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Impact of Perceived CSR on Brand Equity through Brand Admiration and Customer Advocacy Behavior: Moderating Role of Brand Attitude and Customer Loyalty

Mashari Mahmood, University of Engineering & Technology Lahore, Pakistan***Amna Niazi**, University of Engineering & Technology Lahore, Pakistan**Waheed Asghar**, Director in Technical Education and Vocational Training Authority, Govt of Punjab, Lahore, Pakistan**Mujahid Hussain**, FAST School of Management, National University of Computer & Emerging Sciences, Lahore Campus, Lahore, Pakistan*Corresponding author's email: amnkn@gmail.com**ARTICLE DETAILS****History**

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ABSTRACT

Purpose: This study intends to explore the positive impact of perceived Corporate Social Responsibility (CSR) on brand equity with respect to behaviors and emotions. The motive behind this study was to examine the sequential mediating role of emotion of brand admiration and customer advocacy behavior between perceived CSR and brand equity. Moderators of brand attitude and customer loyalty were also explored in this study.

Design/Methodology/Approach: Quantitative research method has been adapted for this study. A questionnaire with 5-point likert scale was adopted from existing scholarly work to collect data from 364 customers of 5 food production companies placed in Pakistan. Collected data were analyzed with the help of SPSS and Smart PLS3 through Structural Equation Modeling (SEM) technique.

Findings: Results show that brand admiration and customer advocacy behavior significantly mediate the relationship of perceived CSR and brand equity. Moreover, moderating role of brand attitude and customer loyalty was found positive and significant. This was the novelty of this research.

Implications/Originality/Value: This research will be helpful for food production companies in Pakistan to formulate strong customer-brand relationships in order to strengthen their brand equity by effectively positioning their CSR practices into the minds of consumers.

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Introduction

Corporate Social Responsibility (CSR) has become mandatory in post-modern business environment as long term success of any company is associated with it. Companies are paying more attention towards well-being and protection of social surroundings by investing in corporate resources. Smith (2012) showed that 60 percent buying behaviors of people have been influenced by their understanding of company's CSR activities. It has been figured out that 77 percent of the customers around the globe choose those companies which are socially responsible and they do not hesitate to pay an extra 5-10 percent for these companies 'deal. 74 percent of those customers are labeled "Social Activators" because they can influence buying behaviors of other customers by putting warm words about those companies on social networks (Times, 2017). By adopting CSR strategy, businesses can be able to achieve their organizational goals and popularity in society that eventually contributed to their non-expendable growth (Luo & Bhattacharya, 2006). It is really important to understand that CSR is about giving back to society, which is something totally separate from rights and obligations of promoters and owners of companies (Visser, 2007). CSR initiatives enhance firm reputation and it leads to high firm performance in terms of market share. Moreover, factor of risk has been minimized by engaging in CSR and it is also influenced by firm reputation (Liu & Lu, 2019). Study revealed that business ethics are more closely related with customer's attitude towards brand but value of CSR cannot be ignored (Ferrell et al., 2019). Brand attitude shaped by positive CSR perception strengthens the desire of customer to purchase (Ramesh et al., 2019). By communicating CSR activities effectively, companies achieve supportive behaviors (word of mouth, citizenship behavior) from customers and build positive image at corporate level (Du et al., 2010).

Customer advocacy behavior is derived by some interrelated constructs in relationship marketing point of view. Research suggests that satisfaction, trust and commitment (three modules of commitment; affective, normative and continuance) are determinants of advocacy whereas commitment is key driver which effects customer's eagerness to endorse the company (Fullerton, 2011). Devoted customers show more enthusiasm to support firm as advocates and consumer commitment is positively influenced by diverse dimensions of perceived value (e.g. social, emotional and conditional) recommending that firms should convey exceptional customer values through their marketing strategies to effect customer's commitment (Mosavi & Ghaedi, 2012). Customer advocacy generates positive word of mouth about company. Furthermore, it increases satisfaction level of customer towards company through providing better quality than competitors and as a result company finds more loyal and committed customers (Roy, 2013). Jiang et al., (2014) claimed that emotions are more crucial than any other element in ascertaining buying behaviors. Customer emotional attachment with brand driven by emotions generates sense of appreciation and consequently, customers actively connect with brand and promote it (Gómez-Suárez, 2019). Various emotional factors including brand love, personal attachment and self-concept engagement with brand dramatically boost brand loyalty (Hwang & Kandampully, 2012).

Emotion of admiration is aroused by relating CSR to different organizational outputs such as product and service quality, global business creativity, corporate culture and ethical responsibilities (Cegarra-Navarro & Martínez-Martínez, 2009). In order to offer strong brand value to customers, brand admiration needs to be build, enhanced and leveraged (Park et al., 2016) and brand admiration prompts increased purchase intentions of customers (Trivedi & Sama, 2020).

Role of customer loyalty in making purchase decisions or support the brand has become matter of consideration. Loyalty of customer implies favorable and supporting behaviors and plays an integral role in financial development of companies (Tarigan & Hatane, 2019).

Advocacy behavior of loyal customers drastically impact brand identity, which is a valuable asset to establish long-lasting presence in market (Shailesh & Reddy, 2016). Recent studies have demonstrated that brand equity is amongst the leading indicators of customer-based brand performance framework that assesses brand excellence (Molinillo et al., 2019).

Brand equity (consumer-based) leads to company's long-term success by delivering strategic advantage as it focuses on positioning the brand name in the minds of customers by providing higher value than alternatives (Fayrene & Lee, 2011). Hence, Organizations should concentrate on consumer-based brand equity in order to acquire customer ownership behavior that helps in minimizing turnover intentions of customers (Raza et al., 2020).

In perspective of international fast-food chain based in Pakistan with diverse segmentation, scholars confirmed that good will of a brand defines its brand value and different domains of CSR significantly affect this occurrence (Mahmood & Bashir, 2020). Recent studies have shed light on importance of CSR in the context of brand declaring it a vital precedent of brand creation and evaluation to get competitive edge in today's market (Venkatesh et al., 2020). So, this study is intended to extend previous CSR and customer-brand relationship literature by proposing new relations that improve brand equity.

CSR and customer advocacy is empirically tested in various studies by through emotions and individual moral characteristics/moral beliefs of customers. Further relationship between emotionally influenced advocacy behavior with brand equity in respect of CSR has not been explored by prior researches and suggested (González et al., 2019). Customer loyalty has been tested directly with customer advocacy and brand equity but its moderating role between both variables has not been explored and suggested (Shailesh & Reddy, 2016). Brand attitude has been explored as antecedent of brand admiration but its moderating effect between perceived CSR and brand admiration has not been explored previously (Trivedi & Sama, 2020).

It has been found that CSR activities create feeling of admiration in customers and they start to own the brand through their behavior (González et al., 2019) whereas brand equity has become backbone of any company for better performance and to sustain in the market. So, this study has examined how CSR activities generate brand equity through path analysis i.e. sequential mediation of brand admiration and brand advocacy. Customer-brand relationship has also become a matter to concentrate. Therefore, brand attitude of customers and customer loyalty was tested as moderators in this research. The present study assesses that how emotions, attitude and behaviors of customer affect on the relationship between perceived CSR and brand equity. Brand admiration is a new variable relatively and its mediating function along with customer advocacy behavior is critical in order to have strong brand equity. Moreover, moderating role of brand attitude and customer loyalty has been determined in this study. This study adds value to customer-brand literature to assist organizations to develop and evaluate their strategies regarding CSR with respect to customer's behavior to expand its brand equity which would contribute towards achievement organization's long term goals.

Literature Review & Hypotheses Development

This study is based on the theoretical framework of Brown & Dacin (1997), framework of Dick & Basu (1994), theory of reasoned action and theoretical framework of Du et al., (2007). Direct relations between perceived CSR and brand admiration, between customer advocacy behavior brand equity, mediating role of brand admiration and customer advocacy behavior have got the support of theoretical model of Brown & Dacin (1997) who established the model of CSR and customer responses to obtain brand value. Furthermore moderating role of customer loyalty has also been supported by theoretical model of Dick & Basu (1994). Direct relation between brand admiration and customer advocacy behavior has been acknowledged by theoretical framework of Du et al., (2007). Whereas, moderating role of brand attitude has got the support of theory of reasoned action (Fishbein & Ajzen, 1980).

Perceived CSR and Brand Equity

Corporate branding is an outcome of CSR practices by business organization while emphasizing on perspective of customers, showing that dedication for these practices is key to long-term success of

organizations (Vassileva, 2009). Customer's response towards CSR practices of any organization holds massive importance as their perception effect organization's brand equity positively (Lai et al., 2010). Sheth & Babiak, (2010) noted that social well-being has strong connection with customers and it results in improved brand image. Torres et al. (2012), after conducting study on worldwide brands, also gave the argument that CSR and global brand value of companies are in positive relationship. Moreover, credibility of any brand is relied upon its social obligations and responsibilities, resulting in brand equity (Hsu, 2012). It has been concluded that CSR has positive impact on customer-based brand equity via mediation of customer satisfaction (Ahmad et al., 2019). After reviewing relevant literature, following hypothesis is being proposed:

H₁: Perceived CSR has positive and significant impact on Brand Equity.

Perceived CSR and Brand Admiration

Emotions play critical role in shaping customer perception, feelings and behavior towards brand and these emotions are composed of multiple elements (Ivens et al., 2015). CSR is directly linked with emotions engendered by company because CSR inculcates emotions and thus customer's satisfaction and loyalty is reinforced (Pérez & Del Bosque, 2015) and emotion of elevation accompanied by CSR perception of customer constructively stimulates behavioral reactions and hence increases the usage of environmentally friendly products (Romani et al., 2016). Feeling of gratitude is recognized as another emotion which is effected by CSR and produces favorable response from customers (Romani, Grappi, & Bagozzi, 2013). Xie et al. (2019) argued that positive moral emotions such as gratitude, elevation and awe are induced in consumers by the means of their perception about Company's CSR activities.

This study centers on emotion of admiration. Emotions of admiration are produced when customers experience ongoing products or services of a brand with respect to 3Es of brand benefits i.e. enable, enrich and entice and finally induce better customer-brand relationship (Park et al., 2016). People perceive feeling of admiration when an individual or organization involves in any laudable action (Sweetman et al., 2013). Feelings of warmth and competence conceived by customers bring about admiration which every company or firm wants to earn from its customers (Aaker et al., 2012), whereas some past research noted that admiration is acquired from all stakeholders of company including customers when CSR activities are connected to diverse corporate objectives (Navarro & Martínez, 2009). Recently, González et al. (2019) explored how perceived CSR is positively associated with feelings of admiration. After reviewing literature, following hypothesis is proposed:

H₂: There is a positive impact of perceived CSR on Brand Admiration.

Brand Admiration and Customer Advocacy Behavior

Customers with strong emotions for the brand show greater brand engagement as a response compared to those with low emotions (Leventhal, Franzak, Makarem, & Jae, 2014) and emotional brand attachment ultimately leads to customer satisfaction (Dwivedi et al., 2019). Emotional satisfaction is a remarkable constituent of customer behavioral decisions including elevating product quality perception, high reviews, advocacy intentions and buying potential (Ladhari et al., 2017), whereas (Su & Hsu, 2013) discussed that positive emotions is firm indicator of satisfaction and productive behaviors such as word of mouth and revisiting intentions. Advance researches added that variable of positive moral emotions alongside attitude leads to customer advocacy behavior towards CSR practices of socially responsible company (Xie et al., 2019).

Recently, few practitioners empirically illustrated the mediating role of customer emotions. For instance, Joireman et al., (2015) summarized that emotions held by customers mediate the association of CSR and behavioral reaction of customers and specifically, emotion of admiration is aroused through CSR actions perceived positively by customers and it brings forth favorable behaviors from them, i.e. consent to act as advocates of the company (González et al., 2019).

H₃: There is a positive impact of Brand Admiration on Customer Advocacy Behavior.

Customer Advocacy Behavior and Brand Equity

Brand advocacy depends on customer engagement with brand, perceived review helpfulness and trust to enhance brand equity while discussing social media platforms (Mathur, 2019). Customer advocacy significantly raises brand equity in case of loyal customers and study suggests that importance of customer advocacy must be taken into account while implementing branding strategies (Shailesh & Reddy, 2016).

Practitioners ended with the argument that along with other value addition behaviors, the brand advocacy of customers undoubtedly influences brand equity (Omar et al., 2020). Brand advocacy is positively related with brand equity and has impact on the relationship effects of CSR and its functions on brand equity (Pai et al., 2015). Hence, we propose following hypothesis after reviewing literature of these variables.

H₄: There is a positive relation between Customer Advocacy Behavior and Brand Equity.

Brand Attitude as Moderator

Moderating role of customer's attitude towards brand is acknowledged by previous researchers between relationship of CSR and customers responses. Attitude is an essential factor in examining the behavior, defined by theory of reasoned action (Fishbein & Ajzen, 1980). Brand Attitude plays an insightful role in determining customer willingness to buy and it must be considered in customer-brand relationship (Trivedi, 2018). Positive Attitude towards brand results in admiration from customer and it indicates towards positive purchase intentions of customers (Trivedi & Sama, 2020). Recent studies have indicated that there is strong relationship between CSR and customer's attitude towards brand (Ramesh et al., 2019). This study aims to determine the moderating role of Brand Attitude on the relation of perceived CSR and Brand Admiration.

H₅: Brand Attitude moderates the relation between perceived CSR and Brand Admiration.

Customer Loyalty as Moderator

The role of customer loyalty is crucial for companies in order to sustain their customers (Pritchard & Howard, 1997). It is likely that more loyal customers a company has, the more probably they will endorse that company and by focusing this, a company can be transformed into a strong brand (Shailesh & Reddy, 2016). Customer loyalty is established through their level of satisfaction and by concentrating on customer loyalty, advocacy behavior of customers can be improved (Tarigan & Hatane, 2019). By reviewing past literature, we propose that customer loyalty moderates the association of emotion of admiration and brand advocacy.

H₆: Customer Loyalty moderates the relation between Customer Advocacy Behavior and Brand Equity.

Mediating Role of Brand Admiration and Customer Advocacy Behavior

Brown and Dacin, (1997) set up a theoretical framework for the first time to determine the relationship between CSR and customer's intentions and responses to generate brand value. With reference to that work, various studies had been attempted to evaluate CSR and consumer behavior and intentions (Vallejo et al., 2011; Pérez et al., 2013) and these outcomes strongly relate to brand equity (Mathur, 2019; Pai et al., 2015). Prior researchers found positive mediating function of brand admiration in context of CSR and consumer behavior (González et al., 2019). On the other hand, noteworthy role of customer advocacy behavior as mediator, has also been discussed by past scholars (Shailesh & Reddy, 2016). Simultaneous mediating effect of brand admiration and customer advocacy behavior in CSR-brand domain has not been acknowledged by previous researchers. Hence, following hypothesis is being proposed:

H₇: Brand Admiration and Customer Advocacy Behavior mediate the relation of perceived CSR with Brand Equity.

Methodology

Survey research method is carried out for this research. Deductive approach has been used to draw the results. Data was collected from respondents in quantitative form through survey. Survey method is defined as “a method of descriptive research used for collecting primary data based on verbal or written communication with a representative sample of individuals or respondents from the target population” (Mathiyazhagan & Nandan, 2010). Questionnaire was adopted from the work of past researchers of same research area. Consumers familiar with the CSR activities of 5 Food Production Companies of Pakistan i.e. Nestle Foods, Gourmet Foods, Engro Foods, Sufi Foods and Unilever Foods are unit of analysis. Survey was conducted by distributing structured questionnaire through personal interaction and online survey forms (goggle forms) by using electronic mail and social media platforms. There are quite a lot of consumers of food industry in Pakistan. So, Target population is not known. According to (Krejcie & Morgan, 1970), the sample size would be 384 while population is not specified. Therefore, 384 adult customers were selected as a sample size for data collection. It is easy to collect data from random consumers of food companies so, convenient sampling (non-probability) technique was applied.

Measures

Following table shows all research instrument with scale 1-5 (1= Strongly Disagree, 5= Strongly Agree) used to measure variables of this study along with their details.

Table 1: Research Instruments

Variable	Reference (year)	Items
Perceived CSR	Alvarado-Herrera et al. (2017)	18
Brand Admiration	Karjaluoto et al. (2016); Chaudhuri & Holbrook (2001); Cho (2011)	14
Customer Advocacy Behavior	Romani et al. (2013); Salzberger (2009)	10
Brand Equity	Aaker (1991); Yoo et al. (2000); Yun (2006).	12
Brand Attitude	Holbrook & Batra (1987); Homer (1990); Jiang et al. (2014)	7
Customer Loyalty	Zeithaml et al. (1996)	8

Data Analysis

Out of 384 questionnaires, 363 valid and complete responses were received back which reveals that response rate is approximately 92 percent (91.9%). Structural Equation Modeling (SEM) technique has been used to analyze the collected data. Statistical tools were used for empirical findings from data. Data was analyzed via SPSS 22 and smart PLS 3. Firstly, data collected from respondents was entered in SPSS. After that, Smart PLS3 software was used to analyze that entered data. Results are drawn on the basis of data analysis.

Demographical Information

Age, gender and level of education are the demographic factors in this study. Male respondents are 62.3 percent while female respondents are 37.7 percent. Another demographic factor is educational level. Customers with PhD education were 14 percent, 50.4 percent responses obtained from consumers with qualification of Master (MS/M.Phil), 43.3 percent with Bachelors (B.A/BS/BBA) and 2.5 percent with Intermediate (FSC/F.A) background. There is no respondent with education of Metric or below.

Table 3: Measurement Model

Construct	Indicator	Loadings	Cronbach's Alpha (a)	Composite Reliability (CR)	Average variance Extracted (AVE)
Perceived CSR	PSCR1	0.610	0.832	0.840	0.597
	PSCR2	0.678			
	PSCR3	0.640			
	PSCR4	0.616			
	PSCR5	0.562			
	PSCR6	0.702			
	PSCR7	0.724			
	PSCR8	0.698			
	PSCR9	0.680			
	PSCR10	0.710			
	PSCR11	0.621			
	PSCR12	0.620			
	PSCR13	0.084			
	PSCR14	0.059			
	PSCR15	0.073			
	PSCR16	0.065			
	PSCR17	0.074			
	PSCR18	0.092			
Brand Admiration	BAD1	0.680	0.917	0.933	0.520
	BAD2	0.689			
	BAD3	0.752			
	BAD4	0.703			
	BAD5	0.712			
	BAD6	0.798			
	BAD7	0.810			
	BAD8	0.832			
	BAD9	0.049			
	BAD10	0.737			
	BAD11	0.742			
	BAD12	0.720			
	BAD13	0.721			
	BAD14	0.808			
Brand Attitude	BA1	0.719	0.898	0.920	0.622
	BA2	0.786			
	BA3	0.814			
	BA4	0.826			
	BA5	0.798			
	BA6	0.756			
	BA7	0.815			

Brand Equity <i>Sustainable Business and Society in Emerging Economies</i>	BE1	0.566	0.908	0.930	0.531 <i>Vol. 3, No 3, September 2021</i>
	BE2	0.734			
	BE3	0.689			
	BE4	0.753			
	BE5	0.737			
	BE6	0.748			
	BE7	0.734			
	BE8	0.712			
	BE9	0.773			
	BE10	0.644			
	BE11	0.672			
	BE12	0.696			
Customer Advocacy Behavior	CAB1	0.494	0.882	0.906	0.664
	CAB2	0.436			
	CAB3	0.765			
	CAB4	0.779			
	CAB5	0.711			
	CAB6	0.743			
	CAB7	0.791			
	CAB8	0.762			
	CAB9	0.754			
	CAB10	0.715			
Customer Loyalty	CL1	0.787	0.890	0.912	0.565
	CL2	0.772			
	CL3	0.681			
	CL4	0.779			
	CL5	0.766			
	CL6	0.774			
	CL7	0.711			
	CL8	0.737			

In this study, respondents were given choice to select one food manufacturing company of their own choice out of 5. Out of 263 questionnaires, 49.9% were reported as customers of Nestle foods, 21.8% of Unilever foods, 16.3% of gourmet foods, 6.9% of Sufi foods and 5.2% of customers selected engro foods as their company (Appendix A). Demographics of the study are provided in Table 2.

Table 2: Demographics of the study

Demographics	Categories	Responses
Gender	Male	226
	Female	137
Age (Years)	21-30	299
	31-40	51
	41-50	9
	51-60	4
	Metric or Below	N/L
	Intermediate (FSC/FA)	9
Educational Level	Bachelors (BS/BA/BBA)	157
	Masters (MS/M.Phil)	183
	PhD	14

Results

Quantitative findings are comprised of two steps of SEM-PLS analysis i.e. evaluation of measurement model (PLS Algorithm) and evaluation of path model (bootstrapping).

Estimation of Measurement Model

PLS algorithm is applied to test reliability, convergent validity and discriminant validity of constructs. Values including Cronbach's Alpha, Composite Reliability (CR) and Average Variance Extracted (AVE) are given below:

Table 3 shows the different values of each construct of the framework. Individual reliability of indicator is measured by loadings values (loadings²) and its value must be fall between 0.4-0.7 (Lin et al., 2016) which can be shown in Table 1 i.e. significant values. Both, Cronbach's alpha and composite reliability determine internal consistent reliability but composite reliability is more effective (Hair et al., 2016). Cronbach's Alpha value of each construct is more than 0.70. Values of composite reliability are also higher than 0.70 as shown in the table which is positive indication for this research. Both values depict the prominent stage of internal consistent reliability. Value of AVE can also be seen in the table which is above than 0.5 in all columns and hence, it confirms the convergent validity (Hair et al., 2016).

Discriminant validity statistically shows the distinction of one construct from others. It includes Fornell-Larker Criterion developed by Fornell & Larker (1981), study of cross-loadings and Heterotrait-monotrait ratio (HTMT). Cross loading values can be seen in Appendix B. Moreover, square root of AVE values are greater than their correlational values as described by Fornell-Larker criterion (Table 4). Lastly, values of HTMT in table 4 are less than 0.85 which indicates the appropriate discriminant validity (Zaiğ et al., 2011).

Table 4: Measurement Model (Discriminant Validity)

	Fornell-Larker Criterion						Heterotrait-monotrait ratio (HTMT)					
	BAD	BA	BE	CL	CAB	PCSR	BAD	BA	BE	CAB	CL	PCSR
BAD	0.791											
BA	0.785	0.789					0.844					
BE	0.679	0.692	0.787				0.736	0.765				
CL	0.697	0.730	0.735	0.752			0.759	0.811	0.813			
CAB	0.744	0.686	0.700	0.695	0.755		0.819	0.776	0.776	0.841		
PCSR	0.539	0.491	0.437	0.450	0.492	0.548	0.542	0.496	0.450	0.511	0.468	

Notes: PCSR= perceived CSR, BAD= brand admiration, BA= brand attitude, BE= brand equity, CL= customer loyalty, CAB= customer advocacy behavior

Evaluation of Path Model

Direct Effects

Hypothesis testing is undertaken by structural model evaluation. The structural model (also known as inner model) consists of latent variables and their path relationships. P value, beta coefficient, T-value, direct effects, total effects and specific indirect effect have been measured in path model. Path relationship between constructs was determined by path coefficients. In smart PLS, 500 subsamples bootstrapping method is applied through and it reveals values of path coefficients and loading of each construct with t-values. As per table 4, perceived CSR is positively effecting brand admiration ($\beta=0.202$). Therefore, H1 is accepted. Moreover, brand admiration is directly related to customer advocacy behavior and its impact is positive ($\beta=0.375$). In addition, direct impact of customer advocacy

on brand equity is also positive and considerable ($\beta=0.70$). These values show the acceptance of H2 and H3 respectively. Moderating impact of brand attitude on relationship of perceived CSR and brand admiration is tested positive and significant ($\beta= 0.226$) which is an indicator of acceptance of the hypothesis H4. Similarly, moderating effect of customer loyalty between association of brand admiration and customer advocacy behavior is also found positive and significant ($\beta=0.206$). So, H5 is also acknowledged.

Indirect Effects

In Table 6, values show that indirect effect of perceived CSR and brand equity through sequential mediating role of brand admiration and customer advocacy behavior is noteworthy and positive ($\beta=0.053$). Hence, H6 is also recognized. Here are the estimates of path model coefficients, T statistics, P values and special indirect effects.

Table 5: Path Model Coefficients (Standard deviation, T Statistics, P Values)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
BAD -> CAB	0.375	0.371	0.055	6.869	0.000
CAB -> BE	0.700	0.704	0.031	22.722	0.000
Moderating Effect 1 -> BAD	0.226	0.227	0.031	3.815	0.004
Moderating Effect 2 -> CAB	0.206	0.208	0.020	2.157	0.002
PCSR -> BAD	0.202	0.209	0.050	4.019	0.000
PCSR -> BE	0.229	0.236	0.065	4.012	0.000
BAD -> CAB	0.375	0.371	0.055	6.869	0.000

Table 6: Specific Indirect Effects (Standard deviation, T Statistics, P Values)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
BAD -> CAB -> BE	0.238	0.237	0.039	6.062	0.000
PCSR->BAD->CAB-> BE	0.047	0.047	0.013	3.616	0.000

Figure 1: Path Model Results

Discussion and Recommendations

Role of customer's emotions, attitudes and supportive behaviors had not been taken into account while strategizing CSR activities in food industry of Pakistan. Current study analyzed indirect impact of customer's perception of CSR on brand equity through emotions and behaviors of customers in reputed food production companies performing social responsibilities in Pakistan. There were two mediating factors i.e. brand admiration and customer advocacy behavior tested in the study. Additionally, two moderating variables i.e. brand attitude and customer loyalty were also tested. Subsequently, this study was conducted in context of food industry of Pakistan because prior literature was not sufficient on that specific context and region.

The empirical results of quantitative research revealed a positive relationship among perceived CSR and brand equity which is indication of acceptance of H₁. Furthermore, results depict that customers' perception of social activities of organizations has a substantial impact on their emotions i.e. brand admiration which is hypothesis 2 (H₂). This outcome is aligned with the research work of previous researchers. Positive and significant bond between brand admiration and customer advocacy behavior has been explored through results of quantitative study. Hence, H₃ is accepted. Association between customer advocacy behavior and brand equity is positive and significant through acceptance of H₄. Moderating role of brand attitude between perceived CSR and brand admiration has been acknowledged positive. So, H₅ is also recognized. Connection of brand admiration and customer advocacy behavior is positively moderated by customer loyalty as demonstrated through findings. Brand admiration results in more advocacy behavior from customer when moderated by customer loyalty. This was proposed through H₆. Relationship of perceived CSR and brand equity through sequential mediation of brand admiration and customer advocacy behavior has been examined. Results show that both, brand admiration and customer advocacy behavior accompanied by CSR perception prominently influence brand equity and H₇.

Theoretical and Practical Implications

Present study is one of the rare ones in Pakistan being carried out in this particular area. In Pakistan, it shall participate tremendously in development of better society that companies especially, the food sector shall contribute more towards well-being of society through expending its CSR activities, consciously considering the consequences i.e. admiration from customers, favorable actions and strong brand base. Practical implications have been deduced:

This study offers that how companies can improve their brand equity from CSR activities through the factors brand admiration and customer advocacy behavior. In this regard, this study offers a detailed structure. Furthermore, brand attitude plays pivotal role in improvement of brand admiration and variable of customer loyalty helps to enhance customer advocacy behavior. Both of these outcomes are essential for building strong brand equity. In Pakistan, it shall participate tremendously in development of better society that companies especially, the food sector shall contribute more towards well-being of society through expending its CSR activities, consciously considering the consequences i.e. admiration from customers, favorable actions and strong brand base.

Limitations and Future Direction

Few limitations and future implications are identified as well. This study was conducted with three-dimensional CSR construct. In future studies, other domains of CSR may be explored. Additionally, this study was carried out in Pakistan's food production industry, which demonstrates that subsequent research can also be performed in context of other industries and service sector as well (e.g. banking, automobile and construction industry) and comparative analysis of different industries may also be conducted. Another limitation is methodological one. This study used convenience sampling technique, other methods could be used. Moreover, Data may be collected through any other type rather than cross-sectional method (e.g. longitudinal) which was used in this research. Moderating variables like personal attributes of customers could be used in future. Brand admiration is relatively a new variable therefore; its dimensions i.e. brand trust, brand love and brand respect may be explored further with customer's behaviors by future researchers.

Conclusion

This study adds greater values to food production businesses that are looking for the better positioning of their brand through doing well for society. Generally, businesses conduct CSR practices for political or tax saving purposes and do not consciously look up towards customer's responses against those practices. This research provides comprehensive understanding about role of customer's perception of social responsibility initiatives taken by companies i.e. how they react and respond to those activities and how it affects brand equity of companies. SEM technique was used to analysis data collected from customers of food companies through convenient sampling method. Findings indicate that emotions and advocacy behaviors significantly impact CSR-brand relationship. Noteworthy positive effect of attitudes in shaping emotions and that of loyalty in determining their supportive behaviors have been shown as well.

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Appendix

Table A: List of Variables, Definitions and Source

Variable	Source	Definition
Brand Equity	Mudambi et al. (1997)	“Total value added by the brand to the core product.”
Perceived CSR	Du et al. (2011)	“Firm's commitment to maximize long-term economic, societal and environmental well-being through business practices, policies and resources.”
Brand Admiration	Park et al. (2016)	“The degree to which customers have salient, personal connections with the brand, emanating from trust in, love of, and respect for the brand.”
Customer Advocacy Behavior	Sen & Bhattacharya, (2003)	“Brand Advocacy refers to consumer behavior which includes positive word of mouth and resistance to unfavorable information about the company.”
Customer Loyalty	Ha et al. (2011)	“A deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior.”
Brand Attitude	Kotler et al. (1996)	“Favorable or unfavorable evaluation of an individual for a specific brand or product on the market.”

Appendix A: Details of Respondent and Percentage

Food Company	No. of Customers	Percentage
Nestle Foods	181	49.9
Unilever Foods	79	21.8
Gourmet Foods	59	16.3
Sufi Foods	25	6.9
Engro Foods	19	5.2

Appendix B: Cross Loading Values

Indicators	BAD	BA	BE	CL	CAB	PCSR
BA1	0.555	0.719	0.446	0.485	0.439	0.332
BA2	0.591	0.786	0.511	0.572	0.549	0.404
BA3	0.614	0.814	0.544	0.592	0.532	0.437
BA4	0.619	0.826	0.566	0.585	0.562	0.366
BA5	0.594	0.798	0.547	0.59	0.524	0.389
BA6	0.637	0.756	0.562	0.579	0.547	0.384
BA7	0.707	0.815	0.62	0.615	0.612	0.393
BAD1	0.680	0.513	0.486	0.494	0.447	0.424
BAD10	0.737	0.514	0.49	0.533	0.598	0.41
BAD11	0.742	0.514	0.462	0.52	0.574	0.302
BAD12	0.720	0.620	0.50	0.502	0.506	0.375
BAD13	0.721	0.640	0.506	0.549	0.588	0.41
BAD14	0.808	0.605	0.54	0.563	0.636	0.368

BAD2	0.689	0.544	0.459	0.5	0.541	0.346
BAD3	0.752	0.587	0.523	0.493	0.558	0.449
BAD4	0.703	0.627	0.5	0.503	0.534	0.38
BAD5	0.712	0.565	0.481	0.465	0.486	0.435
BAD6	0.798	0.583	0.536	0.494	0.534	0.454
BAD7	0.810	0.648	0.518	0.554	0.576	0.45
BAD8	0.832	0.652	0.585	0.592	0.624	0.437
BAD9	0.049	-0.012	0.016	0.001	-0.043	0.021
BE1	0.366	0.472	0.566	0.442	0.349	0.243
BE10	0.456	0.454	0.644	0.533	0.47	0.222
BE11	0.449	0.43	0.672	0.534	0.518	0.278
BE12	0.468	0.476	0.696	0.538	0.505	0.283
BE2	0.536	0.6	0.734	0.641	0.524	0.384
BE3	0.473	0.511	0.689	0.525	0.477	0.362
BE4	0.46	0.489	0.753	0.532	0.483	0.317
BE5	0.533	0.55	0.737	0.50	0.525	0.36
BE6	0.463	0.418	0.748	0.476	0.493	0.362
BE7	0.535	0.477	0.734	0.481	0.571	0.362
BE8	0.507	0.501	0.712	0.472	0.47	0.235
BE9	0.479	0.493	0.773	0.551	0.506	0.271
CAB1	0.476	0.608	0.443	0.456	0.494	0.314
CAB10	0.545	0.528	0.534	0.599	0.715	0.329
CAB2	0.301	0.377	0.292	0.287	0.436	0.284
CAB3	0.543	0.476	0.502	0.609	0.765	0.444
CAB4	0.621	0.57	0.554	0.641	0.779	0.41
CAB5	0.546	0.411	0.475	0.518	0.711	0.354
CAB6	0.49	0.457	0.48	0.568	0.743	0.349
CAB7	0.591	0.509	0.573	0.648	0.791	0.389
CAB8	0.536	0.483	0.528	0.599	0.762	0.299
CAB9	0.516	0.413	0.486	0.572	0.754	0.285
CL1	0.592	0.592	0.654	0.787	0.715	0.37
CL2	0.560	0.578	0.603	0.772	0.605	0.377
CL3	0.476	0.455	0.48	0.681	0.531	0.293
CL4	0.546	0.585	0.584	0.779	0.632	0.37
CL5	0.535	0.602	0.529	0.766	0.584	0.354
CL6	0.526	0.535	0.521	0.774	0.652	0.328
CL7	0.431	0.475	0.477	0.711	0.479	0.253
CL8	0.498	0.552	0.542	0.737	0.533	0.34
PCSR10	0.332	0.308	0.301	0.322	0.314	0.710
PCSR11	0.437	0.31	0.323	0.321	0.4	0.621
PCSR12	0.368	0.264	0.247	0.32	0.373	0.620
PCSR13	-0.008	0.009	-0.064	-0.023	-0.025	0.084
PCSR14	-0.016	-0.05	-0.095	-0.078	-0.053	0.059
PCSR15	0.044	0.032	0.01	0.002	-0.014	0.073
PCSR16	0.055	0.043	-0.017	0.039	0.017	0.065
PCSR17	0.06	0.017	-0.025	-0.005	0.023	0.074
PCSR18	0.035	0.034	-0.022	0.042	-0.038	0.092
PCSR2	0.355	0.362	0.311	0.308	0.34	0.678
PCSR3	0.433	0.429	0.336	0.331	0.357	0.640
PCSR4	0.264	0.219	0.197	0.236	0.227	0.616
PCSR5	0.286	0.353	0.257	0.299	0.293	0.562
PCSR6	0.355	0.306	0.307	0.316	0.332	0.702
PCSR7	0.316	0.337	0.294	0.234	0.271	0.724
PCSR8	0.388	0.37	0.338	0.329	0.353	0.698
PCSR9	0.297	0.295	0.276	0.286	0.25	0.68
PCSR1	0.307	0.255	0.207	0.198	0.293	0.610