



# The Ministry of Education of Azerbaijan Republic

*Evaluation of impacts of corporate social responsibility  
(CSR) campaigns on customer satisfaction. Examples  
from fast-food restaurant chains*

Aynur Salahova

UNEC SABA

Azerbaijan State University of Economics



## Acknowledgements

In the first place, I wish to express my very profound gratefulness to Mr. Kanan Karimli, my leading supervisor, for the indulgent guidance, tireless inspiration and endless consultation he has provided from beginning to end of my research process. I have been exceptionally fortunate to have a supervisor who cared so much about my work, and who replied to my questions so immediately with heart and soul.

My sincere thanks also go to my precious friends who have always been a major source of motivation when things would get a bit discouraging. Thanks for always being there for me.

Moreover, I would like to extend a special thanks to the survey participants who took the time from their hectic schedules for making contribution to the study.

At last, naturally, I owe my deep gratitude to my family for their unfailing support, heartening attitude and patience throughout my years of study and through the process of writing this thesis. This accomplishment would not have been available without them. Thank you.

# Abstract

Today there is increasing intense competition in the marketing field as well as in all dimensions of the business world. The more rivalry between companies means the more various choices presented to consumers, which makes the decision making process tough. At the present time, consumers are able to attain almost all types of information from anywhere. Eventually people have become so conscious and picky that companies are compelled to look for different strategies continuously to attract and retain customers.

Corporate social responsibility practices are one of the most significant communication strategies that companies need to address in order to achieve commercial strength, competitive advantage and briefly, an affirmative image. So, the purpose of this study is to investigate the effects of corporate social responsibility practices on customer satisfaction. The issue is processed in three stages:

1. In the first part - the concept of corporate social responsibility and related concepts were tried to be explained in detail.
2. In the second part - customer, customer satisfaction and corporate social responsibility concepts were discussed.
3. In the last part - it was revealed whether corporate social responsibility campaigns have effects on customer satisfaction or not.

The fast-food sector was sampled in the research and customers of the giant institutions such as KFC, McDonalds, Burger King and Starbucks were conducted. The data required for the research were collected by making web-survey with the customers in these institutions between the dates of 15.03.2018 – 15.04.2018. The face-to-face interview was also made from the students of UNEC in the same period. The data obtained as the result of the answers are analyzed and interpreted.

**Keywords** - *Corporate Social Responsibility (CSR), Customer Satisfaction, Strategy, Competition, Concepts*

# Table of Contents

<b>Acknowledgements</b> .....	<b>2</b>
<b>Abstract</b> .....	<b>3</b>
<b>Table of Contents</b> .....	Ошибка! Закладка не определена.
<b>1. Introduction</b> .....	<b>5</b>
1.1 Corporate Social Responsibility (CSR) Concept and Dimensions....	8
1.2 Historical Development of CSR .....	13
1.3 Factors Causing the Emergence of CSR Concept .....	19
1.4 The perspective of stakeholders' theory related to CSR .....	21
<b>2. Literature review</b> .....	<b>24</b>
2.1 Corporate Social Responsibility models .....	24
2.1.1 Carroll's Pyramid of Corporate Social Responsibility .....	25
2.1.2 The intersecting circles model of CSR.....	27
2.1.3 The concentric-circle model of CSR.....	29
2.2 The Concept of CSR Campaigns and Basic Principles .....	31
2.3 Distinctive characteristics of CSR Campaigns .....	32
2.4 Customers Satisfaction and Effect of CSR .....	34
2.5 CSR practises in fast-food restaurant chains.....	36
2.5.1 CSR campaigns towards the environment .....	37
2.5.2 CSR campaigns towards society .....	38
<b>3. Methodology</b> .....	<b>39</b>
3.1 Nature of data .....	40
3.1.1 Primary data collection .....	41
3.1.2 Web based survey .....	42
3.1.3 Interviews .....	42

3.2 Research process limitations .....	43
3.3 Research approach .....	43
<b>4. Findings and discussions.....</b>	<b>44</b>
4.1 Data analysis.....	44
4.2 Evaluation of CSR on customer satisfaction.....	46
<b>5. Conclusion.....</b>	<b>47</b>
<b>6. References.....</b>	<b>49</b>

## **List of abbreviations**

CONM - The concentric-circle model

CSR – Corporate social responsibility

FDA - Food and Drug Administration

ICM - The intersecting circles model

NGO - Nongovernmental organization

PR – Public relations

UNCTAD - The United Nations Conference on Trade and Development

# 1. Introduction

No one doubts that socially responsible behavior is necessary for business as it can ensure sustainable development. But this behavior is associated with the threat of unreasonable and inefficient spending and thereby contradicts the business goal of maximizing profits. Consequently, business should thus exercise its social responsibility in order to find opportunities for its development in it. In accordance with Carroll's definition, corporate social responsibility is "actions in the economic, legal, ethical field, and in the field of charity that society currently expects from business". From the point of view of stakeholder theory, society is nothing more than a set of informal groups that are affected by the activities of the business, and they are also able to exert influence on it. A number of foreign researchers suggest that the most important stakeholders are consumers, because they bring the company profits. In turn, consumers themselves exhibit a certain sensitivity to socially responsible business conduct, have expectations on this score and, in accordance with this, build their consumer behavior.

Nowadays, consumers who have a sense of responsibility make selections by taking into consideration not only the criteria such as the quality and price of the product when purchasing it, but also the degree of effectiveness of the producing entity in social issues. This constitutes one of the most important factors that compel enterprises into corporate social responsibility studies. This study is important because it examines whether consumers perceive the corporate social responsibilities of businesses as affecting their commitment to business and products. In the research, it was aimed to measure the effect of consumers on the loyalties of perceptions of corporate social responsibility applications and to study the level of consumer

influence on the behavior of companies implementing the concept of social responsibility of business.

## **1.1 Corporate Social Responsibility (CSR) Concept and Dimensions**

The concept of corporate social responsibility (CSR) is a common conviction of an expanding amount of people which refers to that present-day enterprises are accountable to the community that exceed their responsibilities to shareholders or financiers in the company.

As the company is a social enterprise, the boundaries and obligations are determined by the society. The meaning and dimension of corporate social responsibility vary from society to society, business to business and person to person. In addition, the concept of corporate social responsibility may change over time. As corporate social responsibilities depend on the value system and cultural structure in place, an assignment that falls within the scope of corporate social responsibility for a person, a manager, a region and a society can be excluded from this field in other places and circumstances. Corporate social responsibility, being a rising value in terms of businesses, has a number of internal and external dynamics. Internal dynamics comprise social and environmental processes, including human resource management, health and safety regulations at work, adaptation for change, natural resources, and environmental management. External dynamics include local public support, business partners, suppliers and clients, international labor norms and global environmental factors.

Corporate social responsibility emerges as an important issue, especially in the last few years. It can be defined by different environments in different ways. According to the Commission of the European Communities' definition corporate social responsibility is a concept in which businesses can integrate social and environmental

issues on the basis of volunteerism, with their interactions with organizational activities and social stakeholders. Having corporate social responsibility is not just fulfilling official expectations, but going forward from volunteering to invest more in human capital, in the environment, and in relation to shareholders.

The United Nations Conference on Trade and Development (UNCTAD) addresses the issue of how corporate social responsibility businesses are related to the needs and objectives of a society. According to UNCTAD, all social groups are expected to fulfill specific roles and functions in order to change time with their social changes and their evolution. Expectations about businesses and especially for multinational enterprises are undergoing unusual rapid changes with the increasing role of these businesses in the global society. Thus, discussions related to corporate social responsibility standards and practices of multinational corporations are an important part of a global community development effort.

According to Philip Kotler, corporate social responsibility is a tool that promotes the development or implementation of the behavior changing campaign which aimed improving an organization's public health, safety, environmental or social well-being.

There are several explanations of corporate social responsibility as mentioned above, making a list of the essential fundamentals observed in different definitions, instead of describing them, maybe more perceptive. Buchholz classified five key components detected in most, if not all, definitions:

1. Corporations have obligations that surpass providing of goods and services at a profit.
2. These responsibilities cover promoting to solve significant social issues, primarily those they have helped create.
3. Corporations have a wider electorate than stockholders alone.
4. Corporations have effects that exceed uncomplicated marketplace transactions.
5. Corporations assist broader scale of human values than can be achieved by a sole focus on commercial values.

Corporate social responsibility also refers to business regulations that combine both legal and ethical requirements. Corporate social responsibility is defined as the continuous commitment of an organization to ethical behavior and its contribution to economic development to improve the quality of life of employees and their families, as well as all segments of society. Corporate social responsibility directs the ethical function of the long-term consequences of responsibilities to improve the society while avoiding worse. In this sense, corporate social responsibility can also be defined as the goal of an organization, without undermining the interests of the related parties and being realized continuously. Corporate social responsibility is meaningful if it is fully institutionalized for the institution. This means that the concept of corporate social responsibility becomes a complementary part of the day-to-day activities of the organization for the sustainable development of socially sensitive areas, and the alignment of management strategies and implementation systems by management.

Any social needs that people expect from the businesses are included in the field of corporate social responsibility. Since they operate in a social environment, it is quite natural for businesses to have social needs in many areas. Therefore, corporate social responsibility of enterprises comes together with the existence of the business. Social demands also allow the entity to determine the scope of corporate social responsibility, as well as what kind of expectations it has. The scope of corporate social responsibility includes economic, legal, social, moral, cultural, political, technological, etc. dimensions. It is difficult to determine precisely the boundaries and criteria of corporate social responsibility.

Organization's performance, scarce abilities, authority and limitation of responsibility play an important role in determining the boundaries of the corporate social responsibility. In terms of businesses, the criteria used to determine the scope and limits of corporate social responsibility can be expressed as follows:

- There is not a single universal formula for all businesses. Under the legal and regulatory requirements, every business should decide what to do or not to do.
- The business should be considered mostly as an economic institution with strong profit incentives. The business is not accustomed to meeting the non-economic objectives of the community without financial incentives. If an enterprise does not make profits in the long-term, there is no way to be able to undertake any responsibility for society.
- The entity must be in the expectation of long-term view and consistently perform social actions, that can temporarily reduce net profit, with long-term business interests.
- A business has corporate social responsibilities proportional to its social power. This relationship is called 'The Iron Law of Corporate Social Responsibility'.
- Corporate social responsibility differs according to the characteristics of the businesses. Businesses vary in terms of capacity, products, competitive strategies, production processes, marketing methods, and the manager's value and beliefs.
- As an individual, an enterprise should only choose corporate social responsibilities that it can best manage. Traditionally, the business believes that the mission will be more successful if participation at a minimum level can be achieved.

After the above explanations, the corporate social responsibility of businesses can be determined by three basic principles:

The principle of legitimacy: It is based on the belief that the business has responsibilities towards the society in terms of the functions at the institutional level and the activities he demonstrates.

The principle of public responsibility: A business is responsible for its functions at the organizational level, in relation to its primary and secondary interests in society.

Therefore, it is limited to the direct problems associated with an operator's responsibilities, activities and interests.

The principle of managerial discretion: This principle concerns managers as functions at the individual level and as ethical actors. It describes the responsibilities of managers in the selection of activities designed to achieve socially responsible

LEGITIMACY	PUBLIC RESPONSIBILITY	MANAGERIAL DISCRETION
Exterior focus on desires of society	Surpassing common desires of society, that is, at the corporation level	Involves particular selection or administrative appreciation
Society gives the privilege to business to run	Defined by uniqueness for conditions of the corporation	Individual decision authors or administrators decide
Obedience to social standards of society	Resource reliance establishes	Correlates to the scope of operation possible by management
Oppressions particularly intense on a few companies, for instance, large ones	Associates overseeing relationships with the direct environment	Focuses on the variety of strategic opportunities accessible to management

principles:

out  
co  
me  
s.T  
he  
tab  
le  
bel  
ow  
giv  
es  
out  
lin  
es  
of  
the  
se  
thr  
ee

## **1.2 Historical Development of CSR**

Despite the fact that the underlying foundations of the idea that nowadays we know as corporate social responsibility have a long and far-reaching history, it is, for the most part, a result of the twentieth century, particularly from the mid-1950s up to now. The progression of the concept of corporate social responsibility passing some stages has undergone several transformations. In spite of the fact that it has surfaced in the early years of the twentieth century, the cutting edge viewpoint of corporate social obligation has made extraordinary strides with Howard R. Bowen's (1953) "Social Responsibility of the Businessman". In his book, Bowen asserted that businesses should also take into account the social impact of their decisions.

If we briefly take a glance at the history of corporate social responsibility which has been discussed frequently in Azerbaijan nowadays, as well as in the whole world, the development of the concept can be analyzed in some basic periods. As this concept based on the US, the place where capitalism was born, the history of the American business world has had a significant impact on corporate social responsibility.

The initial period refers to the emerging of corporate social responsibility with civilization and religions. It comprises the first civilizations including Mesopotamia, China, Ancient Greece, and Rome. Although there are no practical innovations that can be considered significant in this period, it is stated that in these societies people have personal judgments, religious beliefs, ethical perspectives and corporate social responsibility which carried out unconsciously under various laws.

Mercantilist thought prevailed in European countries between the years 1550 and 1750. When the church lost its activity, the doctrine of Calvinism, which honored the hardworking and frugal businessman, replaced the Catholic dogma. With the

emergence of nation-states, which are in favor of a more advantageous position in the international power struggle, it is realized that the national power depends on commercial and industrial production. The fact that the state regulates the central power in mercantilism has enabled the government to retain its authority in making any kind of decision about the society in terms of corporate social responsibilities. As a result of the domination of this system in Europe between 16 and 18 centuries and the state's interference to the economy, the church was substituted by a centralized and autocratic state. In this period, the prevailing commercial opinion was that the wealth of a country would be measured by precious metals that it possessed. It is defined as the duty and responsibility of the state to help the poor and find jobs for the unemployed. In this period, the prevailing commercial opinion was that the wealth of a country would be measured by precious metals that it possessed. It is defined as the duty and responsibility of the state to help the poor and find jobs for the unemployed. However, the economic policy promoted by mercantilism was not concluded as expected and has had negative consequences in terms of corporate social responsibilities due to the high inflation rate, unfair income distribution, production inefficiency, increasing poverty in the society. In particular, keeping the wages of the employees at the lowest level, by entering to external trade exploiting the merchants, workers, and resources of the foreign countries in the form of colonies can be given as an example.

In the same period, the economic life in the Islamic world was largely formed by the Fütüvet organization during the Abbasid and Seljuk periods and by the Ahilik organization during the Ottoman period. Corporate social responsibilities of institutions are also shaped by the norms of these organizations, which are mostly related to good ethics and professionalism.

Then in 1765 the steam engine was invented by James Watt and its application into production as an energy source, and thus the shift to the factory line, was also the basis of modern management and management practices. The work of Adam Smith -

"Wealth of Nations" - in 1776, and finally the French Revolution in 1789 can be considered as the complement of the industrial revolution. The dominant economic view in the industrial revolution years was capitalism. In Adam Smith's economic view, a personal philosophy is observed, as one's property rights are held over everything. New values emerged as the acceptance of the view that the benefits of the individual as a result of the actions to be taken for personal gain would also maximize the benefit of society, which is in line with the philosophy of industrialization. The concept of corporate social responsibility has also been in this direction. From this point of view, businesses will have achieved their goals by achieving maximum profit and will have realized their responsibilities. However, enterprises' understanding of maximum profit sometimes causes them to misuse their power. The industrial revolution has brought about significant changes in the habits of communities, and the concept of corporate social responsibility has become a focal point. The end of the 18th century witnessed the massive migration of people from the countryside to the cities and the growth of big cities. There has been a shift from working in agriculture to working in industries such as mining, textile, and iron production. In the new environment, the dynamics of labor, changes in ownership patterns and the pressure of the population have reduced the sense of "being responsible for others". Naturally, new initiatives have resisted state intervention and the law, which has led to child labor and exploitation of female workers, and state domination in social issues has also affected the private sector spirit.

Despite the above mentioned facts, in the 18th century there were also several European mining organizations that granted free of charge medicinal maintenance, retirement plans, and illness permission to their employees. The administration of smaller companies could be explained as being patriarchal. In this style the manager pretends as a father figure for the workers, protecting them from the operations of the free market system. At the social level, protection and reinforcement from above

would be the prize for the modest allegiance on a suggestion from the lower steps of society.

All along the later industrial period, in Europe and the US supposed company towns were established. There are a number of companies which accepted financial responsibility for the building and repairing of the city churches, bridges, roads, schools, and they took into account even houses for the parish workers and for the poor. This action could be inspired in part by a simple need to set up an infrastructure where before this none had existed. For example, In the UK, there were some company towns which were established to support specific ethic values, however also to develop the working circumstances for the employees. A worker in a good health could be an efficient worker. Some social prosperity precautions were also acquainted in an effort to stop the radicalization of the laboring class while the democratic revolutions which were extending over the European continent.

The support action of the business dynasties in Europe and the feudal convention of obeying noblesse both discover latitudes in the US altruism created towards the end of the nineteenth century. In his article which entitled "The Gospel of Wealth" in 1889, the business head honcho Andrew Carnegie contended for a commitment to help other people in the wake of having fulfilled the requirements of yourself and your family. The most understood statement credited to him peruses: "The man who dies thus rich dies disgraced".

Some researchers nonetheless recognize philanthropic actions as a sort of legitimizing tactics to be adopted in the track of or to avoid any extensive critique of business applications. An unusual mode of analytical journalism appeared in the US. This one considered new because it concentrated on anti-social performance, lower working circumstances, and weak customer security. Philanthropy and generosity were the key reactions to before-mentioned negative concern, as large organizations needed to appear to be a "kind neighbor". Amid the 1920s and 1930s, this procedure with respect to business in the US was actualized on a substantially bigger scale and

to more prominent impact than had been the endeavors of individual business tycoons during the earlier century. The technique prevailing as the business could evacuate directions and bring together industry regardless of substantial feedback of monopolistic propensities, environmental harm, and wage subjugation. European organizations during the similar period were regularly smaller when contrasted with their American partners, and the state and Church frequently prevailing with regards to constraining them to look past the prompt objective which is profit making. At the point when the contemporary European social prosperity frameworks started to come to fruition in the 1920s, the arguments encompassing the part of the business in community dropped out of the public sphere.

The problems brought by the industrialization and the effects of these problems on the environment, public health and the welfare of the workers have caused the interest to shift in that direction and balance them. The legislation, such as the public health law in 1948, has directly obligated new entrepreneurs and companies to be more accountable to the requirements of their employees and the community.

One of the most important economic crises of the past, the Great Depression that broke out in 1929 led to unemployment and loss of production in the United States. It is observed that the developments in the concept of corporate social responsibility have gained speed with this period. In 1936, the Sears Company first held meetings with senior managers to discuss corporate social responsibilities and behavior patterns. In the 1960s, civil organizations' social actions such as women's rights and environmentalism shed light on the development of the public values and corporate social responsibility of companies.

In the 1960s, postwar optimism diminished, social-economic problems began to gain more attention due to the perception of inequality and rising expectations. In order to solve the problems such as the unhealthy development of the cities and environmental pollution, both public and private sector organizations have started to be seen as "unsuccessful". During these periods, some extreme reactionary

occurrences also appeared. The great American economist Nobel laureate Milton Friedman in 1970 said that: "Create a competitive environment, eliminate cheating and fraud, or reduce it to a level that prevents the penetration of the market at least, and stir well beyond that. Because under these conditions, a company that takes care of the company's profits, fulfills its responsibilities to its shareholders, will also fulfill its social responsibilities". This means that Milton draws attention to the legal or ethical responsibilities of businesses, in other words, that businesses do not have to assume any other responsibility unless they harm the "sustainability of the system." What is decisive in Friedman's view is the logical assurance of the market economy when the specified conditions are met. When it came to 1990, the concepts such as the continuity of the economic system, the continuity of the businesses, the continuity of the profits, the continuity of the environment and the continuity of life were the most important problems on the world agenda.

Civil society began to strengthen towards the end of the 1980s. As a result of the developments in information technology in the 1990s, the dimension of access to information, information processing and the generation of new information uniting with the power of civil society clarify that, the sustainable future plan can only be established with the sensitivities and values of the community, not with making money. That's why the brands such as Greenpeace, WWF became the organizations which symbolize corporate social risks for companies. Possible social risks have led companies to create more responsible policies in a corporate sense.

Present-day: The point we are discussing today is not whether there are other "corporate social responsibilities" of companies rather than expanding the profits, but what type and characteristic of activities are included and required to be included into the scope of corporate social responsibility. Briefly, the main subject is that how the businesses have to fulfill (manage) their corporate social responsibilities.

Nowadays, the success of a company has become increasingly not related to the maximizing its profits but related to directing these gains to the targets and setting

policies appropriate to the values of the society. Today, the economy is increasingly socializing, carrying corporate social responsibility trends, and even businesses are evaluating these trends within the framework of strategic plans and programs. Since businesses are part of the system around them, it is possible that their lives continue to comply with the changes in this system. Businesses should use the responsibility as the most basic feature of modern business management as a tool in order to comply with the changes in the system.

As it can be observed, social responsibility has changed quite a lot since the day it appeared. Particularly, parallel to the changes occurring in society and in the economy during the 20th-century there have been variations in businesses and ideas about them. Eventually, it came to the view that businesses are social institutions, of the opinion that businesses are absolute economic institutions. Today, businesses are considered as social organizations within the social system and behave accordingly to this fact.

### **1.3 Factors Causing the Emergence of Corporate Social Responsibility Concept**

The change in the expectations of European citizens as being both citizens and consumers, the change of the general ethical values and dynamics of the society, the abandonment of the industrial society organization structure, the reshaping in the expectations of the people in the form of information community and beyond all the widespread awareness about that the economic growth, social measures and environmental protection are the issues that should be evaluated together among the business owners, the fact that social criteria now become a determinant of investment decisions beyond a dimension that only affects consumer behavior, transparency of economic and commercial activities of enterprises and evolving inflation make businesses open to public conscience or inquiry. According to the “Green paper” of

European Union, the factors which encourage businesses to social responsibility are briefly as follows:

*Economic Factors:* Liberalism, which was born in Great Britain during the Great Industrial Revolution in the early 1900's, and which was dominant in several fields as it was in economy over the decades, has been defending liberalization of customs, removal of customs, free competition but strongly opposed to the state's intervention in the economy. The economic crisis that affected the whole world in 1929 has triggered many social changes, as well as significant ones in business and economic life. In the 20th century, it came to the forefront and its importance was emphasized by many people. Because in these years, companies in America are accused of operating in a monopolistic manner and obstructing competition. In response to these criticisms, antitrust laws, customer rights, etc. applications have begun to be developed.

*Political Factors:* In the 20th century, especially After World War II, the world has become a bipolar structure. On the other hand, these years are also referred to as the years when democratization trends all over the world began to increase. Again in these years, human rights have shown favorable developments for individuals. Increasing the importance of the individual in the society has also caused companies to pay more attention to the individual and society and give more importance to the individual as a worker, a consumer, an investor.

*Social Factors:* The 1900s are the years which interaction and communication between the societies of the world increased outstandingly. It has become possible for individuals to behave organized by increasing the communication and interaction with individuals from their own society and then from different societies living on the earth. The 1930s are the years of social transformation in which workers begin to gain union rights and start demanding better jobs, wages and living conditions. During these years, the utilitarian moral philosophy gave a place to social morality.

It can be concluded from the factors mentioned above that remarkable changes and developments after World War I, 1929-1933 years Economic Depression and especially after World War II have caused the emergence of the concept of corporate social responsibility in the modern sense.

All these changes have created new needs and a new sense of influence and responsibility has developed. The business is now under the responsibility of responding to social, economic and political needs of the society and helping to solve social problems. Social ethics and responsibilities; all social problems concern the management of the company, whether they appeared due to the reasons outside of the company, or as a result of the activities inside the company because the company has been established to meet the needs of the society. These formations have led companies to turn to an institution which has social qualities from being a technological and economic institution.

#### **1.4 The perspective of stakeholders' theory related to CSR**

Since nowadays Corporate Social Responsibility is a concept tightly connected to other concepts, it would be more appropriate to analysis several relations of CSR therewith. In accordance with R. Edward Freeman, who is known as the father of the stakeholders' theory, corporate social responsibility is just a part of the famous stakeholders' theory throughout the other concepts such as corporate planning, strategic management, organization theory. In order to understand corporate social responsibility accurately, it is necessary to discuss about "stakeholder theory" first.

Businesses are in a relationship with many different segments of the society today, and their success depends on their well-managed relationships. The theory explaining this concept is called "stakeholder theory". The stakeholder means all the social partners who are involved in the society, affected by the activities of the business, and affecting the business by its activities. In other words, stakeholders are individuals and institutions who have interests in businesses. Freeman defined the

stakeholder as "a group or person who influences the achievement of organizational goals or is affected by success". With the passage of time, the number of communities in which businesses are involved has increased, and their relationship has become more complex. According to Freeman, the stronger the relationship with non-business groups, the easier it will be to achieve common goals, or the weaker it will become, the more difficult it will be to reach common goals. This approach constitutes the basic proposal of "stakeholder theory". Stakeholder theory is primarily a strategic management concept. The stakeholder theory's purpose is to help strengthen the relationship between the organization's internal and external environment in order to improve its competitive advantage.

In order to understand the stakeholder theory better, it is necessary to know "interest holders" in the internal and external environment of the organization. When we say the organization's internal environment, the analysis of the organization's owners, managers, employees, and organizational culture are understood. The operating environment includes the people and institutions (customers, suppliers, competitors, public administration, etc.) that the organization is involved in in the sector in which it operates. The external environment encompasses the area outside the organization's internal and operating environment. The macroeconomic environment, the international environment, the cultural environment, the technological environment, and the demographic environment are in the scope of the external environment.

In the context of these explanations, it is possible to classify stakeholders in two groups: "internal stakeholders" and "external stakeholders". Internal stakeholders are constituent owners, shareholders, managers and employees. External stakeholders consist of society, government, customers, suppliers, competitors and others. The corporate social responsibility which is evaluated in this study, as a concept refers to the responsibility to all actors in both the internal and the external environment.

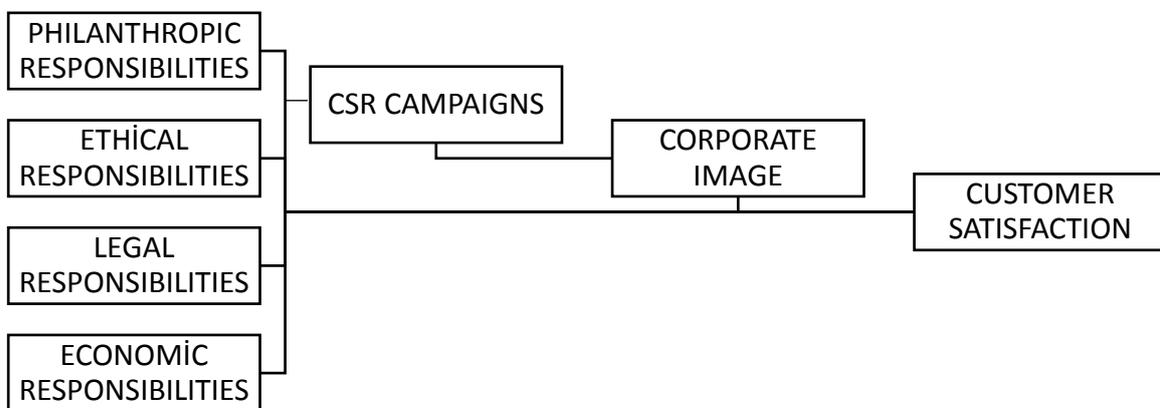
The proprietors of the company are one of the primary stakeholders. A company has legal and moral responsibilities to its proprietors. These responsibilities contain, but,

are not restricted to, endeavoring to guarantee that proprietors get a sufficient profit for their investment. Employees are also considered as primary stakeholders who have also legal and moral requisition in the company. Companies additionally have particular obligations to their customers as far as manufacturing and marketing products and services that propose usefulness, security, and value to local groups, which can be enormously influenced by the activities of resident companies and in this way have an immediate stake in their management; and to alternate organizations with whom they work together. Numerous social analysts propose that organizations have a direct obligation to forthcoming generations and to the environment.

An association's obligations are not constrained to primary stakeholders. Albeit legislative bodies and administrative agencies don't, for the most part, have possession stakes in organizations, they assume a dynamic role in attempting to guarantee that associations acknowledge and meet their obligations to primary stakeholder groups. Associations are responsible for these secondary stakeholders. Trade organizations and industry bunches are also influenced by an association's activities and its reputation. The media provides details about organizations and examines their activities, especially inclines to large associations, and most organizations acknowledge that they should deal with and adequately "manage" their association with the media. Eventually, even an association's rivals can be seen as secondary stakeholders, as they are clearly influenced by authoritative activities. For instance, one may contend that associations have a social responsibility to contend in the commercial center in a way that is coherent with the law and with the best experiences of their industry, so all rivals will have a reasonable opportunity to succeed.

## 2. Literature review

### Theoretical Framework



### 2.1 Corporate Social Responsibility models

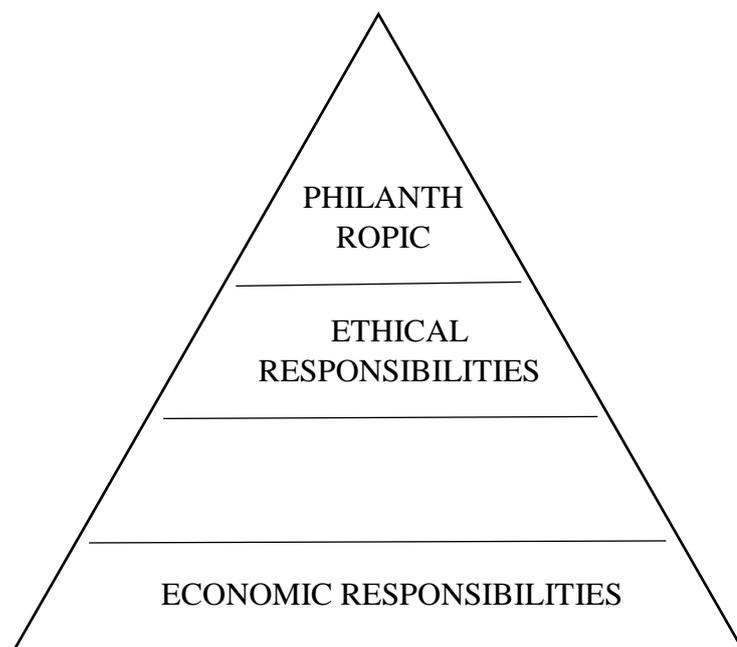
Organizations are also maintained their presence in the social environment just like people. So they are not only responsible for the commercial products that they produce, but also the social existence that will meet social expectations. Up to this day, various classifications have been made in order to reveal the content of corporate social responsibilities of companies. The common aspect of all these models refers to that they are based on the assumption that the purpose of corporate social responsibility also includes non-economic problems. There are many models of corporate social responsibilities of companies. Some of them evaluate corporate social responsibilities in the historical process, while others explain social responsibility from the determinants of social responsibility and some from corporate

social responsibility fields. Some of these models are attempted to briefly describe below.

### **2.1.1 Carroll's Pyramid of Corporate Social Responsibility**

One of the mostly accepted descriptions of CSR concept refers to the social responsibilities towards broader stakeholders, environment during making a financial benefit for the shareholders relevant to Archie Carroll. Additionally, corporate social responsibility is explained as actions, processes, and condition or comprehended obligations relating to the society.

Carroll in the model shown below, gathering the social responsibilities in four parts emphasizes that the company must fulfill these responsibilities in order to complete its social responsibilities. Taking economic responsibility as the most basic responsibility, Carroll explains four kinds of social responsibility as:



The total responsibilities of the companies are classified under four titles as economic, legal, ethical and philanthropic responsibilities. These segments of CSR may be contemplated as a pyramid. Each dimension merits the similar significance. While businesses try to fulfill these requirements, the factors such as the role of social groups in business activities, the value of social responsibility on business resources,

business culture and management success can influence them. In the light of the above, the social performance criteria of the companies are explained as follows:

*Economic responsibilities:* Business is the basic economic unit in a society. The responsibility of this unit is to produce the goods and services that the society desires and to maximize profits among the stakeholders. Economic responsibility is also referred to the notion of profit maximization as defended by Milton Friedman. This view implies that businesses operate on a profit-based basis and fulfill the mission of maximizing profits. Social responsibility requires a balance between businesses' profits and the costs they incur to earn those profits. In this sense, economic responsibility is the most basic social responsibility of businesses. Being profitable for shareholders, creating good employment opportunities for employees and producing qualified products for customers can be given as examples.

*Legal responsibilities:* People in society want businesses to achieve their economic goals by operating within the legal framework at the same time. It's like playing the game in accordance with the rules. All modern societies have rules, laws, and jurisdictions, and businesses are expected to comply with these rules. The legal responsibilities of businesses include matters such as complying with the law, complying with central and local regulations, becoming a law-abiding citizen, and fulfilling legal obligations of businesses.

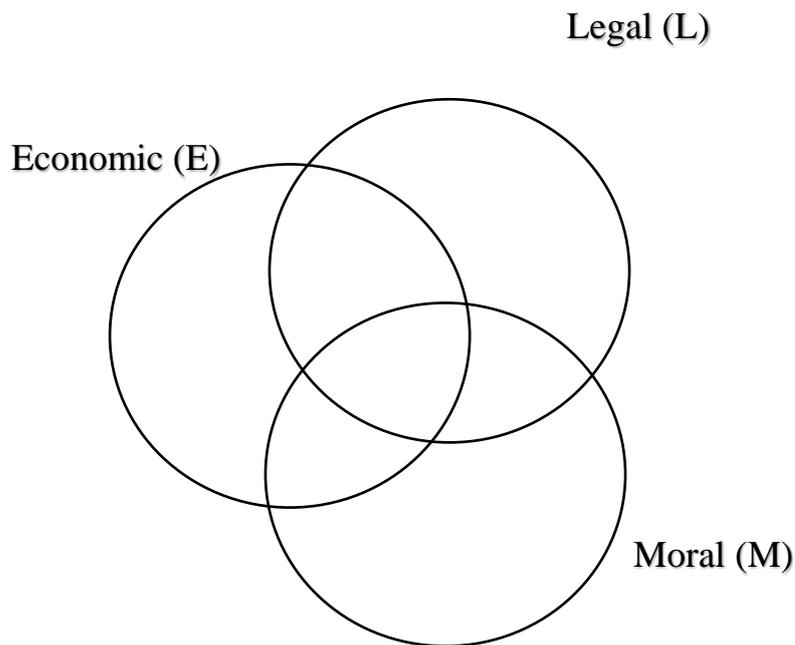
*Ethical responsibilities:* Moral responsibilities represent the entire range of expectations that focus on the fact that businesses operate in accordance with the values of society. While corporate social responsibility is expressed as "business owners, shareholders and/or managers direct their business by operating in accordance with the value judgment of the society"; work ethics refers to "whether the attitudes, decisions, and behaviors of the employees who work in the organization are true or false." Employees now believe that in any sector, success can only be sustained in an environment where it is based on trust. Because, like every other area, the preferences of the citizen and the consumer are changing rapidly. Only the

tangible value and quality in the service and the product lose its priority. Within the framework of corporate social responsibilities of service or product providers; legal, economic, honest, trustworthy, voluntary contribution to the solution of ethical and social problems, and being helpful are increasingly important in determining the preferences.

*Philanthropic responsibilities:* This responsibility includes services that are provided to the stakeholders other than the abovementioned responsibilities of the company. Examples can be the voluntary activities such as setting up service areas for customers and making free training programs. philanthropic responsibility is the purpose that the company voluntarily performs for contributing to society without any economic, legal, or moral constraints. Businesses constantly accomplish this by intending to fulfill a number of tasks. These responsibilities include acting in harmony with the community's charitable and philanthropic expectations, supporting art, participating of managers and employees in volunteer and philanthropic activities in their local communities, providing assistance to private and public education institutions, and volunteering to support projects that will improve the quality of life of the community.

### **2.1.2 The intersecting circles model of CSR**

The crossing hovers model of CSR appears differently in relation to the pyramid displaying in two primary perspectives: first, it perceives the likelihood of interrelationships among CSR domains; and second, refuses the significance of hierarchical sequence.



A pyramid system can't completely catch the interpenetrating idea of the CSR areas, nor does it indicate all conceivable strain focuses among them. Such reciprocity has been perceived as a vital norm for CSR and of such key significance that Schwartz and Carroll saw it important to propose a different method to deal with CSR, one that incorporates the real areas of obligation and unmistakably portrays their interrelationships. The ICM discredits the idea that CSR is only an accumulation of unforeseen, remotely related subjects; it holds as opposed to the distinctive duties are in the powerful transaction with each other, and it is the general corporate responsibility to propel agreement and resolve disagreements between them. As Schwartz and Carroll assert, the essential thought behind the IC model is that none of the CSR fields is by all appearances more imperative or noteworthy with respect to the others. In specific, the economic responsibility isn't really the most major. As in accordance with Davis's Iron Law of Responsibility, the reality of the matter is that organizations are intended for business, yet before whatever else, they are social formations whose extremely presence relies upon the voluntariness of society to

persevere and support them. At this point of view, the social obligations of the company are not really less essential than its economic endeavors.

All in all, the domain classifications in the Venn diagram are characterized in a style coherent with Carroll's pyramid model, with an only exceptional case which is explained as the philanthropic classification is categorized under the ethics as well as economics. A lot of people would contend that to classify the philanthropic domain below economic responsibility is to change over what is viewed as an ethicalness into self-interest. Inevitably, in any case, the decision to contemplate the philanthropic domain independently or include it under different areas of responsibility to a great extent relies upon the expenses and profits of the specific system of the current issue.

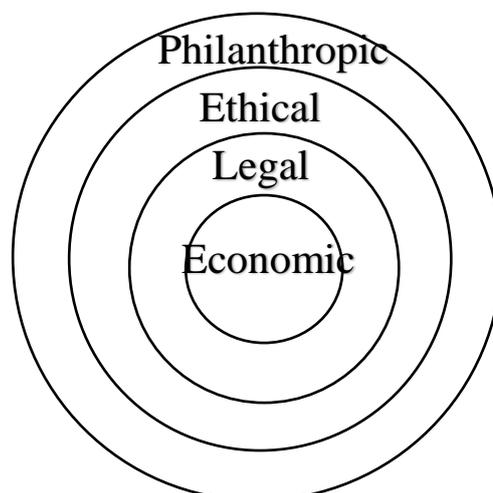
The intersecting circles model turns administrators' attention to the covering idea of the CSR fields and adjusts the sustainability of the interrelationships among them as the principal issue of the CSR administration plan. Like Schwartz and Carroll recommend, the model might be valuable in recognizing and investigating available and in addition expected purposes of strain among the diverse areas. To consider that the distinctive responsibilities are in the powerful interaction with each other, the duty of the manager isn't just to determine existing disagreements or, better, to counteract them before they grow, however to propel concordance and make open doors for advantageous organizations.

From an administrative perspective, the most essential superiority of the ICM is its adaptability. Permitting for entire sorts of the interrelationship among the various areas of responsibilities with no essential layout of precedence, the model is unlocked to an extensive scope of explication. As a matter of fact, its administrative remedies and suggestions are almost boundless. With such an expansive elucidation, it is obvious that this model can be appealing to a wide range of administrators and executives. Conducting managers to support various responsibilities, while abandoning them without any principled specification for making up their minds, give an advantage by enabling them to practice their own priorities in expending the

corporation's resources. Some people could sue that the nonhierarchical structure of the ICM ensures unconscionable managers by a ready excuse to behave according to their own self-interest. By applying to any obligations they appreciate, the managers who are opportunistic can legitimize all the most heinous self-serving attitudes. The ICM successfully gives an opportunity to managers such as not being responsible for the impacts of their choices on the company, without determining what is preferable.

### **2.1.3 The concentric-circle model of CSR**

The concentric-circle model demonstrates likeness with the pyramid as its core social responsibility is considered to be the economic role of business, and likeness with the ICM as it accentuates the interrelationships among the diverse corporate social responsibilities. However, fundamental of these similitudes are crucial contrasts in the real meanings of the corporate responsibilities. In this manner, the pyramid characterizes the corporate economic role as far as restricted self-interest which refers to "be profitable", though the CONM characterizes this same role as far as CSR, in particular, improving the benefit of society which refers to "be constructively profitable". Rather than the pyramid, which downsizes the significance of the noneconomic social responsibilities, and as opposed to the ICM that alongside interrelationships, likewise takes into consideration no relations among the distinctive domains of responsibility, the concentric-circle model summarizes the noneconomic social responsibilities as accepting and pervading the key economic duties.



The concentric-circle model demonstrates a standardizing way to deal with CSR. Appropriate with late advancements in CSR considering, the central thought inserted in the CONM which refers to that business enterprises have an endured responsibility to operate for social improvement, and this responsibility moves as a consistent function, in particular, all stages—conventional and environmental—of the organization's activities. Implementing Logsdon and Wood's route of thinking, "Most importantly, CSR is a notion which supports social control of a business that lives and works inside business itself, with the point of securing and improving people in general welfare and individual interests." While the CONM features their interdependency, the pyramid and the ICMs center around the pressure amongst business and society. Carrying forward this thought of CSR, the concentric-circle model introduces the connections amongst business and society from two viewpoints: outside-in and inside-out. The movement from the external circle internal mirrors the long-established idea of social control that alludes to society should force a few principles of conduct on business action keeping in mind the end goal to protect the key function of business as an imperative instrument for social development. The move from the inward hover toward the outside indicates to the internalization of social standards that dwell in and work inside business itself as favorable or positive obligations. In the CONM's structure, the inside-out and the outside-in measurements operate sequentially. Making an interpretation of a similar way to deal with CSR into experience, Porter and Kramer have lately contended that a CSR organization must incorporate a social point of view into the core systems it uses until now to manage its business strategy.

## **2.2 The Concept of CSR Campaigns and Basic Principles**

A corporate social responsibility campaign can be defined as a strategic positioning and marketing tool that connects a company or brand to a social purpose or problem

in order to provide mutual benefits. The social responsibility program can be implemented through a strategic cooperation between a company and a voluntary organization operating in a defined area, as well as directly reaching the goal itself. Regardless of the method, a social purpose can provide the company with a 'belief system' and can significantly improve consumer perceptions and buying tendencies. The corporate social responsibility campaign can also enable the company to develop valuable relationships with a number of key stakeholders, such as employees, suppliers, and government agencies.

Corporate social responsibility campaign is an effective way to improve corporate image, product differentiation and increase customer satisfaction and loyalty. Some models and principles set in corporate social responsibility practices will enhance the success of this strategy. Principles need to be followed in corporate social responsibility practices are listed as follows:

- Integrity: During the campaign period, adhering to ethical standards in relationships developed in this process.
- Transparency: Providing legitimacy, polite behavior, goodwill and openness among partners.
- Sincerity: Providing a strong and deep relationship with the relevant NGO.
- Partnership: To share any prize or risk that may arise during and after the campaign.
- To be respectful: To give the true value to the partner that the campaign is conducted together.
- Mutual Benefit: Ensuring partners to get the results that they expected from the campaign

## **2.3 Distinctive characteristics of CSR Campaigns**

There are some distinctive features of the corporate social responsibility approach that are influenced by the social, political, and environmental factors with which the businesses relate beyond their traditional economic interests.

**Long-term Strategic Approach:** Donation promotions are short-term in terms of both the period they occur and the attitude of their basis. Donation promotion often seeks quick solutions. Corporate social responsibility practices, which are a long-term communication method, are pursuing a fundamental change both in the brand image and in the approach of The resolution of the social problem or goal. Corporate social responsibility campaigns are strategic, not imitative.

**Corporate Social Responsibility is a "way out" strategy:** Corporate social responsibility is considered as a part of long-term strategies by most businesses, is located in certain parts of the organization (in the PR or marketing departments) and sometimes spread throughout the organization. In addition, social responsibility is an activity that gives its initial results within 100 days after starting.

**Corporate Social Responsibility Campaign is a Progress:** Corporate social responsibility practices are an industry area with all day working staff, websites, magazines, letters, professional organizations and consultants. Even today, almost collage-age students participate in "corporate social responsibility career" seminars. Almost all companies' annual reports are based on social goals and good work.

**Corporate Social Responsibility is a Dynamic Concept:** Business has been extended and continues to extend to all relationships between the state and society. In today's world of global economy, the spread of this conceptual framework is very dynamic.

**Not individual but Corporate Partnership:** Business managers or employees support the campaign all together, as a whole, not individually. While a robust structured corporate social responsibility program creates a real opportunity for corporate entertainment, it also overlaps with the goals of the business. If the top-level

manager's personal goals overlap with the goals of the business, they are also satisfied with their corporate social responsibility practices. Of course, the priorities and opinions of consumers should be taken into consideration while performing these.

**Anticipated Results:** Corporate social responsibility campaigns are based on estimated outcomes. assessments are made before and at the end of the campaign and it is calculated how much of the initial goals are reached.

**Promotion:** The most distinctive feature of corporate social responsibility campaigns is making promotional activities for the campaign itself.

The key concept of corporate social responsibility practices is that the brand actively uses its commitment to the voluntary organization and to the social purpose as a part of brand communication for its consumer mass. All these communication efforts are added to the communication process that drives the delivery of the rational and emotional values presented, and create a synergy within the brand image.

**Comprehensive High Performance:** Corporate social responsibility practices are the concept of value creation and offer a high performance among the all three parties involved. What is meant by the three parties is; voluntary organization, seller and consumer. This value production will also develop in connection with the future of economic cultures of commercial enterprises with a solid power and a new synergy.

There are important differences between a real corporate social responsibility campaign and an old-fashioned donation promotion. Perhaps most importantly, it is unlikely that short-term promotions will generate fast sales consistency, which is the primary goal. This is due to the fact that consumers who are increasingly informed and aware of the marketing phenomenon can see the back side of such programs and understand what is really happening. Exploitation attempts to 'purchase' ethical values and customer loyalty are condemned to failure in an age when these valuable qualities should be earned.

## **2.4 Customers Satisfaction and Effect of CSR**

Customer satisfaction is a sense of a person which refers to the pleasure of meeting of the goods or services their expectations. Customer satisfaction characterized as a general assessment in the view of the client's aggregate buying and consumption knowledge with goods or services after some time. In the marketing aspect, consumer satisfaction has been perceived as a critical piece of the corporate strategy and a crucial driver of the company in the long run productivity and market esteem.

Customers' contentment is the foundation for business achievement and the long-term development. At the point when the satisfaction expands it gives rise to the more elevated amount of clients' purchase. It is also observed that fulfilled customer will praise the business to different clients and advise the company's goods and services.

As a member of society, costumers are warmer to businesses that contribute to society and businesses that support social responsibility programs. It is emphasized that in the retail sector, where consumers are confronted, businesses should pay more attention to corporate social responsibility efforts. However, it doesn't mean that corporate social responsibility efforts are not important in terms of producing enterprises can. As the communication tools are developed especially, the public and the consumers are informed in a short time about all improvements, either positive or negative, and therefore the enterprises can face the reward or punishment of the consumers and the society anytime.

Numerous researches discovered that moral practices of the company enhance customer satisfaction. Honesty, integrity, and fairness are closely related to the moral responsibilities of the corporate social responsibility domain. The large portion of the previous research presents that fairness of services is decidedly connected with consumer satisfaction. It can be explained as follows; customers buy goods or services to meet their demands regularly and there is a multitude of companies that they choose for qualified products. If they front dishonesty or injustice to the

company, they would not be inclined to purchase from them and it would lead customer loss for company. Also, moral behavior of workers or front-desk area employees impacts client behavioral expectations and satisfaction. The connection between the ethical conduct and client adherence is interceded by the level of confidence, commitment, and faithfulness. Additionally, companies that keep their promises made would upgrade customer satisfaction and loyalty. Evasion from employing child-labor also is precisely connected with customer satisfaction. So all these give a rise to the fact that if organizations willing to be successful by maximizing their profit in terms of customer's processing they should behave socially and take measures to improve their CSR activities.

For what reason should a company's CSR activities cause increasing customer satisfaction? To start with, shareholder theory, which was explained in Chapter 1.4, proposes that an organization's activities refer to the large range of the customer as not simply an economic asset, but also as an individual from a family, society, and nation. Expanding on this, the new term which called "generalized customer" was suggested by Daub and Ergenzinger to indicate individuals who are not just customers concerning on the consumption, but additionally real and possible members of stakeholders which organizations need to take into account. Such customers are probably going to be more pleased goods and services from socially responsible companies rather than irresponsible ones.

A powerful record of CSR makes a good status that precisely increases customers' assessments and opinion about the company. In particular, late searches on organization recognition propose that CSR activities create an essential component of the corporate image that can actuate customers to recognize the organization. Naturally, identified customers will probably be more satisfied with a company's proposals.

## **2.5 CSR practises in fast-food restaurant chains**

As it can be seen there are increasing competitive pressures in the restaurant industry nowadays, corporate social responsibility (CSR) has become an important competitive tool for consumers to opt for socially sensitive businesses or for punishing businesses that fail to fulfill their social responsibilities. In this context, restaurants fulfill corporate social responsibility activities in order to keep and satisfy existing customers and attract potential customers to restaurants.

Consumers' expenses on fast food are expanding in the global world. Meantime, consumers are progressively requesting more (features) from their sustenance, and fast food chains have been operating to take care of developing demand for social responsibility. Corporate social responsibility is a notion characterizing how organizations incorporate social and environmental worries in their business activity and how they communicate with stakeholders on a willing premise. An organization with the capacity to diversify their goods or services by means of CSR activities or in different ways might have the capacity to take customers' attention when price rivalry is elevated. For instance, in an investigation led on restaurant location and rivalry, it was found that McDonald's and Burger King propose lower costs when the locations are nearer together, yet adjust higher costs as the space between the restaurants increments (Thomadsen 2007). This diversification is better to be applied in terms of CSR campaigns. Some campaigns of fast-food restaurant chains would be shown as example of KFC, Burger King, McDonald's and Starbucks in below chapters.

### **2.5.1 CSR campaigns towards the environment**

Fast food organizations are progressively working to make their producing and business operations environmental-friendly. The characteristic picture of the fast food organization isn't precisely that of a green organization, yet several of the fast food restaurants who are responsible for the environment are decided to modify that picture. Top names, as McDonald's and Starbucks, in the worldwide fast food

industry are turning into new leaders in the green fast food development. These organizations have been operating for enhancing their supply chains and diminish the quantity of packaging utilized throughout the previous couple of years. Both organizations are connecting with the FDA to expand the quantity of reused filaments that are allowed in fast-food packing . By presenting re-usable coffee cups Starbucks has made an excellent stride toward this path. The price of the cup is \$1 and goes on for about a month. This enables the organization to decrease waste of paper consuming, and propose the customers a minimal effort approach to enhance their own carbon impression. The great part is that this green undertaking is demonstrating productiveness for Starbucks. The organization can decrease its junk pulling costs because of diminished waste. Starbucks additionally trusts that its green encouragement force to its clients of sparing 10 pennies on their refills if they re-utilize the mugs might be driving deals. The reusable pattern isn't restricted to Starbucks alone.

The long run achievement of these earth-friendly activities based on the reality that they are not just advantageous for nature, but for the fast food organizations that make use of them. As the quantity of fast food chains that find the benefit capability of practicing environmental awareness increases, it will make it simpler for consumers to decrease their own waste.

### **2.5.2 CSR campaigns towards society**

In Argentina, McDonald's celebrated November 10, 2017 as "McHappy Day" and announced that it will donate the full revenue from its Big Mac sales on November 10th to a charitable organization to support children with cancer. Burger King started a " Day without Whopper " movement under the leadership of David's agency in Argentina to support this rival's move. And Burger King reversed the customers who wanted to buy Whopper for a day at 107 restaurants in the country and told them to go to McDonald's. Of course, Burger King customers did not make sense at first, but they appreciated Burger King's move when they learned about the situation.

Since 2009, Starbucks has launched a "when i'll grow" name campaign in 2015 by developing a different perspective for its projects with the seed autism foundation. By recognizing the symptoms of autism without being late, children who are starting to receive education at a young age, such as other peers who are growing up healthy, may be able to participate in life, the company plans to draw attention to the importance of continuous, intensive special education, which is the only known treatment for early diagnosis and autism in autism.

KFC restaurants over the country take part in an Add Hope fundraising support for WFP which lasts three-week, giving visitors a chance to give \$1 every year. Almost 800 KFC colleagues volunteered to fill in as Add Hope Ambassadors and drove gathering pledges endeavors in their nearby eateries in 2015. Because of their endeavors, this Add Hope campaign gave almost four million suppers to those requiring the world over.

A month ago McDonald's was under flame for publicizing to kids. Campaign assemble Corporate Accountability International composed an open letter marked by 550 wellbeing experts encouraging the fast food eatery to resign its image symbol, Ronald McDonald, in light of a legitimate concern for wellbeing on the eve of the organization's yearly investor meeting. The organization was beforehand under flame for incorporating toys in their Happy Meals and has been blamed for "declining to address the hazardous toll that fast food and savage showcasing is going up against children" and adding to the ascent of weight and wellbeing conditions, for example, diabetes and coronary illness.

All in all, companies should return to the society and nature the benefits that they achieved from them. In this competitive system for being able to maintain their businesses and survive companies need to ensure public confidence and approval. At this stage, determining how the enterprises' social responsibility practices affect the consumer will also affect the operations of the enterprises. For this reason, the

measurement and evaluation of consumer attitudes and behaviors with various investigations is very important for both society and businesses.

### **3. Methodology**

The objective of this research is to examine the relationship between consumers' perceptions of corporate social responsibility campaigns and their satisfaction. The data required for the research were obtained using the questionnaire method and face-to-face interviews. Three groups of questions were included in the questionnaire. The first group was prepared to measure the demographic characteristics of the customers who took part in the survey and the second group to measure the corporate social responsibility dimensions (economic responsibilities, ethics and social responsibilities), which are independent variables in the research. Finally, the questions in the third group were prepared to measure the customer satisfaction which is a dependent variable.

The questionnaire was formed from questions that were prepared according to the five-point Likert scale (1-Strongly disagree, 2-Disagree, 3- Having no idea, 4-Agree, 5-Strongly Agree). To achieve the goal of the research customer satisfaction survey was directed to the customers of fast-food restaurant chains such as KFC, McDonalds, Burger King and Starbucks. The quantitative information gained from customer satisfaction surveys is generally a reply by the customers to the inquiry about a feature which the company supplies to its customers. The objective of this research is to evaluate customer satisfaction in terms of companies' corporate social responsibility campaigns. The study presents the administration an obvious view of customer satisfaction in diverse outlooks.

The web-based questionnaire is an advantageous method to conduct fast-food restaurant chains' customer satisfaction survey as it is an operative and quick way to collect answers from the global customer base. Whether the example size is quite comprehensive and broadly spread, the online practice is the best choice.

### **3.1 Nature of data**

This section is about the data outcomes acknowledged via the web questionnaire. The primary target of the research is to identify the level of CSR perception and the impact to which CSR influences customer satisfaction. For facilitating the analysis, the information is clarified with an example of charts and tables.

Quantitative research includes prominent subjects where a research tries to make a comprehension of the different presumptions that have been created in a given report. Hence, it includes a cycle of consecutive periods of hypothesis detailing and creative ability, endurance, and discipline at the arranging and configuration stages. Besides, the quantitative research call for a quantifiable data accumulation, examination, and explication to verify the supposition that has been produced in a given report.

Quantitative research includes statistical calculations, which are applied to deduce on the suppositions that have been created in the study. Along these lines, it intends explaining the fundamental issues in a more summed up frame since the suppositions that are made from a broader point of view. The quantitative research gives a more detailed thought of the problems being produced since it doesn't just lay out the exceptional attributes inside a research but crucial contrasts that are contemplated in making decisions in regards to research.

Qualitative Research is principally exploratory research. This method is applied to acquire a comprehension of fundamental reasons, thoughts, and inspirations. It gives perception into the issue or makes thoughts or hypotheses for possible quantitative research. The method also helps to discover inclines in thought and assessments and plunge far down into the issue. Qualitative data gathering methods differ for using unstructured or semi-structured methods. Some widespread techniques incorporate focus groups, interviews (in-person), and monitoring. The example size is generally minor, and respondents are chosen to meet a given limit.

### **3.1.1 Primary data collection**

Generally, in any study research, collecting data is unfathomably essential.

Nevertheless, a few perspectives become possibly the most important factor in the information gathering process. The three most significant features include the cost of the chosen data accumulation strategy; the precision of data gathered, and the productivity of data gathering.

So as to effectively direct this exploration, essential and optional data sources were used. Essential data alludes to the data assembled intentionally for the study. This sort of data is viewed as dependable in light of the fact that it has its source in straight from the population specimen of the research. Therefore, the essential data for this research is accumulated from the replies of respondents from the poll and web survey. A survey is a statistic information collecting structure that exploration accomplices fills in data for the behaviour of a study. Qualitative method is frequently established with open finished inquiry keeping in mind the end goal to comprehend into detail and guess while quantitative research are regularly built with close finished inquiries so as to assemble statistical evidence to prove a hypothesis.

### **3.1.2 Web based survey**

Web questionnaire has two segregations specifically. First is a target web survey and second is a self-selected web survey. Self-selected web survey in actuality alludes to where members of the web survey are not straightforwardly welcomed by analyst and all things considered welcomed to partake in web study through fly up windows from a site page. Target web survey alludes to where the investigator figures out who is permitted to take part in the survey by both sending an immediate web-connection to the study members or by email. Web survey is imperative since it enables the analyst to assemble data from an expansive topographical area in as meager time as could be expected under the circumstances. Furthermore the secrecy of the participants boosts the probability of more reactions to the survey. Notwithstanding, take note of that when applying online surveys, surveys must be as brief as conceivable without

vagueness so as respondents are able to reply easily since researcher isn't reachable amid the period of the answering the poll.

### **3.1.3 Interviews**

In spite of the increase in the popularity of surveys on the web, face to face interviews are still considered to be a prominent method of collecting data. The researcher implemented face-to-face comprehensive interviews, which considered to be the essential data gathering method in qualitative research.

In-depth interviews were implemented due to the objectives of this research. This type of interviews is individual and unstructured one, whose goal is to recognize member's feelings, sentiments, and assessments with respect to a specific research issue. The major advantage of individual interviews is that they include individual and straight contact amongst questioners and respondents, and in addition, wipe out non-reaction rates, yet questioners need built up the vital abilities to effectively convey an interview. In addition, unstructured interviews propose adaptability as far as the stream of the interview, in this way leaving space for the group of outcomes that were not at first intended to be inferred with respect to an exploration subject. Notwithstanding, there is the hazard that the interview may go astray from the predetermined research points and goals.

## **3.2 Research process limitations**

The researcher confronted a few issues amid the study procedure, which can be considered as limitations for the investigation. In the first place, it ought to be noticed that the reportages were finished around the same day because of the members' hectic study routine. Students are interviewed in the university during the breaks. The fact that the breaks doesn't last enough, influence the exploration procedure, as the analyst had just a few hours to finish all meetings and this contrarily influenced the interviewing execution of the analyst. The reportage continued around 10 minutes

and there were no odds for potential extra breaks as the time span was exceptionally restricted. In the second place, as it is specified previously, the members were staying away from the responses to the questions, which finished with heaps of inconsequential data for the analyzing procedure for this reason, this was an exceptionally time-consuming process and clearly, time is the most significant matter in the research.

### **3.3 Research approach**

The research approach which was complied with the objectives of this study was the inductive one. As indicated by this approach, analysts start with particular perception, which is applied to give rise to summed up theories and results made from the research. The explanations behind involving the inductive approach were that it considers the status where endeavor of searching is dynamic, while it is most proper for little examples that deliver qualitative information. Nonetheless, the principal shortcoming of the inductive approach is that it builds summed up hypotheses and results just with respect to few observations, along these lines the credibility of research outcomes are able to be under doubt.

## **4. Findings and discussions**

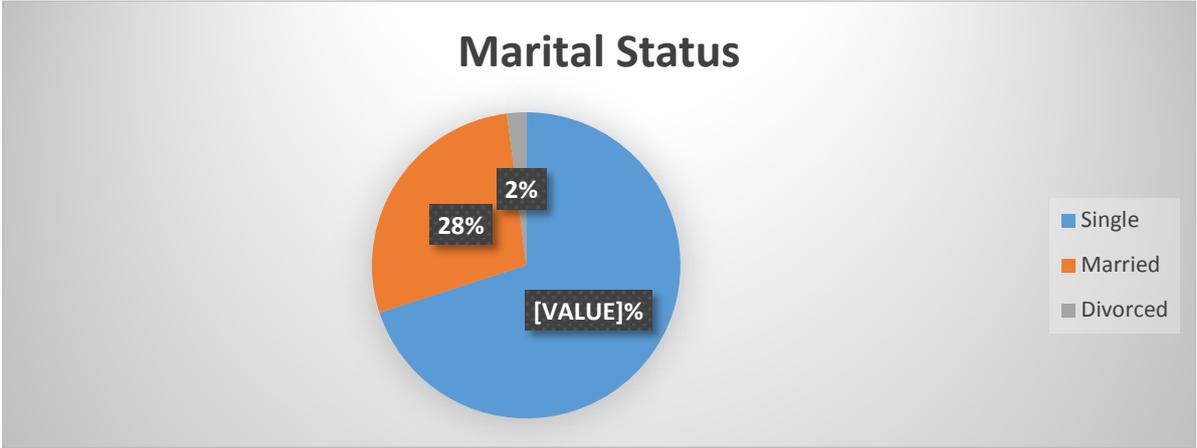
This section talks about the data outcomes acknowledged through the web questionnaire. The primary target of the investigation is to decide the level of customer CSR cognizance and the impact to which CSR influences customer satisfaction. For facilitating the analysis, the information is clarified with an example of charts and tables.

#### 4.1 Data analysis

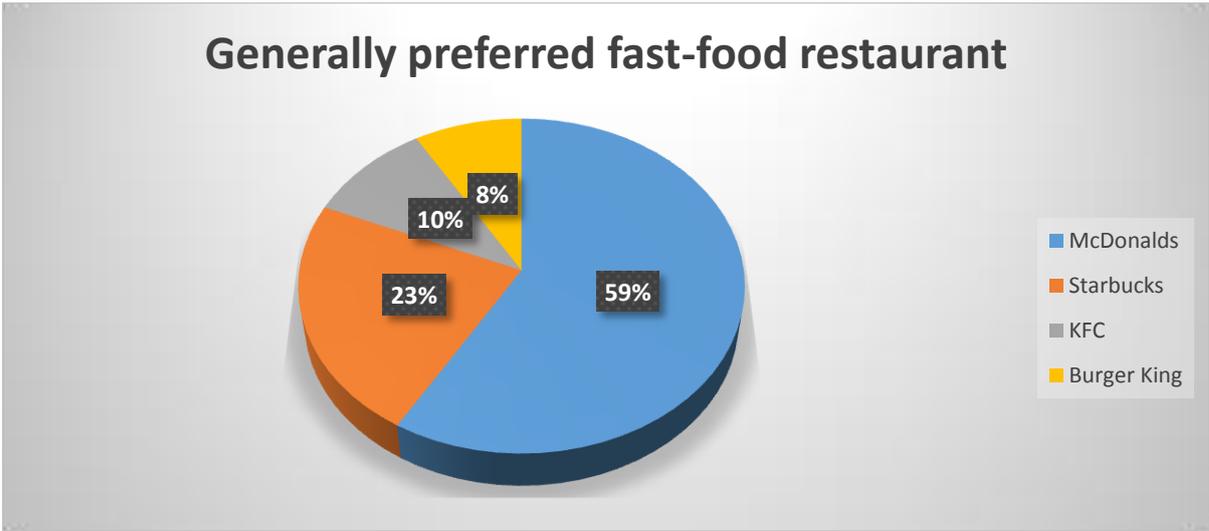
AGES	CONVENIENGE SAMPLING				TOTAL	
	Male		Female			
<b>20-25</b>	75	50.3%	82	49.1%	157	49.7%
<b>26-30</b>	42	28.2%	51	30.5%	93	29.4%
<b>31-35</b>	18	12.1%	22	13.2%	40	12.7%
<b>36-40</b>	8	5.4%	7	4.2%	15	4.8%
<b>41-45</b>	4	2.7%	4	2.4%	8	2.5%
<b>46-50</b>	2	1.3%	1	0.6%	3	0.9%
	149	47.2%	167	52.8%	316	

Gender and Age Profile of Respondents

First and the second questions helped to be informed about the age and gender status of the survey members. The survey was filled by 316 respondents which consists of 52.8% females and 47.2% males. The findings indicate that according to the age dispersion, the participants who are between 20 and 25 ages dominates other age groups for both females and males being 49.1% and 50.3% , respectively. And the lowest number of participations can be witnessed at the age more than 45 which means survey was answered mostly by younger.



The other question was about the marital status of respondents which were given only two options and according to data singles maintained their superiority being 70% and married couples in the second place which calculated as 28%. Divorced people compose only 2 % of respondents.



After respondents had answered the most preferred restaurants they were asked if they are conscious of the criticism that facing fast food restaurants with regards to Corporate social responsibility. Most of them were unaware of CSR practices of their favorite fast food restaurant. Additionally, it was also observed from the survey that people who are not single, have more sense of responsibility to society and environment and they care about CSR campaigns of restaurant and this means the campaigns have a power of influence to their satisfaction.

## 4.2 Evaluation of CSR on customer satisfaction

The table was used in the survey to ask respondents fill about the social responsibility dimensions that includes the fast food restaurants which they prefer. The answers were as follows:

To what extent do you agree that restaurants should be engaged in the following?

Doing forestation around the restaurant	7%
Decreasing paper usage and improve in technology	15%
Philanthropic donations for humanitarian cause	22%
Provide operational transparency	20%
Precisely donate to educational needs of the local people	25%
Recycling activities	5%
Safe Working circumstances for employees	6%

The findings from the survey exuded that customers were informed and concerned about CSR endeavors by companies. The highest point of answers was recorded for “precisely donate to educational needs of the local people” and the least for recycling activities which are including to the dimensions of ethical responsibility and environmental responsibility, respectively.

## 5. Conclusion

Today, businesses are undergoing a certain process of change. Thus, businesses that are able to adapt to change and differentiate from other businesses are successful. In changing conditions, the concept of customer satisfaction plays an important role. Businesses also develop emotional ties with these customers. Customers feel closer to

the companies who commit their social responsibility successfully to stakeholders, their employees, nature, and the environment, who closely follow society's current problems, their needs, and desires. As a result, customers prefer businesses that have successfully implemented social responsibility in their elections. If they are satisfied with the value package they offer, their sense of loyalty to the business develops and they prefer the same business in their later elections.

In this study, the effects of economical, ethical and social responsibility dimensions of corporate social responsibility practices on customer satisfaction were analyzed using the data obtained from consumers. However, according to the demographic characteristics of the participants, it was also analyzed whether the perception and satisfaction of CSR practices differed. The opinions of KFC, McDonalds, Burger King and Starbucks customers were addressed in order to identify the existing differences.

One significant fact is that the multitude of consumers do not have enough knowledge about the legal, ethical and philanthropic activities of businesses. Moreover, in a study conducted, it was observed that consumers responded more strongly to their negative practices while showing less sensitivity to positive messages from businesses. This research finding can also be presented as another reason.

This research concludes that enhanced corporate social responsibility campaigns would enhance consumer satisfaction, mostly the practices based on philanthropic and ethical responsibilities of companies. Furthermore enhanced CSR practice, for example, moral, legal, and philanthropic is able to enhance customer maintenance too. Essentially, this examination additionally infers that expanded consumer satisfaction give rise to enhancing the client's willing to remain with business.

According to the results of this research, it can be suggested that businesses which has the CSR opinion should attach importance to a more effective and continuous CSR communication in order to increase customer preference and satisfaction.

Businesses must respond to different customer expectations with different messages and channels.

## 6. References

A Longitudinal Study of Significant Change in Stakeholder Management (by Christine Shropshire and Amy J. Hillman)

Corporate Responsibility and the Good Society: From Economics to Ecology (by Roger A. Buchholz)

Corporate Social Performance Revisited (by Donna J. Wood)

Corporate Social Responsibility Theories: Mapping the Territory. (by Garriga and D. Mele)

Corporate Social Responsibility: A European Perspective (by Ramon Mullerat)

Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause (by Philip Kotler, Nancy Lee)

Halkla İlişkilerde Temel İlkeler (by Salim Kadibeşegil)

Measuring Corporate Social Responsibility (by Marquez, A., and C.J. Fombrun)

Private Corporations and Public Welfare (by Brenkert, G. G.)

Promoting a European Framework for Corporate Social Responsibility, Commission of the European Communities, (2001) Green Paper

Social Responsibilities of the Businessman (by Bowen H. R.)

Stakeholder Theory of the Modern Corporation (Freeman, M.)

The A to Z of Corporate Social Responsibility, A Complete Reference Guide to Concepts, Codes and Organisations (by Wayne Visser, Dirk Matten, Manfred Pohl, Nick Tolhurst)

The gospel of wealth (by Andrew Carnegie)

Do Consumers Expect Companies to be Socially Responsible? The Impact of Corporate Social Responsibility on Buying Behavior. (by Mohr, A. L., Webb, J. D. & Harris, E. K.)

Corporate Social Responsibility, Client satisfaction and competitive advantage in retail banking institutions' (by Ochoti, G.N., Muathe, S., Ronoh,P.K., Maronga, E.&Ochoti, F.)

Corporate social responsibility: Evolution of a definitional construct. (by Carroll, A.)