

Revista de Gestão ISSN: 2177-8736 rege@usp.br Universidade de São Paulo Brasil

Kankam-Kwarteng, Collins; Nana Agyekum Donkor, George; Kwarteng Forkuoh, Solomon Corporate social responsibility, marketing capabilities and consumer behavioral responses Revista de Gestão, vol. 29, no. 4, 2022, October-December, pp. 410-423 Universidade de São Paulo Brasil



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Received 5 August 2020 Revised 14 March 2021 11 June 2021 Accepted 22 December 2021

# Corporate social responsibility, marketing capabilities and consumer behavioral responses

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# Abstract

**Purpose** – The purpose of the study was to examine the effect of corporate social responsibility (CSR) and marketing capability on consumer behavioral responses in the mobile telecommunication industry in Ghana. Particularly, the study estimated the moderating effect of marketing capability on the relationship between CSR and consumer behavioral responses.

**Design/methodology/approach** – Both customers and employees of three major mobile telecommunication companies were sampled for this work. A mixed linear regression technique was used to examine the relationship between corporate responsibility, marketing capability and customer behavioral responses.

**Findings** – The empirical results revealed that marketing capabilities moderate the relationship between CSR and consumer responses in the telecommunication industry.

**Research limitations/implications** – The study proposes practical dimensions to the mobile telecommunication companies that the extensive development of strong marketing capabilities serves a conduit for CSR to achieve favorable consumer responses.

**Originality/value** – The results have opened up rather a limitation studies on the moderation role marketing capabilities in relationship between CSR and consumer behavioral responses in the telecommunication industry.

Keywords Corporate social responsibility, Marketing capability, Consumer behavioral responses,

Mobile telecommunications

Paper type Research paper

#### Introduction

Corporate social responsibility (CSR) activities are regularly known to be aimed at community members and consumers. Of course, every enterprise engages in CSR principally or relatively to excite consumers and potential consumers in their immediate environment (Boateng & Abdul-Hamid, 2017; Naderian & Baharun, 2015; Santoso, 2014; Tuzcu, 2014). CSR in developing countries, including Ghana, is plagued by limited research (Dartey-Baah, Amponsah-Tawiah, & Agbeibor, 2015; Seeletse & Ladzani, 2012). Moreover, the majority of the extant literature on CSR has tended to not concentrate on the specific context of the mobile telecommunication industry, bringing important insights from a multi-sectorial perspective.



Revista de Gestão Vol. 29 No. 4, 2022 pp. 410-423 Emerald Publishing Limited e-ISSN: 2177-8736 p-ISSN: 1809-2276 DOI 10.1108/REGE-08-2020-0068 © Collins Kankam-Kwarteng, George Nana Agyekum Donkor and Solomon Kwarteng Forkuoh. Published in *Revista de Gestão*. Published by Emerald Publishing Limited. This article is published under the Creative Commons Attribution (CC BY 4.0) licence. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this licence may be seen at http://creativecommons.org/licences/by/4.0/legalcode A growing number of marketplace polls attest to the positive impact of CSR on consumer behavior (Safi, 2013; Bhattacharya & Sen, 2004).

Despite the increasing mentioning of CSR in the marketplace, few research talks about the effects of CSR action on consumers. However, other studies have exhibited that the correlation between an enterprise's CSR engagements and the consumers' reaction is not always direct and that numerous elements affect whether an enterprise CSR undertakings lead to consumer patronage (Valor, 2008; Maignan & Ferrell, 2004; Carrigan & Attalla, 2001; Ellen, Mohr, & Webb, 2000). Research concludes that there is a positive relationship between an enterprise CSR arrangements and consumers' attitudes toward that enterprise and its products (Pino, Amatulli, De Angelis, & Peluso, 2016; Lee, Park, & Lee, 2013; Yoon, Gürhan-Canli, & Schwarz, 2006; Ellen *et al.*, 2000).

In Ghana, the implementation of CSR operations has become significant in recent years (Anku-Tsede & Deffor, 2014). Specifically, the private sector has come under immense pressure to adopt CSR elements in their strategic actions. This suggests that CSR is not a new model in Ghana per se; however, it is still in its developing stages in relation to the industrialized economies. In spite of the few mobile telecommunication companies in the industry, the last few years have witnessed intensity of competition in the industry. The dynamics of competition in the industry is a result of the merger between Airtel and Tigo into AirtelTigo. There is also widespread consumer discontent with the telecommunication network providers in Ghana (Boateng & Abdul-Hamid, 2017). Currently, there are four mobile telecommunication network operators in the country: Vodafone, MTN, AirtelTigo and Glo. Telecommunication network operators in Ghana are accused of frequent call drops, denial of services, interconnectivity problems and consumers are very disappointed about the poor services delivered by these enterprises (Nimako, Azumah, Donkor, & Veronica, 2010). Constant consumer complaints and resultant competitive struggles to increase consumer basis have led to intensive competitive strategies in the industry. One such strategy used by the telecommunication companies is the application of CSR (Abukari & Abdul-Hamid, 2018; Sokro & Agbola, 2016; Mahmoud & Hinson, 2012). The telecommunication companies in Ghana (MTN, AirtelTigo, Vodafone and Glo) have all been involved in CSR activities such as the provision of academic scholarships, community development, building health infrastructure and support (Boateng & Abdul-Hamid, 2017; Mahmoud & Hinson, 2012; Nimako et al., 2010). Interestingly, empirical studies have not examined CSR and consumer behavioral responses with marketing capabilities as a moderator in the mobile telecommunication sector. The focus of this work is, therefore, to estimate consumers' reaction to CSR and the role of marketing capabilities in the relationship. Particularly, this work examines the moderating effect of the firm's marketing capability on the responses of consumer toward CSR programs by the mobile telecommunication industry in Ghana.

#### Literature review

#### Consumer behavioral responses

Consumers have long been considered the backbone of every business (Engel, Blackwell, & Miniard, 1991; Schwartz, 1991). Without consumers, a firm has no revenues, no profits and, therefore, no market value (Daunt & Harris, 2012). Consumer behavior is generally considered as a set of activities undertaken by consumers in selecting, purchasing, consuming and disposing of goods and services to gratify their personal needs and desires (Frederiks, Stenner, & Hobman, 2015; Solomon, Russell-Bennett, & Previte, 2012).

In the consumer theory, the term "consumer behavior" denotes not only the act of purchase itself, but also the pre- and post-purchase activities (Pachauri, 2001; Ennew, Reed, & Binks, 1993).

Consumer behavioral responses involve indications for the actual consumption, and hence, it is imperative that they are monitored (Zeithaml, Berry, & Parasuraman, 1996). Consumer behavioral response includes purchase intention and willingness to pay, and it can result in organizational performance (Wirtz & Mattila, 2004). A consumer who exhibits both strong indications of purchase and willingness to pay is more likely to remain loyal to the service provider, with lower sensitivity toward the operations of the firm (Keh & Xie, 2009). Behavioral responses are among the essential concepts in consumer behavior literature, perhaps, due to its strong relationship with the actual consumer buying behavior (Akhtar, Sun, Akhtar, & Chen, 2019). Literature indicates that meeting consumer needs, which enhance consumer satisfaction and therefore affects their repurchase intentions toward the incumbent firm, is largely influenced by how consumers perceive the firm (Laczniak, DeCarlo, & Ramaswami, 2001). That is, the reputation or image of the firm is very vital in dictating consumer responses and patronage. Research has shown that there is a positive correlation between corporate image and consumer behavioral responses (Lacey, 2007).

#### The effect of CSR on consumer behavioral responses

The concept of CSR suggests different issues to different researchers. One side argues that CSR targets compliance with laws, and the other side considers CSR as philanthropy initiative (Matten, Crane, & Chappie, 2003). Hiller (2013) also suggests that CSR can be viewed from the "who benefits" point. The beneficiaries include employees, suppliers, consumers and other amorphous group considered as the society (Hiller, 2013). The traditional view of enterprises suggests that their core responsibilities are to their stockholders or owners (Beekun & Badawi, 2005; André, 2012).

Mahmoud and Hinson (2012) suggest that CSR practices stimulate mobile telecommunication companies' ability to attract more knowledgeable and dedicated individuals, get community support and boost consumers' morale and assurance to the enterprise. The ability of the mobile telecommunication companies to meet the needs of consumers through the provision of valued services; as it becomes economically responsible, it does not only improve the firm's reputation, but also makes it more attractive to existing consumers in the market (Amponsah-Tawiah & Dartey-Baah, 2016; Kodua & Mensah, 2017). Benefits that firms accrue from CSR activities are majorly attained by the reputational improvement the firm sustains as its corporate image soars due to favorable judgments it receives from consumers (Agyemang & Ansong, 2017; Afiuc *et al.*, 2020). Amoako, Agbola, Sokro, and Dzogbenuku (2011) assert that CSR activities in telecommunications have higher social approval asset. The resultant effect is an increase in consumer patronage, thereby leading to higher sales performance and profitability (Hinson & Kodua, 2012; Stawiski, Deal, & Gentry, 2010; Lai, Debo, & Sycara, 2010; Stanaland, Lwin, & Murphy, 2011). The studies into the telecommunication industry in specific Ghanaian context have demonstrated that CSR activities require continues research to establish how heighten competition influences consumer behavioral responses. Based on this discussion, it can be hypothesized as follows:

*H1.* CSR has a positive effect on consumers' behavioral responses.

#### The effect of marketing capabilities on consumer behavioral responses

Marketing capabilities in the telecommunication industry have been noted by management researchers (Kyei & Bayoh, 2017; Mihardjo & Rukmana, 2018; Gyemang & Emeagwali, 2020). Marketing capabilities including market sensing (Nath, Nachiappan, & Ramanathan, 2010; Camra-Fierro *et al.*, 2012; Heusinkveld, Benders, & van den Berg, 2009), consumer capabilities, functional capabilities, networking capabilities and partner linking have been connected to a number of encouraging outcomes (Mitrega, Ramos, Forkmann, & Henneberg, 2011).

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In the mobile telecommunication industry, literature (Ofosu-Boateng, 2020; Ofori, Osei, Mensah, & Affum, 2015; Marcelle, 2005) has shown that the ability to correctly sense the market to attract consumer patronage is a key component of firms with strong marketing capabilities. Mahmoud and Hinson (2012) confirm that it allows the telecommunication firm to expand the potential range of strategic responses and enhances consumer-based performance. According to Leonidou, Palihawadana and Theodosiou (2011), strong marketing capabilities are important for sensing the needs of consumers in a quick and accurate manner, leading to higher competitive advantages. Rational consumer behavior requires that consumers redirect their buying patterns and patronage towards firms that have the ability to meet their needs. serve them with valued products and ensure that their expectations are met (Javornik, 2016; Xie & Kahle, 2014; Bigné-Alcañiz, 2012). Nalcaci and Yagci (2014) argue that particularly in modern markets, where consumers have heterogeneous and dynamic valuations for quality, marketing capabilities cannot be overlooked. Morgan, Katsikeas and Vorhies (2012), Merrilees, Rundle-Thiele, and Lye (2011) and Narver and Slater (1990) have also demonstrated that firms with strong marketing capabilities are not only sensitive to the needs of consumers, but also anticipate their concerns. Literature has shown that organizations that exhibit higher levels of market capabilities obtain superior performance (Narver & Slater, 1990; Appiah-Adu & Ranchhod, 1998), service quality, employee satisfaction and consumer satisfaction (Agarwal, Krishna Erramilli, & Dev. 2003). Based on this discussion, it can be hypothesized as follows:

H2. Marketing capabilities have a positive effect on consumers' behavioral responses.

#### The moderating effect of marketing capabilities

Narver and Slater (1990) explain that since firms with strong marketing capabilities focus on being externally oriented, enterprises would not only be concerned with their consumers but also anticipate their worries. Thus, taking a pre-emptive step to address happenings that are of consumers concerns should make an enterprise stand out in the competitive environment and to become favored choice as producers of services to consumers (Narver & Slater, 1990). Qu (2007) also suggests that firms with strong marketing capabilities can effectively execute their CSR obligations. Qu (2009) further argues that in an environment where external public, including consumers, have high expectations of enterprises' CSR activities, strong marketing capabilities are required to communicate the CSR activities and dovetail these programs in their consumer-focused programs, thereby leading to superior patronage. To integrate CSR activities in its consumer-focused programs, firms can use their consumer relationship skills and market sensing abilities to identify key concerns in their external stakeholders in terms of developmental issues and ethical considerations critical to their consumers to tackle them head-on. This uniquely sets the firm apart from its competitors and thereby sways consumer attention toward their business. It is for this reason that Qu (2007) is of the opinion that strong marketing capabilities are required for effective delivery of CSR. Thus, firms which integrate their marketing capabilities in their CSR activities are most likely to build firm reputation, as they are able to meet the concerns of consumers more proactively and completely (Van der Laan, Van Ees, & Van Witteloostuijn, 2008; Orlitzky, Schmidt, & Rynes, 2003). The reputation has the possibility to attract more consumers (Greening & Turban, 2000) and to increase consumer retention, which essentially improves favorable consumer responses. Considering the limited studies on the integration of CSR and marketing capabilities in the mobile telecommunication sector, a hypothesis is stated (see Figure 1) as follows:

H3. Marketing capability moderates the relationship between CSR and consumers' behavioral responses.

# REGE<br/>29,4Methodology<br/>Sampling and sampling technique<br/>A multi-stage sampling technique

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A multi-stage sampling technique was used for this work. At the first stage, a convenient sampling of three telecommunication companies was selected. These are Vodafone, MTN and Airtel-Tigo telecommunication networks. The three companies were selected because they do not only hold the largest market share in the industry, but practical evidence shows that they are massively involved in CSR activities in the country. At the second stage, a total of 300 consumers (100 from each firm) were also conveniently selected for the work. Convenient sampling is concerned with picking respondents easily accessible for selection of samples, and the process was followed until the required sample size was achieved. Considering the nature of the study, employees of the mobile telecommunication firms also participated and provided key information regarding CSR and marketing capabilities. In total, twenty employees from each of the three sampled companies participated in the study and responded to the questionnaire.

*CSR* measures were based on items used in previous research. Six items used were, however, based on consumer (Podnar & Golob, 2007) domain for measuring the CSR construct: implement fair sales practices, label services clearly, label services in a comprehensive way, meet service quality standards, set fair prices for services and offer the possibility for consumers to file complaints (Öberseder, Schlegelmilch, Murphy, & Gruber, 2014).

*Marketing capabilities* were adopted from previous measures and included product development, market sensing, pricing, channel management, marketing communications, market planning and marketing implementation. Because of the numerous measures proposed in previous research, the components were used as composite constructs summarized into six items to measure marketing capabilities (Kamboj & Rahman, 2014; Morgan, 2012; Weerawardena & Mavondo, 2011).

*Consumer behavioral responses* were measured with items used to evaluate consumer patronage in literature. Behavioral responses of consumers were measured using items adapted from Pavlou and Gefen (2004), Kumar, Lee, and Kim (2009) and Lee, Garbarino, and Lerman (2007). Four items used to measure consumer behavioral responses included "I will positively recommend this company to other people", "I am ready to be loyal to this firm", "This firm always comes to my mind whenever I want to sign up to a network" and "I intend to patronize the services of this firm in the future". A five-point Likert scale ranging from (1) strongly agree to (5) strongly disagree was used to measure CSR, marketing capabilities and consumer behavioral responses.

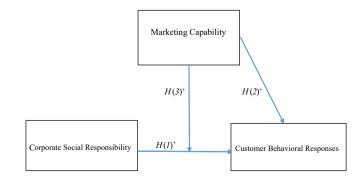


Figure 1. Conceptual framework

## Scale accuracy analysis and test of measurement models

The robustness of the research instrument used to conduct this work was evaluated using the confirmatory factor analysis (CFA). Table 1 reports the model fit indices obtained after the CFA process. The basic requirement of the root mean of squared error of approximation (RMSEA) should be less than 0.08 and CFI should be greater than or equal to 0.95, while standard root mean square residual (SRMR) must be less than 0.03. A p-value of the chisquare should be more than 5% and the degrees of freedom (DF), less than 5. The realization of these thresholds means a strong convergent validity. Marketing capability = chi-square  $(X^2) = 5.115$  (3), RMSEA = 0.008, CFI = 1.00, SRMR = 0.003; CSR = chi square  $(X^2) = 2.648$ (2), RMSEA = 0.000, CFI = 1.00 and SRMR = 0.008; consumer behavioral responses = chi square  $(X^2) = 2.315$  (2), RMSEA = 0.000, CFI = 1.00 and SRMR = 0.001. The significance of the chi-square value is also more than 5%, and the ratio of chi-square to the DF is also less than 5. The conclusion is that the items used to evaluate all the constructs are appropriate, as the model attains best-fit, (see; Newsom, 2015; Hu & Bentler, 1999). Thus, there is a strong convergent validity for the marketing capabilities construct. The conclusion can also be made for CSR and consumer behavioral responses. Based on these criteria, therefore, it is concluded that both the firms' CSR and consumer behavioral response constructs are also robust, as the fit indices are within the suggested thresholds (Newsom, 2015; Hu & Bentler, 1999). All the retained items for each construct exhibit good-fit models with satisfactory indices, as shown in Table 1.

Discriminant validity of the study instrument was also examined by checking if the square root of the average variance extracted (AVE) values of each construct is significantly higher than the shared variance of the construct with other constructs. The shared variances of each pair of constructs were lower than the square root of the AVEs, which suggest appropriate level of discriminant validity (see; Hair, Sarstedt, Ringle, & Mena, 2012). The values satisfied the recommended levels, which indicate that measures of each construct correlated more with their items than with items illustrating other constructs and portraving the attainment of discriminant validity (see; Table 2).

#### Results

## Demographic responses

Table 3 addresses the description of the sampled consumers and workers of the selected mobile telecommunication network firms, respectively. The report was centered on age,

| Construct  | $\chi^2$      | (DF)                | þ            | CFI       | RMSEA          | SRMR       |
|--|---------------|---------------------|--------------|-----------|----------------|------------|
| Marketing capabilities                           | 5.115         | 3                   | 0.164        | 1.000     | 0.008          | 0.003      |
| Corporate social responsibility                  | 2.648         | 2                   | 0.266        | 1.000     | 0.000          | 0.008      |
| Customer behavioral responses                    | 2.315         | 2                   | 0.313        | 1.000     | 0.000          | 0.001      |
| <b>Note(s):</b> $\gamma^2$ = chi-square: DF = de | oree of freed | om: <i>b</i> -value | of chi-squar | e RMSEA = | root mean stan | dard error |

| note(s):  | $\chi = \text{cm-square, D}$ | r – degree of freedom  | i, p-value of clii-s | square, KINDEA - | - 100t mean Standard en |
|-----------|------------------------------|------------------------|----------------------|------------------|-------------------------|
| of approx | imation; $CFI = contraction$ | nparative fit index ar | nd SRMR = star       | ndardized mean s | quare residual          |

|       |    | Т   | ab | le | 1. |
|-------|----|-----|----|----|----|
| draga | of | f:+ | :  | 4: |    |

| Goodness-of-fit i | ndices |
|-------------------|--------|
|-------------------|--------|

| Constructs   | MC               | CSR   | CBR   |
|--|------------------|-------|-------|
| Marketing capabilities (MC)<br>Corporate social responsibility (CSR) | $0.864 \\ 0.572$ | 0.752 |       |
| Customer behavioral responses (CBR)                                  | 0.347            | 0.512 | 0.825 |
| Note(s): Square root of AVE's in main diagona                        | al               |       |       |

| REGE<br>29,4           | Attribute                               | Frequency | Percent |
|------------------------|---|-----------|---------|
| 25,4                   | Respondents characteristics (Customers) |           |         |
|                        | Experience                              |           |         |
|                        | 0 to 5 years                            | 99        | 33.0    |
|                        | 6 to 10 years                           | 97        | 32.3    |
|                        | 11+                                     | 104       | 34.7    |
| 416                    | Total                                   | 300       | 100.0   |
| 110                    | Gender                                  | 000       | 100.0   |
|                        | Male                                    | 128       | 42.7    |
|                        | Female                                  | 172       | 57.3    |
|                        | Total                                   | 300       | 100.0   |
|                        | Age                                     | 000       | 100.0   |
|                        | 20 to 29 years                          | 121       | 40.3    |
|                        | 30 to 39 years                          | 109       | 36.3    |
|                        | 40 to 49 years                          | 47        | 15.7    |
|                        | 50 and above                            | 23        | 7.7     |
|                        | Total                                   | 300       | 100.0   |
|                        |   | 000       | 10010   |
|                        | Respondent characteristics (Workers)    |           |         |
|                        | Current position                        |           |         |
|                        | Management position                     | 34        | 57.0    |
|                        | Non-management position                 | 26        | 43.0    |
|                        | Total                                   | 60        | 100.0   |
|                        | Job tenure                              |           |         |
|                        | Less than 3 years                       | 2         | 3.3     |
|                        | 3 to 5 years                            | 20        | 33.3    |
|                        | 6 to 9 years                            | 31        | 51.7    |
|                        | 10+                                     | 7         | 11.7    |
|                        | Total                                   | 60        | 100.0   |
|                        | Age                                     |           |         |
|                        | 20 to 29 years                          | 21        | 35.0    |
|                        | 30 to 39 years                          | 22        | 36.7    |
|                        | 40 to 49 years                          | 10        | 16.7    |
| Table 3.               | 50 and above                            | 7         | 11.6    |
| Profile of respondents |   | 60        | 100.0   |

experience and gender description of the respondent. Report of Table 3 indicates that the majority of the consumers are females (57.3%) and aged between 20 and 39 years (76.6%).

In total, 33.0% of the sampled consumers were found to have used the services of the mobile networks for less than six years, whereas 32.3% of them have been loyal to their preferred network for six to ten years. Meanwhile, 34.7% of the sampled consumers had used the services of the mobile network for more than 11 years. It was also observed that the majority of the sampled workers who responded to the survey instrument were occupying management position (57%). The findings showed that 51.7% of the respondents had tenured approximately six to nine years in their current position. The majority of the sampled workers were also identified to be between the ages of 20 to 39 years.

#### Mixed-level analysis results

The mixed linear regression model (MLM) was used to examine the relationship between the variables. The MLM was justified on the grounds that some of the variables were observed at different levels. CSR and marketing capability were evaluated at the organizational level, whereas consumer responses were assessed at the consumer level. To obtain efficient estimates, all the variables were aggregated at the organizational level (Steffens *et al.*, 2014).

The inter-class correlation coefficient (ICC) was used to evaluate if the data were adequate for mixed-level analysis. ICC 1 and ICC 2 were checked. The ICCs, as reported in Table 4, reveal that the application of the mixed-level analysis is appropriate.

Following the results of the ICCs, the random effect estimation component of the mixedlevel linear regression was adopted to analyze the relationship between the variables. The analysis was conducted involving the specification of three (3) interconnected models with consumer behavioral responses as the dependent variable. The results of the mixed linear regression are reported on Table 5. As revealed, Model 1 captured the effect of the consumer specific attributes, which were included in the analysis to control individual factors that can influence consumer behavioral responses. It was identified that there is a significant positive relationship between gender and consumer behavioral responses ( $\gamma = 0.413$ , p < 1%, Model 1). The implication is that consumer responses vary between men and women, with women likely to respond strongly compared to their male counterparts. According to the results, there is a negative and significant relationship between age and consumer behavioral responses  $(\gamma = -0.327, p < 1\%, Model 1).$ 

In model 2, the organizational variables were included in the analysis. The result indicates that there is a positive and significant relationship between CSR and consumer responses  $(\gamma = 0.345, p < 1\%)$ , standard error (SE) = 0.109, Model 2). Thus, hypothesis 1, which states that CSR has a positive effect on consumers' behavioral responses, is supported. Similarly, a

|                           |                        | Sum of          |            | Mean   |       |       | ICC   |       |  |
|---------------------------|------------------------|-----------------|------------|--------|-------|-------|-------|-------|--|
|                           |                        | squares         | DF         | square | F     | Sig   | ICC 1 | ICC 2 |  |
| Marketing<br>capabilities | Between<br>groups      | 247.57          | 3          | 79.09  | 1,748 | 0.000 | 0.324 | 0.748 |  |
|                           | Within groups<br>Total | 97.88<br>345.45 | 284<br>287 | 0.55   |       |       |       |       |  |
| CSR                       | Between<br>groups      | 209.64          | 3          | 62.83  | 1,214 | 0.000 | 0.214 | 0.893 |  |
|                           | Within groups<br>Total | 41.02<br>250.66 | 284<br>287 | 0.18   |       |       |       |       |  |

|  | Model   | 1                                | Model  | 2                                | Model  | 13                               |
|--|---|----------------------------------|--|----------------------------------|--|----------------------------------|
|  | Beta  | SE                               | Beta   | SE                               | Beta   | SE                               |
| - Constant<br>- Marital status<br>- Gender<br>- Age                                | $\begin{array}{c} 2.545^{***} \\ -0.240 \\ 0.413^{***} \\ -0.327^{***} \end{array}$ | 0.417<br>0.214<br>0.127<br>0.121 | $3.004^{***}$<br>-0.518<br>$0.387^{***}$<br>$-0.498^{***}$ | 0.485<br>0.315<br>0.078<br>0.144 | $2.128^{***}$<br>-0.491<br>$0.262^{**}$<br>$-0.428^{**}$ | 0.672<br>0.554<br>0.101<br>0.212 |
| <i>Main effects</i><br>- Corporate social responsibility<br>- Marketing capability |   |                                  | $0.345^{***}$<br>$0.227^{**}$                              | 0.109<br>0.086                   | $0.241^{***}$<br>$0.192^{**}$                            | 0.065<br>0.078                   |
| Interactions<br>- CSR $\times$ Marketing capability                                |   |                                  |  |                                  | 0.269**  | 0.108                            |
| Diagnostics<br>Deviance<br>$\Delta$ Deviance                                       | 0.245   | 5                                | 0.174<br>0.071   |                                  | 0.118  |                                  |
| Pseudo $R^2$<br>Note(s): ** $p < 0.05$ ; *** $p < 0.01$ , * $p$                    | 0.408   | 3                                | 0.071  | L                                | 0.030  | 0                                |

Consumer behavioral responses

Table 4. ICCs and ANOVA REGE<br/>29,4positive and significant relationship is detected between marketing capability and consumer<br/>responses ( $\gamma = 0.227, p < 5\%$ , SE = 0.086, Model 2). This also supported hypothesis 2, which<br/>posited a positive relationship between marketing capability and consumer responses. To<br/>test hypothesis 3, Model 3 was estimated, and the effect of the interaction between CSR and<br/>marketing capability was assessed. The interaction of CSR and marketing capability was<br/>found to have a positive and significant effect on consumer responses ( $\gamma = 0.269, p < 5\%$ ,<br/>SE = 0.108, Model 3). Thus, hypothesis 3, which states that marketing capability moderates<br/>the positive effect of CSR on consumers' behavioral responses, was supported.

#### **Discussion of results**

The current research examined the moderating effect of marketing capabilities on the relationship between CSR and consumer behavioral responses. The study was motivated by the underrepresentation of empirical investigation into the effect of CSR on consumer behavioral responses. However, a lot of reviews have established a linkage between CSR and consumer behavior. The results of the study showed that there is a positive relationship between CSR activities and consumer behavioral responses. The findings of this work support the claim that consumer-related CSR activities (fair sales practices, labeling services clearly, service quality standards, fair prices and possibility for consumers to file complaints) stimulate firms' ability to attract consumers (Maignan, Ferrell, & Hult, 1999). The study thus demonstrates that the consumer-oriented CSR activities (Oberseder et al., 2014) are critical to consumer behavioral responses. Agreemang and Ansong (2017) reveal that engagement in CSR activities (fair sales practices and fair prices) enhance the corporate image and provides latent results such as reputation with strong word-of-mouth communication that increases consumer perception and drives positive behavioral responses (Stawiski et al., 2010; Lai et al., 2010; Stanaland et al., 2011). Porter and Kramer (2006) also argue that the central objective of CSR is to create shared value that is of mutual benefit for society and the business.

The findings of this work show that there is a positive and significant relationship between marketing capability (product development, market sensing, pricing, channel management, marketing communications, market planning and marketing implementation) and consumer behavioral responses (recommendation, brand loyalty and purchase intention). According to Qu (2009), firms with strong marketing capabilities can effectively execute their CSR obligations. Qu (2009) further argues that in a business environment where external publics such as consumers have high expectations of firms' CSR activities, strong marketing capabilities are required to communicate the CSR activities and dovetail these programs in their consumer-focused programs, thereby leading to superior patronage and sales performance.

#### Managerial implication

The results of this study have implications for managers of mobile telecommunication operations. First, this study shows how the CSR and marketing capabilities components play a role in a consumer behavioral response in the mobile telecommunication network industry. Managers of mobile telecommunication services need to be aware that the companies' CSR programs can have a positive effect with subsequent consumer evaluations of decisions toward the firms. In addition, managers must be aware of how marketing capability operations affect consumer behavioral responses. Also, managers in the telecommunication industry must be prepared to handle an interactive, procedural and distributive nature of services to maintain a high-quality perception with consumers. The marketing capability (product development, channel management, marketing communications, marketing planning and marketing implementations) are oftentimes marketing activities taken by mobile telecommunication firms to derive consumer satisfaction, consumer loyalty, consumer

retention and referral from consumers. The study results have mainly demonstrated that CSR and marketing capabilities are effective tools for management to implement in an intensive competitive environment such as the mobile telecommunications industry.

#### Conclusion

The purpose of the study is to estimate the relationship between CSR, marketing capabilities and consumer behavioral responses in the mobile telecommunication industry. The study findings showed that CSR has a significant positive effect on consumers' behavioral responses in the Ghanaian telecommunication industry. In addition, these findings demonstrate that marketing capability strengthens the relationship between CSR and consumer behavioral responses.

Despite the significant effects of the study variables, there were limitations that need to be mentioned. Future researchers can explore other dimensions of organizational capability and how they interact with CSR activities to shape the organizational outcomes and consumer behavioral responses of mobile telecommunication companies in Ghana. Therefore, future revisions would benefit from adding other segments of the consumer categories from other parts of the country. Future studies that compare the essential quality elements of mobile telecommunication services could assist management researchers in better matching the desires of each consumer segment. This study validates previous theoretical opinions on CSR and marketing capabilities by identifying elements that are imperative in the determination of consumer behavioral responses. Thus, more studies on relationships between corporate social responsibilities, marketing capability and consumer behavioral responses are needed to cross-validate the outcomes from diverse directions. From a methodological position, future CSR and marketing capability research should benefit from building more rigorous measurement integrating the three vital operational factors including service quality and consumer satisfaction and consumer expectations frameworks that exist in the mobile telecommunication industry.

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#### Further reading

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