware of the corporations performing societal activities express a higher level of identification in comparison with those people not familiar with CSR actions. (Sen et al., 2006).

Subsequently, CSR reinforces consumers' identification towards the association and imparts inside them a feeling of belongingness towards the corporation (Matute-Vallejo et al., 2011). In a business scenario, clients who relate to an organization are bound to help its goods/services and defend its image (Siu et al., 2014). Thus, the following hypothesis is suggested:

H4: CSR has a direct positive relationship with the consumer-company identification

2.3.1 The Impact of AGE, Attitude, and CCI on Consumer Response

2.3.1.1 Elicitation of Awe

Whenever organizations associate in performing those actions which are beneficial for the welfare of society and fulfilling their core duties, awe feeling must be evoked because this type of reaction is rare. In this regard, if the brand or corporations involved in corporate social responsibility initiatives and invest in the society for the betterment of people, then awe feeling will be produced in consumers and it will consequently create a positive impact on consumer response.

H5: The stronger felt awe the greater consumer response (H5a) Purchase intention; (H5b) Recommend intention; and (H5c) loyalty toward the corporate brand.

2.3.1.2 Elicitation of Gratitude

In the present research, social welfare practices bring out appreciation in consumers, and their activity inclinations are to compensate for the well-performing organization and respond emphatically toward the organization with generosity. According to Romani et al. (2013a) appreciation may be induced by corporate activities that may not legitimately benefit buyers, for example, corporate moral activities because customers see such activities as supporting at least one of their ethical sensibilities or encouraging their ethical benefits. Precisely, we recommend that actual purchaser reactions to felt positive good feelings will involve passing on a positive verbal exchange to family, companions, and family members, and opposing negative info regarding an organization. Thus,

H6: The stronger the felt gratitude the greater consumer response (H6a) Purchase intention; (H6b) Recommend intention; and (H6c) loyalty toward the corporate brand.

2.3.1.3 Elicitation of Elevation

As per the CSR settings, those potential buyers can see the organizations' consideration and funds spent on moral, natural and social issues to avoid or lessen damage to individuals; the positive feeling of elevation can result from these exercises of excellence, exemplary practices. Consumers must be encouraged to act ethically or pro-socially. In particular, we anticipate that buyers, who experience sentiments of elevation coming about because of organizations' CSR activities for the local people in which they work, are bound to take part in social activities; concerning the aim of this study, they are assessed by the amount of cash they give or the time they work voluntarily in similar networks. Romani and Grappi (2014) found that company CSR activities lead to feelings of elevation by consumers. Therefore, this feeling could be crucial in clarifying customers' reactions, for example, PI, RI, and promise to CSR in a cultural setting.

H7: The stronger the felt elevation the greater consumer response (H7a) Purchase intention; (H7b) Recommend intention; and (H7c) loyalty toward the corporate brand.

2.3.2 Mediating Role of Attitude

Many research studies have been examined which revealed that loyal consumers set high

expectations and will be more attracted to those corporate brands performing CSR activities in terms of higher brand attitude. Attitude is the most essential part since it predicts consumer purchasing intention. Corporations should identify trustworthy consumers and their brand perception. It shows the likes and dislikes hence it's helpful in understanding purchasing

intention. Sen et al. (2006) identify that CSR activities will evoke buyer constructive responses in other extents than the investment domain. Thus, we suggest that attitude encourages PI, RI, and loyalty

H8: The more positive the attitudes toward the company, the greater consumer responses (H8a) Purchase intention; (H8b) Recommend intention; and (H8c) loyalty toward the corporate brand.

2.3.3 Mediating Role of CCI

C-C Identification brings about a progressively good view towards the organization (He & Li, 2011); regardless of whether consumer desires are not met by the products or services offered by the organization, the buyer will be less dissatisfied if C-C Identification is solid (Perez & del Bosque, 2015) Surveys have been proved that once consumers identify a corporation, they develop some mental association to it, even make no differentiation between "you" and "me" and share a mutual stake. This kind of enthusiastic association can move purchasers to put more exertion to comprehend the end of the corporate willfully. Hence CCI more influences buyers' reactions to CSR, particularly may cause extra-job conduct.

In this way, following the past request, we offer the accompanying speculations:

H9: The stronger the CCI connection, the greater consumer responses (H9a) Purchase intention; (H9b) Recommend intention; and (H9c) loyalty towards a corporate brand
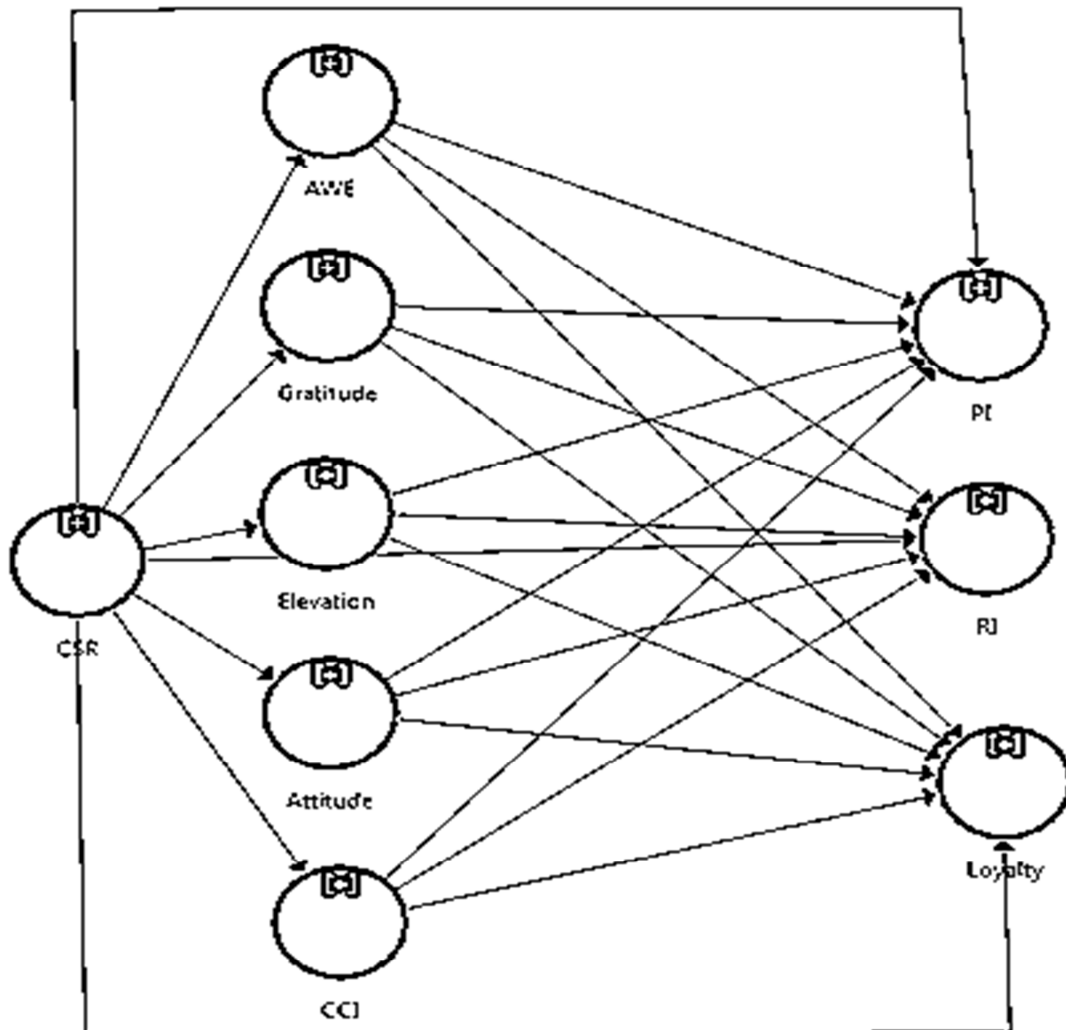
Figure 1. Conceptual Model

Source: Own research work processed in PLS-SEM

Note: AGE=awe, gratitude, elevation; Consumer responses comprise purchase intention, recommend intention and loyalty.

3. Methodology

3.1 Sampling Design

The sample consists of 300 respondents and data was gathered via convenience testing that is a non-probability examining strategy. An organized survey was intended for the collection of research information by using the previously mentioned scholars. Pakistani consumers purchasing products from those top corporations expending in CSR and were asked to meet the given questionnaires. Moreover, the questionnaire was spread via the internet for further data collection. 160 questionnaires were filled online whereas 140 questionnaires were distributed to the consumers in Karachi.

3.2 Instrument

In our research, we have considered a structured survey to get more respondents in a constrained timespan. The survey contains two foremost parts, which were initially planned in English words. It is an essential information assortment strategy in research and delivers quantitative information.

Section A comprises of questions related to the demographics of a respondent, including age, gender, working experience, education, and professional level. The age limit given to have opted from a nominal scale is 21-30 years to 60 and above. Respondents are classified on gender bases as male and female. The educational level given is undergraduate, graduate and postgraduate.

Section B is composed of 26 main questions to measure 6 variables by seven-point Likert scales. Altogether the 26 main items adapted from the previous studies in which, first three questions are to measure corporate social responsibility (IV), six for positive moral emotions AGE (MV), two for attitude (MV), four for CCI (MV) and nine for consumer response (DV). Respondents could agree or disagree on the provided seven-point Likert-type scale. The questions are planned accordingly to help in guiding the research and to get the required information and provide feasibility in analyzing research.

3.3 Measurement

Table 1. Measurement Table

Variable measurement	Sources	No of items
CSR	Herpen et al. (2003), Brown and Dacin et al. (1997)	3
Positive Moral Emotions AGE	Romani & Grappi et al. (2014) and Xie et al. (2015).	6
Attitude	Dabholkar and Bagozzi et al. (2002)	2
CCI	Mael and Ashforth et al. (1992) and Wu and Tsai et al. (2007)	4
Purchase Intention	Zeithaml et al. (1996)	3
Recommend Intention	Zeithaml et al. (1996)	3
Loyalty	Netemeyer et al. (2004)	3

In the above table, we have presented the independent, mediator and dependent variables having 26 items that are adapted from different authors. Independent variable which includes corporate social responsibility, mediator variables include positive moral emotions AGE, attitude and consumer-company identification whereas consumer response is our dependent variable having three variables purchase Intention, recommend Intention, loyalty.

4. Analysis and Results

4.1 Demographic Information

The demographic information indicates that most of the respondents are male 57.6% and female respondents are 41%. Most of the respondents 73% are between 21 to 30 years of age while 14.6% are from the age set of 31 to 40 years. 9.3% are from the age group of 41 to 50 and 3% are in between 51 to 60 years of age. The education level of respondents is under graduation, graduation, and post-graduation 12.6%, 41.7%, and 39.7% respectively.

Table 2. Respondents Profile

Name of Demographic	Demographic Features	Frequency	Percentage
Age	21-30	219	73%
	31-40	44	14.6%
	41-50	28	9.3%
	51-60	9	3%
	60 and above	None	None
Gender	Male	177	57.6%
	Female	123	41%
Education	Under graduation	38	12.6%
	Graduation	143	47.7%
	Post-graduation	119	39.7%

Source: Own research work processed in PLS-SEM

4.2 Descriptive Statistic

Table 3. Descriptive Data

Variables	Questions		Descriptive Stats		Confirmatory Factor Analysis		
			Mean	STD	Outer Loading	T Stats	P Values
CSR	1	CSR1	5.157	1.465	0.894	52.81	**0.000**
	2	CSR2:	5.247	1.364	0.911	57.25	**0.000**
	3	CSR3:	5.170	1.330	0.895	48.87	**0.000**
AWE	4	Awe1:	4.960	1.240	0.890	34.58	**0.000**
	5	Awe2:	4.920	1.262	0.913	25.51	**0.000**
Gratitude	6	Gratitude1:	5.153	1.271	0.939	110.21	**0.000**
	7	Gratitude2:	5.053	1.313	0.931	80.53	**0.000**
Elevation	8	Elevation1:	4.803	1.205	0.887	41.00	**0.000**
	9	Elevation2:	4.703	1.204	0.841	22.82	**0.000**
Attitude	10	Att1:	5.213	1.236	0.889	48.67	**0.000**
	11	Att2	5.060	1.297	0.874	34.58	**0.000**
Consumer	12	CCI1:	4.790	1.442	0.792	25.51	**0.000**
Company	13	CCI2:	4.693	1.519	0.855	38.66	**0.000**
Identification	14	CCI3:	4.677	1.402	0.794	20.15	**0.000**
	15	CCI4:	4.877	1.315	0.794	26.90	**0.000**
Purchase	16	P1:	5.087	1.351	0.872	46.51	**0.000**
Intention	17	P2:	5.177	1.291	0.836	26.20	**0.000**
	18	P3:	5.180	1.294	0.834	28.07	**0.000**
Recommend	19	R1:	5.087	1.211	0.869	35.16	**0.000**
Intention	20	R2:	5.023	1.274	0.871	41.57	**0.000**
	21	R3:	4.963	1.263	0.834	24.54	**0.000**
Loyalty	22	L1:	4.320	1.380	0.195	1.41	**0.159**
	23	L2:	4.637	1.338	0.838	23.35	**0.000**
	24	L3:	4.640	1.292	0.871	39.12	**0.000**

Source: Own research work processed in PLS-SEM

4.3 Descriptive Analysis

The mean of the variables mentioned above range from 4.320 to 5.247 and SD from 1.204 to 1.380. Similarly, the mean of all the three items of the independent variable i.e. CSR range from 5.157 to 5.247 whereas SD 1.330 to 1.465. There are six items of the mediator positive moral emotions AGE and all the value of the mean range from 4.703 to 5.153 and SD 1.204 to 1.313. Likewise, two items from attitude and four items from CCI, their mean value range from 5.060 to 5.213 and 4.677 to 4.877 whilst SD range from 1.236 to 1.297 and 1.315 to 1.519 respectively. The dependent variable consumer response further divided into three sub-parts PI, RI, and loyalty. The mean and SD value of all three items from PI is in the range 5.087 to 5.180

and 1.291 to 1.351, three items for recommend intention and their mean and SD lie in the range 4.963 to 5.087 and 1.211 to 1.274 whereas three items from loyalty were taken and their mean value range 4.320 to 4.640 and SD value 1.292 to 1.380. The mean of the loyalty L1 is too low and not in the range and SD value is too high which revealed that this item not meeting the criteria of mean and SD. A table of descriptive statistics also mentioned loadings used in (CFA) confirmatory factor analysis. Construct with the loading of.5 are considered as strong loading variables, whereas the constructs with the loading of below.5 are considered as less and insignificant. In the above table the factor loadings of all items exceed 0.05 range from 0.072 to 0.939 excluding one item of loyalty which is less than 0.05 similarly, all the T and P values of the items are significant range from 20.15 to 110.21(T>1.96) and P<0.01 except L1 (T<1.96) and P>0.01.

4.4 Reliability and Convergent Validity

To find out the reliability and steadiness of data, Cronbach's alpha by following Anderson and Gerbing (1988) has been used and for the validity as per Hair et al. (2006). Convergent validity consists of three things: (1) factor loadings must exceed 0.5; (2) CR index should be higher than 0.7; (3) AVE must be higher than 0.50. CFA is also been conducted via PLS-SEM to measure construct validity.

Table 4 illustrates the Cronbach's value for CSR (0.88), positive moral emotions AGE Awe (**0.77**), Gratitude (0.857), elevation (0.66), attitude (0.71), consumer-company identification (0.82), and consumer response loyalty (0.46), purchase intention and recommend intention (0.80), (0.82) respectively. All the values are greater than 0.70 indicated by (Hair, Anderson, Tatham, and William, 2010)**.** With PLS, all the factor loading of greater than (0.71) should be achieved. The loadings of each latent construct are higher than the significant value of (0.7) except one item of loyalty (0.19) which is insignificant and not meeting the desired value of (0.7). All the composite reliability values range from 0.87 to 0.93 which exceeds the limit of 0.7 given by Bagozzi and Yi (1988), VIF values were calculated to find interdependence hence the values were ranging from 1.29 to 2.67 which do not exceed the value of 5 as per Hair et al. (2010). The average variance extracts (AVEs) range from 0.6 to 0.8, which meets the criteria i.e. values must be greater than 0.5 (Chin, 1998). When all the values of AVE and average CR meeting the desired requirement, we can say that CR of the model been made.

Table 4. Reliability and Convergent Validity

Variables	Items	Factor Loading	Cronbach's Alpha	Composite Reliability	Average Variance Extracted
Corporate Social Responsibility					
CSR	CSR1	0.894	0.883	0.928	0.810
	CSR2	0.911			
	CSR3	0.895			
Positive Moral Emotions AGE					
Awe	A1	0.890	0.770	0.897	0.813
	A2	0.913			
Gratitude	G1	0.939	0.857	0.933	0.875
	G2	0.931			
Elevation	E1	0.887	0.663	0.855	0.747
	E2	0.841			
Attitude					
Attitude	AT1	0.889	0.714	0.875	0.778
	AT2	0.874			
Consumer-Company Identification					
CCI	CCI1	0.792	0.824	0.883	0.655
	CCI2	0.855			
	CCI3	0.794			
	CCI4	0.794			
Consumer Response					
Loyalty	L1	0.195	0.465	0.707	0.500
	L2	0.838			
	L3	0.871			
Purchase Intention	PI1	0.872	0.804	0.884	0.718
	PI2	0.836			
	PI3	0.834			
Recommend Intention	RI1	0.869	0.804	0.893	0.736
	RI2	0.871			
	RI3	0.834			

Source: Own research work processed in PLS-SEM

4.5 Discriminant Validity

Table 5. Discriminant Validity

	AWE	Attitude	CCI	CSR	Elevation	Gratitude	Loyalty	PI	RI
AWE	0.901								
Attitude	0.526	0.882							
CCI	0.496	0.535	0.809						
CSR	0.552	0.639	0.467	0.900					
Elevation	0.526	0.347	0.480	0.375	0.864				
Gratitude	0.666	0.448	0.438	0.463	0.661	0.935			
Loyalty	0.495	0.422	0.523	0.407	0.441	0.507	0.707		
PI	0.565	0.719	0.639	0.644	0.459	0.510	0.508	0.848	
RI	0.538	0.599	0.638	0.630	0.448	0.495	0.595	0.736	0.858

Source: Own research work processed in PLS-SEM

Table 5 shows that our model has ultimately attained the discriminant validity and having values less than 1 which illustrates that there is a positive Discriminant Validity.

4.6 Model Fit

The measurement model has a good fit. For SRMR, a value of less than 0.10 or 0.08 (Hu and Bentler, 1999) is considered a good fit. NFI Value greater than 0.80 suggests a good fit: NFI = 0.7, SRMR = 0.12.

Table 6. Fit summary

	Saturated Model	**Estimated Model**
SRMR	0.057	0.129
d_ULS	0.992	5.022
d_G	0.656	0.918
Chi-Square	1,208.004	1,434.758
NFI		0.662

Source: Own research work processed in PLS-SEM

4.7 Structural Model

The hypothesis was tested using the bootstrapping function of PLS-SEM software. The criteria on which the hypothesis tested was two-tailed p-value testing. The confidence interval used as α 0.1 as recommended by Fisher, according to him 0.1, 0.05, 0.01, 0.001 can be used as α when conducting a significance test.

4.7.1 Direct Effect

Structure model clearly shows the impact of CSR, positive moral emotions AGE awe, attitude, brand attitude and CCI on consumer response (loyalty, purchase intention and recommend intention). With the help of boot strapping, all the extracted values (Table 7) clarify that CSR having direct positive relationship with purchase intention and recommend intention (β = 0.20; t = 3.27), (β = 0.29; t = 4.35) whereas loyalty has negative relationship (β = 0.04; t = 0.50), positive moral emotions awe having direct insignificant relationship with purchase intention, recommend intention and loyalty (β = 0.05; t = 0.72), (β = 0.05; t = 0.76) (β = 0.12; t = 1.51) respectively, gratitude has also significant relationship with purchase intention and recommend intention (β = 0.05; t = 0.75), (β = 0.08; t = 1.06) while loyalty has insignificant impact (β = 0.21; t = 3.02), elevation similarly has negative relationship with purchase intention, recommend intention and loyalty respectively (β = 0.06; t = 0.92), (β = 0.04; t = 0.70) and (β = 0.06; t = 0.69), attitude has positive significant relationship with purchase intention, recommend intention (β = 0.37 ; t = 5.47), (β = 0.15 ; t = 2.05) and loyalty has negative relationship (β = 0.05; t = 0.67), CCI has greater positive connection with purchase intention, recommend intention and loyalty respectively(β = 0.33; t = 4.80), (β = 0.26; t = 4.89), (β = 0.28; t = 3.28) It also illustrates that CSR has direct positive impact on positive moral emotions AGE awe (β = 0.55, t = 8.86), gratitude (β = 0.46, t = 6.38) elevation (β = 0.37, t = 5.33), attitude (β = 0.63; t = 12.23), and CCI (β = 0.47; t = 7.57), thus leading to the acceptance of H1a-1c, H2, H3, and H4.
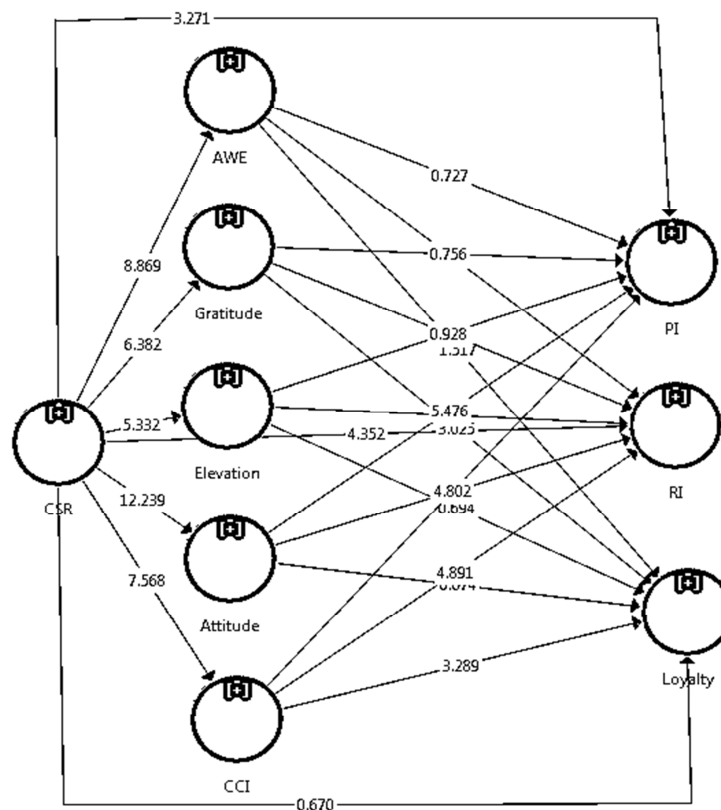

Figure 2. Structural Model

Source: Own research work processed in PLS-SEM

4.7.2 Significant Mediating Effect

CCI seems to positively and significantly mediate the effect of CSR on Loyalty, PI, and RI. Similarly, Attitude also has a significant mediating role in CSR relationship with RI and PI. Lastly, CSR and PI nexus is also mediated by Attitude

Table 7. Path Coefficient

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|	P Values
CSR -> CCI -> Loyalty	0.134	0.138	0.05	2.716	0.007
CSR -> Gratitude -> Loyalty	0.097	0.099	0.036	2.727	0.006
CSR -> Attitude -> PI	0.238	0.234	0.047	5.111	0
CSR -> CCI -> PI	0.123	0.124	0.031	3.945	0
CSR-> Attitude -> RI	0.098	0.095	0.05	1.956	0.051
CSR -> CCI -> RI	0.158	0.161	0.044	3.601	0

Source: Own research work processed in PLS-SEM

4.8 Hypotheses Testing

Table 8. Hypotheses

Hypotheses	Constructs	T Statistics	P-Value	Status
H1a	CSR → Purchase intention	3.27	0.000	Accept
H1b	CSR → Recommend Intention	4.35	0.001	Accept
H1c	CSR → Loyalty	0.67	0.503	Reject
H2a	CSR → Awe	8.86	0.000	Accept
H2b	CSR → Gratitude	6.38	0.000	Accept
H2c	CSR → Elevation	5.33	0.000	Accept
H3	CSR → Attitude	12.23	0.000	Accept
H4	CSR → CCI	7.57	0.000	Accept
H5a	CSR → Awe → Purchase Intention	0.70	0.483	Reject
H5b	CSR → Awe → Recommend Intention	0.72	0.466	Reject
H5c	CSR → Awe → Loyalty	1.43	0.151	Reject
H6a	CSR → Gratitude → Purchase Intention	0.71	0.477	Reject
H6b	CSR → Gratitude → Recommend Intention	1.00	0.315	Reject
H6c	CSR → Gratitude → Loyalty	2.72	0.006	Accept
H7a	CSR → Elevation → Purchase Intention	0.90	0.366	Reject
H7b	CSR → Elevation → Recommend Intention	0.68	0.498	Reject
H7c	CSR → Elevation → Loyalty	0.65	0.512	Reject
H8a	CSR → Attitude → Purchase Intention	5.11	0.000	Accept

H8b	CSR → Attitude → Recommend Intention	1.96	0.050	Accept
H8c	CSR → Attitude → Loyalty	0.66	0.509	Reject
H9a	CSR → CCI → Purchase Intention	3.94	0.000	Accept
H9b	CSR → CCI → Recommend Intention	3.60	0.000	Accept
H9	CSR → CCI → Loyalty	2.71	0.007	Accept

Source: Own research work processed in PLS-SEM

To measure the impact of CSR on purchase intention, recommend intention and loyalty, awe, gratitude, elevation, attitude and CCI; H1a-c, H2a-c, H3, and H4 were expressed as T=3.27, 4.35, 0.67, 8.86, 6.38, 5.33, 12.33 and 7.57 respectively (T >1.96) whereas P<0.05 hence we are accepting all alternative hypotheses except H1c since (T <1.96). On the other hand, H5a-c, H6a-b and H7a-c were also formulated to analyze the power of awe, gratitude and elevation on purchase intention, recommend intention and loyalty, Findings show that these variables have no impact on PI, RI, loyalty as (T<1.96) and P>0.05 so consequently we are rejecting these hypotheses since all the values are insignificant. Similarly, for analyzing the effect of attitude and CCI on PI, RI and loyalty; H8a-c and H9a-c we examined the relationship between them, the findings revealed there is positive and significant impact as (T >1.96) while P<0.05 thus accepting all our hypotheses but there is one insignificant hypothesis we are rejecting H8c since (T<1.96) and P>0.05.

5. Discussions and Conclusion

5.1 Discussions

This study draws the following result: first, CSR has significant positive effects on consumer response in Pakistan, but the impact of these are distinctive from one another including PI, RI, and Loyalty. Both PI and RI have the highest impact, whereas loyalty has the lowest. Both PI and RI have the highest impact, whereas loyalty has the lowest impact. Secondly, Positive moral emotions AGE, attitude and CCI play a crucial mediating role between CSR and consumer response PI, RI and Loyalty, but AGE doesn't make a mediating effect among CSR and consumer response similarly, attitude significantly having good mediation effect excluding the mediation between CSR and loyalty. Additionally, CSR is having an indirect positive effect on PI, RI, and loyalty via Consumer-Company Identification. Corporations should spread and communicate their characteristics concisely, logically and in an influential way if CCI is considered necessary. Meanwhile, all the CSR actions and brands are witnessed by the consumers so positive response is predicted towards the brand and their CSR initiatives. Therefore, our paper has a similar result that attitude is having a strong mediation among CSR, PI, RI and excluding loyalty because it doesn't make a significant relationship. Though it was revealed that AGE has no mediation impact between CSR, PI, RI and loyalty which helps in gaining an insight that companies should evoke other different emotions to get positive reactions from the consumers. Similarly, CSR initiatives are directly proportional to the buying intention of customers in developing countries like Pakistan. Our results illustrate that all those corporate bands performing greater CSR activities will have a decisive relationship with PI, RI and Loyalty directly which shows all the corporations should

maximize their CSR activities to entice more consumers of the products by inducing their positive responses towards a brand which leads to increase their sales and revenue as a result.

5.2 Conclusion

The objective of this study is to measure the effect of CSR actions on consumer response (PI, RI, Loyalty). However, we concluded that emotions such as awe, gratitude, & elevation are not considered to be the exact consumer responses to their activities, whereas CCI and attitudes play a crucial part in identifying consumer response (PI, RI, and loyalty). Concisely these feelings awe, gratitude, & elevation are not even the important positive states for consumers, and they are not attracted to sharing their feelings of happiness and joy, as well as not responding to appreciating the companies and their products. Another difference of opinion came to be noticed that CCI plays a crucial part as a mediator between proposed relationships. Consequently, we have contributed one thing i.e. CCI and attitude both trigger positive reactions of the consumers towards the companies CSR actions whereas awe, gratitude, and elevation failed in inducing consumer reactions. The second contribution was to develop a mediation between the companies' CSR activities and consumer response to their activities. Our findings aid the mediation process of attitude and CCI excluding positive moral emotions. An investigation has been done and few scholars have given utmost importance to a consumer & brand connection by assessing how consumer emotions, feelings, and ethical decisions affected through CSR activities by corporations. There is another gap in this current study that needs to be analyzed both attitude, emotions and CCI to comprehend the consumer reactions towards CSR. The third contribution was to investigate the mediation effect of Awe, Gratitude, and Elevation individually between CSR, PI, RI and Loyalty which is also a gap in the previous research study where AGE altogether was considered as positive moral emotions and results were positive whereas, in current research, to examine the individual effect of each positive moral emotion AGE between CSR and PI, RI and loyalty results revealed an insignificant and negative effect.

5.3 Implication

This paper has significant suggestions specifically for the companies since they need to understand the influence of both perceptive methods and CCI on consumer responses towards CSR activities, they both are so important in building stronger customer-brand associations. Many approaches have been required to emphasize more on consumer's expressive and attitudinal responses. While designing CSR programs, companies should focus on the management of consumer identification. Corporations should focus on different positive emotions other than awe, gratitude, and elevation because it does not influence consumer response towards the corporate brand. Even though it could be so hard for the companies to arouse nonetheless they extend the consumer's focus once induced. Consumers, for example, can be encouraged via AGE emotions which enable them to recognize the company and make enough investment. In this way, corporate brands must devise various strategies to induce several emotions in them by spreading their societal activities in different ways. In short, Corporations should not only consider CSR as an important tool to enhance consumer purchase intention for the short term but also maintain long term relationships with the

consumer. For instance, making these consumers brand ambassadors of the products and spreading positive WOM to entice more potential clients and therefore building a cordial relationship with them.

5.4 Limitation of the Study

Although the research paper reached its target, unfortunately, it also has some limitations. Firstly, while conducting research there was a certain limitation of time, the study wouldn't be possible to target many people. Hence the research was restricted to a limited number of respondents having a sample size of 300 via online and hardcopy questionnaires were provided. Moreover, it was conducted in Karachi which doesn't have a variety of information and statistics, hence more cities should be targeted like Islamabad, Lahore, Faisalabad to get maximum responses from the consumers in different cities and to gather diverse data.

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